

HALF YEARLY REPORT  
FY2022-23



# RESILIENCE. **GROWTH.** SUSTAINABILITY.





# CONTENTS

## CORPORATE SNAPSHOT

### Introduction and Overview

02

Embassy REIT at a glance	04
Chairman's statement	06
CEO's statement	08
Our structure	10
Our occupiers	12
Our markets	14
Investment objectives	17

### Performance and Business Review

18

Key performance indicators	20
Portfolio review	22
Capital markets and investor relations updates	28

## ESG

32

ESG Focus at Embassy REIT	34
Environment	36
Social	40
Governance	46
Board of Directors	52
Management team	56
Our people	60

### Portfolio Overview

62

Commercial offices	64
Other assets	88

## STATUTORY REPORTS

Report on corporate Governance	100
Statutory disclosure	115

## FINANCIAL STATEMENTS

Standalone	135
Consolidated	178
Valuation report	265

## KEY HIGHLIGHTS H1 FY2023

**43.2** MSF\*

Portfolio

**₹16,865** MN

Revenue from operations

↑ 15% Y-O-Y

**87%**

Occupancy

**₹13,812** MN

Net operating income

↑ 11% Y-O-Y

**3.4** MSF

New leases signed and renewed

**₹13,382** MN

EBITDA

↑ 11% Y-O-Y

**7.0** YEARS

Weighted average lease expiry (WALE)

**₹10,228** MN

Distributions

\*Includes completed, under-construction and proposed future development | As of September 30, 2022

## AWARDS AND CERTIFICATIONS



G R E S B  
★★★★★ 2022

Secured 5-star GRESB rating for entire operating and development portfolio



Five Star Occupational Health and Safety Audit 2020

Awarded Five-Star Rating by British Safety Council For Occupational Health and Safety



Golden Peacock Occupational Health & Safety Award



BSI Assurance Certificate for Environmental, Social & Governance Processes

Embassy Manyata Business Park, Bangalore





# INTRODUCTION AND OVERVIEW

Embassy 247, Mumbai

Embassy REIT at a glance	04	Our occupiers	12
Chairman's statement	06	Our markets	14
CEO's statement	08	Investment objectives	17
Our structure	10		



EMBASSY REIT AT A GLANCE

# TRANSFORMING INDIA'S COMMERCIAL OFFICE LANDSCAPE

**Embassy REIT** is India's first publicly listed REIT. As Asia's largest office REIT by area, Embassy REIT owns and operates a 43.2 msf\* portfolio of eight infrastructure-like office parks and four city-centre office buildings in India's best-performing office markets of Bangalore, Mumbai, Pune, and the National Capital Region.

Embassy REIT's portfolio comprises 33.4 msf in completed operating area and is home to over 200 of the world's leading companies. The portfolio also includes strategic amenities, including four operational business hotels, two under-construction hotels, and a 100 MW solar park that supplies renewable energy to occupiers.

QUICK FACTS

94	223
Buildings	Blue-chip occupiers
1,614*	2,23,000
Hotel keys	Occupiers' employees
100 <sub>MW</sub>	12
Solar power park	Grade-A office parks and city-centre office buildings

\*Includes completed, under-construction and proposed future development



Embassy Manyata Business Park, Bangalore

SPONSORS



**Blackstone** is a leading global alternative investment firm that invests on behalf of pension funds, large institutions and individuals. As of September 2022, Blackstone managed approximately \$319 bn in Real Estate.



**Embassy Group** is a leading Indian real estate developer. Embassy has completed over 62 msf of office, industrial and residential development since the mid 1990s.

KEY REIT STRENGTHS



Leading presence in key office markets with occupiers from high-growth technology and services sectors



Backed by world-class sponsors with leading footprints in commercial real estate in India and globally



Multiple embedded growth levers such as contractual escalations, mark-to-market rental reversions, on-campus development, low leverage and inorganic growth opportunities



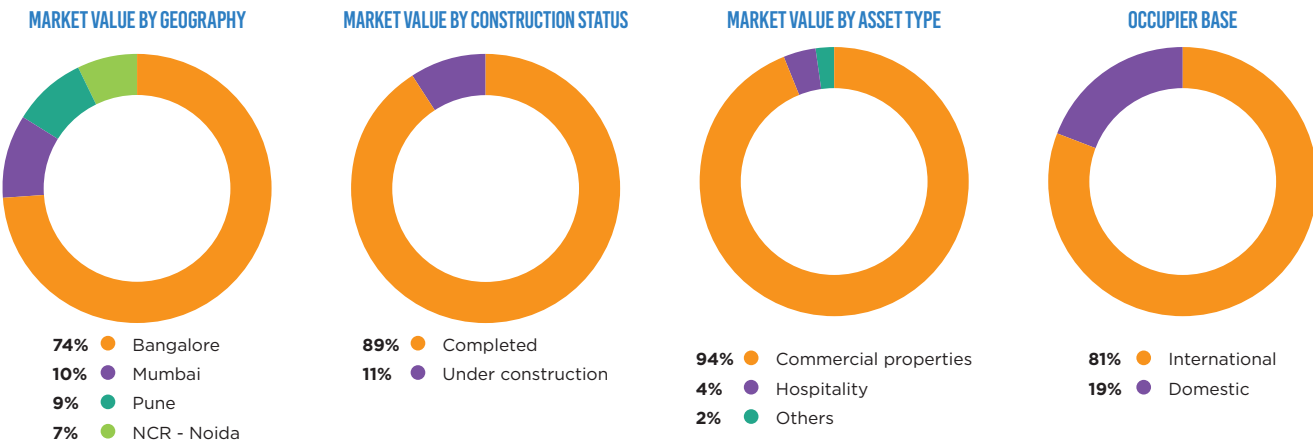
World-class tenant base with strong credit covenants



Highly experienced management with 20 years across leading asset management, operations, acquisitions and capital markets

PORTFOLIO

Our differentiated office portfolio serves as essential infrastructure for multinational corporations





## CHAIRMAN'S STATEMENT

# CHARTING A CLEAR **GROWTH** PATH LED BY STRONG FUNDAMENTALS

“ The major driver for this continues to be India's structural advantage as the unmatched talent factory of the world, combined with significantly lower rentals for prime office properties, as low as \$1-2 psf per month.

## Dear Unitholders,

Our business is in an excellent shape, benefitting from strong fundamentals for India office, growing preference for high-quality properties and the unique positioning of our portfolio.

India office is highly differentiated from other global office markets. Unlike many other global cities, Indian office continues to see good demand resilience as well as optimism across multiple sectors. We see three key trends currently playing out in the Indian commercial office sector.

**First**, there has been a clear acceleration in the number of new entrants looking to setup their offices in India. The major driver for this continues to be India's structural advantage as the unmatched talent factory of the world combined with significantly lower rentals for prime office properties, as low as \$1-2 psf per month. While there are growing concerns of slowdown in the developed markets, any recessionary environment in the respective home countries of global corporates, in our view, will only further accelerate India's offshoring demand as these corporates seek to further optimize costs and efficiency.

**Second**, given record hiring and increased offshoring, our on-ground interactions indicate that multiple corporates have onboarded more employees than their existing office capacities. Additionally, many corporate leaders have re-iterated that physical offices will remain at the core of their business given the need for collaboration, culture and team building, thereby driving steady back-to-office. With the recent public statements and earnings commentary by IT services players, ramp-up initiatives by such occupiers are also now likely to pick up. The physical occupancy in our properties is currently around 35% and has seen a steady uptick given occupier ramp-up.

**Third**, given employee attrition concerns across industries, hiring and retaining talent has become a top business priority. Employee wellness, health and safety have now become a core focus of occupiers who are increasingly seeking higher product standards for their employees. As a result, institutional-grade, wellness-oriented and green-rated buildings have become the preferred choice, especially for global corporates.

These emerging trends provide significant tailwinds to our business. We are well positioned to benefit from the resurgent office demand given our best-in-class portfolio spanning 43.2 msf, our total business ecosystem offering and continued ESG focus.

Looking forward, we remain committed to our business strategy – of delivering total returns through regular and predictable quarterly distributions, supplemented by growing our NOI and DPU through various accretive growth initiatives, both organic and inorganic. And we have an excellent team committed to deliver this growth strategy, by serving over 220 occupiers and over 65k Unitholders.



**Jitendra Virwani**  
Non-executive Chairman





## CEO'S STATEMENT

# ACCELERATING GROWTH, DELIVERING SUSTAINABLE VALUE



We continue to remain resilient and have accelerated our growth initiatives and investments. Our quality occupier base, on-campus development and acquisitions pipeline – all drive our growth and help us consolidate our market position.

## Dear Unitholders,

Continuing on our stellar delivery in FY2022, FY2023 is off to a similar start with strong business performance and promising growth prospects.

During H1, we delivered a robust 3.4 msf total leasing across 52 deals, already achieving around 70% of our overall 5 msf leasing guidance for the fiscal. We continue to invest in future growth and have an active development pipeline of 7.1 msf, the highest since our listing. We continued to maintain our robust balance sheet with low 26% leverage, attractive 7.1% debt cost and 66% of debt book at fixed rates. And finally, we delivered a 11% y-o-y growth in our Net Operating Income and announced healthy distributions of ₹10,228 million or ₹10.79 per unit, representing a 100% payout ratio.

Despite recessionary concerns globally, the world's best companies continue to partner with institutional landlords like Embassy REIT to capitalise on India's structural advantages as a scalable and cost-efficient tech talent hub. The expanding offshoring demand from new and existing global captives is benefiting premium quality wellness-oriented workspaces, and these are the hallmark of our portfolio and strategy.

Overall, we continue to execute on our four-pillared business strategy, aimed at delivering robust total returns to our rapidly expanding and diversifying base of Unitholders.

## LEASING – OUR CORE FOCUS

With 3.4 msf total leasing in H1, we have accelerated the leasing momentum displayed last year. The 3.4 msf included impressive new leasing activity of 1 msf, end-of-term renewals of 1.3 msf at 15% spreads and pre-commitments of 1.1 msf in our under-construction Bangalore projects. Notably, we added 30 new occupiers during the period across multiple high-growth sectors, expanding our occupier base to 223 compared to 165 at the time of our listing in 2019. The leases signed in H1 spanned established sectors such as banking and financial services, high-growth sectors such as cloud infrastructure, cybersecurity and fintech, as well as many upcoming niche sectors such as renewables and healthcare tech. Additionally, we continue to capture our 15% (per 3 years) contracted rent escalations as well as the 19% mark-to-market opportunity across our portfolio which are the foundations of our rental growth.

## ORGANIC GROWTH – THROUGH NEW DEVELOPMENTS AND 'TOTAL BUSINESS ECOSYSTEM'

During H1, we successfully completed and launched the 619 key dual-branded Hilton hotels at Embassy Manyata. We continue to deliver state-of-the-art buildings from our development pipeline and are parallelly bringing forward our future developments to drive growth. We launched our first-ever redevelopment project at Embassy Manyata to transform two of the earliest buildings and increase the leasable area by 1.7 times to 1.2 msf, at highly attractive expected yield on cost of around 22%. Considering this, our total development pipeline now aggregates 7.1 msf, the highest since our listing and is expected to add over ₹8 bn to our NOI upon stabilisation. We are enthused with the clear growth outlook for our portfolio, especially considering that over 75% of these projects will come up in Bangalore, India's best office market. With a total planned capex of ₹32 bn, our development portfolio sets us up for impressive yields, providing a strong organic growth lever to our portfolio over the next few years.

## INORGANIC GROWTH – TO EXPAND OUR PORTFOLIO SCALE AND RETURNS

Our acquisition strategy remains focused on identifying properties which are best-in-class, both in terms of location and occupier profile and present in the top 6 Indian cities. As demonstrated by our ₹97.8 bn successful acquisition of ETV in December 2020, we remain highly selective and are focused on ensuring acquisitions are complementary to our existing portfolio. Our robust governance framework, strong balance sheet and well-established access to capital markets are our key strengths and help us pursue accretive growth.

## ESG – FOR A RESILIENT AND SUSTAINABLE TOMORROW

We continue to make progress on our 3-year ESG roadmap aligned to our 2040 net zero carbon operations commitment. Our ESG programme is a core pillar of our business strategy, and we envision it as the key competitive advantage, both from the perspective of our occupiers as well as our investors. We are extremely proud to report that our industry-leading ESG programme and transparent disclosures have once again been recognised by GRESB, the global standard in ESG benchmarking. In just our second year of participation, we have been awarded with the highest 5-star rating for our complete portfolio and have also been ranked #1 in the Asia Office sector for our developments.

So, overall, a great start to FY2023. Backed by our high-quality portfolio, favourable concentration in the right micro-markets and strong balance sheet, we continue to remain resilient and have accelerated our growth initiatives and investments. Our quality occupier base, on-campus development and acquisitions pipeline – all drive our growth and help us consolidate our market position. And significantly, the recent rebound in leasing activity, supported by continuing occupier expansion plans, positions us well to grow our occupancy and NOI. With this, we believe that Embassy REIT remains an ideal combination of yield, growth and stability.

On the capital front, with continuing support from regulators, there is encouraging news on widening of the debt and equity capital pool accessible to Indian REITs. We continue to see the REIT product evolve with increased participation from retail investors, insurers, domestic mutual funds as well as global sovereign wealth funds.

Lastly, I would like to thank all our stakeholders for their continuing trust in Embassy REIT and we look forward to your continued support.

**Vikaash Khdloya**  
Chief Executive Officer



OUR STRUCTURE

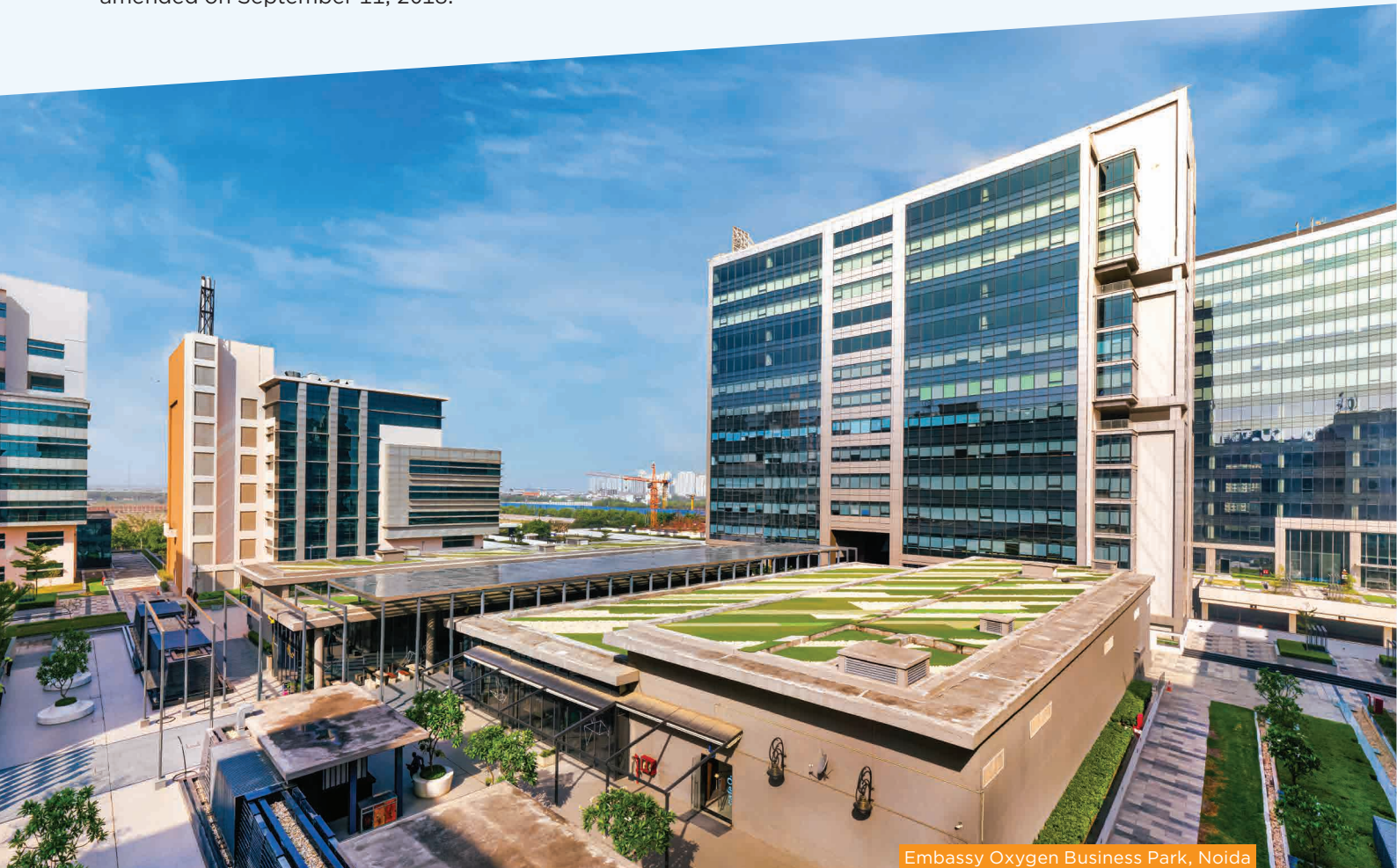
A BEST-IN-CLASS STRUCTURE WITH THE STRONGEST SAFEGUARDS FOR UNITHOLDERS

Embassy REIT was registered with SEBI on August 3, 2017 as a real estate investment trust under Regulation 3(1) of the REIT Regulations.

Axis Trustee Services Limited is the trustee on behalf of the Unitholders while Embassy Office Parks Management Services Private Limited (EOPMSPL) is the Manager of the Embassy REIT. EOPMSPL is jointly owned by the Embassy Sponsor and certain entities forming part of the Blackstone Sponsor Group.

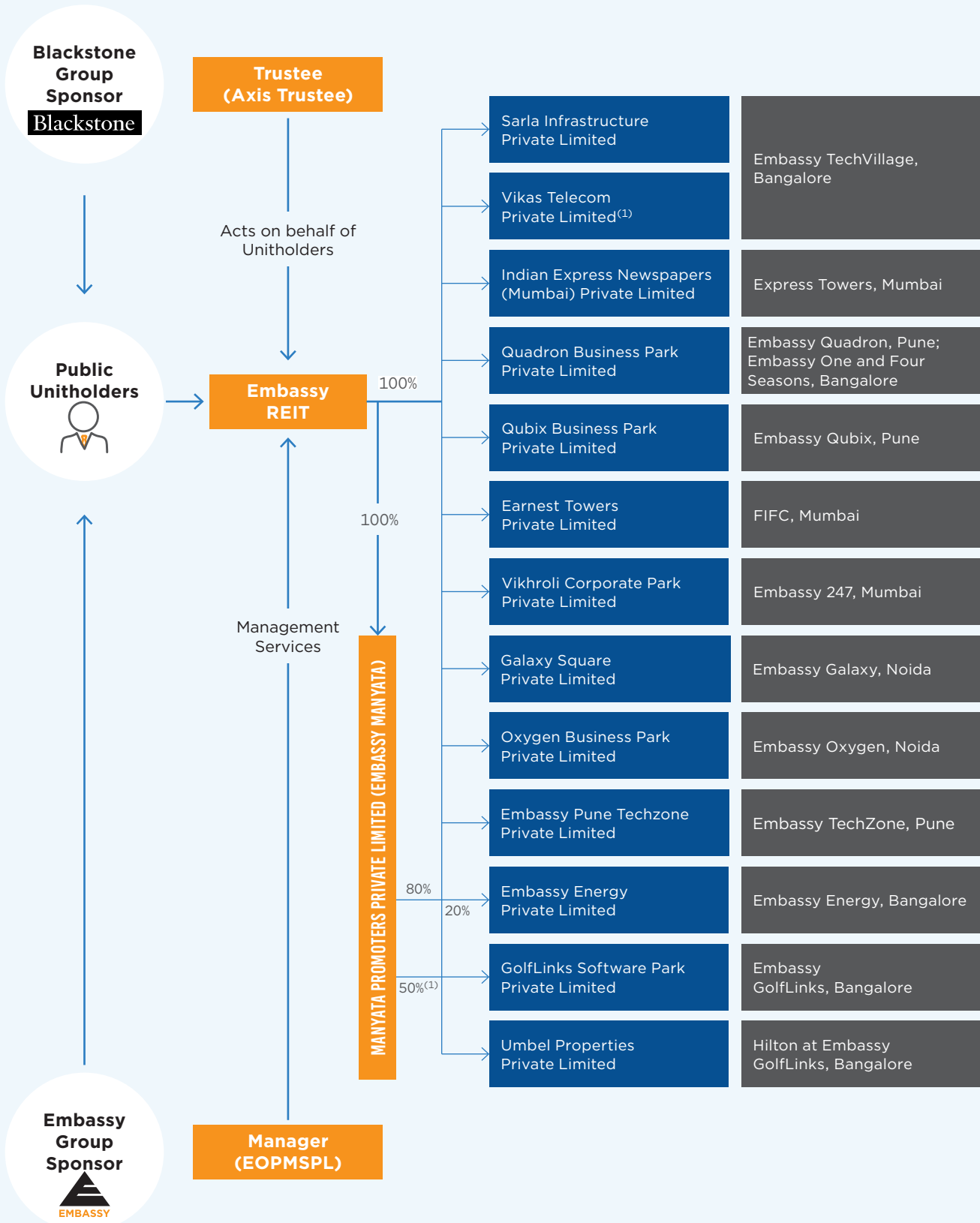
The Embassy REIT was established on March 30, 2017 at Bangalore, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to a trust deed dated March 30, 2017 and amended on September 11, 2018.

**Notes**  
(1) Balance 50% owned by JV partner  
(2) The 100% owned entities are held jointly with nominee shareholders for the Embassy REIT



Embassy Oxygen Business Park, Noida

EMBASSY REIT STRUCTURE



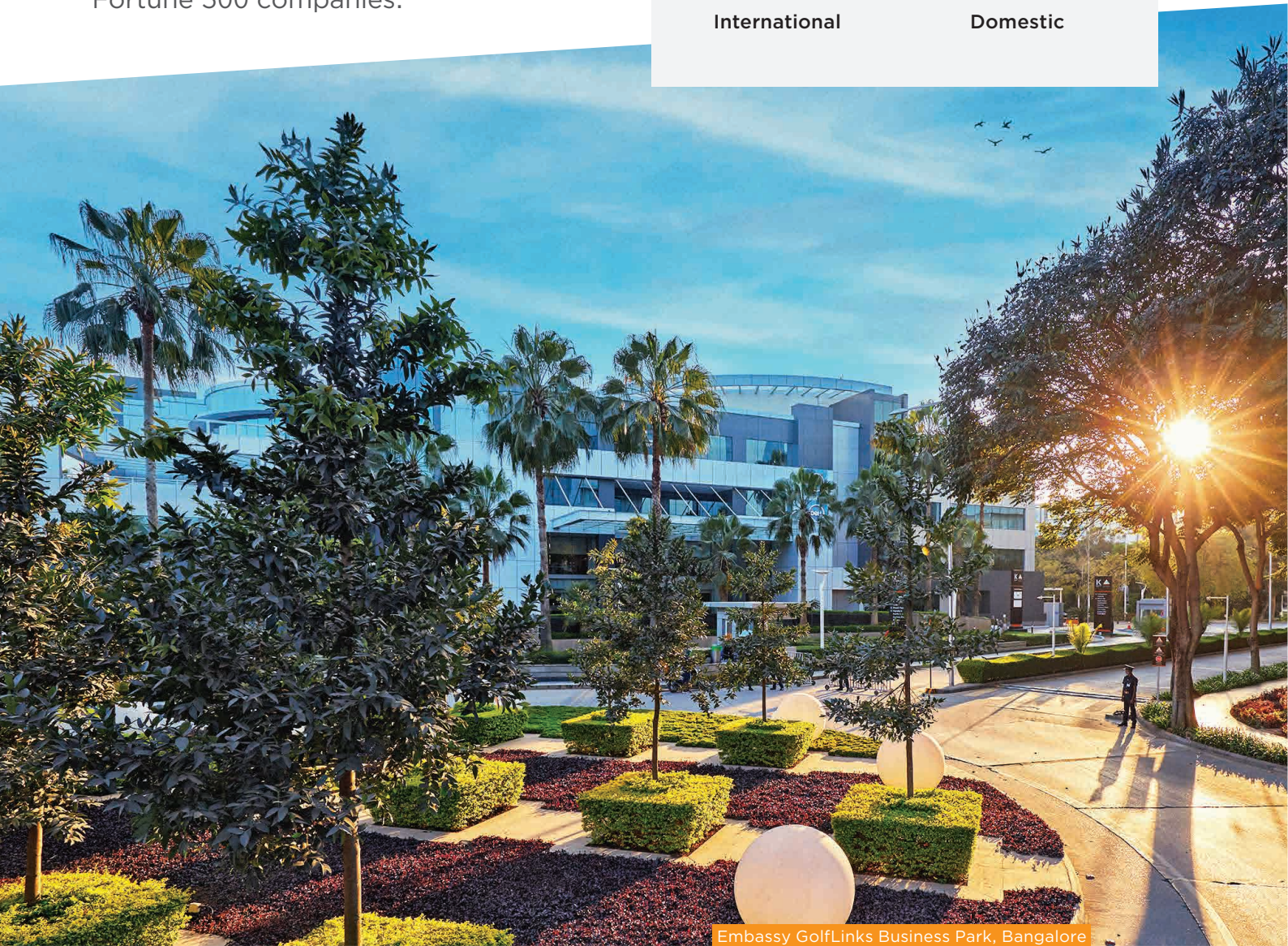
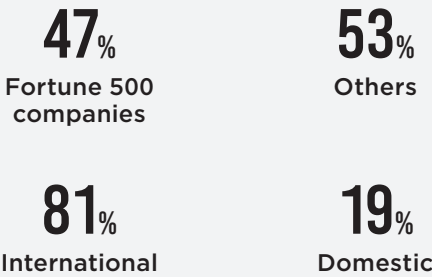


OUR OCCUPIERS

PROVIDING **WORLD-CLASS** WORKSPACES FOR THE WORLD'S BEST COMPANIES

Our occupiers are predominantly multinational corporations and many of them are household names globally. These companies hire Indian talent for their skills and ability to run their global operations. 38% of our rentals come from technology occupiers, and 47% of gross rentals are from Fortune 500 companies.

CATEGORY-WISE OCCUPIERS



Embassy GolfLinks Business Park, Bangalore

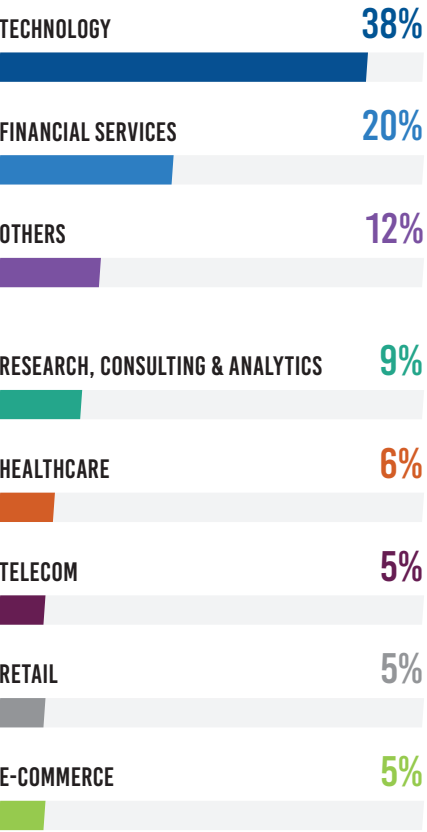


CONTRIBUTION FROM TOP 10 OCCUPIERS AT 37% TODAY\*  
(VS 42% AT THE TIME OF LISTING)

Top 10 Occupiers <sup>(1)</sup>	Sector	% of Rentals
JP Morgan	Financial Services	6.9%
Global Technology and Consulting Major	Technology	6.8%
Cognizant	Technology	6.0%
NTT Data	Technology	3.4%
Wells Fargo	Financial Services	3.3%
Flipkart	E-commerce	2.9%
ANSR	Research, Consulting & Analytics	2.7%
PwC	Research, Consulting & Analytics	1.9%
Cerner	Healthcare	1.8%
Google India	Technology	1.8%
Total		37.4%

\* As on September 30, 2022  
Notes: Actual legal entity names of occupiers may differ  
<sup>(1)</sup> Represents industry diversification percentages based on Embassy REIT's share of gross rentals

INDUSTRY DIVERSIFICATION<sup>(1)</sup>





## OUR MARKETS

# LOCATED IN INDIA'S BEST PERFORMING OFFICE MARKETS

Our Grade A properties are located in prime gateway cities of India which have consistently led office absorption in the Indian real estate market.



Embassy Oxygen, Noida

## MARKET FUNDAMENTALS

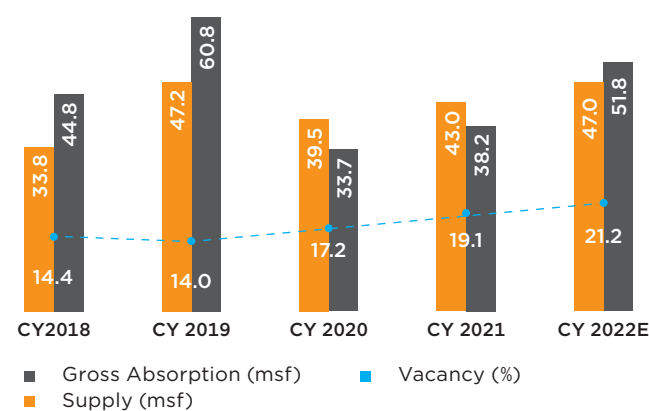
- Office demand continues to remain optimistic despite global headwinds
  - 'Back to office' continued to pick up momentum with occupiers starting to issue guidance in this regard
  - India continues to remain an attractive cost-effective destination with strong long-term fundamentals
- Robust recovery in office leasing activity with easing of COVID restrictions and given pent-up demand
  - Gross Absorption in YTD 2022 at 40 msf (vs. 19.8 msf in PY), up 100% y-o-y
  - Bangalore front runner in overall leasing, contributed 1/3<sup>rd</sup> of all new leases in YTD CY22

## CITY-WISE PERFORMANCE (JAN'22 – SEP'22)

City	Gross Absorption (msf)	Supply (msf)	Vacancy (%)
Bangalore	13.1	7.1	10
Pune	3.6	2.5	21
Mumbai	5.0	2.6	25
NCR	6.7	5.1	29
Embassy REIT Markets	28.5	17.3	20
Hyderabad	4.9	10.0	20
Chennai	5.2	3.9	17
Kolkata	1.0	0.1	34
Other Markets	11.0	14.0	21
Grand Total	39.5	31.2	20

Source: CBRE, Embassy REIT

## DEMAND AND SUPPLY TRENDS (CY2018 – TO DATE) (MSF)

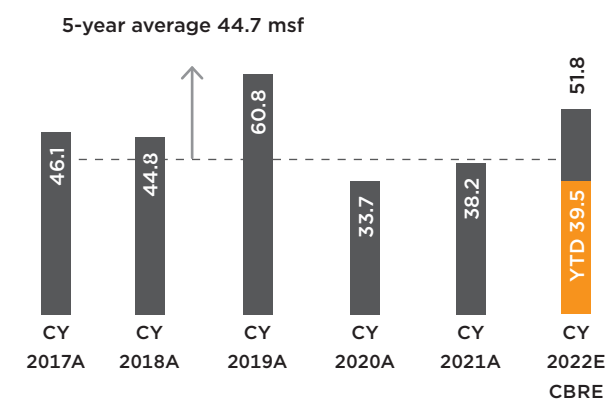


Source: CBRE, Embassy REIT

## DEMAND AND SUPPLY OUTLOOK

The demand in 2022 is likely to cross the 5-year average. Institutional landlords with strong balance sheets are well positioned given significant portion of announced supply, not comparable or unrealistic.

## DEMAND OUTLOOK



## SUPPLY TRENDS

There is an increase in announced market supply given the demand rebound. However, actual supply is likely to be lower with only 19% of the next 3 years supply being comparable and competing to REIT markets.

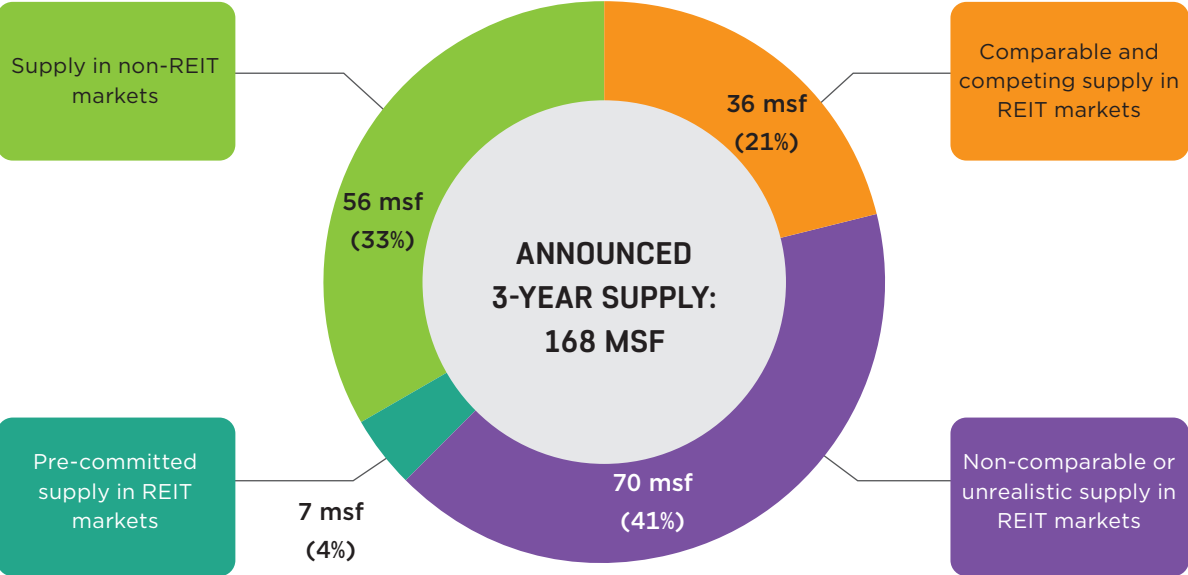
## OUTLOOK

- Resilient demand outlook driven by India's unique value proposition; likely to propel rent growth in key micro-markets
- Institutional landlords to benefit from flight to quality and potential slippages in competing supply given liquidity squeeze



OUR MARKETS CONTD.

SUPPLY OUTLOOK



Source: CBRE, Embassy REIT



INVESTMENT OBJECTIVES

# CREATING VALUE. MAXIMISING GROWTH.

We invest in high-quality assets with the objective of maximising NAV growth and paying distributions to Unitholders.

## OUR STRATEGY

CAPITALISING ON OUR PORTFOLIO'S EMBEDDED ORGANIC GROWTH AND NEW DEVELOPMENT OPPORTUNITIES BY

Leasing up unoccupied space | Delivering on-campus development



### DELIVERING ACCRETIVE INORGANIC GROWTH

Acquisition pipeline visibility of over 32 msf | Financing capability in the equity and debt capital markets



### KEEPING EXPERT AND AGILE OVERSIGHT TO DRIVE VALUE THROUGH

Proactive property management | Focus on occupier retention



### UPHOLDING GOOD CORPORATE GOVERNANCE WITH

50% Independent Directors

Strong safeguards related to leverage, related-party transactions and Unitholders' interests

## INORGANIC GROWTH OPPORTUNITIES

Our strong balance sheet and network provides us with a steady acquisitions pipeline. We remain focused and disciplined to pursue opportunities which enhance Unitholder value.



EMBASSY TECHVILLAGE BACKLAND ROFO<sup>(1)(2)</sup>  
(BANGALORE, UP TO ~4.2 MSF)



EMBASSY SPLENDID TECHZONE ROFO<sup>(2)</sup>  
(CHENNAI, ~5 MSF)

### Acquisitions criteria

- Large-scale, high-quality trophy assets with global occupiers
- Located in top six cities and dominant in respective micro-market
- Stable cash flows with strong embedded growth – Both MTMs on leases and new development potential
- Accretive acquisition for Unitholders, with optimum financing mix of debt and equity

### Potential pipeline<sup>(2) (3)</sup>

9.2 MSF

Select ROFO pipeline<sup>(3)</sup>

23.2 MSF

Assets within partner(s) network and third-party opportunities

Our strategy is to create value by having a long-term perspective and pursuing accretive acquisitions, thereby enhancing value for our Unitholders.

### Notes:

- Entered into non-binding offer letter with Embassy Sponsor and its affiliates with 120-days exclusivity period. Non-binding offer letter is subject to finalisation of transaction structure, completion of ongoing due diligence, negotiation, finalisation and execution of definitive agreements and fulfilment of customary conditions. The proposed acquisition, if approved by the Board, will also be subject to unitholder approval, as applicable, and successful fundraising by the Embassy REIT. There can be no assurance that the acquisitions shall materialise in the current form or at all
- There can be no assurance that Embassy REIT will enter into any definitive arrangements for any of the acquisition deals in pipeline
- Acquisition of ETV by the Embassy REIT excluded approximately 19.39 acres being developed by Embassy Commercial Projects (Whitefield) Private Limited ("Embassy Whitefield"), an entity which is owned by certain Blackstone entities and certain third-party shareholders, which area has been leased by VTPL to Embassy Whitefield on a long-term basis. The Embassy REIT has been granted a right of first offer in respect of the controlling interest in Embassy Whitefield by the shareholders of Embassy Whitefield
- Embassy REIT has ~31.2 msf of ROFO opportunity from Embassy Sponsor





# PERFORMANCE AND **BUSINESS** REVIEW

Embassy TechVillage, Bangalore

Key Performance Indicators	20
Portfolio Review	22
Capital Markets and Investor Relations Updates	28

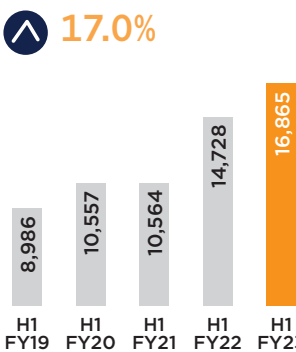


KEY PERFORMANCE INDICATORS

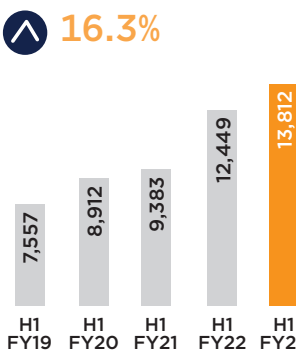
DELIVERING A STABLE PERFORMANCE

We continued to deliver resilient performance and growth in a period of uncertainty.

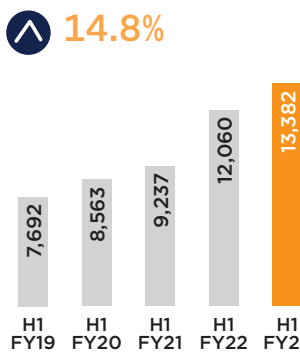
REVENUE FROM OPERATIONS  
(₹ IN MILLION)



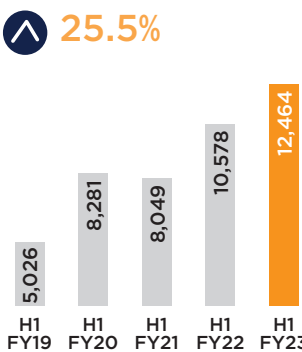
NET OPERATING INCOME  
(₹ IN MILLION)



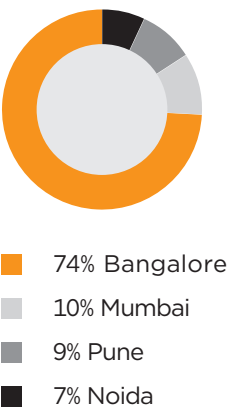
EBITDA  
(₹ IN MILLION)



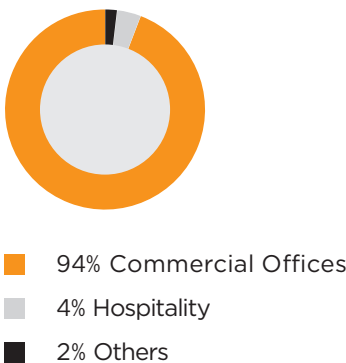
CASH FLOW FROM OPERATIONS  
(₹ IN MILLION)



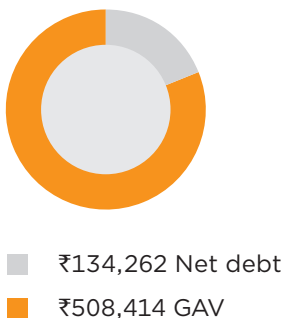
GAV BREAK-UP BY REGION



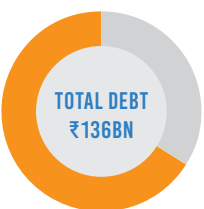
GAV BREAK-UP BY SEGMENT



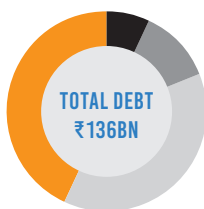
NET DEBT TO GAV



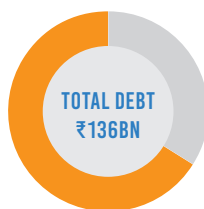
REIT DEBT COMPOSITION



66% Fixed Interest Rate  
34% Floating Interest Rate



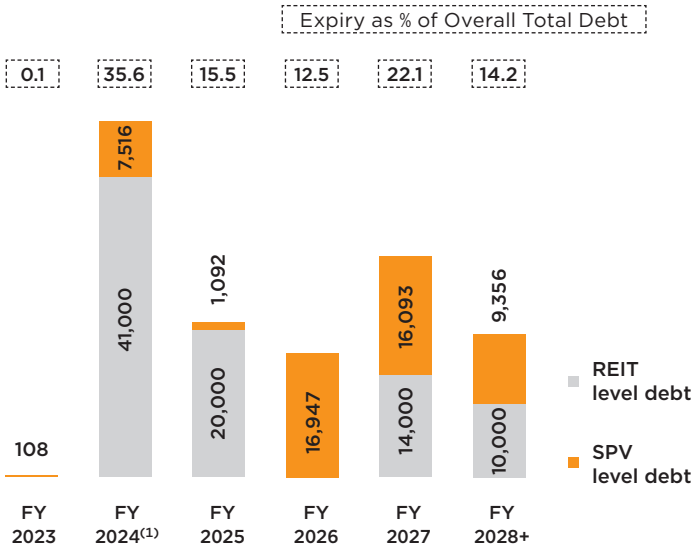
43% Mutual Funds  
38% Banks  
12% Insurers  
7% Corporates



62% REIT Level Debt  
38% SPV Level Debt

CAGR

PROFORMA PRINCIPAL MATURITY SCHEDULE  
(₹ IN MILLION)



Notes

(1) Maturity of ₹15 bn in Oct'23 and ₹26 Bn in Jan'24

GROWTH IN PORTFOLIO VALUE

Particulars (₹ Mn)	September 30, 2022	YoY % Change
Gross Asset Value (GAV) <sup>(1,2)</sup>	5,08,414	7%
Add: Other Assets	80,000	
Less: Other Liabilities	(73,097)	
Less: Gross Debt	(1,35,488)	
Net Asset Value (NAV)	3,79,830	
Number of Units (mn)	948	
NAV per Unit (₹)	400.71	3%

Particulars	September 30, 2022	September 30, 2021
Net Debt to GAV	26%	24%
Net Debt to EBITDA <sup>(3)</sup>	4.5x	4.4x
Interest Coverage Ratio		
- Excluding capitalised interest	2.9x	3.0x
- Including capitalised interest	2.8x	2.7x
Available Debt Headroom	₹112 bn	₹120 bn

Notes:

- Gross Asset Value (GAV) considered per Sep'22 valuation undertaken by iVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE. Valuation exercise undertaken semi-annually.
- Given Embassy REIT owns 50% economic interest in GLSP, GAV includes fair value of equity investment in GLSP basis equity valuation method
- Net Debt to EBITDA calculated as per financial covenants agreed under the financing documents for REIT NCDs

PROACTIVE CAPITAL MANAGEMENT

₹8.4 bn

Cash and undrawn committed facilities<sup>(2)</sup>

₹15 bn

Listed NCD Issuance in H1 FY2023

7.5%

Interest cost for listed NCDs issued in H1 FY2023

AAA/STABLE

Rating of listed NCDs by CRISIL

<2%

Debt maturity over the next 12 months

₹112 bn

Available debt headroom

FINANCING

26%

Net Debt to GAV

7.1%

Avg. Debt Cost

66%

Debt at fixed rate for 2.3 years

90%

Debt at fixed rate for FY2023



PORTFOLIO REVIEW

A WORLD-CLASS PORTFOLIO

PORTFOLIO SUMMARY

Property	Leasable area (msf)/keys/MW			WALE <sup>(2)</sup> (years)	Occupancy (%)	Rent (₹ psf/month)			GAV <sup>(3)</sup>	
	Completed	Development	Total			In-place	Market	MTM (%)	₹ Mn	% of total
Embassy Manyata	11.4	3.9	15.2	6.7	88%	69	93	34%	1,86,462	37%
Embassy TechVillage	7.3	1.9	9.2	9.7	98%	77	94	22%	1,19,253	23%
Embassy GolfLinks <sup>(1)</sup>	3.1	-	3.1	6.7	100%	128	150	17%	34,792	7%
Embassy One	0.3	-	0.3	8.8	45%	145	147	2%	4,910	1%
Bangalore Sub-total	22.0	5.8	27.8	7.7	93%	81	102	26%	3,45,417	68%
Express Towers	0.5	-	0.5	3.4	81%	281	270	(4%)	17,888	4%
Embassy 247	1.2	-	1.2	3.4	87%	110	112	2%	18,502	4%
FIFC	0.4	-	0.4	3.2	86%	296	275	(7%)	14,212	3%
Mumbai Sub-total	2.0	-	2.0	3.3	86%	181	176	(3%)	50,603	10%
Embassy TechZone	2.2	3.3	5.5	4.1	80%	52	48	(8%)	22,512	4%
Embassy Quadron	1.9	-	1.9	5.7	50%	52	48	(8%)	12,903	3%
Embassy Qubix	1.5	-	1.5	5.4	89%	42	48	14%	9,910	2%
Pune Sub-total	5.5	3.3	8.8	4.8	72%	49	48	(2%)	45,326	9%
Embassy Oxygen	2.5	0.7	3.3	9.7	72%	52	54	3%	24,689	5%
Embassy Galaxy	1.4	-	1.4	4.6	92%	37	45	23%	9,476	2%
Noida Sub-total	3.9	0.7	4.6	8.0	79%	46	50	9%	34,165	7%
Subtotal (Office)	33.4	9.8	43.2	7.0	87%	79	94	19%	4,75,511	94%
Four Seasons at Embassy One	230 Keys	-	230 Keys	-	35%	-	-	-	8,317	2%
Hilton at Embassy GolfLinks	247 Keys	-	247 Keys	-	67%	-	-	-	4,701	1%
Hilton & Hilton Garden Inn at Embassy Manyata (5 & 3 star)	619 Keys	-	619 Keys	-	48%	-	-	-	10,674	2%
Hilton & Hilton Garden Inn at Embassy TechVillage (5 & 3 star)	-	518 Keys	518 Keys	-	0%	-	-	-	526	0%
Embassy Energy	100MW	-	100MW	-	0%	-	-	-	8,686	2%
Subtotal (Infrastructure Assets)	1,096 Keys/ 100MW	518 Keys	1,614 Keys/ 100MW						32,904	6%
Total	33.4 msf/1,096 Keys/100MW	9.8 msf/518 Keys	43.2 msf/ 1,614 Keys						5,08,414	100%

Notes:

(1) Details included in the above table are in respect of 100% of the area in Embassy GolfLinks owned by GLSP, except GAV which reflects Embassy REIT's 50% economic interest in GLSP

(2) Weighted against Gross Rentals assuming occupiers exercise their renewal options after the end of the initial commitment period

(3) Gross Asset Value (GAV) considered per Sep'22, valuation undertaken by iVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE. Valuation exercise undertaken semi-annually



PORTFOLIO REVIEW CONTD.

ATTRACTIVE DEVELOPMENT PIPELINE

Accelerated our organic growth lever with 7.1 msf active development pipeline, the highest since our listing. Over 80% of our new developments are in Bangalore, India’s best performing office market.

Launched 1.2 msf redevelopment project at Embassy Manyata at significantly attractive Yield on Cost of 22%; project will transform two of the earlier buildings D1 and D2 totaling 400k sf.

UNLOCKING GROWTH POTENTIAL AT EMBASSY MANYATA



- ◆ Finalised building designs and secured environmental approval for demolition; building approvals are in progress
- ◆ Expected project delivery by December 2025. Refer video link here

NEW PROJECT LAUNCH AT EMBASSY MANYATA



- ◆ Design finalised, building approvals in-place
- ◆ Civil contractor appointed and excavation work commenced
- ◆ Targeting Jun'25 delivery

Note:  
(1) Yield on Cost computed basis stabilized NOI upon completion divided by cost of construction, interest cost and adjusted for opportunity rent loss on existing building during construction

DEVELOPMENT IN PROGRESS<sup>1</sup>

Asset	Projects	Development		Pre-committed/ Leased	Occupier <sup>2</sup>	Estimated	Balance cost
		Area (msf)	Keys	Area (%)		Completion Date	to be spent (₹ Mn)
Base-Build Projects (Completed)							
Embassy TechVillage	Parcel 9 - JPM BTS	1.1	NA	100%	JP Morgan	Completed in Dec-21	112
Embassy Manyata <sup>3</sup>	Front Parcel - Hilton Hotels	NA	619	NA	NA	Completed in Mar-22	697
Sub-total		1.1	619	100%			808
Base-Build Projects (Under Construction)							
Embassy TechZone	Hudson Block	0.5	NA	13%	Harman	Oct-22	391
Embassy TechZone	Ganges Block	0.4	NA	-	NA	Oct-22	519
Embassy Manyata <sup>4</sup>	M3 Block A	1.0	NA	-	-	Dec-22	299
Embassy Oxygen	Tower 1	0.7	NA	-	-	Jun-23	1,471
Embassy TechVillage	Block 8	1.9	NA	29%	JP Morgan	Sep-24	7,593
Embassy Manyata <sup>4</sup>	M3 Block B	0.6	NA	78%	ANZ <sup>5,6</sup>	Mar-25	2,720
Embassy Manyata	Block L4	0.7	NA	-	-	Jun-25	3,313
Embassy TechVillage	Hilton Hotels	NA	518	NA	NA	Dec-25	8,833
Embassy Manyata	Block D1 & D2	1.2	NA	-	-	Dec-25	5,827
Sub-total		7.1	518	15%			30,967

4. Manyata Promoters Private Limited ('MPPL') and Embassy Property Developments Private Limited ('EPDPL') entered into a co-development agreement on 08 March 2017 whereby EPDPL shall develop 1 msf M3 Block A warm shell building to be handed over to MPPL by agreed delivery date for a total consideration of Rs.8,256 mn, of which Rs.7,918.96 mn has already been paid as of 30 September 2022 and balance is to be disbursed linked to achievement of construction milestones. EPDPL was originally obligated to obtain Occupancy Certificate (OC) for the buildings by Dec'19. In case of any delay in obtaining the OC beyond the agreed delivery date, EPDPL is obligated to pay a rental compensation of Rs.57 mn per month of delay to MPPL. As of date, the bare shell building is under development and the estimated date of completion and obtaining occupancy certificate is now Dec'22.

5. Excludes 133k sf growth option. This option is exercisable upto eight months from Lease Commencement Date

6. ANZ Support Services India Private Limited

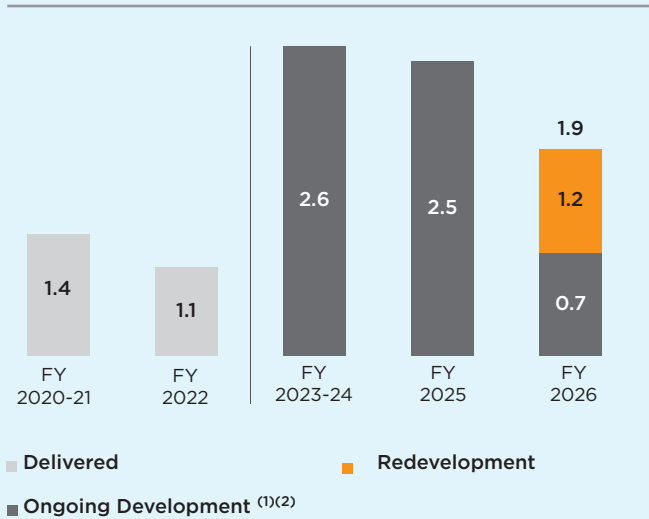
PROPOSED DEVELOPMENT (AS OF SEPTEMBER 30, 2022)

Asset	Projects	Development
		Area (msf)
Base-Build Projects		
Embassy Manyata	F1 Block	0.4
Embassy TechZone	Blocks 1.4, 1.9 and 1.10	2.4
Total		2.7

- ◆ ₹32 bn total capex, ₹22 bn pending to be spent
- ◆ ₹8 bn incremental NOI upon stabilisation, 30% accretion on our FY2023 mid-point NOI guidance

Notes: OC refers to Building Occupancy Certificate  
(1) Excludes 518 key Hilton hotels at Embassy TechVillage  
(2) Includes 0.6 msf M3 Block B located within overall Embassy Manyata campus

DEVELOPMENT PIPELINE<sup>1</sup>  
(MSF)





PORTFOLIO REVIEW CONTD.

COMMERCIAL OFFICE UPDATE

During the year, we leased 3.4 msf across 52 deals, comprising 0.8 msf at 23% re-leasing spreads and 1.3 sf renewals at 15% renewal spreads.

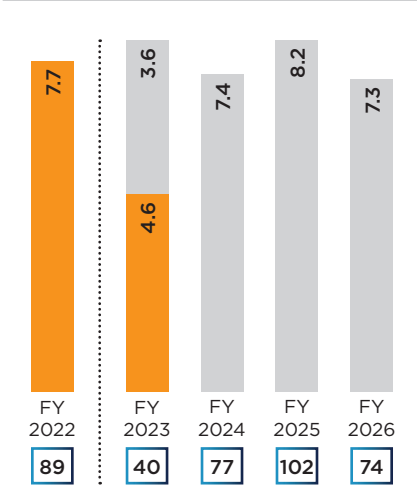
NOTABLE DEALS SIGNED FOR H1 FY2023

Occupier	Asset	City	Area ('000 sf)	Sector	Quarter
New Leases					
Eli Lilly	Embassy TechVillage	Bangalore	109	Healthcare	Q2 FY23
US Banking Major	Embassy TechVillage	Bangalore	83	Financial Services	Q2 FY23
Pretium	Embassy Manyata	Bangalore	55	Financial Services	Q2 FY23
Kent Engineering	Embassy 247	Mumbai	53	Engineering & Manufacturing	Q2 FY23
Global Pharma Company	Embassy Manyata	Bangalore	40	Healthcare	Q2 FY23
Financial Services Conglomerate	Embassy Manyata	Bangalore	33	Financial Services	Q2 FY23
SquarePoint Capital	Embassy GolfLinks	Bangalore	29	Financial Services	Q2 FY23
Avaada Clean Project	Embassy Galaxy	Noida	24	Others	Q2 FY23
Others	Various	Various	161	Various	Q2 FY23
Renewals					
Global FinTech Company	Embassy Galaxy	Noida	227	Financial Services	Q2 FY23
Global Technology and Consulting Major	Embassy TechZone	Pune	126	Technology	Q2 FY23
Concentrix	Embassy Manyata	Bangalore	52	Technology	Q2 FY23
Others	Various	Various	53	Various	Q2 FY23
Pre-Lease					
ANZ <sup>1</sup>	Embassy Manyata	Bangalore	468	Financial Services	Q2 FY23
Harman	Embassy TechZone	Pune	60	Technology	Q2 FY23
New Leases					
F5 Networks	Embassy GolfLinks	Bangalore	50	Technology	Q1 FY23
Rubrik	Embassy TechVillage	Bangalore	34	Technology	Q1 FY23
Magicbricks	Embassy Manyata	Bangalore	32	E-Commerce	Q1 FY23
Sony Music	FIFC	Mumbai	30	Others	Q1 FY23
Nexteer Automotive	Embassy TechVillage	Bangalore	30	Engineering & Manufacturing	Q1 FY23
Others	Various	Various	240	Various	Q1 FY23
Renewals					
Cognizant	Embassy Quadron	Pune	367	Technology	Q1 FY23
DxC Technologies	Embassy Galaxy	Noida	345	Technology	Q1 FY23
ICICI Lombard	Embassy 247	Mumbai	36	Financial Services	Q1 FY23
Maersk Tankers	Embassy 247	Mumbai	20	Engineering & Manufacturing	Q1 FY23
Nexus Malls	Embassy 247	Mumbai	12	Real estate & Infrastructure	Q1 FY23
Others	Various	Various	69	Various	Q1 FY23
Pre-Lease					
JP Morgan	Embassy TechVillage	Bangalore	550	Financial Services	Q1 FY23
Grand Total			3,388		

**Notes:** Actual legal entity name of occupiers may differ  
(1) ANZ Support Services India Private Limited. Excludes 133k sf growth option. This option is exercisable up to 8 months from Lease Commencement Date



EMBEDDED RENT ESCALATIONS OF 15% AID NOI GROWTH AREA (MSF)

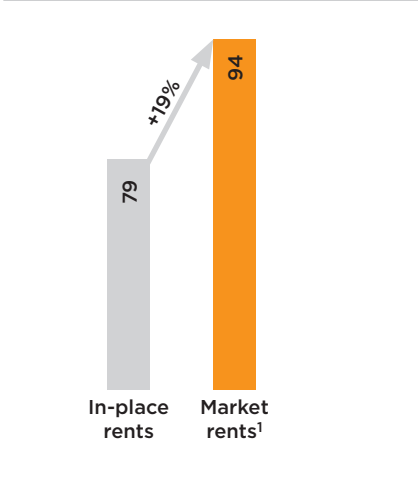


Rent escalations	14%	14%	14%	14%
Post escalation MTM opportunity	2%	31%	10%	14%

- Successful rent escalation
- Number of occupiers

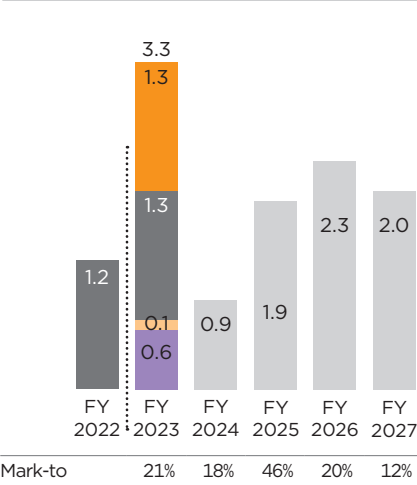
**H1 update:**  
♦ Achieved 15% rent increase on 4.6 msf (28 leases)

MARKET RENTS 19% ABOVE IN-PLACE RENTS RENT (₹ PSF / MONTH)



(1) Refers to annualised rent obligations for Embassy REIT  
**Source:** CBRE September 2022, Embassy REIT

28% OF LEASES EXPIRE BETWEEN FY2023-27 AREA EXPIRING (MSF)



Mark-to market opportunity <sup>(1)</sup>	21%	18%	46%	20%	12%
Rents expiring <sup>(2)</sup>	2%	4%	6%	10%	6%

- Renewed
- Exited
- Likely Exits
- Likely Renewal

**H1 update:**  
♦ Achieved 15% rent increase on 1.3 msf renewals.  
♦ 1.3 msf exited with a significant 46% MTM potential

(1) MTM potential computed basis market rent per latest CBRE estimate and in-place rent for respective leases  
(2) Refers to annualized rent obligations



CAPITAL MARKETS AND INVESTOR RELATIONS UPDATES

# RESPONSIBLE COMMUNICATIONS WITH STAKEHOLDERS

We proactively engage with Unitholders and analysts to give them a clear and transparent view into how we run our business.

## H1 FY2023 HIGHLIGHTS

**41%**  
Total returns since listing<sup>(1)</sup>

**100%**  
Payout Ratio

**\$2.5 Bn**  
Free Float Market Capitalisation

**15**  
Sell-side analysts cover Embassy REIT

**~16x**  
Increase in Unitholders since listing

**65,000+**  
Retail Unitholders

## INDEX INCLUSIONS

FTSE Russell Global Equity Index Series

FTSE EPRA NAREIT Global Emerging Index

S&P Global Property Index

S&P Global REIT Index

(1) As of 20 Oct 2022



In H1 FY2023, we engaged with over

**100**

Investors across geographies

## WE ARE PARTICULARLY FOCUSED ON:

Engaging proactively with our Unitholders

Embracing quality disclosure standards

Addressing Unitholders' grievances and queries swiftly and accurately



Every quarter, we deliver a consolidated set of information that includes:

- ◆ Unaudited financial statements
- ◆ Earnings presentation
- ◆ Supplementary data book, providing an in-depth look at our business
- ◆ Valuation report (semi-annually)
- ◆ Unitholders' report (semi-annually)

## ANALYST COVERAGE

Embassy REIT is covered by following broking houses:

Ambit Capital

Bank of America

CLSA

Credit Suisse

Goldman Sachs

HSBC Securities

ICICI Securities

IIFL Securities

Investec

J.P.Morgan

Kotak Institutional Equities

Morgan Stanley

Jefferies

Axis Capital

Nirmal Bang



Embassy TechVillage, Bangalore



CAPITAL MARKETS AND INVESTOR RELATIONS UPDATES CONTD.

INVESTOR AND ANALYST ENGAGEMENT CALENDAR H1 FY2023

May 10-13, 2022	Participation in BofA 2022 APAC Financial, Real Estate Equity and Credit Conference
June 07-09, 2022	Participation in Morgan Stanley Virtual India Summit 2022
June 23-24, 2022	Participation in Axis Capital India Real Estate Conference 2022
June 28-30, 2022	Participation in Kotak Institutional Equities Real Estate Forum
August 17-18, 2022	Hosted webinar for Wealth Managers
August 22, 2022*	Participation in ICICI Securities' Bangalore Corporate Days
September 02, 2022	Participation in Goldman Sachs India Real Estate Forum "Virtual"
September 13-14, 2022*	Participation in 2022 Global Real Estate Conference, New York, USA, hosted by BofA Securities

\* Meetings were attended in person

FINANCIAL AND DISTRIBUTION CALENDAR FY2023

Date	Event
Jul-22	Q1 FY2023 Results and Earnings Call
Aug-22	Payment of Q1 FY2023 Distribution
Oct-22	Q2 FY2023 Results and Earnings Call
Nov-22	Payment of Q2 FY2023 Distribution
Jan-23	Q3 FY2023 Results and Earnings Call
Feb-23	Payment of Q3 FY2023 Distribution
Apr-23	Q4 FY2023 Results and Earnings Call
May-23	Payment of Q4 FY2023 Distribution

**Note:** Q3FY23 and Q4FY23 earnings call and distribution payment timelines are tentative based on past trends



Embassy Manyata Business Park, Bangalore

UNITHOLDING PATTERN

As of Sep 2022	No. of Units (mn)	Pct Held
<b>Sponsors</b>		
FOREIGN BODY	22,35,97,193	23.59%
Embassy	11,54,84,802	12.18%
<b>Total Sponsors</b>	<b>33,90,81,995</b>	<b>35.8%</b>
<b>Institutional</b>		
Foreign Institutions	27,90,60,798	29.44%
<b>Domestic Institutions</b>		
Corporate Bodies	3,30,69,792	3.49%
Insurance Companies	3,06,04,181	3.23%
Mutual Funds	6,72,22,414	7.09%
NBFCs	22,69,538	0.24%
Alternative Investment Funds	5,35,26,613	5.65%
Clearing Members	4,91,623	0.05%
Trusts	19,67,871	0.21%
Pension/Provident Funds	3,73,072	0.04%
<b>Total Domestic Institutions</b>	<b>18,95,25,104</b>	<b>19.99%</b>
<b>Total Institutional</b>	<b>46,85,85,902</b>	<b>49.43%</b>
<b>Non Institutional</b>		
Individuals	13,63,93,110	14.39%
NRIs	38,32,736	0.40%
<b>Total Non Institutional</b>	<b>14,02,25,846</b>	<b>14.79%</b>
<b>Total</b>	<b>94,78,93,743</b>	<b>100.00%</b>

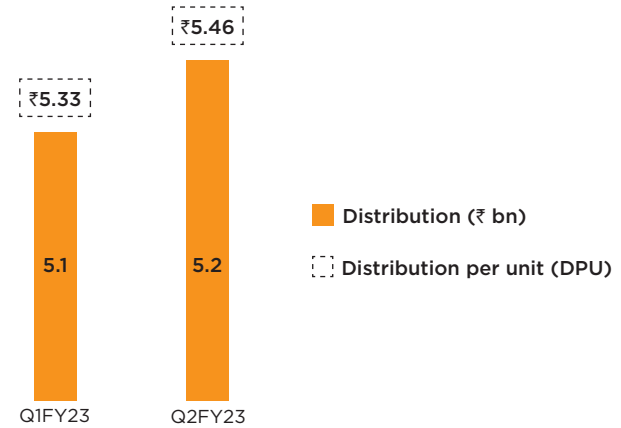
TRADING SNAPSHOT

Particulars		
<b>Units Outstanding</b>	94,78,93,743	
<b>Unit Price Performance (₹)</b>	<b>NSE</b>	<b>BSE</b>
Opening Price: April 1, 2022	371.75	369.15
52-Week Closing High (₹ per Unit)	404.99	404.95
52-Week Closing Low (₹ per Unit)	339.61	339.58
Closing Price: September 30, 2022	345.84	345.56
As on September 30, 2022		
Market Capitalisation (₹ bn)	328	328
Average Daily Trading Volume (ADTV) for H1 H1 FY2023		
Units	14,79,989	5,47,493
₹ million	528.7	195.4

Source: NSE (Designated stock exchange) and BSE  
Note: ADTV refers to Average Daily Trading Volume, computed using simple average

DELIVERING ON DISTRIBUTIONS

₹10.2 bn in H1FY23  
₹68 bn distributions paid since listing



ACTIVE DEBT MANAGEMENT

₹19 bn  
Debt raised or refinanced during H1 FY2023

KEY LISTED DEBT RAISES

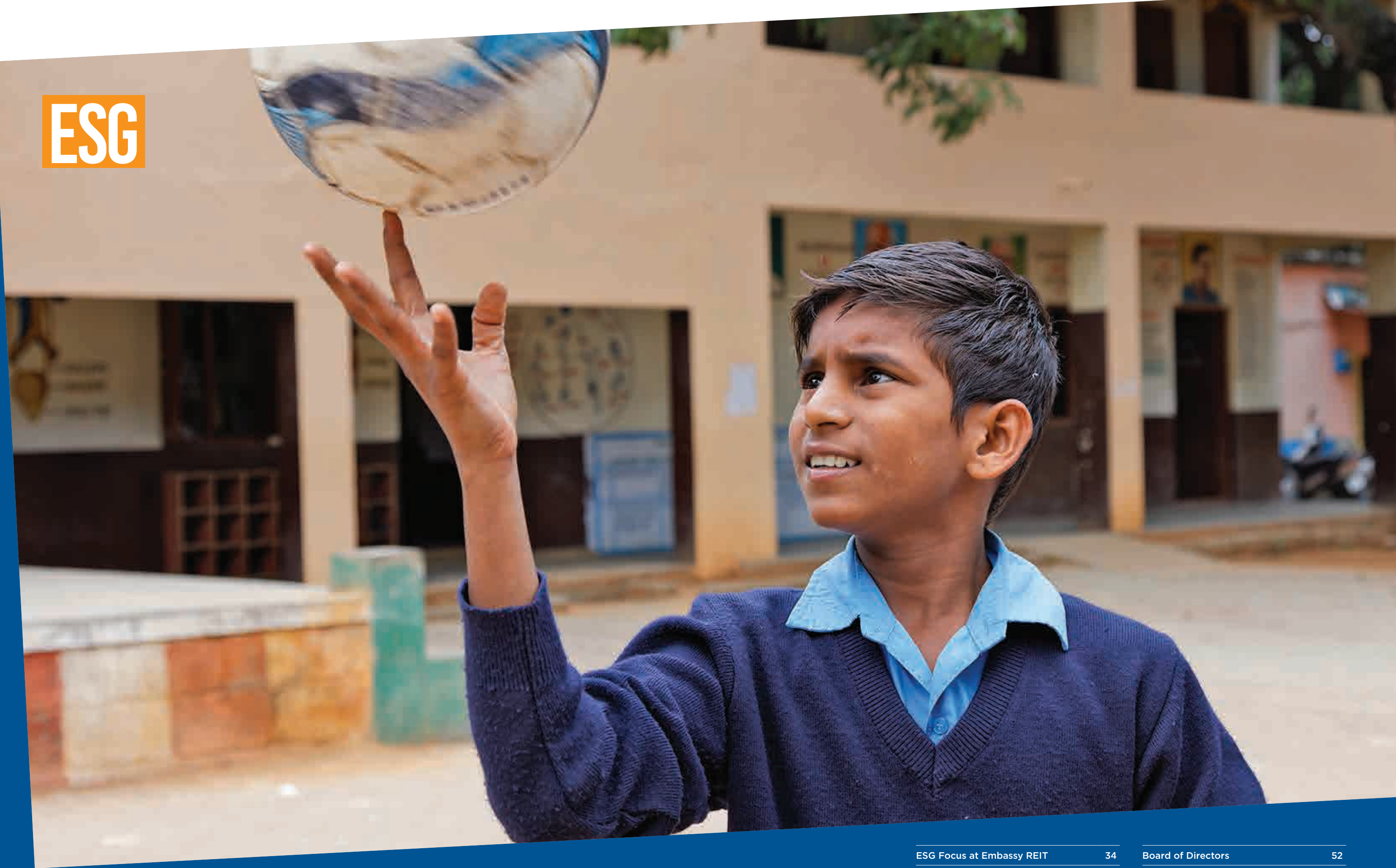
Series VI NCD - ₹10 bn

Raised NCD at 7.35% coupon, paid quarterly. Robust first-time participation by foreign portfolio investors in REIT debt

VTPL Series I NCD - ₹5 bn

Raised first SPV-level listed green NCD at 7.65% coupon, paid quarterly. Robust participation by domestic banking sector





ESG Focus at Embassy REIT	34
Environment	36
Social	40
Governance	46

Board of Directors	52
Management Team	56
Our People	60



## ESG FOCUS AT EMBASSY REIT

# SUSTAINABLE GROWTH, SHARED VALUE FOR ALL

## ESG FOCUS AT EMBASSY REIT

Offering wellness and sustainability-oriented workspaces to more than 200 of our marquee occupiers has always been a business imperative at Embassy REIT. Over the years, we have initiated numerous programmes, focusing on the environment, social and wellness aspects, and have adopted the best-in-class governance structure since our listing. In the recent past, we have moved beyond driving ad-hoc sustainability programmes, and have adopted a structured approach, aimed at integrating Environmental, Social and Governance (ESG) priorities into our business objectives and values.

We believe that our ability to develop and maintain sustainable and energy-efficient buildings is a hands-down competitive advantage in a market, increasingly focused on high-quality sustainable workspaces. We continue to maintain a leadership position and remain at the forefront of the sustainability space in the Indian real estate sector, as reflected by our improved GRESB performance in 2022.



## OUR ESG STRATEGY AND FRAMEWORK

Evolving and implementing sustainable interventions are of paramount importance for us. This contributes towards building a safer, healthier and greener environment for our staff, occupiers, vendors and the communities in which we operate, while delivering enhanced returns for our investors. Our ESG framework, comprising 19 specific programmes, is driven by our vision to 'reimagine spaces' for a sustainable tomorrow for all our stakeholders. The framework consists of three pillars - resilient planet, revitalised communities, and responsible business, supported by six focus areas, wherein we have set clear targets and a roadmap for the next three years.



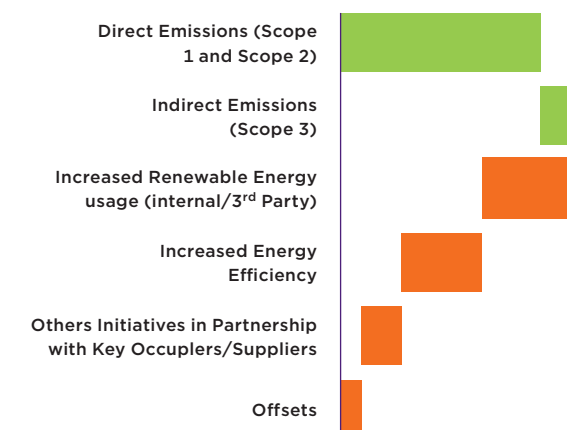
## PATHWAY TO NET ZERO

We have announced our commitment to achieve net zero-carbon emissions by 2040 across our operational portfolio, three decades ahead of India's 2070 target, set at the Glasgow COP26 Summit in 2021. Our 2040 net zero commitment is aligned to the broader goals of our occupiers, investors and other key stakeholders.

### Our 5-point strategy to achieve net zero:

- ◆ Increase usage of renewable energy, through both internal and third-party initiatives
- ◆ Reduce energy consumption footprint of existing facilities, by investing to improve energy-efficiency
- ◆ Partner with key occupiers, suppliers and contractors to develop joint action plans towards reducing emissions
- ◆ Embed net zero evaluation in pre-acquisition due diligence
- ◆ Offset residual emissions through selected projects

### Net Zero Carbon Operations by 2040



Notes: 1. The waterfall chart here is for illustrative purposes only and is not based on actual data. It is meant to highlight the sources of carbon emissions for Embassy REIT's operations and our planned initiatives to reduce the same  
2. Embassy REIT has selected FY2020 as the baseline year for its Scope 1 and Scope 2 emissions and we are in the process of assessing and setting the baseline for our select Scope 3 emissions



ENVIRONMENT

# RESILIENT PLANET

We are focused on improving resource efficiency across our asset lifecycle and developing a sustainable supply chain by integrating ESG aspects across our value chain.

## RESOURCE EFFICIENCY

### 01. ENERGY AND EMISSIONS

Our strong focus on transitioning from non-renewable to renewable energy sources to power our operations, puts us at the forefront of a transformative change. We are transitioning to a net zero carbon portfolio by increasing the use of clean and sustainable energy, and reducing carbon emissions across our assets and their associated lifecycles. In line with our sustainability efforts,

we design and operate buildings aligned with LEED (Leadership in Energy and Environmental Design) requirements certified by the United States Green Building Council (USGBC), the most widely used green building rating system globally. To reduce our carbon footprint, we are also promoting the use of electric vehicles and cleaner and greener fuels.



### 02. WATER STEWARDSHIP

We understand the importance of water stewardship in urban metropolitan areas, where our properties are situated. Our goal to achieve water neutrality across all our businesses is based on the tenets of reducing, reusing, and recycling. All our assets are equipped with Sewage Treatment Plants (STP) and rainwater harvesting systems. We are committed to minimising wastewater discharge and promoting water recycling across our office parks. Sensor-based taps, smart meters and other water efficient fixtures have been installed to reduce water consumption.



### 03. WASTE MANAGEMENT

In line with our goal of being a zero-waste campus, we minimise, recover and reuse the waste we generate. We have partnered with authorised vendors to treat hazardous waste and ensure that the waste is discarded as per regulatory guidelines. A traceability assessment for all the waste generated on our campuses is helping us track and reduce the amount of operational waste reaching landfills. We aim to achieve 100% waste diversion from the landfills by reducing, recycling and reusing as much waste as possible.



### 04. BIODIVERSITY

We are mindful of the environmental implications of our projects and take all measures required to reduce their environmental impact by adhering to all regulations. Our goal is to promote and conserve biodiversity in the areas in which we operate. We incorporate flora and fauna in all our parks, and tree plantation drives around our properties have helped increase the urban greenery and aid in decarbonisation. New landscape designs incorporating an increasing share of green walls, native greens and biophilic elements are in the pipeline.





ENVIRONMENT

SUSTAINABLE SUPPLY CHAIN

05. ESG PERFORMANCE OF SUPPLIERS

We work with 700+ suppliers and contractors, who are critical to our success and posses the capabilities to meet our commitments to our stakeholders. We track, monitor and undertake initiatives to improve the sustainability performance across our supply chain by training and encouraging our suppliers to adopt sustainability initiatives, and disclose their sustainability performance transparently. ESG clauses are incorporated in our agreements and contracts with major suppliers supporting our functions. We conduct periodic audits and continuously monitor and review their performance to ensure ESG compliance across our value chain.

06. LOCAL SOURCING

Localising supply chains presents a significant opportunity to enhance the socio-economic wellbeing of communities near our operations, while also reducing our environmental footprint. We have defined 1,000 km of radius, around our respective sites to evaluate the availability of local materials. To increase our share of local sourcing, we are developing a 'local sourcing data tracker' and incorporating a Local Sourcing Clause in all our major contracts. Our suppliers and contractors are being trained and encouraged to understand and initiate tracking of selected Scope 3 emissions, relevant to their footprint.

07. CERTIFIED MATERIALS

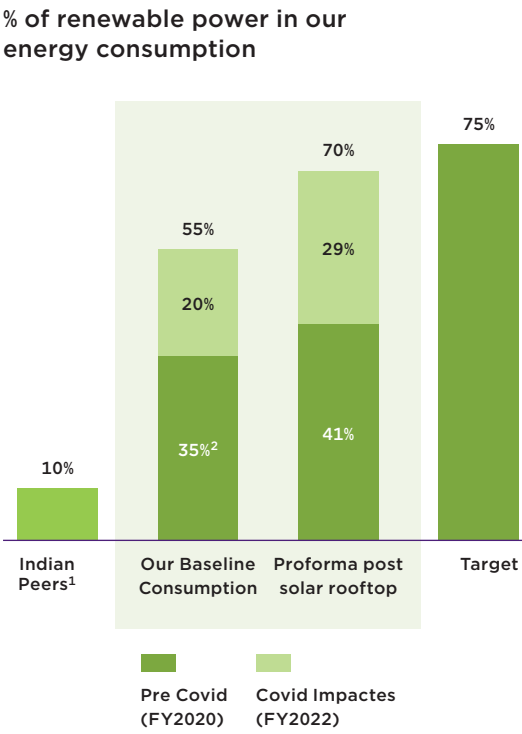
We recognise the importance of using green and eco-certified materials, and prioritise their use. To manage, monitor and regulate the certified material usage in our portfolio, we have initiated the tracking of material certificates and have developed a certifications database. We plan to initiate usage of EPD (Environmental Product Declaration) or HPD (Health Product Declaration) materials as well as third-party certified wood-based materials and products in our portfolio to enhance the sustainability aspects of our projects.



20 MW ROOFTOP SOLAR PROJECT

We have set a target to increase our renewable energy share to 75% by FY2025. In line with this target, we have launched a project to install rooftop solar panels across eight of our properties. With a scale of more than 20 MW and an expected annual generation of over 30 MU and an offset potential of 23,700 tonnes of CO<sub>2</sub> emissions, this is one of Asia's largest solar rooftop projects.

With an estimated ₹100 Crore capex and 30%+ IRR, we have already secured green financing at sub-6% for this project. We are targeting to complete the installation by early 2023. Post commissioning, over 40% of our total baseline power consumption (considering FY2020 as the baseline year) across our business parks will be serviced by renewable energy.



Notes: 1. As per company disclosures by Indian office listed real estate peers.  
2. Based on actual power consumption for the portfolio (Including ETV acquisition). Excluding ETV acquisition, the renewable energy share for the portrollto was 26% In FY2020.

ENVIRONMENT: PERFORMANCE HIGHLIGHTS

ENERGY AND EMISSIONS

Renewable energy consumption share

TARGET	H1 FY2023 PROGRESS
75% by FY2025	45%

USGBC LEED certified portfolio (% of operational area)

TARGET	H1 FY2023 PROGRESS
100% by FY2023	28%

FY2023 key planned initiatives

- ◆ 20 MW rooftop solar project
- ◆ USGBC LEED certification for Bangalore properties

WATER STEWARDSHIP

Water consumption reduction

TARGET	H1 FY2023 PROGRESS
7% by FY2025	42% <sup>1</sup>

FY2023 key planned initiatives

- ◆ Upgrade STPs and rainwater harvesting systems
- ◆ Install water-efficient fixtures

WASTE

OWC capacity increase

TARGET	H1 FY2023 PROGRESS
25% by FY2025	4%

FY2023 key planned initiatives

- ◆ Upgrade the capacity of existing OWCs
- ◆ Initiate traceability assessment of construction waste

Note: Targets set against baseline of FY2020 actuals for the portfolio (including Embassy TechVillage acquisition)

1. Lower water consumption noted during H1FY2023 as physical occupancy in our properties was impacted due to the COVID-19 pandemic.

BIODIVERSITY

Improve biodiversity in our properties

H1 FY2023 PROGRESS

Biodiversity survey at Embassy Manyata

FY2023 key planned initiatives

- ◆ Develop biophilic designs and promote native greens in all ongoing constructions

ESG PERFORMANCE OF SUPPLIERS

Adherence to Supplier Code of Conduct

TARGET	H1 FY2023 PROGRESS
100%	100%

FY2023 key planned initiatives

- ◆ Continuous performance monitoring and regular ESG audits of identified key suppliers

LOCAL SOURCING

Local sourcing share

TARGET	H1 FY2023 PROGRESS
30% by FY2025	91%

FY2023 key planned initiatives

- ◆ Continue evaluation and adoption of local vendors for sourcing materials

CERTIFIED MATERIALS

Increase usage of certified and eco-labeled materials

H1 FY2023 PROGRESS

Initiated creation of certifications database

FY2023 key planned initiatives

- ◆ Establish baseline



SOCIAL

# REVITALISED COMMUNITIES

We are focused on creating shared value for our employees, our occupiers, our vendors and the communities that we operate in.

## HUMAN CAPITAL

### 08. EMPLOYMENT PRACTICES AND ENGAGEMENT

We are an equal opportunity employer and strive to create a holistic workplace for our workforce. We ensure diversity in our employee profile in terms of gender, ethnicity, caste and creed. Our hiring practices are meritocratic, and our compensation policy is solely dependent on our employees' qualifications, experience, skill set and performance.

We aim to create a diverse, inclusive, high-performing and engaged workforce by implementing equitable practices, infrastructure and engagement strategies for our employees. We also conduct a third-party independent survey annually to understand and improve the employee engagement levels in the organisation.



### 09. TRAINING AND DEVELOPMENT

We recognise the importance of developing internal talent and investing in future talent, and we encourage our employees to engage in continuous learning and development. Our learning and development programmes

are designed to help our employees in developing their professional competencies and potential for career growth advancement. These programmes help to upskill our employees and maintain our culture of continuous learning.

### 10. HEALTH, SAFETY AND WELLBEING

We are focused on providing the best-in-class sustainable buildings for our employees, occupiers, indirect property management staff, visitors, and others, by improving quality of life and creating healthier and safer work environments. 'Biophilic design' elements, efficient filtration and HVAC systems and indoor air quality monitoring systems are installed to improve the wellness aspects of our buildings.

The whole of our portfolio is ISO/IMS certified for quality management (ISO 9001), environmental management (ISO14001), occupational health and safety management (ISO45001), and data security (ISO27001). We have subscribed to a three-year programme with the British Safety Council (BSC) and a five-year WELL programme with the International WELL Building Institute (IWBI).





SOCIAL

COMMUNITY CONNECT



11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

At Embassy REIT, we nurture and contribute to the economic, social and environmental development of our communities. Our CSR goal is to improve the quality of life in villages and rural communities around our business parks. Underpinned by the philosophy 'together we can do more', we champion collective action for increased social impact through partnerships with other corporates, non-government organisations (NGOs) and the government. We partner with specialised NGOs like Colours of Life, The Anonymous Indian Charitable Trust, Bangalore North Round Table Trust, Friends of Tribals, Careworks Foundation and others to implement developmental interventions. A dedicated CSR committee oversees our Corporate Social Responsibility initiatives, and our endeavours to comply with Section 135 of the Companies Act 2013.

Some of our key projects include:

- ◆ Education: We have adopted over 50 schools, 100 tribal schools and six Anganwadis, which we support with multi-year projects to enable sustained support for student development through holistic and innovative learning programmes.
- ◆ Health and Hygiene: We have designed a holistic health programme, covering preventive and detective measures to tackle common health issues for government school students across five cities.
- ◆ Environment: We are a proud partner of The Anonymous Indian Charitable Trust's (TAICT) EcoGram project, which aims to propagate sustainable waste, water and soil management. We are also a founding supporter of TAICT's 'Namma Jalamarga' campaign, aimed at promoting awareness for clean water, waste and stormwater management in Bangalore. Further, we have undertaken rejuvenation of the Thimmasandra and Thanisandra lakes in North Bangalore, in addition to carrying out civil works, sapling plantations, and clean-up drives, as part of the restoration project.



12. CORPORATE CONNECT

We aim to bring together corporate leaders from across the private and public sectors on a common platform to discuss and work towards shared challenges and visions. Most of our health and education infrastructure CSR projects are being carried out in partnership with our occupiers under the Corporate Connect umbrella. These initiatives help us in amplifying our CSR projects, and aligning our CSR mandates with our 200+ corporate occupiers, thereby promoting long-lasting relationships and partnerships. We have completed 60+ projects to date, in partnership with 30+ corporates.





SOCIAL

13. CUSTOMER CENTRICITY

We believe that corporate occupier engagement and satisfaction are critical to the success of our business. Several cultural and entertainment programmes are undertaken at our campuses to engage our occupiers' employees and foster a cohesive culture. We have created an ESG occupier forum with participation from our key occupiers, and we hold half-yearly meetings to discuss and partner for key ESG initiatives. We undertake a Customer

Satisfaction (CSAT) survey each year to understand and improve the occupier satisfaction levels with our services and facilities. Further, as part of our standard leasing contracts, we have initiated the inclusion of 'green lease' clauses, which entail mutual sharing of utility management data as well as declaring a common statement of intent to jointly work towards our ESG goals.



ECOHub: BEING WASTE-SAVVY

Embassy REIT recently built and inaugurated EcoHub, an integrated solid waste management centre in North Bangalore. The project has been built under Embassy REIT's flagship waste management initiative 'EcoGram,' and is expected to benefit around 4,000 households across 10 villages. It will also be instrumental in providing decentralised, sustainable solid waste management services to the Bettahalasuru Panchayat as well as large commercial establishments in North Bangalore, besides creating numerous employment and livelihood opportunities.

To encourage responsible waste management practices in and around its business parks, Embassy REIT rolled out EcoGram in 2016, in partnership with

an NGO - The Anonymous Indian Charitable Trust (TAICT). EcoGram aims to create a model Gram Panchayat by building processes and infrastructure for sustainable decentralised waste management, enhancing the soil quality and water conservation by bringing together community members, local governments and government school children.

Prior to EcoGram's project and initiatives, debris from around 2,500 waste generators were being dumped and burnt, causing air, water and soil pollution. Through EcoGram, around 1,288 metric tonnes of wet and dry waste has been collected and processed.

SOCIAL: PERFORMANCE HIGHLIGHTS

EMPLOYEE PRACTICES AND ENGAGEMENT

Females as % of total new hires

TARGET	H1 FY2023 PROGRESS
50% by FY2023	43%

FY2023 key planned initiatives

- ◆ Track diversity-related KRAs of hiring managers
- ◆ Conduct 2023 Employee Engagement survey

TRAINING & DEVELOPMENT

Average training hours per employee

TARGET	H1 FY2023 PROGRESS
13.5 hours	11 hours

FY2023 key planned initiatives

- ◆ Continue diversity and ESG related trainings

HEALTH, SAFETY AND WELLBEING

5-star BSC certified portfolio (% of operational area)

TARGET	H1 FY2023 PROGRESS
100% by FY2023	100%

FY2023 key planned initiatives

- ◆ Initiate WELL building performance verification
- ◆ Continue behavior-based safety culture programme

CSR

Positively impact communities around all our properties

H1 FY2023 PROGRESS

₹89 Million CSR spend

FY2023 key planned initiatives

- ◆ Undertake pan-India CSR projects
- ◆ Initiate community stakeholder surveys

CORPORATE CONNECT

Occupiers engaged under 'Corporate Connect'

TARGET	H1 FY2023 PROGRESS
10%	8%

FY2023 key planned initiatives

- ◆ Complete the government school in Thanisandra, in partnership with ANZ

CUSTOMER CENTRICITY

'Green leases' signed during the period

TARGET	H1 FY2023 PROGRESS
70% by FY2024	71%

FY2023 key planned initiatives

- ◆ Hold half-yearly meetings of ESG Occupier Forum
- ◆ Conduct 2023 C-SAT survey

Note: Targets set against baseline of FY2020 actuals for the portfolio (including Embassy TechVillage acquisition)



GOVERNANCE

# RESPONSIBLE BUSINESS

Adopting the best-in-class governance and risk management framework to serve the interest of all our stakeholders, forms the core of our business operations.

## ETHICS AND RESPONSIBILITY

### 14. SUSTAINABLE FINANCE

We have expanded our sustainability strategy to our capital structure by seeking opportunities to raise green debt or to certify existing debt as green. We have secured green loan certifications for loans related to our 20 MW solar rooftop project, our 100 MW solar park and other USGBC LEED pre-certified buildings. We are the first organisation in the Indian real estate sector to receive a green

loan certification from Climate Bonds Initiative, an investor-focused international not-for-profit organisation, working to mobilise global capital for climate action towards a low carbon and climate resilient economy. We continue to engage with financial institutions and agencies, and seek opportunities for expanding our green loan book.

### 15. ASSET ACQUISITION AND SITE SELECTION

We are committed to ensuring that our investment evaluation criteria take into account relevant ESG considerations. For this, we have created an ESG checklist, and all proposed acquisitions now undergo an ESG due diligence using this checklist, which is certified by external advisor(s) and presented to

the Investment Committee. Additionally, we have strong related party safeguards in place, for all acquisitions. Also, for all future acquisitions, we aim to bring the assets under the purview of our net zero commitment within five years, post the completion of the acquisition.

## RESPONSIBLE INVESTMENTS

### 16. DISCLOSURES

We are committed to maintaining our strong corporate governance standards and continuously endeavour to further refine our disclosures in sync with global best practices. In line with regulatory guidelines, we publish quarterly financial results and semi-annual performance reports as well as an annual sustainability report, aligned with the Global Reporting Initiative (GRI) framework. In addition, this year, we have voluntarily adopted and released a BRSR report as per Indian regulator SEBI's ESG

reporting guidelines, in our efforts to provide transparent disclosures comparable across Indian entities. We intend to align our disclosures to Task Force on Climate-Related Financial Disclosures (TCFD) by FY2025.

We also strive to achieve leadership position in all ESG ratings, certifications and assessments that we participate in, and continuously improve our performance by scaling up our ongoing ESG programmes and commitments.

### 17. CORPORATE GOVERNANCE

Embassy REIT's conduct of business is underpinned by a commitment to high standards of corporate governance, which are aligned with global best practices. Our governance philosophy emphasises on accountability, transparency and integrity, with a view to maximising unitholder value.

- ◆ **Our Governance Structure:** Embassy REIT is managed by Embassy Office Parks Services Private Limited (EOPMSPL), herein, referred to as the 'Manager'. The CEO of the Manager holds responsibility for the day-to-day functioning of Embassy REIT, and is accountable to the Board of Directors. The Board consists of eight Non-executive Directors, half of whom are Independent Directors and the rest are Nominee Directors. Together, they bring to the table many decades of experience and expertise in diverse fields such as finance, investment, healthcare and business administration. The Board is chaired by a Non-executive Director and has 12.5% women representation.
- ◆ The Board has also constituted nine committees that are responsible for handling specific functions. These include the Investment Committee, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Management Committee, Debenture Committee,

Corporate Social Responsibility Committee, Risk Management Committee and Securities Committee.

- ◆ **Our Policies:** A comprehensive set of compliance policies guide the governance of the organisation and ensure strict adherence to the REIT regulatory framework, to protect the interests of our unitholders. Our key policies include:
  - Code of Conduct and Ethics for Directors,
  - Senior Management and Other Employees
  - Distribution Policy
  - Whistle Blower Policy
  - Policy on Related Party Transactions
  - Corporate Social Responsibility Policy
  - Risk Management Policy
  - Investors and Other Stakeholders' Grievance and Redressal Policy
  - Anti-Money Laundering Policy (AML) and Anti-Bribery and Corruption Policy
  - Prevention of Sexual Harassment Policy
  - Environment, Social and Governance Policy





GOVERNANCE

◆ **Our ESG Governance:** At Embassy REIT, an ESG Committee has been established to drive the organisation’s ESG agenda. The ESG committee is a cross-functional committee of the Manager, and is chaired by the CEO, with the Head of Operations as the Secretary. The ESG committee reports to the Management Committee and is responsible for aligning Embassy REIT’s ESG objectives with its business objectives. This is achieved by creating a three-year ESG roadmap, overseeing all ongoing and proposed ESG initiatives. It includes analysing

current and emerging ESG trends that may have an impact on the business, operations, performance, stakeholder needs and interests, and advising the Board on appropriate actions for the same.

◆ In addition, we are dedicated to integrating ESG in our governance systems, including the linkage of KRAs of the senior executives to ESG performance. We follow a growth-and-distributions-linked management fee structure to ensure overall alignment of business operations with unitholder interests.

STRONG REGULATORY FRAMEWORK



ASSET

- ◆ Minimum 80% of value in completed and income producing asset
- ◆ Minimum 90% of distributable cash flows to be distributed
- ◆ Restrictions on speculative land acquisition



MANAGER

- ◆ 50% of Board comprises Independent Directors
- ◆ Manager can be removed with approval of 60% unrelated Unitholders
- ◆ Alignment with Unitholder interests due to a distribution-linked management fee structure



DEBT

- ◆ Majority Unitholder approval required if debt exceeds 25% of asset value
- ◆ Debt cannot exceed 49% of asset value



RELATED PARTY SAFEGUARDS

- ◆ Sponsors are prohibited from voting on their related-party transactions
- ◆ Majority Unitholder approval required for acquisition or disposal of asset which exceeds 10% of REIT value
- ◆ Acquisition or sale price of new asset cannot deviate from average valuation of two independent valuers by +/- 10%
- ◆ Fairness opinion from independent valuer required if related party leases exceed 20% of the underlying asset’s rentals



18. REGULATORY COMPLIANCE

At Embassy REIT, we strive to adhere to all regulatory requirements that govern our operations. We continuously monitor our adherence to the relevant laws on a quarterly basis, and any non-compliance with regard to environmental, social and governance related laws and requirements is reported to the Board



19. RISK MANAGEMENT

Embassy REIT has a robust risk management framework to address risks that arise from the economic, operational, social and environmental ecosystems that we operate in. At Embassy REIT, risk management is a continuous and ongoing process that involves the complete lifecycle of the Company. Under oversight of the Manager’s Board, the organisation’s Risk Management Committee has the responsibility for early identification of the many multi-dimensional risks we face - both current and potential - and articulate mitigation options, oversee implementation, and track ongoing action to assess extent of impact in terms of risk reduction.

GOVERNANCE: PERFORMANCE HIGHLIGHTS

SUSTAINABLE FINANCE

Cumulative green/sustainable finance portfolio

TARGET	H1 FY2023 PROGRESS
₹35 bn by FY2025	₹33 bn

FY2023 key planned initiatives

- ◆ Continue engagement with financial institutions and agencies to seek opportunities for expanding our green-loan book

ASSET ACQUISITION & SITE SELECTION

ESG due-diligence for acquisitions

TARGET	H1 FY2023 PROGRESS
100% by FY2023	ESG due-diligence checklist created

FY2023 key planned initiatives

- ◆ Undertake ESG due-diligence for all acquisition opportunities assessed during the period

DISCLOSURES

TCFD compliant annual report

TARGET	H1 FY2023 PROGRESS
100% by FY2025	Gap assessment underway for TCFD

FY2023 key planned initiatives

- ◆ Disclose TCFD-metrics in FY2023 reporting
- ◆ Assess signing-up for SBTi, RE100
- ◆ Continue participation and score improvement in GRESB, S&P CSA, FTSE Russell, CDP Climate Change benchmarks

CORPORATE GOVERNANCE

Adopt and follow best-in-class governance framework

H1 FY2023 PROGRESS
Ongoing quarterly ESG updates to the Board

FY2023 key planned initiatives

- ◆ Continue quarterly reporting of the progress on ESG roadmap to the ESG committee and Board

REGULATORY COMPLIANCE

Compliance with all SEBI regulations within prescribed timelines

H1 FY2023 PROGRESS
Zero incidents of non-compliance

FY2023 key planned initiatives

- ◆ Continue adherence to SEBI regulations

RISK MANAGEMENT

Continuous monitoring and mitigation of key risks

H1 FY2023 PROGRESS
Comprehensive risk register created, and mitigation plans identified ESG included in the ERM process

FY2023 key planned initiatives

- ◆ Implement mitigation plans for key identified risks
- ◆ Initiate property-wise detailed risk assessment

Note: Targets set against baseline of FY2020 actuals for the portfolio (including Embassy TechVillage acquisition)



GOVERNANCE CONTD.

ESG AWARDS AND CERTIFICATIONS

Current ESG memberships, Certifications and performance on global benchmarks reflect our commitment to sustainability, transparency and operational excellence.

PAST ACHIEVEMENTS



CURRENT ACHIEVEMENTS AND FOCUS AREAS



FUTURE INITIATIVE













EMBASSY REIT AWARDED 5-STAR RATING BY GRESB; DEVELOPMENT PORTFOLIO RANKED #1 IN ASIA OFFICE

Embassy REIT was awarded a 5-star rating by GRESB, the leading global ESG standard for real estate and infrastructure investments, for its entire 42.8 msf operational and development portfolio. GRESB has also recognised Embassy REIT as a Sector Leader for office development in Asia for its sustainability leadership, a milestone for an Indian REIT.

Embassy REIT achieved an overall GRESB score of 96% for its Development portfolio and 87% for its Standing Investment portfolio. Embassy REIT stood out in particular with a full score on the ‘Governance’ pillar of the GRESB Real Estate assessment, reflecting the best-in-class corporate governance standards adopted and followed by the REIT.



KEY ESG METRICS

	Aspect	Units	HALF YEAR ENDING FY2023	FY2022	FY2021
RESILIENT PLANET	Energy and Emissions				
	Contribution of renewable energy in portfolio	%	45	55	51
	Renewable power consumption (wheeled and rooftop)	GJ	354,439	681,986	570,595
	Reduction in emissions through solar power consumption	tCO <sub>2</sub> e	77,780	149,658	131,554
	Water				
	Water withdrawal	KL	828,488	1,026,720	1,027,659
	Water recycled (% of withdrawal)	KL	456,985 (55%)	549,032 (53%)	492,774 (48%)
	Waste				
	Waste generated - Hazardous waste (Oil)	KL	20	51	59
	Waste generated - Hazardous waste	Tons	16	27	22
Waste generated - Non-hazardous waste	Tons	1,189	595	613	
Waste generated - Other waste	Tons	30	58	58	
REVITALISED COMMUNITIES	Human Capital				
	Employees trained	Nos.	92	120	82
	Average training hours per employee	Hours	11	13	9
	Corporate Occupiers <sup>1</sup>				
	Green leases signed during the period	%	71	86	NA
	Total cumulative green leases	msf	1.0	0.8	NA
	CSR and Corporate Connect				
	Total CSR spend	₹ Mn	89	112	94
	Corporate Partners	Nos.	29	20	23
	Education support - Students benefitted	Nos.	7,299	18,757	15,580
Health and hygiene - Students impacted	Nos.	33,693	25,889	3,740	
Community health - Free and subsidised treatments provided	Nos.	3,838	2,845	2,773	
Environment - Waste recycled	MT	79	125	110	
RESPONSIBLE BUSINESS	Memberships/Certifications <sup>2</sup>		Certification	Current Score	Previous Score
	  			5-Star (2022)	4-Star <sup>3</sup> (2021)
	  			2.8 (2022)	2.8 (2021)
				53 (2022)	44 (2021)

<sup>1</sup>For FY2022, data is considered from Q3 FY2022 onwards  
<sup>2</sup>Supporter of Task Force on Climate-Related Financial Disclosures (TCFD)  
<sup>3</sup>Reflects Embassy REIT's performance in GRESB 2021 Real Estate Assessment for Standing Investments



GOVERNANCE

BOARD OF DIRECTORS



M M M M M

Mr. Jitendra Virwani  
Non-executive Director Chairman

Mr. Jitendra Virwani is the Chairman and Managing Director of the Embassy Group of companies, including the Embassy Sponsor. He is also the Founder of the Embassy Sponsor. He has over 25 years of experience in the real estate and property development sector. He is a fellow of the Royal Institution of Chartered Surveyors and a member of the Equestrian Federation of India.



M M M M

Mr. Tuhin Parikh  
Non-executive Director

Mr. Tuhin Parikh holds a Bachelor's degree in commerce from Mumbai University and a postgraduate diploma in management from the Indian Institute of Management, Ahmedabad. He was on the Board of TCG Urban Infrastructure Holdings Limited from 2002 and 2007. He has been employed by Blackstone since 2007 and is a Senior Managing Director of Blackstone and Head of Real Estate, India.



M M M M

Mr. Aditya Virwani  
Non-executive Director

Aditya Virwani is the Chief Operating Officer (COO) of the Embassy Group and is a board member of Embassy Office Parks REIT. He is one of the heirs to the Embassy Group and is a key decision maker for most of the companies within the parent company. Aditya was mentored by Group Chairman, Jitu Virwani, for 2 years before taking on the role as Group COO. He was a member of the team that successfully filed India's first REIT, as well as the driving force behind the development partnership with Ivanhoe Cambridge, a real estate subsidiary of Caisse de dépôt et placement du Québec.

His exposure to diverse cultures and experiences translates to a hands-on and problem-solving approach in his work. He is focused on growing the Embassy Group whilst focusing on its core strengths and entering new asset classes within real estate. His long-term focus is to give back towards education for underprivileged communities in India. He is actively involved in the CSR activities of the Embassy Group, which are focused on education and sustainable initiatives.

Aditya has a Bachelor's Degree from the University of San Francisco and holds a bronze Duke of Edinburgh Award.



M M M

Mr. Robert Christopher Heady  
Non-executive Director

Mr. Robert Christopher Heady holds a Bachelor's degree from the University of Chicago. He has been with Blackstone since 2000 and is currently the Chairman of Asia Pacific, Head of Real Estate Asia for Blackstone.

C - Chairperson    M - Member

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Investment Committee
- Debenture Committee
- Securities Committee



GOVERNANCE

BOARD OF DIRECTORS



Dr. Ranjan Pai  
Independent Director

Dr. Ranjan Pai holds an MBBS degree from the Manipal Academy of Higher Education. He is the Chairman of Manipal Education and Medical Group (MEMG), the Group’s holding company. He is currently on the Board of Directors of several Manipal Group companies, including Manipal Hospitals, Manipal Global Learning, UNext Pvt Ltd., and Manipal Cigna Health Insurance Company.

C C M M M



Dr. Punita Kumar-Sinha  
Independent Director

Punita Kumar-Sinha, PhD, CFA, has focused on investment management and financial markets during her 30-year career. She has significant governance and Board experience across India and North America, having served on boards for more than a decade. She serves as an Independent Director for many companies and Chairs committees on several Boards. Dr. Kumar-Sinha has been investing in emerging markets since the late 1980s and pioneered some of the first foreign investments in the Indian subcontinent in the early 1990s. Dr. Kumar-Sinha Chairs the Investment Subcommittee of CFA Institute and is also the Chair of the Investment Advisory Board of IIT Delhi. Dr. Kumar-Sinha has a PhD and a master’s in Finance from the Wharton School, University of Pennsylvania. She received her undergraduate degree in Chemical Engineering with Distinction from the Indian Institute of Technology, New Delhi. She has an MBA and is a CFA charter holder. Dr. Kumar-Sinha is a member of CFA Institute, a member of the CFA Society Boston, a TiE Charter Member, and a member of the Council on Foreign Relations. Dr. Kumar-Sinha has been awarded the Distinguished Alumni Award from IIT Delhi.

C M M



Mr. Vivek Mehra  
Independent Director

Mr. Vivek Mehra is a fellow member of The Institute of Chartered Accountants of India and is B.Com (H) from Sri Ram College of Commerce, Delhi University. He was a partner with PwC Pvt. Ltd. for approximately 19 years and retired in 2016. He is currently an Independent Director on the Boards of DLF Limited, DLF Asset Management Limited, Zee Entertainment Enterprise Limited, HT Media Limited, Jubilant Pharmova Limited, Hero Future Energies Pvt. Ltd., Grassroot Trading Network for Women, Chambal Fertilisers and Chemicals Limited, Havells India Limited, Digicontent Limited, Bharat Hotels Ltd, and House of Masaba Pvt Ltd.

C C M M



Mr. Anuj Puri  
Independent Director

Mr. Anuj Puri holds a Bachelor’s degree in commerce from the University of Delhi. He is a fellow of the Royal Institution of Chartered Surveyors and a fellow of the Indian Institute of Insurance Surveyors and Loss Assessors. He is an associate of the Institute of Chartered Accountants of India and an associate of the Chartered Insurance Institute, United Kingdom. He has also been given the title of ‘Chartered Insurance Practitioner’ by the Chartered Insurance Institute. He is currently a Director of Jagran Prakashan Limited, Music Broadcast Limited, ANAROCK Investment Advisors Private Limited, Puri Crawford Insurance Surveyors and Loss Assessors India Private Limited, Trespect India Private Limited, ANAROCK Property Consultants Private Limited, ANAROCK Group Business Services Private Limited, ANAROCK Retail Advisors Private Limited, ANAROCK Capital Advisors Private Limited, HVS ANAROCK Hotel Advisory Services Private Limited, Joyville Shapoorji Housing Private Limited, Upflex Anarock India Private Limited and Homexchange Limited.

C M M M

C - Chairperson    M - Member

- C

Audit Committee
- C

Nomination and Remuneration Committee
- C

Stakeholders’ Relationship Committee
- C

Corporate Social Responsibility Committee
- C

Risk Management Committee
- C

Investment Committee
- C

Debenture Committee
- C

Securities Committee



GOVERNANCE

MANAGEMENT TEAM



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**Mr. Vikaash Khdloya**  
Chief Executive Officer

Mr. Vikaash Khdloya is an alumnus of the Harvard Business School and has successfully completed his Advanced Management Programme (AMP). He is a fellow member of the Institute of Chartered Accountants of India (gold medallist). He is also a CFA charter holder and holds a Bachelor’s degree in Commerce from Osmania University. Mr. Khdloya has 19 years of industry experience, with over 14 years of experience in the real estate sector. Prior to joining the Manager to Embassy REIT, he was the Managing Director in the Real Estate Group at Blackstone Advisors India Private Limited. Earlier, he worked as Vice President at Piramal Fund Management (erstwhile Indiareit), the Chief Financial Officer at Gameshastra Solutions Private Limited, a startup technology company, and various roles in advisory teams of Ernst & Young India Private Limited. Mr. Khdloya co-founded Earnest People’s Initiative for a Caring Society Trust, a philanthropy initiative to support underprivileged children. He has recently been recognised as one of the 40 under Forty India’s future business leaders by The Economic Times and Spencer Stuart.



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**Mr. Ritwik Bhattacharjee**  
Chief Investment Officer

Mr. Ritwik Bhattacharjee is the Chief Investment Officer at Embassy REIT. Ritwik was a member of the IPO team that listed Embassy REIT on the Indian stock exchanges in April 2019. Prior to joining Embassy REIT, Ritwik managed a family office in India that invested across public and private asset classes. Ritwik spent over 12 years as an investment banker at global banks, including Nomura, Citi, UBS and JPMorgan. As an investment banker, Ritwik worked on numerous REIT and real estate capital markets and advisory transactions in the United States and across Asia. He holds a Bachelor’s of arts degree in economics from Middlebury College, a Master’s degree in business administration from the Amos Tuck School of Business Administration, Dartmouth College, and a master of arts degree in law and diplomacy from the Fletcher School of Law and Diplomacy, Tufts University.



**Mr. Rishad Pandole**  
Co-head, Commercial Leasing

Mr. Rishad Pandole holds a Bachelor’s degree in Economics and Minor in Marketing and Finance from the University of Rochester, New York. He has over 18 years of experience in the real estate industry. He has previously worked as the Leasing Head for Blackstone owned 100% assets from 2017 to 2018, where his last held position was of Head, Corporate Solutions (Commercial). He has been associated with the Manager since 2018.



**Mr. Amit Shetty**  
Co-Head, Commercial Leasing

Mr. Amit Shetty has over 17 years of work experience in leading office, retail leasing and real estate management. Prior to joining Embassy Office Parks Management Services Private Limited, he worked with CBRE and Honeywell. He holds a Master’s degree in Business Administration. He is Six Sigma Green Belt Certified professional.



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**Mr. Abhishek Agrawal**  
Interim Chief Financial Officer

Mr. Abhishek Agrawal, Deputy Chief Financial Officer, is currently designated as the Interim CFO of the Company since May 2022 and has been associated with Embassy REIT since August 2020 and has handled the function of the finance controller which included financial reporting, budgeting and management reporting, risk management and internal controls, compliance, business finance activities, fund raise and valuations. Prior to joining the Manager, he was associated with S. R. Batliboi & Associates LLP between April 2008 and January 2017 and B S R & Co. LLP between January 2017 and August 2020 where he was Associate Director – Assurance and Audit Services. He has handled audits of large listed and unlisted companies across various sectors and specialised in the real estate sector with specific focus on commercial real estate. He was also involved in various assignments for the firms, including capital market transactions, assurance services for listed companies and leading large audit and assurance assignments.



**Mr. Rajendran Subramaniam**  
Head, Projects

Mr. Rajendran Subramaniam is Head-Projects & Capex of the Manager. He holds a Bachelor’s degree and a Master’s degree in Commerce from Madurai Kamaraj University. He is an associate of the Institute of Chartered Accountants of India. He has worked as a Manager in Sandur Laminates Limited, and as Regional Head – Commercial with Electrosteel Castings Limited. Prior to joining Embassy REIT, he was the Senior Director – Commercial with Tishman Speyer India Private Limited for 11 years. He has 26 years of experience across various fields of infrastructure and commercial real estate projects development, including that of mixed-use real estate development and worked across the country handling global stakeholders.

● Management Committee ● Debenture Committee



GOVERNANCE

MANAGEMENT TEAM



**Mr. Donnie Dominic George**  
General Counsel

Mr. Donnie Dominic George is a Law graduate from Gujarat National Law University and has more than 12 years of experience. In his prior assignment, he was working as Vice President with the Lodha Group, where he was heading a vertical within the Legal team responsible for all non-litigation legal mandates and consumer litigation. He has also worked with Bharucha & Partners as a Senior Associate handling Mergers & Acquisitions, Foreign Direct Investment and General Corporate, Regulatory, and Banking & Finance segments for their clients. In his current role at Embassy Office Parks Management Services Private Limited, he is supporting the senior management on the legal, compliance and regulatory framework, and acts as a business legal partner.



**Mr. Raghu Sapra**  
Assistant Vice-President, Hospitality

Mr. Raghu Sapra holds a Diploma in Hotel Management and Catering Technology from the Institute of Hotel Management, Mumbai. He has over 22 years of experience in the hospitality sector and has worked with reputed international hotel brands like Radisson, Hyatt, Marriott and Hilton. Prior to his role in Embassy REIT, he worked for 5 years with Hilton, and his last role with them was as General Manager of Hilton Mumbai.



**Mr. Abhishek Agarwal**  
Head - Investor Relations

Mr. Abhishek Agarwal holds a Bachelor's degree in engineering from IIT-BHU (Varanasi) and is a postgraduate in Business Administration from IIM Kozhikode. He has over 16 years of experience in Investment Research (Equities and Commodities), Investor Relations, and Corporate Finance across diverse sectors. Prior to joining Embassy REIT, he was designated Senior General Manager at Network18 Media & Investments (a Reliance Industries company), heading the Investor Relations function and handling Strategy. He worked closely with the top management on business strategy across its various verticals, group investment plans, corporate communication, and stakeholder management. Earlier, he spent several years on the sell-side, spearheading equity research coverage of the Oil & Gas and Telecom sectors for Macquarie Capital Securities and Edelweiss.



**Ms. Mansi Bahl**  
Human Resources Manager

Ms. Mansi Bahl holds a postgraduate diploma in Human Resource Management from Amity Business School. She has over 15 years of experience in HR Operations, Learning and Development, Talent Acquisition and Performance Management System. Prior to joining Embassy Office Parks, she worked with KCT Bros (Coal Sales) Ltd. and DLF in the real estate industry.



**Ms. Shwetha Reddy**  
Head - Public Relations and Communications

Ms. Shwetha Reddy has over 12 years of experience as a senior communications strategist with extensive experience in the international finance sector. Prior to joining Embassy REIT, she was Vice President, Global Head of Public Relations at Pioneer Investments, an asset management firm based in London. She has been in global leadership roles in the communication, marketing, and PR space for over a decade and has worked closely with top management on strategic initiatives including M&A, organisational restructurings, leadership changes, and crisis management across several countries and cultures. Shwetha holds a Bachelor's degree in commerce from Mumbai University.



GOVERNANCE

OUR PEOPLE

CEO'S OFFICE

Manish Kumar Manu  
Simhachalam Ashwini  
Vikaash Khdloya

ACQUISITIONS

Rahul Chhajer  
Ray Vargis Kallimel  
Ritwik Bhattacharjee

COMMERCIAL LEASING

Abhilash V K  
Augustus Kurian Thomas  
Dennis Joseph Valanatt  
Dimpy Ajay Vyshampayan  
Keerthana C P  
Mamta Chand  
Molahalli Amit Vikram Shetty  
Rishad Naval Pandole  
Ritesh Yallappa Ganiger  
Saurabh Arun Todi  
Sheetal Purandar  
Tej Ram Sharma  
Vishal Vashisth  
Yash Sharma

CORPORATE FINANCE

Amit Anil Kharche  
Devansh Suhasaria  
Nakul Kashyap  
Rushikesh Jayawant Bhosale

COUNSEL AND COMPLIANCE

Apoorva Ravi  
Bindu C C  
Donnie Dominic George  
Gautham Nambiar  
Hrishikesh V Murthy  
Namitha S Kutnikar  
Yalavarti Srimukha

FINANCE AND ACCOUNTS

Abhishek Agrawal  
Arun M S  
Ashwath Kumar. S  
Chandrabhas K Purohit  
Channabasavaiah T

D L Ramalinge Gowda  
Deviprasad C Raykar  
Hemant Prakash Gawde  
Kapil Rameshchandra Agrawal

M N Manjunath  
Mahadeva D N  
Mandar Vijay Inamdar  
Manish Khandelwal  
Mittal Kunal Janshali  
Nandan R  
Nilesh Girdharilal Marshiya  
Prabhata Kumar Mishra  
Praveen Ram Pise  
Rahul Kumar  
Sachinkumar Magundappa  
Bevinamarad  
Saritha Prabhakar  
Savitha Babu  
Shantanu Devidas Sawargaonkar  
Sujith M  
Sunil Kumar H  
Sunil Kumar L  
Sunny Ahuja

HOSPITALITY BUSINESS

Angad Pahwa  
Raghu Sapra

HUMAN RESOURCES

Divya Gupta Pohare  
Mansi Bahl

INFORMATION TECHNOLOGY

Anil Dattu Patil

INVESTOR RELATIONS

Abhishek Agarwal  
Sakshi Garg  
Saurabh Pandey

MARKETING AND COMMUNICATION

Shwetha Reddy  
Uday Philip

OPERATIONS

Ashwini Kumar  
Hrishikesh Arvind Rajhans  
Nagaraj Naik  
Paramvir Singh Paul  
Pradeep Kumar Sharma  
Raiju John Balan  
Rajashekara A S  
Rajiv Banerjee  
Sandeep Prabhakar Manjrekar  
Sandeep Shrikisan Tapadia  
Sangram Singha  
Vaibhav Jindal

PROCUREMENT

Anuradha Rao  
Ravindra B  
Sridharappa

PROJECTS AND CAPEX

Anindya Chowdhury  
Naresh J N  
Naveen R  
Pramod S R  
Pranam Battepati  
Rajendran Subramaniam  
Sudhakar Saridevi  
V Sachin Govind  
Walmik Harishchandra Shelke

TAXATION

Cristina John Joseph  
Lata Vishnoi  
Nikita Shah  
Subhashini G N

TREASURY

Ashwin Surahonne  
Chandrappa Hanumanthappa Sali  
Karthik Haridas Acharya  
Rahul R Parikh  
Savitha Suresh  
Sini Mary George  
Sudarsan Balasubramaniam

Note: Data as of September 30,2022



Embassy Manyata Business Park, Bangalore



# PORTFOLIO OVERVIEW



te 1  
gusta  
erry Hills  
r winds  
river  
e 2, 3  
era

Commercial Offices	64
Other Assets	88



COMMERCIAL OFFICES

# EMBASSY TECHVILLAGE, BANGALORE

Embassy TechVillage is a large-scale, best-in-class integrated office park situated on the Outer Ring Road in Bangalore. Home to over 45,000 employees of 40+ corporate occupiers, Embassy TechVillage is an infrastructure-like asset that serves as a complete business ecosystem for its occupiers and their employees.

KEY STATISTICS

**7.3** MSF

Completed area

**1.9** MSF

Development area

**9.2** MSF

Leasable area

**43**

Occupiers

**98.0%**

Occupancy

**₹119,779** MN

Market value

ON-CAMPUS DEVELOPMENTS

Towers A, B, C & D

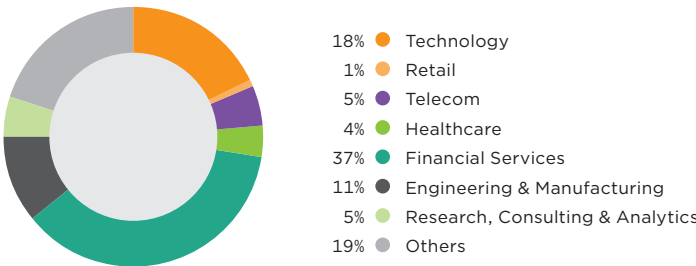
- ◆ Excavation completed, basement works in progress and super structure works in progress
- ◆ Targeting Sep'24 delivery

Hilton Hotels at ETV

- ◆ Excavation works in progress
- ◆ Targeting Dec'25 deliveries



OCCUPIER MIX (%)



All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY **MANYATA** BUSINESS PARK, BANGALORE

Embassy Manyata is one of India’s largest contiguous and most well-known business parks. Spanning 15.2 msf, Embassy Manyata is located in a prominent growth corridor, which connects the international airport to the city centre.

KEY STATISTICS

11.4 <sup>MSF</sup> Completed area	3.5 <sup>MSF</sup> Under construction area	15.2 <sup>MSF</sup> Leasable area
49 Occupiers	88% Occupancy	₹186,462 <sup>MN</sup> Market value

ON-CAMPUS DEVELOPMENTS

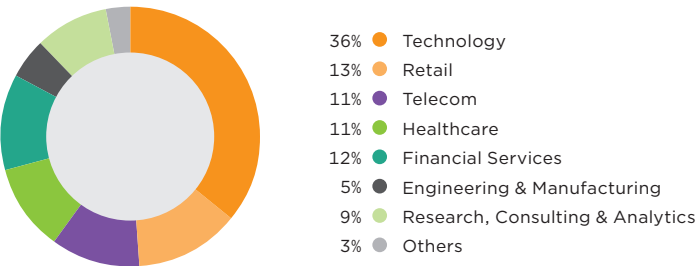
**M3 Parcel** | With leasable area of 1 msf, Block M3 A will be a next-generation design commercial office. The floor plates are central core with all-around façade that will complement Embassy Manyata Business Park’s position as the most sought-after office location in North Bangalore.

- ♦ **M3 Block A** | Fire NOC received. Targeting Dec’22 delivery.
- ♦ **M3 Block B** | Basement works completed. Superstructure works to commence. Awaiting acquisition of transferable development rights and building approvals. Targeting March’25 delivery.

**Block D1/D2 Redevelopment** | Design finalised and environmental approvals received. Demolition works being initiated. Targeting Dec’25 delivery.

**Block L4** | Excavation work commenced. Targeting Jun’25 delivery.

OCCUPIER MIX (%)



All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY GOLFLINKS, BANGALORE

Located in the heart of Bangalore, Embassy GolfLinks is one of India’s most recognised and awarded business parks.

KEY STATISTICS

**3.1** MSF  
Leasable area

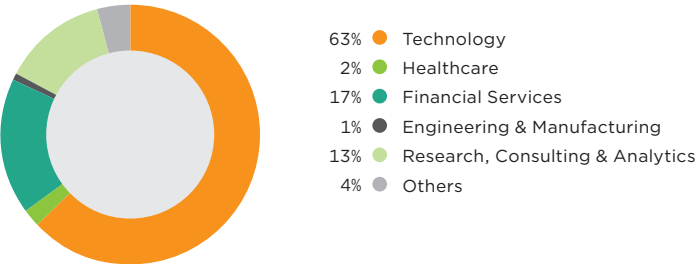
**100%**  
Occupancy

**25**  
Occupiers

**₹34,792 MN**  
Market value<sup>1</sup>

1. Details include 100% of Embassy GolfLinks except Gross Asset Value (GAV) which reflects only our 50% economic interest in Embassy GolfLinks and accounts for only the proportionate profits of Embassy GolfLinks basis the equity method

OCCUPIER MIX (%)



All data as on September 30, 2022





# EMBASSY ONE, BANGALORE

Embassy One is strategically located on the main road entering Bangalore CBD from the international airport. It provides premium small format office space to corporate occupiers with the added benefit of being part of a mixed use project that also comprises a luxury Four Seasons Hotel.

### KEY STATISTICS

0.3 MSF  
Completed area

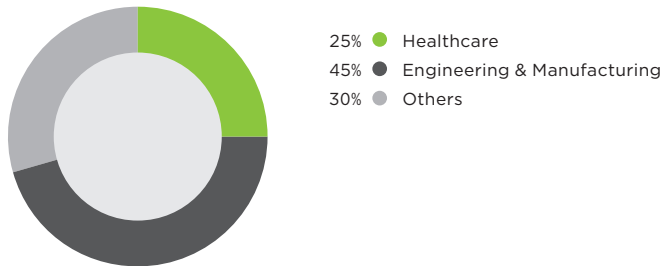
0.3 MSF  
Leasable area

6  
Occupiers

45%  
Occupancy

₹4,910 MN  
Market value

### OCCUPIER MIX (%)



All data as on September 30, 2022





# EXPRESS TOWERS, MUMBAI

Express Towers, located in Nariman Point (Mumbai’s CBD), enjoys proximity to some of India’s most exclusive residential neighbourhoods as well as the state administrative and legislative hubs, such as the Legislative Assembly and the High Court.

## KEY STATISTICS

0.5 MSF  
Completed area

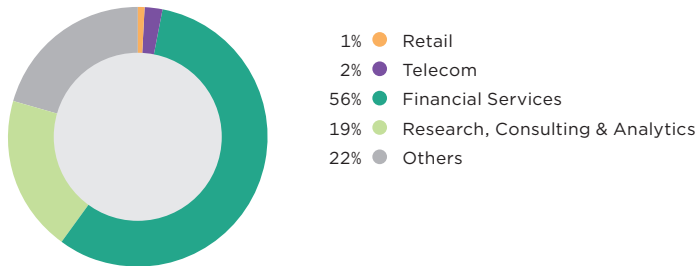
0.5 MSF  
Leasable area

27  
Occupiers

₹17,888 MN  
Market value

81%  
Occupancy

### OCCUPIER MIX (%)



All data as on September 30, 2022





# EMBASSY 247, MUMBAI

Embassy 247 is one of our premium Grade A city-centre office buildings located at Peripheral Business District of Vikhroli on an arterial road (LBS Marg) between Mumbai’s two major highways – The Eastern Express Highway and The Western Express Highway.

## KEY STATISTICS

1.2 MSF  
Completed area

25  
Occupiers

₹18,502 MN  
Market value

87%  
Occupancy

## AWARDS

Embassy 247, Vikhroli Corporate Park Pvt. Ltd. won the Best Green Building Project of the Year at the Internet Entrepreneur Awards, for building enterprises for a techfuture hosted by the Future of Tech Congress Awards.

## OCCUPIER MIX (%)



- 12% Technology
- 19% Retail
- 27% Financial Services
- 19% Engineering & Manufacturing
- 23% Others

All data as on September 30, 2022





COMMERCIAL OFFICES

# FIRST INTERNATIONAL, FINANCE CENTRE (FIFC), MUMBAI

FIFC is one of our finest Grade A city-centre office buildings, and is located in the Bandra-Kurla Complex (BKC) that has emerged as the financial hub of India's commercial capital.

KEY STATISTICS

0.4 MSF

Completed area

0.4 MSF

Leasable area

86%

Occupancy

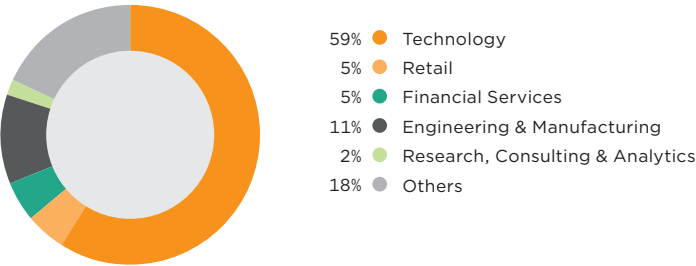
8

Occupiers

₹14,212 MN

Market value

OCCUPIER MIX (%)



All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY TECHZONE, PUNE

Located near the Mumbai-Pune Expressway, Embassy TechZone is a premium office park that is home to many of Pune’s marquee corporate occupiers. It provides unhindered connectivity to Mumbai and Pune CBD.

KEY STATISTICS

80% Occupancy	16 Occupiers	₹22,512 MN Market Value
5.5 MSF Leasable area	2.2 MSF Completed area	0.9 MSF Development area

ON-CAMPUS DEVELOPMENTS

Hudson (0.5 msf) and Ganges (0.4 msf)

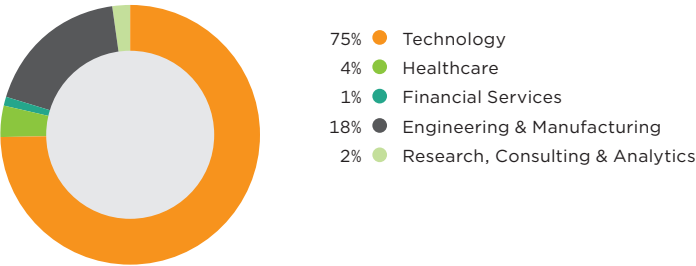
At Embassy TechZone, we are developing 0.9 msf of commercial office space with best-in-class Grade A specifications.



AWARDS

‘Workplace Excellence’ Awards for excellence in Innovation Technology and outstanding Return to Work strategy (Embassy TechZone) by INFHRA Awards 2021-22.

OCCUPIER MIX (%)



All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY QUADRON, PUNE

Embassy Quadron is a large hub of technology companies and among the most popular office locations in Pune. It is located in the West Pune submarket that has emerged among the most popular office locations in the city, and is well connected to Mumbai and Central Pune.

KEY STATISTICS

50%

Occupancy

₹12,903 MN

Market value

7

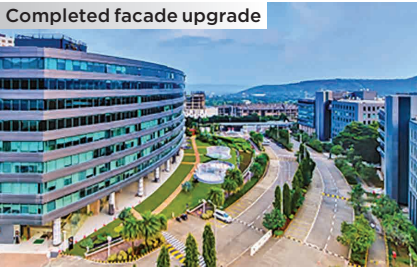
Occupiers

1.9 MSF

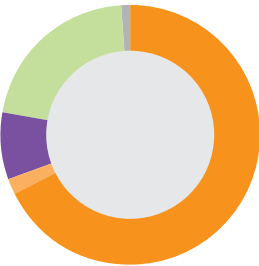
Completed area

ON-CAMPUS DEVELOPMENTS

**Quadron**  
At Embassy Quadron, we have renovated the complete business park infrastructure by building a new entrance to the park, upgrading the building façade, refurbishing food courts and entrance lobbies, and adding more landscaping to increase the green footprint of the park.



OCCUPIER MIX (%)



- 67% Technology
- 2% Retail
- 8% Telecom
- 21% Research, Consulting & Analytics
- 2% Others

All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY QUBIX PUNE

Embassy Qubix is located in the submarket of West Pune, and is among the most expansive technology hubs in the city, offering excellent social and lifestyle infrastructure, various transportation links to both Mumbai and Pune Central Business District (CBD), and a large residential catchment catering to the growing technology workforce.

KEY STATISTICS

89%

Occupancy

21

Occupiers

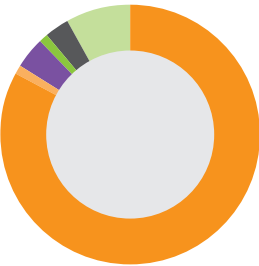
₹9,910 MN

Market value

1.5 MSF

Completed area

OCCUPIER MIX (%)



- 83% Technology
- 1% Retail
- 4% Telecom
- 1% Healthcare
- 3% Engineering & Manufacturing
- 8% Research, Consulting & Analytics

All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY OXYGEN, NOIDA

Embassy Oxygen is located close to the Noida-Greater Noida Expressway. The property is one of the city’s largest office parks and one of the two SEZ parks in its submarket, complete with architectural brilliance, excellent connectivity and easy availability of STEM talent.

KEY STATISTICS

72% Occupancy	3.3 MSF Leasable area	0.7 MSF Development area
7 Occupiers	2.5 MSF Completed area	₹24,689 MN Market value

ONGOING PROJECTS

Tower 1, 0.7 msf

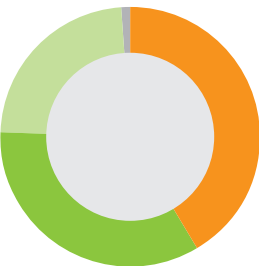
At Embassy Oxygen Tower 1, we are building 0.7 msf of commercial office space. This project will have an efficient floor plan that will entail a central core area with an all-round glass façade, maximising day light entry.



AWARDS

Best Project – Corporate IT Park award at the Workplace Excellence Awards 2020 by iNFHRA

OCCUPIER MIX (%)



41%	Technology
34%	Healthcare
23%	Research, Consulting & Analytics
2%	Others

All data as on September 30, 2022





COMMERCIAL OFFICES

# EMBASSY GALAXY, NOIDA

Embassy Galaxy is one of our campuses located in the peripheral Noida submarket. The property provides an integrated work ecosystem with adjoining residential areas and universities, among others, bringing together many multinational corporate occupiers, a walk-to-work culture and seamless connectivity.

KEY STATISTICS

92%  
Occupancy

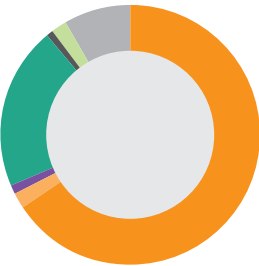
14  
Occupiers

₹9,476 MN  
Market value

1.4 MSF  
Completed area

1.4 MSF  
Leasable area

OCCUPIER MIX (%)



- 65% Technology
- 2% Retail
- 1% Telecom
- 20% Financial Services
- 1% Engineering & Manufacturing
- 2% Research, Consulting & Analytics
- 8% Others

All data as on September 30, 2022





## OTHER ASSETS

# HILTON EMBASSY GOLFLINKS, BANGALORE

Integrated into the Embassy Golflinks ecosystem, the property is a 5-star hospitality asset in our portfolio. It overlooks the picturesque Karnataka Golf Course and is a 247-key hotel set within our most recognised office buildings.

## KEY STATISTICS

247

Keys

25 ACRES

Site area

67%

Occupancy<sup>1</sup>

₹4,701 MN

Market value

5-STAR BUSINESS

Hotel category

1. Refers to Q2 FY2023 occupancy

All data as on September 30, 2022





OTHER ASSETS

# FOUR SEASONS BANGALORE, AT EMBASSY ONE

The Four Seasons at Embassy One is the only luxury hotel situated on the Airport corridor, and is highly complementary to the small-format high-end office premises within the same complex. Nestled within lush, green expanses and premium residential area, the property combines luxury, leisure and work with unrivalled standards.

KEY STATISTICS

2019

Year of commencement

3.58 ACRES

Site area

31%

Occupancy<sup>1</sup>

5-STAR LUXURY

Hotel category

230

Number of hotel keys

₹8,317 MN

Market value

1. Refers to Q2 FY23 occupancy

All data as on September 30, 2022





OTHER ASSETS

# HILTON HOTELS EMBASSY **MANYATA**, BANGALORE

The Hilton Hotels at Embassy Manyata is one of the largest hotel complexes in South India. The mixed-use hotel complex comprises 619-key dual-branded hotels and over 60,000 sq ft. of convention space, including a 13,000 sq ft. pillarless grand ballroom that can accommodate upto 1,500 people.

HILTON

**5-STAR BUSINESS**  
Hotel category

HILTON GARDEN INN

**3-STAR BUSINESS**  
Hotel category

KEY STATISTICS

**619**  
Number of hotel keys

**₹10,674 MN**  
Market value

**48%**  
Occupancy<sup>1</sup>

RETAIL AND CONVENTION CENTRE

OVER **100** KSF

1. Refers to Q2 FY23 occupancy

All data as on September 30, 2022





OTHER ASSETS

# EMBASSY ENERGY, KARNATAKA

Embassy Energy is our 460-acre solar park (with a 100 MW capacity), supplying green energy to our properties in Bengaluru. The plant has a capacity of 215 million units per annum, and offsets up to 200 million kg of CO<sub>2</sub> annually.

KEY STATISTICS

**2018**  
Year of commencement

**460** ACRES  
Site area

**215** MN  
Annual capacity

**100** MW  
Capacity

**₹8,686** MN  
Market value

All data as on September 30, 2022







Hilton Embassy GolfLinks, Bangalore

HOSPITALITY UPDATE



HILTON AT EMBASSY GOLFLINKS

- ◆ 247 keys
- ◆ 5-star hotel
- ◆ Operational
- ◆ H1 FY23 occupancy: 67% (vs 21% in H1 FY22)
- ◆ H1 FY23 EBITDA: ₹163 MN (vs ₹(32) MN in H1 FY22)
- ◆ '2021 Travellers Choice Award' - by TripAdvisor



FOUR SEASONS AT EMBASSY ONE

- ◆ 230 keys
- ◆ 5-star luxury hotel
- ◆ Operational
- ◆ H1 FY23 occupancy: 35% (vs 18% in H1 FY22)
- ◆ H1 FY23 EBITDA: ₹60 MN (vs ₹(76) MN in H1 FY22)
- ◆ Far and East: Best Chinese Premium Dining – Times Food & Nightlife Awards 2021



HILTON HOTELS AT EMBASSY MANYATA

- ◆ 619 keys
- ◆ 5-star and 4-star hotel
- ◆ Operational
- ◆ H1 FY23 occupancy: 48%
- ◆ H1 FY23 EBITDA: ₹172 MN
- ◆ 100 k sf+ of retail space and convention centre
- ◆ Best Hotel Architecture – Asia Pacific Property Awards





# STATUTORY REPORTS AND **FINANCIAL** STATEMENTS

Report on Corporate Governance	100
Statutory Disclosures	115
Standalone Financial Statements	135
Consolidated Financial Statements	178
Valuation Report	265



# Report on Corporate Governance

## OVERVIEW

Embassy Office Parks REIT (“**Embassy REIT**”) seeks to ensure a high standard of corporate governance consistent with global best practices. Our governance framework emphasises accountability, transparency and integrity, with a view to maximising Unitholder value. Embassy REIT has in place a comprehensive set of compliance policies to implement this corporate governance framework.

### Authorisation Structure

Embassy REIT was settled on March 30, 2017 at Bengaluru, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated March 30, 2017 as amended on September 11, 2018. Embassy REIT was registered with SEBI on August 3, 2017 as a real estate investment trust under Regulation 3(1) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 (“**REIT Regulations**”) having registration number IN/REIT/17-18/0001. Embassy Sponsor and Blackstone Sponsor are the sponsors of Embassy REIT. Units of Embassy REIT were listed on National Stock Exchange of India Limited (“**NSE**”) and BSE Limited (“**BSE**”) on April 1, 2019.

### Manager

Embassy Office Parks Management Services Private Limited (“**EOPMSPL**” or “**Manager**”) is the Manager of Embassy REIT. The Manager is a private limited company incorporated in India under the Companies Act, 1956 on January 31, 2014 at Bengaluru, Karnataka. EOPMSPL is held by Embassy Sponsor and certain entities forming part of the Blackstone Sponsor Group with the shareholding of 51% and 49%, respectively. The Manager’s role is to manage Embassy REIT and its assets in accordance with the Trust Deed, the Investment Management Agreement and the REIT Regulations in the interests of Unitholders.

### Trustee

Axis Trustee Services Limited is the Trustee of Embassy REIT. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee with registration number IND0000000494 which is valid until suspended or cancelled by SEBI. The Trustee is a wholly owned subsidiary of Axis Bank Limited.

The Trustee is not an Associate of either of the Sponsors or the Manager. The Trustee is responsible for safe custody of the assets of the Embassy REIT and holds the assets in trust for the benefit of the Unitholders.

### Governance Statement

For the half-year ended September 30, 2022, the Manager and Embassy REIT have complied with the provisions of the Trust Deed, the REIT Regulations and the Corporate Governance policies.

## BOARD OF DIRECTORS AND MANAGEMENT CONSTITUTION OF THE BOARD

- a) The Manager has 8 (eight) Directors. All the Directors of the Manager are Non-executive Directors, one half of which are Independent Directors including one Woman Director. The profiles of the Directors are set forth on pages 52-55 of this report.

Mr. Jitendra Virwani has been elected as the Chairperson of the Board of Directors of the Company for the Financial Year 2022-23.

Mr. Asheesh Mohta is alternate director to Mr. Robert Christopher Headly.

Mr. Jitendra Virwani, non-executive director, is father of Mr. Aditya Virwani, non-executive director.

- b) The Board is responsible for the overall management and governance of the Manager.
- c) The Chief Executive Officer of the Manager is responsible for the day-to-day business operations and the management of the Manager and Embassy REIT, subject to the superintendence, control and direction of the Board of Directors of the Manager.

### Meetings of the Board of Directors

- a) Three Board Meetings were held during the half-year ended September 30, 2022 i.e. on April 28, 2022, July 21, 2022 and September 22, 2022. The necessary quorum was present physically and through Audio-Visual Electronic Communication means in all the three meetings. The time gap between two board meetings was less than 120 days.
- b) The Board meets at regular intervals to discuss and decide on policies and business strategy apart from other Board and compliance matters. Advance notice is given to all directors to schedule the Board meetings, including those held at shorter notice. The agenda and other related papers are circulated to the Directors ahead of the Meetings. The minutes of the meetings of all the Board and Committees are circulated to all the Directors and are finalised after incorporating comments of the Directors, if any. Unanimous decisions were carried through and there were no instances where any director expressed any dissenting views.
- c) The Board and Committee meetings are scheduled in co-ordination with the offices of the directors. In case of special and urgent business needs, the Board’s approval is taken by passing resolutions through circulation, subject to applicable law, which are noted and confirmed in the subsequent Board meeting.
- d) None of the Directors is a member of more than ten Board level committees (considering only Audit Committee and Stakeholders’ Relationship Committee) or Chairman of more than five committees across all public limited companies (listed or unlisted).

- e) The Company has availed Directors and Officers Insurance for all its Directors, including Independent Directors of the Company.
- f) The Board passed two resolutions through circulation during the half-year ended September 30, 2022 i.e. on May 16, 2022 covering matters which were subsequently noted by the Board in their meeting held on July 21, 2022 and *inter alia*, approved:
- (i) the Annual Report including the Management Discussion and Analysis of the financial condition and results of operation of Embassy Office Parks REIT (“**Embassy REIT**”) for the Financial Year 2021-22; and
- (ii) convening of the Fourth Unitholders’ Meeting of Embassy REIT and the Notice thereof.
- g) Performance Evaluation of the Board, its Committees and Individual Directors, including Independent Directors:

The Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter alia*, the process, format, attributes and criteria for the performance evaluation of the entire Board, its committees and individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee.

The Independent Directors had met separately on April 26, 2022 without the presence of Non-independent Directors and the Management and discussed, *inter alia*, the performance of Non-independent Directors and the Board as a whole and the performance of the Chairperson of the Board of Directors of the Company after taking into consideration the views of Non-independent Directors.

The table below sets out the number of Board and Unitholder meetings attended by each director:

Name of the Director	Category	Number of Board Meetings attended during the half-year ended September 30, 2022	Whether attended the Annual Meeting of the Unitholders held on June 13, 2022
Mr. Anuj Puri	Independent Director Non-executive Director	3	Yes
Mr. Vivek Mehra	Independent Director Non-executive Director	3	Yes
Dr. Ranjan Pai	Independent Director Non-executive Director	2	Yes
Dr. Punita Kumar-Sinha	Independent Director Non-executive Director	3	Yes
Mr. Jitendra Virwani	Non-independent Non-executive Director	2	Yes
Mr. Aditya Virwani	Non-independent Non-executive Director	3	Yes
Mr. Tuhin Parikh	Non-independent Non-executive Director	1	No
Mr. Robert Christopher Headly	Non-independent Non-executive Director	3	Yes
Mr. Asheesh Mohta*	Non-independent Non-executive Director	NA	NA

\*Alternate director to Mr. Robert Christopher Headly

- I. The Manager held its Board and Committee meetings, for the half-year ended September 30, 2022, through Audio-Visual Electronic Communication and also physical means. The fourth Annual Meeting of Unitholders of Embassy REIT held on June 13, 2022, was held physically and also through Audio-Visual Electronic Communication.
- II. As on September 30, 2022, the following members of the Board, Key Managerial Personnel and senior management held units in the Embassy REIT.

Name	Category	Number of Embassy REIT Units held
Mr. Vivek Mehra	Independent Director	6,400
Mr. Aditya Virwani	Non-executive Director	5,200

Mr. Karan Virwani holds 2,000 Units. He is related to Mr. Aditya Virwani and Mr. Jitendra Virwani, both of whom are Non-executive Directors.



Report on Corporate Governance (Contd.)

Committees Constituted by the Board

The Board has constituted Nine (9) committees. The composition and terms of reference of each of those committees is set forth below:

Committee	Composition	
Audit Committee	<b>Name</b>	<b>Category</b>
	Mr. Vivek Mehra – Chair	Independent Non-executive Director
	Mr. Anuj Puri	Independent Non-executive Director
	Dr. Punita Kumar-Sinha	Independent Non-executive Director
	Dr. Ranjan Pai	Independent Non-executive Director
	Mr. Jitendra Virwani	Non-independent Non-executive Director
	Mr. Robert Christopher Heady*	Non-independent Non-executive Director
*Mr. Asheesh Mohta, Alternate Director to Mr. Robert Christopher Heady		
Nomination and Remuneration Committee	<b>Name</b>	<b>Category</b>
	Dr. Ranjan Pai – Chair	Independent Non-executive Director
	Mr. Vivek Mehra	Independent Non-executive Director
	Mr. Jitendra Virwani	Non-independent Non-executive Director
Stakeholders’ Relationship Committee	<b>Name</b>	<b>Category</b>
	Dr. Punita Kumar-Sinha – Chair	Independent Non-executive Director
	Mr. Aditya Virwani	Non-independent Non-executive Director
	Mr. Robert Christopher Heady*	Non-independent Non-executive Director
	Mr. Vivek Mehra	Independent Non-executive Director
	*Mr. Asheesh Mohta, Alternate Director to Mr. Robert Christopher Heady	
Corporate Social Responsibility Committee	<b>Name</b>	<b>Category</b>
	Dr. Ranjan Pai – Chair	Independent Non-executive Director
	Mr. Aditya Virwani	Non-independent Non-executive Director
	Mr. Tuhin Parikh	Non-independent Non-executive Director
Risk Management Committee	<b>Name</b>	<b>Category</b>
	Mr. Vivek Mehra – Chair	Independent Non-executive Director
	Dr. Ranjan Pai	Independent Non-executive Director
	Dr. Punita Kumar-Sinha	Independent Non-executive Director
	Mr. Anuj Puri	Independent Non-executive Director
	Mr. Jitendra Virwani	Non-independent Non-executive Director
	Mr. Robert Christopher Heady*	Non-independent Non-executive Director
	*Mr. Asheesh Mohta, Alternate Director to Mr. Robert Christopher Heady	
Investment Committee	<b>Name</b>	<b>Category</b>
	Mr. Anuj Puri – Chair	Independent Non-executive Director
	Dr. Ranjan Pai	Independent Non-executive Director
	Mr. Jitendra Virwani	Non-independent Non-executive Director
	Mr. Tuhin Parikh	Non-independent Non-executive Director
Debenture Committee	<b>Name</b>	<b>Category</b>
	Mr. Tuhin Parikh	Non-independent Non-executive Director
	Mr. Aditya Virwani	Non-independent Non-executive Director
	Mr. Vikaash Khdloya	Chief Executive Officer
	Mr. Aravind Maiya until May 31, 2022	Chief Financial Officer
	Mr. Abhishek Agrawal w.e.f. June 01, 2022	Interim Chief Financial Officer
Securities Committee	<b>Name</b>	<b>Category</b>
	Mr. Tuhin Parikh	Non-independent Non-executive Director
	Mr. Aditya Virwani	Non-independent Non-executive Director
	Mr. Anuj Puri	Independent Non-executive Director
	Mr. Jitendra Virwani	Non-independent Non-executive Director
Management Committee	<b>Name</b>	<b>Category</b>
	Mr. Michael D Holland until June 30, 2022	Chief Executive Officer
	Mr. Vikaash Khdloya w.e.f. July 01, 2022*	Chief Executive Officer
	Mr. Aravind Maiya - until May 31, 2022	Chief Financial Officer
	Mr. Ritwik Bhattacharjee w.e.f. March 29, 2022	Chief Investment Officer
	Mr. Abhishek Agrawal w.e.f. March 29, 2022**	Interim Chief Financial Officer

\*Mr. Vikaash Khdloya has been appointed as the Chief Executive Officer of Embassy Office Parks REIT with effect from July 01, 2022.

\*\*Mr. Abhishek Agrawal has been appointed as the Interim Chief Financial Officer of Embassy Office Parks REIT with effect from June 01, 2022.

ENVIRONMENT, SOCIAL AND GOVERNANCE (“ESG”)

An Environment Social and Governance (ESG) Committee has been established to drive ESG initiatives and compliances. The ESG Committee is a cross-functional management committee of the Manager. It is chaired by the Chief Executive Officer of the Manager, with the Head-Operations of the Manager as the Secretary to the Committee. The Committee reports to the Management Committee and the Chairperson of the ESG Committee is responsible to provide the ESG update to the Management Committee every quarter. The Secretary is responsible for setting the agenda and circulating the minutes of the Committee Meetings.

The Committee is responsible for aligning Embassy REIT’s ESG objectives along with its business objectives by creating a periodic Environmental, Social and Governance roadmap for achieving the Embassy REIT’s goals and targets. The Committee is responsible for overseeing all ESG initiatives. It plays a pivotal role in analysing current and emerging ESG trends that may have an impact on business, operations, performance, stakeholders needs and interests, and advising the Board on appropriate actions for the same.

AUDIT COMMITTEE – TERMS OF REFERENCE

The Board of Directors at its meeting held on October 29, 2021, have revised the terms of reference of the Audit Committee. The revised terms of reference of the Audit Committee are set out below:

- a) Providing recommendations to the Board of Directors regarding any proposed distributions;
- b) Overseeing the Embassy REIT’s financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- c) Giving recommendations to the Board of Directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditors of the Embassy REIT and the audit fee, subject to the approval of the Unitholders (if required under applicable law);
- d) Reviewing and monitoring the independence and performance of the statutory auditors of the Embassy REIT, and effectiveness of audit process;
- e) Approving payments to statutory auditors of the Embassy REIT for any other services rendered by such statutory auditors;
- f) Reviewing the annual financial statements and auditors’ report thereon of the Embassy REIT, before submission to the Board of Directors for approval, with particular reference to:

i. changes, if any, in accounting policies and practices and reasons for such change;

ii. major accounting entries involving estimates based on the exercise of judgement by management;

iii. significant adjustments made in the financial statements arising out of audit findings;

iv. compliance with listing and other legal requirements relating to financial statements;

- v. disclosure of any related party transactions; and
- vi. modified opinions in the draft audit report;
- g) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- h) Reviewing, with the management, the statement of uses/application of funds raised through an issue of units or other securities (if applicable) by Embassy REIT (public issue, rights issue, preferential issue, etc.) and the statement of funds utilised for purposes other than those stated in the offer documents/notice, and making appropriate recommendations to the Board of Directors for follow-up action and monitoring the use of proceeds of offerings of securities of the Embassy REIT, as applicable;
- i) Reviewing and monitoring the Embassy REIT’s auditors’ independence and performance, and effectiveness of the audit process;
- j) Approval or any subsequent modifications of transactions of the Embassy REIT with related parties, as may be required under applicable law;
- k) Scrutiny of inter-corporate loans and investments of the Embassy REIT, as applicable;
- l) Reviewing valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;
- m) Evaluating internal financial controls and risk management systems of the Embassy REIT;
- n) Reviewing, with the management, the performance of statutory and internal auditors of the Embassy REIT, and adequacy of the internal control systems, as applicable;
- o) Reviewing the adequacy of internal audit function of the Embassy REIT, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- p) Reviewing the findings of any internal investigations by the internal auditors of Embassy REIT in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
- q) Reviewing the procedures put in place by the Manager for managing any conflict that may arise between the interests of the Unitholders, the parties to the Embassy REIT and the interests of the Manager, including related party transactions, the indemnification of expenses or liabilities incurred by the Manager, and the setting of fees or charges payable out of the Embassy REIT’s assets;
- r) Discussing with statutory auditors and valuers of the Embassy REIT prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/valuation discussion to ascertain any area of concern;
- s) Reviewing and monitoring the independence and performance of the valuer of the Embassy REIT;



Report on Corporate Governance (Contd.)

- t) Giving recommendations to the Board of Directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the valuer of the Embassy REIT;
- u) Evaluating any defaults or delay in payment of distributions to the Unitholders or dividends/ distributions by the Asset SPVs to the Embassy REIT and payments to any creditors of the Embassy REIT or the Asset SPVs, and recommending remedial measures;
- v) Reviewing periodically the statement of related party transactions, submitted by the management;
- w) Reviewing the Management letters/letters of internal control weaknesses issued by the statutory auditors of the Embassy REIT;
- x) Discussion with internal auditors of the Embassy REIT of any significant findings and follow up there on (and the internal auditors may report directly to the Audit Committee);
- y) To review the functioning of the whistle blower mechanism/vigil mechanism;
- z) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- aa) Reviewing the utilisation of loans and/or advances from/investment by the Embassy REIT/holding company in the holding company/special purpose vehicle exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower, or such other thresholds as may be prescribed and as may be required under applicable law;
- ab) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Embassy REIT and its Unitholders, to the extent applicable;
- ac) To investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- ad) Periodic review compliance with the provisions of the Code on unpublished price sensitive information and dealing in securities of the Embassy REIT and Code of Practices and Procedures for Fair Disclosure in respect of the Embassy REIT, verification that the systems for internal control are adequate and are operating effectively and general supervision of the implementation of such Code;
- ae) Formulating any policy for the Manager, as necessary, in relation to its functions, as specified above; and
- af) Performing such other activities or functions as may be delegated by the Board of Directors of the Manager and/or prescribed under any applicable law.

The Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;

- b) statement of significant related party transactions (as defined by the Audit Committee), to the extent applicable, submitted by management;
- c) management letters/letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal and terms of remuneration of the chief internal auditor;
- f) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 and to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, together with the circulars, clarifications, guidelines and notifications issued thereunder, each as amended.
  - (b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 and to the extent applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, together with the circulars, clarifications, guidelines and notifications issued thereunder, each as amended.

**NOMINATION AND REMUNERATION COMMITTEE - TERMS OF REFERENCE**

The Board of Directors at its meeting held on October 29, 2021, have revised the terms of reference of the Nomination and Remuneration Committee. The revised terms of reference of the Nomination and Remuneration Committee are set out below:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Manager a policy relating to, the remuneration of the directors, key managerial personnel and other employees. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the board of directors and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
  - i. use the services of an external agencies, if required;
  - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. consider the time commitments of the candidates;

- b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c) Devising a policy on diversity of the board of directors of the Manager;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal, to the extent required under applicable law;
- e) Determining whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors;
- f) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Manager successfully;
- g) recommending to the board of directors, all remuneration, in whatever form, payable to senior management, to the extent required under applicable law;
- h) Overseeing the administration and execution of any employee incentive scheme adopted in relation to the employees of the Company including the Employee Incentive Plan 2020 ("Plan 2020"), including matters relating to the settlement and administration of any employee welfare trusts. The role of the committee shall, *inter alia*, include determining the following:
  - i. the eligibility criteria for employees eligible for incentives under the Plan 2020;
  - ii. the terms and conditions of the awards granted under the Plan 2020, including the Deferred Unit awards and Performance Unit awards, including the criteria and performance parameters for the granting and vesting of such awards to eligible employees;
  - iii. the number of tranches in which the awards are to be granted and the number of awards to be granted in each such tranche;
  - iv. the quantum of awards to be granted to each employee under the Plan 2020;
  - v. the timing of issuance of the letters of grant, vesting letters, or amendments or modifications thereto, determining the pool of units available for grant and the timing of contributions to such pool;
  - vi. the number of awards if any, reserved for granting to new employees who would join the services of the Company;
  - vii. specify the method, as applicable, which the Company shall use to value the awards;
  - viii. lay down the procedure for cashless exercise of awards, if any;
  - ix. provide for the grant, vesting and exercise of awards in case of eligible employees or awards holders who are on long leave or who have been seconded to any other company by the Company;

- x. the vesting and exercise period for the awards;
- xi. terms on which the awards would lapse on failure to Exercise within the relevant exercise period;
- xii. specifying the time period within which an employee shall exercise the vested awards in the event of termination or resignation of such employee;
- xiii. the conditions under which the vested awards may lapse, in case of termination of employment for fraud or misconduct;
- xiv. the treatment of unvested awards upon events including but not limited to, termination of employment or upon a director ceasing to hold office;
- xv. the procedure for surrender and cancellation of awards, if required;
- xvi. framing appropriate procedures and rules for granting, vesting and exercise of awards and amending, altering, modifying or rescinding such procedures and rules from time to time;
- xvii. ensuring submission of information, reports, etc., in connection with the Plan 2020 or the EWT, if required, to the recognised stock exchange(s) at stipulated periodical intervals or otherwise, as the case may be;
- xviii. obtaining permissions from, and making periodic reports, to regulatory authorities, as may be required, and ensuring compliance with applicable law;
- xix. laying down a method for satisfaction of any tax obligation arising in connection with the awards in compliance with applicable law;
- xx. provide for any statutory, contractual, regulatory or such other matters as may be necessary for the administration and implementation of the Plan 2020 in accordance with applicable law;
- xxi. finalise, approve and authorise executives of the Company to execute various agreements, deeds, writings, confirmations, undertakings, indemnities, letters or other documents, as may be necessary, under the common seal of the Company or otherwise, with any party including the Blackstone Sponsor Group and the Embassy Sponsor group, legal advisors, accountants, registrar and transfer agents, depositories, custodians, trustees, bankers, employees and/or others for the purposes of the Plan 2020 and accept modifications, changes and amendments to any such documents/agreements;
- xxii. formulation of suitable policies and systems to ensure that there is no violation of any applicable law;
- xxiii. such other matters, not captured above, which may be required in relation to the implementation of the Plan 2020 in accordance with applicable law and the terms set out herein;



Report on Corporate Governance (Contd.)

- xxiv. formulate various sets of special terms and conditions under the Plan 2020 to apply to an employee (or his nominee or legal heir, as the case may be). Each of such sets of special terms and conditions under the Plan 2020 shall be restricted in their application to such employee (or his respective nominees/legal heirs). The Nomination and Remuneration Committee may also formulate separate sets of special terms and conditions to apply to each class or category of employees (or their respective nominees/legal heirs) and each of such sets of special terms and conditions shall be restricted in its application to such class or category of employees (or their respective nominees/legal heirs);
- xxv. the Nomination and Remuneration Committee may appoint a third party to administer the Plan 2020 and support employee communication, on its behalf; and
- xxvi. any and all the above matters in relation to any other employee incentive scheme that may be considered or adopted by the Company in the future;
- xxvii. delegate activities pertaining to any and all of the above matters to one or more persons as it may deem fit.
- i. Performing such other activities or functions as may be delegated by the board of directors of the Manager and/or prescribed under any applicable law.

STAKEHOLDERS' RELATIONSHIP COMMITTEE - TERMS OF REFERENCE

The Board of Directors in their meeting held on October 29, 2021 have revised the terms of committee, the revised terms of reference of the Stakeholders' Relationship Committee is set out below:

- a) Considering and resolving grievances of security holders of the Embassy REIT, including complaints related to the transfer or transmission of units, non-receipt of annual report and non-receipt of declared distributions, general meetings etc.;
- b) Reviewing of any litigation related to Unitholders' grievances;
- c) Reporting specific material litigation related to Unitholders' grievances to the Board of Directors;
- d) Approving report on investor grievances, if any, to be submitted to the Trustee by the Manager;
- e) Review of measures taken for effective exercise of voting rights by Unitholders;
- f) Review of adherence to the service standards adopted by the Embassy REIT in respect of various services being rendered by the Registrar & Share Transfer Agent;
- g) Review of the various measures and initiatives taken by the Embassy REIT for reducing the quantum of unclaimed distributions and ensuring timely receipt of distribution warrants/ annual reports/ statutory notices by the Unitholders of the Company; and
- h) Performing such other activities or functions as may be delegated by the Board of Directors of the Manager and/or prescribed under any applicable law.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE - TERMS OF REFERENCE

The terms of reference of the Corporate Social Responsibility Committee include the following:

- a) Formulating and recommending to the Board, a CSR Policy, which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013 and their budgets as well as recommendation of any subsequent change/modification to the CSR Policy;
- b) Instituting an implementation and monitoring mechanism for CSR Activities and CSR Policy;
- c) Periodically updating the Board on the progress being made in the planned CSR Activities; and
- d) Providing a responsibility statement in the Board's Report.

RISK MANAGEMENT COMMITTEE - TERMS OF REFERENCE

The Board of Directors in their meeting held on October 29, 2021 have revised the terms of reference of the Risk Management Committee. The revised terms of reference of the Risk Management Committee is set out below:

- a) Assessing the Embassy REIT's risk profile and key areas of risk;
- b) Recommending the adoption of risk assessment and rating procedures;
- c) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Embassy REIT;
- d) Examining and determine the sufficiency of the internal process for reporting on and managing key risk areas;
- e) Assessing and recommending to the Board the acceptable levels of risk;
- f) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- g) Assisting the Board in formulating risk strategies, policies, frameworks, models and procedures in liaison with management and in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting;
- h) Reviewing the nature and level of insurance coverage of the assets of the Embassy REIT;
- i) Investigating areas of corporate risk and breakdowns in internal controls, in coordination with the Audit Committee;
- j) Periodically reviewing the enterprise risk management process of the Embassy REIT;
- k) Reviewing and assessing the quality, integrity and effectiveness of the risk management systems and ensure that the risk policies and strategies are effectively managed;
- l) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- m) Ensuring effective and timely implementation of corrective actions to address risk management deficiencies;
- n) To formulate a detailed risk management policy which shall include:
- i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
- iii. Business continuity plan.
- o) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- p) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- q) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- r) Performing such other activities or functions as may be delegated by the Board and/or prescribed under any applicable law; and
- s) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

INVESTMENT COMMITTEE - TERMS OF REFERENCE

The terms of reference of the Investment Committee include the following:

- a) Reviewing of investment decisions with respect to the underlying assets or projects of the Embassy REIT including any further investments or divestments to ensure protection of the interest of Unitholders including, investment decisions which are related party transactions;
- b) Undertaking all functions in relation to protection of Unitholders' interests and resolution of any conflicts while making an investment, including reviewing agreements or transactions in this regard;
- c) Approving any proposal in relation to acquisition of assets or further issue of Units including in relation to acquisition of assets;
- d) Formulating any policy for the Manager as necessary, in relation to its functions, as specified above; and
- e) Performing such other activities as may be delegated by the Board of Directors of the Manager and/ or are statutorily prescribed under any law to be attended by the Investment Committee.

MANAGEMENT COMMITTEE - TERMS OF REFERENCE

The terms of reference of the Management Committee include the following:

- a) Adopting, reviewing and monitoring of various policies, systems and procedures with regards to day to day operations such as human resource, information technology, data management etc.;
- b) Investing of idle funds of Embassy REIT in areas and up to a limit specifically delegated by the Board of Directors;
- c) Monitoring of Accounts Receivables, Accounts Payables and other routine finance related matters;
- d) Providing status updates on various statutory matters such as Income Tax, Goods and Service Tax, Labour Laws etc.;
- e) Providing status updates on pending litigations initiated by or against the Manager (if any);
- f) Providing reviews and recommendations on all matters presented to the Board including the following:
- i. Business and strategy review;
- ii. Long-term financial projections and cash flows;
- iii. Capital and revenue budgets and capital expenditure programmes;
- iv. Acquisitions, divestments and business restructuring proposals; and
- v. Senior management succession planning.
- g) Opening, operating, modifying and/or closing any and all bank accounts of and/or in the name of the Manager and/or Embassy REIT including authorising any official/s to do any and all actions for or in connection therewith, with or without monetary limit on such authority, from time to time;
- h) To avail, renew and enhance the Auto Loan facilities including bank overdraft, from time to time, up to prescribed limits and authorise execution of loan and other agreements including hypothecation agreements and to create charges on the Company's assets;
- i) To approve any amendments to the primary/secondary approvers under the Delegation of Authority Matrix ("DoA") of Embassy REIT, its holding company and special purpose vehicles and the Company from time to time, provided that any modification of the prescribed limits under the DoA shall be approved by the Board of Directors;
- j) To consider and approve including authorising such officials of the Company for approval and execution of undertaking(s), declaration(s), guarantee(s), letters of comfort and such other documents to the banks/ financial institutions with respect to financial assistance availed for loans availed by the Special Purpose Vehicle's and Holdco of Embassy Office Parks REIT; and
- k) Opening, operating, modifying and/or closing of any and all demat account(s) of and/or in the name of the Company and/or Embassy Office Parks REIT including authorising any official/s to do any and all actions for or in connection therewith, from time to time.



Report on Corporate Governance (Contd.)

DEBENTURE COMMITTEE - TERMS OF REFERENCE

The terms of reference of the Debenture Committee include the following:

- a) perform all actions and undertake all responsibilities of the REIT to be undertaken by the Company pursuant to the Investment Management Agreement;
- b) approve the debt proposed to be availed by the REIT including by way of issuance and listing of non-convertible debentures;
- c) approve the terms and execution of the transaction contemplated by the Transaction Documents (to which it is a party);
- d) comply with the requirements applicable to an investment manager under the REIT Regulations and under applicable law;
- e) completing all legal, statutory and procedural formalities, including appointment of various intermediaries, filing/registering the Information Memorandum with SEBI, BSE Limited or/and National Stock Exchange of India Limited, as the case may be (the "Stock Exchanges"), authorising affixation of common seal (if applicable), and any other forms or applications required to be filed with any other statutory agencies or relevant authorities in accordance with applicable law and do all acts in relation thereto;
- f) approve the terms and execute the Transaction Documents (to which it is a party), and any other document designated in writing as a transaction document by the Trustee (as the case may be) and the REIT;
- g) to appoint a director or other authorised persons to, *inter alia*, negotiate, finalise and execute the Transaction Documents (to which it is a party);
- h) authorising any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/ her/ its absolute discretion may deem necessary or desirable in connection with the Issue;
- i) giving or authorising any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- j) authorising the appointment of credit rating agencies in order to obtain a credit rating in relation to the Debentures;
- k) authorising any director or directors of the Company or other officer or officers of the Company to participate in investor road shows and prepare investor presentations for syndication of the Debentures;
- l) approving the information memorandum (including amending, varying or modifying the same, however fundamental they may be, as may be considered desirable or expedient) in relation to the Issue of Debentures;

- m) filing of the information memorandum with BSE Limited or/and National Stock Exchange of India Limited, as the case may be (the "Stock Exchanges") within the prescribed time period and setting up an online bidding mechanism on the electronic book platform of the Stock Exchanges, in accordance with applicable law;
- n) obtaining in-principle approval, seeking the listing of the Debentures on the Stock Exchanges, submitting the listing application to such Stock Exchange and taking all actions that may be necessary in connection with obtaining such listing;
- o) dealing with all matters up to allotment of the Debentures to the debenture holders;
- p) authorising the maintenance of a register of debenture holders;
- q) dealing with all matters relating to the issue and listing of the Debentures as specified under REIT Regulations, the SEBI (Issue and Listing of Non-convertible Securities) Regulations, 2021 SEBI (Debenture Trustee) Regulations, 1993 and any guidelines as may be issued by SEBI or the Reserve Bank of India ("RBI") in this regard;
- r) dealing with all matters in relation to availing of loan by the REIT as specified under REIT Regulations and under any other applicable law;
- s) opening and operating of bank accounts for the Issue;
- t) accepting and utilising the proceeds of the non-convertible debentures issued by the REIT in the manner provided under the respective transaction documents and the applicable law;
- u) deciding the pricing and the terms of the non-convertible debentures issued by the REIT (including but not limited to creation of security on all securities held by the REIT in its Secured SPVs), and all other related matters;
- v) appointing the registrar and any other intermediaries and security trustee/debenture trustee in relation to the Debentures, in accordance with the provisions of the REIT Regulations and other applicable law and entering into the required agreements with all intermediaries and security trustee/debenture trustee; and
- w) to do any other act and/or deed, to negotiate and execute any document(s), application(s), agreement(s), undertaking(s), deed(s), affidavits, declarations and certificates, and/or to give such direction as it deems fit or as may be necessary or desirable with regard to issue of non-convertible debentures by the REIT.

SECURITIES COMMITTEE - TERMS OF REFERENCE

The terms of reference of the Securities Committee include the following:

- a) Subject to unitholder approval and applicable law, approving amendments to the trust deed and the investment management agreement;
- b) To make applications, where necessary, to such authorities or entities as may be required and accept on behalf of the Board such conditions and modifications

as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and sanctions as may be required in relation to any Offering;

- c) To authorise any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/its absolute discretion may deem necessary or desirable in connection with any Offering;
- d) To give or authorise the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- e) To seek, if required, the consent of the lenders, parties with whom the Embassy REIT, the Asset SPVs, the Investment Entity and any other portfolio assets as may be acquired by the Embassy REIT from time to time, have entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with any Offering;
- f) To finalise, settle, approve, adopt and file where applicable, the draft offer document, the offer document, the final offer document, the preliminary placement document, placement document, preliminary placement memorandum, placement memorandum, draft letter of offer, letter of offer, any preliminary and final international wrap (including any notices, amendments, addenda, corrigenda or supplements thereto) or any other Offering document, in accordance with all applicable law, rules, regulations and guidelines, to be filed with the Securities and Exchange Board of India (the "SEBI") and the stock exchanges and such other authorities, as may be applicable, and to make necessary amendments or alterations therein and to submit undertakings/certificates or provide clarifications to the SEBI and the stock exchanges or any other regulatory authority in relation to any Offering;
- g) To decide on the timing, pricing (including any discount or premium), relevant date, record date and all terms and conditions in relation to any Offering, including the determination of the minimum subscription for the Offering (if applicable), allotment, any rounding off in the event of over subscription as permitted under applicable law and to accept any amendments, modifications, variations or alterations thereto;
- h) To appoint and enter into, modify or amend arrangements with the trustee, sponsors, book running lead managers, legal counsel and any other agencies or persons or intermediaries in relation to any Offering and to negotiate and finalise the terms of their appointment and give them instructions in connection with the Offering;
- i) To arrange for the submission, withdrawal and filing of any offering document including incorporating such alterations/modifications as may be required by the SEBI, the Reserve Bank of India (the "RBI"), the stock exchanges, or any other relevant governmental and statutory authorities or in accordance with the rules, regulations, guidelines, notifications, circulars and

clarifications issued thereon from time to time by the Government of India, the RBI, the SEBI and/ or any other competent authorities, if applicable, and taking all such actions as may be necessary for submission, withdrawal and filing of the Offering documents;

- j) To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the agreements and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to any Offering;
- k) To open with bankers (including bankers to an issue registered with the SEBI) such accounts as may be required by applicable law and to authorise one or more officers of the Company to execute all documents/ deeds as may be necessary in this regard;
- l) Opening and operating bank accounts, share/ securities accounts, escrow or custodian accounts, in India or abroad, in Rupees or in any other currency, in accordance with the terms of any agreement entered into in this respect and subject to applicable law;
- m) To authorise and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with any Offering;
- n) To issue all documents and authorise one or more officers of the Company to sign all or any of the above documents;
- o) To seek further listing of the Securities on any Indian stock exchanges, submitting the listing application to such stock exchanges and taking all actions as may be necessary in connection with obtaining such listing and trading approval;
- p) To appoint the registrar and other intermediaries to any Offering, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 as amended, including any applicable circulars, notifications, guidelines and clarifications issued thereunder from time to time (the "REIT Regulations") and other statutory and/or regulatory requirements;
- q) To enter into agreements with, and remunerate the lead managers, syndicate members, bankers to the Offering, the registrar to the Offering, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all other agencies or persons as may be involved in or concerned with the Offering, by the way of commission, brokerage, fees or the like;
- r) To issue advertisements as it may deem fit and proper in accordance with and subject to applicable law;
- s) To authorise the maintenance of a register of Unitholders or holders of other Securities;
- t) To accept and appropriate the proceeds of any Offering;
- u) To finalise and take on record the allocation and allotment of Securities on the basis of the applications received, including the basis of the allotment (if applicable);



Report on Corporate Governance (Contd.)

- v) To enter into share purchase agreements, business transfer agreements and other agreements in connection with any Offering with the Asset SPVs, the Investment Entity, any other portfolio assets or any third party;

w) For and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Securities Committee considers necessary, desirable or advisable, in connection with any Offering, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar’s agreement, the depositories agreements, the issue agreement with the lead managers (and other entities as appropriate), the underwriting agreement, the syndicate agreement, the escrow agreement, placement agreement, confirmation of allocation notes, the advertisement agency agreement and any agreement or document in connection with any
- Offering, with, and to make payments to or remunerate by way of fees, commission, brokerage or the like, the book running lead managers, syndicate members, placement agents, bankers to any Offering, registrar to any Offering, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with any Offering, if any; and any such agreements or documents so executed and delivered and acts and things done by the Securities Committee shall be conclusive evidence of the authority of the Authorised Officer and the Company in so doing; and

x) To do all such acts, deeds, matters and things and execute all such other document/s, application/s, agreement/s, undertaking/s, deed/s, affidavits, declarations and certificates, etc., as may be necessary or authorised in relation to any Offering.

Number of Committee Meetings held and attendance records:

The table below sets out the number of committee meetings attended by each member with reference to certain committees:

Name of the Committee	Audit Committee (“AC”)	Risk Management Committee (“RMC”)	Stakeholders’ Relationship Committee (“SRC”)	Corporate Social Responsibility Committee (“CSR”)
No. of meetings held	3	1	Nil	1
Date of meetings	April 27, 2022; July 20, 2022 reconvened on July 21, 2022; September 22, 2022	April 27, 2022		April 28, 2022
Name of Member	No. of Meetings Attended			
Vivek Mehra	3	1	NA	NA
Anuj Puri	3	1	NA	NA
Dr. Punita Kumar-Sinha	3	1	NA	NA
Jitendra Virwani	2	1	NA	NA
Dr. Ranjan Pai	2	0	NA	0
Tuhin Parikh	NA	NA	NA	1
Aditya Virwani	NA	NA	NA	1
Robert Christopher Heady	3	1	NA	NA
Asheesh Mohta*	0	Nil	Nil	NA
Name of the Committee	Nomination and Remuneration Committee (“NRC”)		Debenture Committee (“DC”)	Investment Committee (“IC”)
No. of meetings held	3		1	1
Date of meetings	April 27, 2022; June 16, 2022; September 22, 2022		April 05, 2022	July 20, 2022
Name of Member	No. of meetings attended			
Vivek Mehra	3		NA	NA
Anuj Puri	NA		NA	1
Dr. Punita Kumar-Sinha	NA		NA	NA
Jitendra Virwani	3		NA	1
Dr. Ranjan Pai	2		NA	1
Tuhin Parikh	NA		1	0
Aditya Virwani	NA		1	NA
Robert Christopher Heady	NA		NA	NA
Asheesh Mohta*	NA		NA	NA
Vikaash Khdloya	NA		1	NA
Aravind Maiya**	NA		1	NA

\* Alternate director to Mr. Robert Christopher Heady

\*\* Resigned with effect from May 31, 2022

During the half-year, no Securities Committee Meeting was held.

Remuneration of Directors

Sitting fees is paid to the independent directors for attending Board/Committee meetings.

Policies of the Board of Directors of the Manager in relation to the Embassy REIT

The Manager has adopted the following policies in relation to the Embassy REIT:

Code of Conduct and Ethics for Directors, Senior Management and other employees	https://eopwebsvr.blob.core.windows.net/media/filer_public/3d/52/3d528648-4e22-40e7-b288-f8d18cea7eaa/code-of-conduct.pdf
Code on unpublished price sensitive information and dealing in the securities of Embassy REIT and Code of Practices and Procedures for Fair Disclosure in respect of the Embassy REIT	https://eopwebsvr.blob.core.windows.net/media/filer_public/e0/22e08db1-6d98-4707-8d0e-d9bf6fdefa74/insider-trading-code-reit.pdf
Distribution Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/44/33/4433d807-ad6c-4a1f-8224-45374a2504d2/distribution_policy_1.pdf
Policy for Determining Materiality of Information for Periodic Disclosures	https://eopwebsvr.blob.core.windows.net/media/filer_public/6f/55/6f552876-3dc0-4070-a339-57074ac2397f/materiality_of_information_29october2021.pdf
Whistle Blower Policy on Related Party Transactions	https://eopwebsvr.blob.core.windows.net/media/filer_public/7d/5c/7d5cb0ce-3a84-4bb7-92bb-2a4a6900df3/whistle_blower_policy.pdf
Investors and Other Stakeholders’ Grievances and Redressal Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/cc/9b/cc9bb04d-c72d-4c7a-9b58-edbe4ce75a91/investors_and_other_stakeholders_grievance_and_redressal_policy.pdf
Borrowing Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/4c/72/4c7290fc-e3d4-4878-b394-9b392419ac80/borrowing-policy.pdf
Corporate Social Responsibility Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/54/d0/54d0cfd7-99f4-44dd-990f-3d4d1e069086/embassy_reit_-_corporate_social_responsibility_policy.pdf
Policy on Appointment of Auditor and Valuer	https://eopwebsvr.blob.core.windows.net/media/filer_public/e2/15e2516c-af5a-4d70-99a8-12fbfb076b5a/policy-on-appointment-of-auditor-and-valuer.pdf
Risk Management Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/be/81be62ce-0e9f-4e6c-8409-57d2fe9d2014/risk-management-policy-29october2021.pdf
Anti-Money Laundering Policy and Anti-Bribery and Corruption Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/42/53/4253aeb3-af98-417e-8436-6b7ba1388265/anti-money-laundering-policy-and-anti-corruption-compliance-policy.pdf
Prevention of Sexual Harassment Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/1f/2b/1f2bbf81-ad85-4f3e-924a-db5b20fb6966/prevention_of_sexual_harassment_policy.pdf
Nomination and Remuneration Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/dc/44dc28b7-85a3-45a2-b019-e8993aaf1caf/nomination_and_remuneration_policy.pdf
Data Privacy Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/f0/67/f0673820-5f50-4c35-832b-420342ad62fb/data_privacy_policy.pdf
Fraud Prevention Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/8f/9f/8f9f8e34-b701-4738-89b3-0a0be6bd1d86/fraud_prevention_policy.pdf
Cyber Security Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/4a/9c/4a9c739f-3ae2-4cee-b4a8-c274c93f2859/cyber_security_policy.pdf
Policy on Succession Planning for the Board and Senior Management	https://eopwebsvr.blob.core.windows.net/media/filer_public/d0/16/d016d8c1-d1df-4b83-9b8d-04e3c533d167/embassy_reit_-_sucession_policy.pdf

As a part of the overall governance framework, the Board of Directors reviews all the policies, once in a year.

ESG Policy:

Our ESG policy demonstrates Embassy REIT’s overall commitment to undertake sustainable initiatives that contribute to creating a sustainable organisation with a focus on environmental stewardship, social responsibility and governance. It is supplemented by policy documents which guide the activities in each of the focus areas.



These policy documents may be viewed on:

Environment	<a href="https://www.embassyofficeparks.com/esg/environment-policies/">https://www.embassyofficeparks.com/esg/environment-policies/</a>
Social	<a href="https://www.embassyofficeparks.com/esg/social-engagement-policies/">https://www.embassyofficeparks.com/esg/social-engagement-policies/</a>
Governance	<a href="https://www.embassyofficeparks.com/esg/governance-documents/">https://www.embassyofficeparks.com/esg/governance-documents/</a>

Apart from above-mentioned policies, Manager has also adopted Document Archival Policy, Board Evaluation Policy and Business Continuity Policy.

UNITHOLDERS

The number of Unitholders of the Embassy REIT as on September 30, 2022 was 62,501. The detailed category wise breakdown of the composition of the Unitholders as on September 30, 2022 is given below:

Category	Category of Unit holder	No. of Units Held	As a % of Total Outstanding Units	No. of units mandatorily held		Number of units pledged or otherwise encumbered	
				No. of units	As a % of total units held	No. of units	As a % of total units held^
(A)	SPONSOR(S)/ MANAGER AND THEIR ASSOCIATES/ RELATED PARTIES AND SPONSOR GROUP						
(1)	Indian						
(a)	Individuals / HUF	0	0.00				
(b)	Central/State Govt.	0	0.00				
(c)	Financial Institutions/ Banks	0	0.00				
(d)	Any Other: Embassy Property Developments Private Limited – (Body Corporate) Sponsor	11,54,84,802	12.18	-	-	11,54,84,802	100.00
	<b>Sub- Total (A) (1)</b>	<b>11,54,84,802</b>	<b>12.18</b>	<b>-</b>	<b>-</b>	<b>11,54,84,802</b>	<b>100.00</b>
(2)	Foreign						
(a)	Individuals (Non-resident Indians/ Foreign Individuals)	0	0.00				
(b)	Foreign government	0	0.00				
(c)	Institutions	0	0.00				
(d)	Foreign Portfolio Investors	0	0.00				
(e)	Any Other:						
	a) BRE/Mauritius Investments – Sponsor (Body Corporate)	52,610,124	5.55	-	-	52,610,124	100.00
	b) Sponsor Group (Bodies Corporate)	170,987,069	18.04	0	0.00	170,987,069	100.00
	<b>Sub- Total (A) (2)</b>	<b>223,597,193</b>	<b>23.59</b>	<b>-</b>	<b>-</b>	<b>223,597,193</b>	<b>100.00</b>
	<b>Total unit holding of Sponsor &amp; Sponsor Group (A) = (A)(1) + (A)(2)</b>	<b>339,081,995</b>	<b>35.77</b>	<b>-</b>	<b>-</b>	<b>339,081,995</b>	<b>100.00</b>

Category	Category of Unit holder	No. of Units Held	As a % of Total Outstanding Units
(1)	Institutions		
(a)	Mutual Funds	67,222,414	7.09
(b)	Financial Institutions/Banks	0	0
(c)	Central/State Govt.	0	0
(d)	Venture Capital Funds	0	0
(e)	Insurance Companies	30,604,181	3.23
(f)	Provident/pension funds	373,072	0.04
(g)	Foreign Portfolio Investors	279,060,798	29.44
(h)	Foreign Venture Capital Investors	0	0
(i)	Any Other:- Alternative Investment Fund	53,526,613	5.65
	<b>Sub- Total (B) (1)</b>	<b>430,787,078</b>	<b>45.45</b>
(2)	Non-institutions		
(a)	Central Government/State Governments(s)/President of India	0	0.00
(b)	Individuals*	136,393,110	14.39
(c)	NBFCs registered with RBI	2,269,538	0.24
(d)	Any Other (specify):		
	i. Trusts	1,967,871	0.21
	ii. Non-resident Indians	3,832,736	0.40
	iii. Clearing Members	491,623	0.05
	iv. Body Corporates	33,069,792	3.49
	<b>Sub- Total (B) (2)</b>	<b>178,024,670</b>	<b>18.78</b>
	<b>Total Public Unit holding (B) = (B)(1)+(B)(2)</b>	<b>608,811,748</b>	<b>64.23</b>
	<b>Total Units Outstanding (C) = (A) + (B)</b>	<b>947,893,743</b>	<b>100.00</b>

\* As at September 30, 2022, the total number of Unitholders stood at 62,501 out of which Retail Unitholders stood at 61,258. “Retail Unitholders” for purpose of this note refers to Individuals and Non-Resident Indians under sub-category 2(b) and 2(d) (ii) respectively of Category (2) (Non-institutions) of the Unitholding Pattern for the quarter ended September 30, 2022.

Meetings of the Unitholders

During the half-year ended September 30, 2022, the fourth annual meeting of the Unitholders of the Embassy REIT was held on Monday, June 13, 2022 at 12.00 PM IST at Ballroom - 1, Hilton Convention Centre, Embassy Manyata Business Park, Hebbal, Outer Ring Road, Nagawara, Bengaluru – 560 045, India and also through Video Conferencing (“VC”)/ Other Audio- Visual Means (“OAVM”). The necessary quorum was present for the meeting through in person and VC / OAVM, taken together.

The following items were considered at the said annual meeting of the Unitholders:

- Consideration, approval and adoption of the audited standalone financial statements and audited consolidated financial statements of Embassy REIT as at, and for the financial year ended September 30, 2022 together with the report of the Statutory Auditors thereon and the report on performance of Embassy REIT; and
- Consideration, approval and adoption of the Valuation Report issued by iVAS Partners, represented by Mr. Manish Gupta, Partner, independent Valuer, for the Valuation of the Portfolio as at September 30, 2022.

Investor Complaints

Details of investor complaints received and redressed during the half-year ended September 30, 2022 are as follows:

Details of Investor Complaints	Number of complaints during the quarter ended June 30, 2022	Number of complaints during the quarter ended September 30, 2022
Number of investor complaints pending at the beginning of the quarter	Nil	Nil
Number of investor complaints received during the quarter	Nil	Nil
Number of investor complaints disposed of during the quarter	Nil	Nil
Number of investor complaints pending at the end of the quarter	Nil	Nil



Company Secretary and Compliance Officer

**\*Ms. Deepika Srivastava and Ms. Namitha Kutnikar**

Royal Oaks, Embassy Golf Links Business Park, Off Intermediate Ring Road, Bengaluru, Karnataka – 560 071.

\*Ms. Deepika Srivastava was the Company Secretary and Compliance Officer of Embassy REIT till September 29, 2022.

Ms. Namitha Kutnikar has been appointed as the Interim Compliance Officer of Embassy REIT with effect from September 30, 2022 to hold office until the appointment of a Company Secretary and Compliance Officer. With effect from the appointment of the new Company Secretary, Ms. Namitha Kutnikar would cease to be the interim Compliance Officer and the new Company Secretary would be designated as the Compliance Officer.

Statutory Auditors

S. R. Batliboi & Associates LLP (ICAI Firm Registration No.: 101049W/E300004) Chartered Accountants, having their office at 12th Floor, “UB City”, Canberra Block No. 24, Vittal Mallya Road, Bengaluru – 560 001 have been appointed as the Statutory Auditors of Embassy REIT for a term of five consecutive years from the financial year 2019–20.

Internal Auditors

KPMG Assurance and Consulting Services LLP, Chartered Accountants, having their office at Embassy Golf links Business Park, Pebble Beach, B Block, 1st and 2nd Floor, Off Intermediate Ring Road, Bengaluru – 560 071 have been appointed as the Internal Auditors of Embassy REIT for the financial year 2022-23.

Secretarial Auditor

Ms. Rupal D. Jhaveri (Membership No. 5441 and Certificate of Practice No. 4225), Practicing Company Secretary, having her office at 207 Regent Chambers, 2nd Floor, 208, Jamnalal Bajaj Road, Nariman Point, Mumbai – 400 020 has been appointed as the Secretarial Auditor of Embassy REIT for the financial year 2022-23.

Debenture Trustees for NCDs issued by Embassy REIT

- a) SBICAP Trustee Company Limited, as Debenture Trustee to the issue of Series II NCDs amounting to 1,500 Crores raised by way of private placement.
- b) IDBI Trusteeship Services Limited, as Debenture Trustee to the issue of Series III NCDs amounting to 2,600 Crores raised by way of private placement.
- c) Catalyst Trusteeship Limited, as Debenture Trustee to the issue of Series IV NCDs amounting to 300 Crores raised by way of private placement, Series V Tranche A NCDs amounting to 2,000 Crores and Series V Tranche B NCDs amounting to 1,100 Crores and Series VI NCDs amounting to 1,000 Crores raised by way of Private Placement.

Registrar and Transfer Agent

**Name and Address:** Kfin Technologies Limited Selenium Building, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, India.

Telephone : +91 40 6716 2222

Fax : +91 40 2343 1551

E-mail : hariprasad.an@kfintech.com

Website : http://www.kfintech.com

Publications

The information required to be disclosed to the stock exchanges (including financial results, press releases and presentations made to the investors) have been duly submitted to the NSE and BSE as well as uploaded on Embassy REIT’s website. Further Embassy REIT has opted voluntarily to publish newspaper advertisements in relation to its the financial results.

Market Price Data:

High, Low (based on daily closing prices) and the number of REIT Units traded during each month for the half-year ended September 30, 2022 on the BSE and NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr-22	388.65	371.34	8,43,030	389.49	371.66	1,06,55,861
May-22	393.69	369.73	3,43,079	394.67	369.54	98,35,973
Jun-22	404.95	366.97	6,69,240	404.99	366.96	1,46,55,967
Jul-22	380.14	363.28	4,13,862	379.94	362.84	74,38,748
Aug-22	376.37	360.94	4,10,16,344	375.95	360.92	2,44,98,224
Sep-22	<b>366.00</b>	<b>345.56</b>	<b>2,51,51,102</b>	<b>366.08</b>	<b>345.84</b>	<b>11,79,13,802</b>

Transfer of Units:

The Embassy REIT’s units are in dematerialised form and transfers of Embassy REIT’s units are effected through the depositories.

Statutory Disclosures

as stipulated under Schedule IV read with Regulation 23(4) of SEBI REIT Regulations, 2014

1. BUSINESS & FINANCIAL SUMMARY

a. Manager’s brief report on the activities of the REIT:

Embassy REIT was settled on March 30, 2017 at Bengaluru, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to a trust deed dated March 30, 2017 as amended on September 11, 2018. The Sponsors of Embassy REIT are Embassy Property Developments Private Limited (“Embassy Sponsor”) and BRE/Mauritius Investments (“Blackstone Sponsor”). For further details on the structure of Embassy REIT please refer to page 11 of this report. Embassy REIT owns a high-quality office portfolio comprising of eight best-in-class office parks and four prime city center office buildings totalling 42.8 msf as of September 30, 2022. For further details on the properties please refer to pages 10 -11 of this report.

Embassy REIT was listed on the BSE and NSE on April 01, 2019 after an initial public offering that was oversubscribed by 2.6 times. Embassy REIT is registered under SEBI (Real Estate Investment Trusts) Regulations, 2014.

A brief overview and a quick glance at Embassy REIT activities for the half-year ended on September 30, 2022 on Commercial offices, Development and Hospitality are set forth on pages 19-31 respectively.

The NAV of Embassy REIT as on September 30, 2022 was 400.71, as represented on page 185.

With respect to trading price, kindly refer to page 114 of this report.

b. Summary of the un-audited standalone and consolidated financial statements for the half year ended September 30, 2022

Please refer to pages 135-264 of this report.

2. BRIEF DETAILS OF ALL THE ASSETS OF THE REIT INCLUDING A BREAK-UP OF REAL ESTATE ASSETS AND OTHER ASSETS, LOCATION OF THE PROPERTIES, AREA OF THE PROPERTIES, CURRENT TENANTS (NOT LESS THAN TOP 10 TENANTS AS PER VALUE OF LEASE), LEASE MATURITY PROFILE, DETAILS OF UNDER-CONSTRUCTION PROPERTIES, IF ANY, ETC.

a. Real estate assets and other assets

Please refer to pages 64-87 of this report.

b. Location of the properties

Please refer to pages 64-87 of this report.

c. Area of the properties

Please refer to pages 64-87 of this report.

d. Current tenants (top 10 tenants as per value of lease) and lease maturity profile

The top 10 tenants of each of the Asset SPVs and HoldCo as per the value of the lease are tabled below (in alphabetical order):

Name of the Asset SPV	Name of the Tenant
Vikhroli Corporate Park Private Limited - 247 Tech park	• Link Intime India Private Limited
	• Reliance Projects & Property Management Services Limited
	• Wework India Management Private Limited
	• Accelya Kale Solution Limited
	• DHL Logistics Private Limited
	• Kent Engineering India Private Limited
	• Future Retail Limited
	• Vistra International Expansion (India) Private Limited
	• ATC Tires Private Limited
	• ICICI Lombard General Insurance Company Limited
Embassy One-Four Seasons	• Gravitas Technology Private Limited
	• DBS Bank Limited
	• Hyundai Motor India Limited
	• Illumina India Biotechnology Private Limited
	• Belden India Private Limited
	• The State of the Netherlands
	• Korean Trade Investment Promotion Agency
	• Wework India Management Private Limited
	• DBS Bank India Limited
	• Shardul Amarchand Mangaldas & Co
Indian Express Newspapers (Mumbai) Private Limited	• The Indian Hotels Corporation Limited
	• Warburg Pincus India Private Limited
	• Blackstone Advisors India Private Limited
	• Enam Holdings Private Limited
	• ECGC Limited
	• McKinsey & Company, Inc.
	• Jefferies India Private Limited
	• Norwest Venture Partners
	• JBF Industries Limited
Earnest Towers Private Limited	• Google India Private Limited
	• Oracle India Private Limited
	• Pernod Ricard India Private Limited
	• Sony India Software Centre Pvt. Ltd.
	• Executive Centre India Private Limited
	• ICICI Securities Primary Dealership Limited
	• McKinsey & Company India LLP



Report on Corporate Governance (Contd.)

Name of the Asset SPV	Name of the Tenant
Galaxy Square Private Limited	<ul style="list-style-type: none"><li>Tata Consultancy Services Limited</li><li>DXC Technologies India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Fiserv India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Pragmatic Play India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Eurofins Scientific India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Avaada Clean Project</li></ul>
	<ul style="list-style-type: none"><li>TMF Services India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Wow Vision India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Coredge.IO India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Comhard Technologies Private Limited</li></ul>
	<ul style="list-style-type: none"><li>ExlService.com (India) Private Limited</li></ul>
	<ul style="list-style-type: none"><li>NTT Data Information Processing Services Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Optum Global Solutions India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Global Logic India Private Limited</li></ul>
Oxygen Business Park Private Limited	<ul style="list-style-type: none"><li>MetLife Global Operations Support Center</li></ul>
	<ul style="list-style-type: none"><li>Sapient Consulting Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Ingenuity Gaming Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Cognizant Technology Solutions India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>E-CLERX Services Limited</li></ul>
	<ul style="list-style-type: none"><li>Telstra Global Business Services LLP</li></ul>
	<ul style="list-style-type: none"><li>Human Business Intelligence Technology Solutions Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Luxoft India LLP</li></ul>
	<ul style="list-style-type: none"><li>Teledyne Lecroy India Trading Private Limited</li></ul>
	<ul style="list-style-type: none"><li>EIT Services</li></ul>
	<ul style="list-style-type: none"><li>Accenture Services Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Larson &amp; Turbo Infotech Limited</li></ul>
	<ul style="list-style-type: none"><li>Persistent Systems Limited</li></ul>
Quadron Business Park Private Limited	<ul style="list-style-type: none"><li>Tata Technologies Limited</li></ul>
	<ul style="list-style-type: none"><li>Sciformix Technologies Private Limited</li></ul>
	<ul style="list-style-type: none"><li>HCL Technologies Limited</li></ul>
	<ul style="list-style-type: none"><li>Aker Powergas Subsea Private Limited</li></ul>
	<ul style="list-style-type: none"><li>NCSI Technologies (India) Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Searce Logistics Analytics LLP</li></ul>
	<ul style="list-style-type: none"><li>Crisil Limited</li></ul>

Name of the Asset SPV	Name of the Tenant
Manyata Promoters Private Limited	<ul style="list-style-type: none"><li>Cognizant Technology Solutions India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>IBM India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>ANSR Global Corporation Private Ltd</li></ul>
	<ul style="list-style-type: none"><li>Cerner HealthCare Solutions India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Lowe's Services India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Nokia Solutions &amp; Networks India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Commonwealth Bank of Australia</li></ul>
	<ul style="list-style-type: none"><li>Target Corporation India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Alcatel-Lucent India Limited</li></ul>
	<ul style="list-style-type: none"><li>Legato Health Technologies LLP</li></ul>
	<ul style="list-style-type: none"><li>IBM India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>HCL Technologies Limited</li></ul>
	<ul style="list-style-type: none"><li>Infosys BPM Limited</li></ul>
Embassy Pune Techzone Private Limited	<ul style="list-style-type: none"><li>Nice Interactive Solutions India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Rockwell Automation India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Larson &amp; Turbo Infotech Limited</li></ul>
	<ul style="list-style-type: none"><li>Volkswagen IT Services India Private limited</li></ul>
	<ul style="list-style-type: none"><li>Flextronics Technologies (India) Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Nitor Infotech Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Access Healthcare</li></ul>
	<ul style="list-style-type: none"><li>Tech Mahindra Limited</li></ul>
	<ul style="list-style-type: none"><li>JP Morgan Services India Pvt Ltd</li></ul>
	<ul style="list-style-type: none"><li>Wells Fargo International India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Flipkart Internet Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Cisco Systems (India) Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Bundl Technologies Private Limited</li></ul>
Embassy TechVillage	<ul style="list-style-type: none"><li>Eli Lilly and Company</li></ul>
	<ul style="list-style-type: none"><li>Quest Global Engineering Services Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Mathworks India Private Limited</li></ul>
	<ul style="list-style-type: none"><li>Sony India Software Centre Pvt. Ltd.</li></ul>
	<ul style="list-style-type: none"><li>Telstra Global Business Services LLP</li></ul>
	<ul style="list-style-type: none"><li>CSG Systems International (India) Private Limited</li></ul>

Additionally, for the top 10 tenants of Embassy REIT, please refer to page 13 of this report.

For the lease maturity profile of each Asset SPV, please refer to pages 22-27 of this report.

- e. **Details of under-construction properties, if any, etc.**  
Please refer to page 25 of this report.

3. **UPDATED VALUATION REPORT BY THE VALUER TAKING INTO ACCOUNT ANY MATERIAL DEVELOPMENTS DURING THE PREVIOUS HALF-YEAR**

Please refer to pages 265-300 of this report.

4. **DETAILS OF CHANGES DURING THE HALF-YEAR PERTAINING TO:**

- a. **Addition and divestment of assets including the identity of the buyers or sellers, purchase/sale prices and brief details of valuation for such transactions**  
Not applicable.

- b. **Valuation of assets (as per the updated valuation reports) and NAV**  
Please refer to pages 265-300 of this report for Gross Asset Valuation and pages 141 and 185-186 for NAV respectively.

- c. **Letting of assets, occupancy, lease maturity, key tenants, etc.**  
Please refer to pages 26-31 of this report with respect to the new leases for the financial year ended September 30, 2022. The occupancy of Embassy REIT as of September 30, 2022 was 87.1% as against the occupancy of 89% as of the start of this year. The WALE of Embassy REIT is set out at page 22-23. The current list of key tenants is set out at page 13 of this Report.

- d. **Borrowings/ repayment of borrowings (standalone and consolidated)**  
Please refer to pages 162-166 of this report with respect to borrowings on a standalone basis as on September 30, 2022 and pages 232-239 of this report with respect to borrowings on a consolidated basis, as on September 30, 2022.

Please refer to pages 162-166 of this report with respect to repayment of borrowings on a standalone basis and pages 232-239 of this report with respect to repayment of borrowings on a consolidated basis. On a standalone basis as on September 30, 2022, the repayment of borrowings was NIL.

- e. **Sponsors, manager, trustee, valuer, directors of the Trustee/manager/sponsor, etc.**  
There was no change in the composition of Board of Directors of Trustee, Manager and Sponsors during the half year.

iVAS Partners, represented by Mr. Manish Gupta, has been appointed as the valuer of Embassy REIT for the financial years 2020-21, 2021-22, 2022-23 pursuant to a resolution approved by the Unitholders at their second annual meeting held on August 27, 2020.

CBRE South Asia Private Limited has been appointed to provide value assessment services to Embassy REIT for the financial years 2020-21, 2021-22, 2022-23.

The Blackstone Sponsor and other entities forming part of the Blackstone Sponsor Group had pledged 100% of their Units in connection with certain financing facilities availed by the Blackstone Sponsor Group.

On September 27, 2022, the Blackstone Sponsor Group entities sold 76,999,998 Units on-market on the stock exchange platforms (the “Trade”) and released the encumbrance on their Units prior to such Trade. On October 03, 2022, the Blackstone Sponsor Group re-pledged 53,000,002 Units which remained unsold, post the trade on September 27, 2022. Blackstone Sponsor along with the Blackstone Sponsor Group held an aggregate of 300,597,191 Units, aggregating to 31.71% of the total outstanding Units of the Embassy REIT prior to the Trade. Post the Trade, Blackstone Sponsor and the other Blackstone Sponsor Group entities hold 223,597,193 Units, aggregating to 23.59 % of the total unitholding of the Embassy REIT and all such Units are pledged.

- f. **Clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of REIT**  
No changes have been made to the trust deed or investment management agreement.

- g. **Any other material change or events during the half-year**  
The Board of Directors at their meeting held on July 28, 2021, approved an amended and restated shareholders’ agreement (“Amended and Restated SHA”) to be executed among Embassy Office Parks Management Services Private Limited (“EOPMSPL”/ “Company”), Manager to Embassy REIT and its shareholders, i.e., Embassy Property Developments Private Limited (“Embassy Sponsor”), SG Indian Holding (NQ) Co I Pte Ltd, SG Indian Holding (NQ) Co II Pte Ltd and SG Indian Holding (NQ) Co III Pte Ltd (“Blackstone Entities”). The Embassy Sponsor currently holds 51% of the equity shares of EOPMSPL and the Blackstone Entities hold the remaining 49%. Under the original shareholders agreement dated September 20, 2018 (“Original SHA”), if the unitholding of the Embassy sponsor group in the Embassy REIT fell below the prescribed threshold, the Blackstone Entities were entitled to require the Embassy Sponsor (and any sponsor group entities) to transfer all its securities in EOPMSPL to the Blackstone Entities. The Embassy Sponsor had a corresponding right in case the unitholding of the Blackstone Entities in the Embassy REIT fell below the prescribed threshold.

Under the Amended and Restated SHA, inter-alia, the above threshold for the Embassy sponsor group has been modified and the Blackstone Entities’ right specified above shall be effective if the Embassy sponsor group holds less than (i) 12.18% of the total issued and outstanding units of Embassy REIT at all times until September 30, 2022; and (ii) 7.5% of the total issued and outstanding units of Embassy REIT at all times from and after April 1, 2022.

Embassy Sponsor’s rights specified above shall be effective if the unitholding of the Blackstone sponsor group falls below 10% of the total issued and paid-up units of Embassy REIT.

The Shareholders of EOPMSPL have approved and adopted the amended and restated Articles of Association of the Company in their meeting held on August 27, 2021.



Statutory Disclosures (Contd.)

**5. UPDATE ON DEVELOPMENT OF UNDER-CONSTRUCTION PROPERTIES, IF ANY**  
Please refer to page 25 of this report.

**6. DETAILS OF OUTSTANDING BORROWINGS AND DEFERRED PAYMENTS OF REIT INCLUDING ANY CREDIT RATING(S), DEBT MATURITY PROFILE, GEARING RATIOS OF THE REIT ON A CONSOLIDATED AND STANDALONE BASIS AS AT THE END OF THE HALF YEAR**  
Please refer to page 21 and pages 162-166 for standalone and pages 232-239 for consolidated of this report.

**9. PAST PERFORMANCE OF THE REIT WITH RESPECT TO UNIT PRICE, DISTRIBUTIONS AND YIELD FOR THE LAST 5 YEARS, AS APPLICABLE AND UNIT PRICE QUOTED ON THE DESIGNATED STOCK EXCHANGES AT THE BEGINNING AND END OF THE HALF-YEAR, THE HIGHEST AND LOWEST UNIT PRICE AND THE AVERAGE DAILY VOLUME TRADED DURING THE HALF-YEAR**

Particulars	September 30, 2022	
	NSE	BSE
Units Outstanding (mn)	947.89	947.89
Unit Price Performance (₹)		
Opening Price: April 1, 2022	371.75	369.15
Closing Price: September 30, 2022	345.84	345.56
52-Week Closing High (₹ per Unit)	404.99	404.95
52-Week Closing Low (₹ per Unit)	339.61	339.58
<b>Market Capitalization (₹ bn)</b>		
September 30, 2022	327.8	327.6
<b>Trading Volume for the year</b>		
Units (million)	185.0	68.4
₹ billion	66.1	24.4
Average Daily Trading Volume (ADTV) for H1 FY2023		
Units	14,79,989	5,47,493
₹ million	528.7	195.4
Distribution per unit for H1	10.79	
Distribution Yield (Annualised)	6.2%	

**Source:** NSE (Designated stock exchange) and BSE

**Note:** ADTV refers to Average Daily Trading Volume, computed using simple average.

The distributions were declared and paid out on a quarterly basis in each financial year within fifteen days from the date of such declaration.

**10. RELATED PARTY TRANSACTIONS**

- a. Refer to page 258-262 of this report which contains details of all related party transactions entered into by the Embassy REIT and its Asset SPVs during the half year ended September 30, 2022 (excluding transactions between Embassy REIT and its Asset SPVs which are eliminated on consolidation).
- b. Refer to pages 170-174 of this report which contains details of all related party transactions entered into by Embassy REIT including monies lent by Embassy REIT to its holding companies and its Asset SPVs.

**7. DEBT MATURITY PROFILE OVER EACH OF THE NEXT 5 YEARS AND DEBT COVENANTS, IF ANY**

Please refer to page 21 and pages 162-166 for standalone and pages 232-239 for consolidated of this report.

**8. THE TOTAL OPERATING EXPENSES OF THE REIT, INCLUDING ALL FEES AND CHARGES PAID TO THE MANAGER AND ANY OTHER PARTIES, IF ANY DURING THE HALF-YEAR**  
Please refer to pages 245 and 252-257 of this report.

**11. DETAILS OF FUND-RAISING DURING THE HALF-YEAR ENDED SEPTEMBER 30, 2022**

The Debenture Committee, in its meeting held on March 30, 2022 and April 5, 2022, had approved the issue and allotment, respectively, of 10,000 rupee denominated, listed, rated, secured, redeemable, transferrable, non-convertible debentures (“NCDs”) of 10,00,000/- (Rupees Ten Lakhs) per debenture, aggregating to 1000,00,00,000/- (Indian Rupees One Thousand crores only) on a private placement basis as per the terms and conditions as mentioned in the Information Memorandum for the said issue.

**12. BRIEF DETAILS OF MATERIAL AND PRICE SENSITIVE INFORMATION**  
Not applicable

**13. BRIEF DETAILS OF MATERIAL LITIGATIONS AND REGULATORY ACTIONS WHICH ARE PENDING AGAINST THE REIT, SPONSOR(S), MANAGER OR ANY OF THEIR ASSOCIATES AND SPONSOR GROUP(S) AND THE TRUSTEE IF ANY, AS AT THE END OF THE HALF YEAR**

**Legal and other information**

This section discloses all outstanding material litigation and regulatory action against Embassy REIT, the Sponsors, the Manager, their respective Associates, the Blackstone Sponsor Group and the Trustee (the “**Relevant Parties**”). Details of all outstanding regulatory actions and criminal proceedings against the Relevant Parties have been disclosed. Only such outstanding civil/commercial matters against the Relevant Parties have been disclosed where amounts involved are in excess of the materiality thresholds disclosed below. All property tax, direct tax and indirect tax matters against the Relevant Parties have been disclosed in a consolidated manner.

“**Associates**” of a person shall be as defined under the Companies Act, 2013, or under applicable accounting standards, and shall also include: (i) any person directly or indirectly controlled by the said person; (ii) any person who directly controls the said person; (iii) where the said person is a company or a body corporate, any person(s) who is designated as a promoter of the company or body corporate and any other company or body corporate and any other company or body corporate with the same promoter; and (iv) where the said person is an individual, any relative of the individual. With respect to the Manager and the Sponsors, only entities which directly control the Sponsors or the Manager, as applicable, have been considered under (ii).

**I. Material title litigation pertaining to the Portfolio**

For the purpose of this section, details of all pending material title litigation pertaining to the Portfolio have been disclosed. Other than as disclosed below, there are no pending material title litigations pertaining to the Portfolio as of September 30, 2022:

**A. Embassy Manyata**

- a. MPPL has filed a writ petition against the BBMP and others seeking to inter-alia, quash (i) a circular from 2014 re-fixing the improvement charges under the Karnataka Municipal Corporations Act, 1976, and the Karnataka Municipal Corporations (Recovery of Improvement Expenses) Rules, 2009, and (ii) a notice from 2015 demanding payment of betterment charges of ₹127.9 million. In 2016, the High Court of Karnataka has granted an interim stay on the impugned circular and notice. The High Court of Karnataka on July 18, 2022 passed an order that this writ petition will be listed post disposal of another Writ Appeal pending before the High Court of Karnataka with similar question of law. MPPL has paid the betterment charges

of ₹127.91 million under protest vide letter dated March 30 2022 to BBMP. The matter is currently pending.

- b. A third party suit was filed against MPPL and other defendants (who are co-owners in joint possession with the plaintiff) in 2020 before the City Civil Court, Bengaluru seeking (i) 1/8th share of property by way of partition, out of which MPPL is only concerned with one land parcel; (ii) a declaration that the panchayth parikath alias partition deed dated February 20, 1997 and sale deeds executed in favour of MPPL are null and void. The matter is currently pending.
- c. A third party suit was filed against MPPL and other defendants in 2003 before the City Civil and Sessions Court, Bengaluru seeking 1/6th share of the property by way of partition and court on October 16, 2019 ordered that the plaintiff shall be entitled to the share of the compensation awarded by the government and separate possession of the property, it is to be noted that this order does not apply to those properties which are not owned by MPPL. Further, the matter was appealed by the respondent against the order dated October 16, 2019. The matter is posted for admission. Another respondent has also filed a miscellaneous petition before the City Civil Court on September 3, 2020 and the matter is pending for hearing.
- d. A third-party suit was filed against MPPL and other defendants on September 24, 2020 before the Pri. City and Sessions Judge, Bengaluru seeking possession of the property admeasuring 1 acre and 12 guntas forming part of Embassy Manyata. MPPL has filed its response to the complaint filed by the third party and the matter is currently pending.
- e. A third party writ petition was filed in 2003 against the State of Karnataka (Department of Industries and Commerce), Special Land Acquisition Officer, KIADB, MPPL and others, wherein the petitioner had questioned the acquisition proceedings initiated by the government at Nagavara Village by filing writ petition and thereon a writ appeal before the High Court of Karnataka in 2003 and 2004 respectively, both were rejected. Subsequently, a Special Leave Petition was also filed before Hon’ble Supreme Court which also came to be dismissed on September 3, 2004 and further a Review Petition was filed which was also dismissed on September 10, 2009. Currently, the same third party has filed this Writ Petition on September 19, 2019 before the High Court of Karnataka seeking (i) quashing of the awards proceedings initiated by respondents which has led to arbitrary determination of the compensation (ii) direct the state to pass an award and pay compensation under the provisions of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation And Resettlement Act, 2013; and (iii) quash the acquisition of property situated in Embassy Manyata. The High Court of Karnataka on March 14, 2022 has directed the



## Statutory Disclosures (Contd.)

- petitioner to serve copies on the respondent before the next date of hearing. The matter is currently pending.
- f. MPPL had filed a suit against a third party for a relief that the third party be restrained for interfering with MPPL's possession and enjoyment of the land parcel admeasuring 4 guntas which forms part of Embassy Manyata before the Additional City Civil Judge, Bengaluru. The Additional City Civil Judge, Bengaluru passed a judgement and decree on December 8, 2017 in favour of MPPL. Aggrieved by the judgement and decree dated December 8, 2017, the third party has filed an appeal before the High Court of Karnataka against MPPL in 2018. The matter is currently pending.
  - g. An original suit was filed by third parties in 2007 against certain defendants before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 38 guntas situated at situated in Nagavara Village, Kasaba Hobli, Bangalore, North Taluk. MPPL impleaded itself as party to this suit. The plaintiffs claim that the land parcels are their ancestral properties and sought, inter-alia (i) half share of the land parcels by way of partition in favour of the plaintiffs and possession of such property; (ii) a declaration that the sale of the land parcels and the consequent khata and mutation in favour of the defendants (including MPPL) was illegal and is not binding on the plaintiffs; (iii) a direction to MPPL to deposit the amount of compensation paid by KIADB along with interest be deposited before the court and to release half of the compensation amount or alternative land to the plaintiffs; and (iv) permanent injunction against certain defendants (including MPPL) in relation to the land parcels. The matter is currently pending.
  - h. An original suit was filed by third parties in 2019 against certain defendants before the City Civil Judge, Bangalore in relation to land parcels admeasuring 15 guntas and 31 guntas situated at Nagavara Village, Kasaba Hobli, Bangalore, North Taluk. The plaintiffs claim that the land parcels are their ancestral properties and sought, inter-alia: (i) 1/6th share of the land parcel by way of partition to the plaintiffs and possession of such property; and (ii) a declaration that the sale of the schedule properties by the defendant was illegal and is not binding on the plaintiffs. MPPL is not a party to the suit, however, MPPL is concerned with certain land parcels in relation to which the suit is filed as they form a part of Embassy Manyata and is in the process of filing an application for impleadment. The matter is currently pending.
  - i. An original suit was filed by third parties in 2016 against certain defendants before the City Civil Judge, Bangalore in relation to land parcels admeasuring approximately 1 acre and 31 guntas situated at Nagavara Village, Kasaba Hobli, Bangalore, North Taluk including in respect of a land parcel located in Embassy Manyata seeking, inter-alia: (i) legitimate share in the land parcel by way of partition; and (ii) a declaration that the sale deed in relation to the land parcel executed by the defendants is null and void. The matter is currently pending.
  - j. An original suit was filed by third parties in 2012 against certain defendants before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 14 guntas situated at Nagawara Village, Kasaba Hobli, Bangalore, North Taluk. The plaintiffs claim that the land parcels are their ancestral properties and sought, inter-alia: (i) partition of the land parcel and possession to the plaintiffs to the extent of their share; (ii) a declaration that the release deed in relation to the land parcels is not binding on the plaintiffs; and (iii) order for mesne profit. MPPL was not made party to the suit, however, it is concerned with certain land parcels in relation to which the suit is filed as they form a part of Embassy Manyata. MPPL has filed an application for impleading it as a party. The matter is currently pending.
  - k. An original suit was filed by third parties in 2008 against certain defendants before the City Civil Judge, Bangalore in relation to land parcels admeasuring 26 guntas and 36 guntas situated at Thanisandra Village, K.R. Puram Hobli, Bangalore East Taluk, among others. The plaintiffs claim that the land parcels are their ancestral properties and have seeking inter-alia (i) 1/4th share of several land parcels by way of partition to each of the two plaintiffs; and (ii) a declaration that the compromise entered between certain defendants is not binding of the plaintiffs. The matter is currently pending.
  - l. An original suit was filed by a third party in 2009 against MPPL and others before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre 16 guntas and 15 guntas situated at Nagavara Village, Bangalore, North Taluk, among others. The plaintiffs claim that the land parcels are their joint family properties and sought, inter-alia: (i) 1/3rd share of the properties by way of partition to the plaintiffs and possession of such property; and (ii) a declaration that the sale deed executed in favour of defendants (including MPPL) was null and void and is not binding on the plaintiffs. The matter is currently pending.
  - m. An original suit was filed by third parties in 2010 against MPPL and certain others before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 18 guntas situated at Nagavara Village, Kasaba Hobli, Bangalore, North Taluk, among others. The plaintiffs claim that the land parcels are their joint family properties and sought, inter-alia: (i) 5/10th share in the land parcels by way of partition to the plaintiffs and possession of such property; (ii) a declaration that the transactions made by the defendants (including MPPL) are not binding on the plaintiffs; and (iii) order for mesne profit. The matter is currently pending.

- n. An original suit was filed by a third party in 2019 before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 18 guntas situated at Rachenahalli Village K.R. Puram, Hobli, Bangalore, East Taluk, Bangalore. The plaintiff claims that the land parcels are its ancestral properties and has sought inter-alia (i) 1/6th share of the land parcels by way of partition and possession of such property; and (ii) a declaration that certain sale deeds executed are not binding upon plaintiff's share. MPPL is not a party to the suit, however, MPPL is concerned with certain land parcels in relation to which the suit is filed as they form a part of Embassy Manyata and we are in the process of filing impleadment. The matter is currently pending.
- o. An original suit was filed by third parties in 2016 against MPPL and others before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 31 guntas situated at Nagawara Village, Kasaba Hobli, Bangalore, North Taluk and Kothanur Narayanapura (K.Narayanapura) village, Bengaluru, East Taluk, among others. The plaintiffs claim that the land parcels are their ancestral and hindu joint family properties and sought, inter-alia: (i) legitimate share of the land parcels by way of partition to the plaintiffs and possession of such property; (ii) a declaration that the sale deed executed by certain defendants is not binding on the plaintiffs; and (iii) permanent injunction restraining certain defendants (including MPPL) from alienating or encumbering the land parcels to any third parties, pending disposal of the suit. The matter is currently pending.
- p. An original suit was filed by a third party in 2014 before the City Civil Judge, Bangalore in relation to land parcels admeasuring 7.5 guntas situated at Rachenahalli Village K.R. Puram, Hobli, Bangalore, East Taluk, Bangalore forming part of Embassy Manyata. The plaintiff claims that the land parcels are its ancestral properties and has sought inter-alia (i) 2/3rd share in the land parcel; (ii) declaration that the sale deed executed by the defendant is not binding on the plaintiff/. The matter is currently pending.
- q. An original suit was filed by third party in 2022 before the Principal Senior City Civil Judge, Bengaluru against MPPL and others. The plaintiff claims that certain land parcels are its ancestral properties and has sought inter-alia (i) partition of the land parcels in accordance with the Hindu Succession Act, 1956; (ii) 1/5th share in the land parcel; and (ii) permanent injunction against alienation/ sale of the joint family properties. Please note that the land parcels in this matter do not form part of MPPL. The matter is currently pending.

**B. Hilton at Embassy Golflinks**

A third party has filed a suit against GLSP, UPPL, Mac Charles (India) Limited and others in 2003 before the City Civil Court, Bengaluru, seeking specific performance

of an agreement for sale for 94,000 square feet of land forming part of the larger parcel of land admeasuring 5 acres and 23 guntas situated at Challaghatta village. The court dismissed the suit in 2008. The plaintiff has challenged such dismissal in 2009 before the High Court of Karnataka in an appeal. GLSP and UPPL have been arraigned as respondents in the appeal. The High Court of Karnataka has recorded the submission made by GLSP and UPPL indicating that no encumbrance will be created on the suit property of 94,000 sft and the matter is currently pending.

**C. Express Towers**

- a. IENMPL has filed a writ petition against the Government of Maharashtra and the Collector, Mumbai in 2003 before the Bombay High Court, challenging the demand against IENMPL for payment of increased transfer charges in relation to a sub-lease. While transfer charges amounting to ₹0.12 million annually for 61 years as per Gol's letter were levied in 2001, the transfer charges were revised to ₹2.34 million in the same year by the Collector, Bombay. In 2004, the Bombay High Court passed an order staying the operation of demand for increased transfer charges, subject to IENMPL continuing to pay the original transfer charges. IENMPL has also undertaken that in the event of dismissal of petition they shall pay the demanded increased transfer charges. The matter is currently pending.
- b. IENMPL had initiated legal proceedings against a occupier before the Court of Small Causes, Mumbai in 2007 for eviction and recovery of possession of 2,150 square feet in Express Towers and for mesne profits. On November 15, 2011, the court directed the occupier to pay ₹0.26 million per month towards mesne profits for the period between March 1, 2007 and February 2010, and ₹0.29 million per month from March 1, 2010 onward. An appeal by the occupier against this order before the Court of Small Causes was dismissed on May 6, 2015. Aggrieved, the occupier filed a petition before the Bombay High Court. On August 28, 2017, the High Court passed an order directing the occupier to pay ₹225 per square foot per month from May 1, 2015 to continue the possession of the premises. The occupier continues to occupy the premises and pay rentals. The matter is currently pending.
- c. A criminal public interest litigation has been instituted by a third party against the state of Maharashtra and others in 2017 which has alleged irregularities in the manner in which Express Towers was being used, and the manner in which the shareholders of IENMPL have acquired the asset. IENMPL impleaded itself as party to this public interest litigation. The Bombay High Court had directed the third party to file an amended petition to, inter alia, include IENMPL as a party. The matter is currently pending.



## Statutory Disclosures (Contd.)

## D. Embassy Golflinks

- a. Certain third parties have filed a suit for partition in 2005 against their family members and GLSP before the City Civil Court, Bengaluru, in respect of a property admeasuring 4 acres and 1 guntas, where GLSP is entitled to two acres and 21 guntas, forming part of Embassy Golflinks wherein the court passed a preliminary decree for partition. GLSP has filed an appeal in 2013 before the High Court of Karnataka challenging the decree. The High Court has passed interim orders in 2015 and stayed the decree. The matter came up for hearing on September 23, 2019 when GLSP filed a compromise petition with some of the defendants and the matter was adjourned. The High Court of Karnataka, pursuant to an order dated August 18, 2021, allowed the appeal filed by GLSP and set aside the judgement and decree dated April 27, 2013 passed by the City Civil Court, Bengaluru.
- b. A third-party individual has filed a suit before Court of the City Civil Judge, Bengaluru in 2005, against GLSP and others for declaring a sale deed allegedly executed in 2004 by him in favour of GLSP and another pertaining to a portion of land situated at Embassy Golflinks, as null and void on account of fraud and misrepresentation. The plaintiff died at the evidence stage and his alleged heir was not permitted to come on record by as the court rejected his application by passing an order in 2015. Aggrieved by the order, the alleged heir filed a civil revision petition before the High Court of Karnataka in 2015 which was subsequently converted into a writ petition and the next date of hearing is yet to be fixed. The matter is currently pending.
- c. Certain third parties have filed a suit in 2008 before the City Civil Court, Bengaluru in respect of a property admeasuring 1 acre and 21 guntas, forming part of Embassy Golflinks. The suit was dismissed in 2013 due to no representation on behalf of the plaintiffs. The plaintiffs filed a petition before the Additional. Senior City Civil Judge, Bengaluru in 2013 to set aside the dismissal order and restore the suit, along with an application for condonation of delay. GLSP has filed objections to the petition. The matter is pending.
- d. Certain third parties have filed an application in 2007, before the Court of City Civil Judge, Bengaluru against GLSP and another third party seeking an injunction restraining them from alienating or creating any third party interest in a property admeasuring 2 acres and 14 guntas, forming part of Embassy Golflinks. The court passed an interim order in 2007 which has been subsequently vacated by the court and the matter is currently pending. The third-party claimants have also filed a claim in 2009 against GLSP and others, before the High Court of Karnataka seeking appointment of an arbitrator and an arbitrator was appointed by an order in 2015. The claimants sought (i) performance of joint development agreements executed in 2004 and 2005, against

GLSP and another individual, pertaining to the property before the arbitrator, and (ii) an injunction to restrain the respondents from alienating or creating any third-party interests in the building constructed on the property, before the arbitrator. The matter is currently pending.

- e. GLSP has filed a petition in 2014 before the High Court of Karnataka inter-alia, against a show cause notice issued under the Public Premises (Eviction of Unauthorised Occupation) Act, 1971, in relation to eviction of GLSP from certain parcels of land admeasuring 92 square meters, 274.86 square meters and 2,079.79 square meters in Domlur Village, Bengaluru, which as per the show cause notice allegedly belongs to the Department of Defence and seeking a direction against the BBMP and others to complete the construction of the road on the aforementioned lands. The High Court in 2014 directed BBMP to continue with the construction of the road in terms of certain agreements signed between the Department of Defence and BBMP and also restrained the respondents from acting upon the impugned notice or taking coercive steps against GLSP. The respondents have obtained a stay on such order in 2016 by way of an appeal filed in 2015 before the High Court of Karnataka. The stay order also stated that GLSP could not be evicted without the leave of court. In 2019, the High Court of Karnataka allowed the appeals. Further, the High Court of Karnataka on July 11, 2022 directed the Deputy Commissioner to take steps under section 142(2) of the Karnataka Land Revenue Act, 1964 to conduct a survey for identification of limits of Domlur Village and that the petition by GLSP be kept pending till the Deputy Commissioner completes his survey. On September 29, 2022, the Additional Director of Land Records submitted a letter requesting additional time for submitting the survey report. The matter is currently pending.
- f. A third party individual has filed a suit before the City Civil Court, Senior Division, Rural District against GLSP and others alleging that the defendants and GLSP have colluded with each other to sell certain parcels of land belonging to the petitioner, admeasuring 12 guntas, 1 acre 9 guntas and 15 guntas respectively forming part of Embassy Golflinks to GLSP. The petitioner has alleged that the sale deed executed in 2003 is not binding on the petitioner. The suit was dismissed in 2016 for default by the petitioner. The petitioner has thereafter filed an application seeking to restore the case and the summons are yet to be served on some of the respondents. The matter is currently pending.
- g. GLSP received a notice from a third party individual alleging that certain third parties were the absolute owners of land in possession of GLSP admeasuring 2 acres and 8 guntas in Bengaluru. The IX Additional City Civil and Sessions Judge, pursuant to a preliminary decree in 2017, granted the petitioner half a share in the land. GLSP was

not made a party to the above suit filed by the third party. GLSP has filed an appeal in the High Court of Karnataka to set aside the decree of the IX Additional City Civil and Sessions Judge and to remand the suit to the trial court by impleading GLSP as a defendant. Currently, the matter is in the admission stage and the High Court of Karnataka has requested that the lower court records to be produced before it.

- h. Certain third parties have filed an original suit against GVPPL and others before the Court of Additional City Civil Judge, Bangalore claiming 3/7th share ownership over certain parcels of land belonging to GLSP, i.e. Survey No.10/2A admeasuring 25 guntas in Bengaluru. The Additional City Civil Judge, has passed the judgement dated 20 February 2020 that (i) the petitioners are entitled to 1/7th share in the property (ii) the sale deed executed subsequently not binding on the petitioner and (iii) handover of the premises to the petitioner. GVPPL have filed an appeal before the Regular First Appeal before the High Court of Karnataka assailing the judgement and decree. Further, the plaintiff has filed a final decree proceedings before the Additional City Civil Judge, Bangalore. These matters are currently pending.
- i. An original suit was filed by third party in 2022 before the City Civil Judge, Bengaluru in respect of land parcel admeasuring 1 acre situated at Challaghatta Village, Bengaluru forming part of Embassy GolfLinks. The plaintiff claims that the land parcels are its ancestral properties and has sought inter-alia (i) 1/8th share in the land parcel; (ii) declaration that the sale deed executed by the defendant is not binding on the plaintiff. The matter is currently pending.

## G. Embassy TechVillage

- a. A third party individual filed a suit in 2017 against the 'Embassy Group' before the City Civil Court, Bangalore seeking a decree of permanent injunction against 'Embassy Group' from interfering with the alleged rights of the plaintiff in relation to a land parcel forming part of ETV. VTPL filed two interim applications for: (i) dismissal of the suit contending that 'Embassy Group' is not a valid legal entity; and (ii) impleading itself as party. Pursuant to an order dated December 16, 2017, the Civil Court rejected both the above applications and rejected an interim application filed by the plaintiff seeking a temporary injunction against 'Embassy Group'. VTPL filed a civil revision petition and a writ petition before the High Court of Karnataka against the rejection of its applications. Pursuant to orders dated January 10, 2018, the High Court of Karnataka stayed the proceedings until the next date of hearing. The matters are currently pending.

The same third party individual has also filed an appeal under the Karnataka Land Revenue Act, 1964 before the Assistant Commissioner, Bangalore, North Sub-Division challenging the

endorsement dated October 29, 2015 issued by the Tahasildar, Bangalore East Taluk rejecting the claim of the plaintiff to a land parcel admeasuring 21 guntas. VTPL has impleaded itself as a party and filed a statement of objections. The matter is currently pending.

- b. A third party individual has filed a suit before City Civil Court, Bangalore against the 'Managing Director, Embassy Group of Company' seeking a decree of permanent injunction against the defendants from interfering with the peaceful possession of a land parcel. While VTPL has not claimed title over the disputed land parcel, the plaintiffs have alleged that the land parcel is at the edge of the property owned by VTPL. VTPL has impleaded itself as a party and has contended, inter-alia, that the land parcel has been acquired by the BBMP for a road. The matter is currently pending.
- c. A third party has filed a suit before City Civil Court, Bengaluru against VTPL and its representatives seeking a decree of permanent injunction against the defendants from interfering with the peaceful possession of a land parcel. While VTPL has not claimed title over the disputed land parcel, the plaintiffs have alleged that the land parcel is at the edge of the property owned by VTPL. VTPL has impleaded itself as a party and has contended, inter-alia, that the land parcel has been acquired by the BBMP for a road. The matter is currently pending.
- d. A third-party has filed a writ petition in 2022 before the High Court of Karnataka, Bengaluru against the State of Karnataka (Department of Industries and Commerce), Karnataka Industrial Area Development Board, Special Deputy Commissioner, Special Land Acquisition Officer and VTPL. The petitioner is seeking reconveyance of a land parcel admeasuring 22 guntas forming part of Embassy TechVillage. The matter is currently pending.

## II. Material litigation and regulatory action pending against Embassy REIT (Asset SPVs and the Investment Entity)

With respect to the Asset SPVs and the Investment Entity, details of all pending regulatory actions and criminal matters against the Asset SPVs and the Investment Entity have been disclosed.

For the purpose of pending civil/ commercial matters against Embassy REIT (Asset SPVs and Investment Entity), and Associates of Embassy REIT (excluding the Manager, the Sponsors, their respective Associates and the Blackstone Sponsor Group) matters exceeding ₹236.30 million (being 1% of the consolidated income as of September 30, 2022) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Embassy REIT has been disclosed.



## Statutory Disclosures (Contd.)

Other than as disclosed below, there are no pending criminal litigation, regulatory actions or material civil/commercial matters against any of the Asset SPVs or the Investment Entity or the Associates of Embassy REIT (excluding the Manager, the Sponsors, their respective Associates and the Blackstone Sponsor Group) as of September 30, 2022. Further, there is no litigation against Embassy REIT as of September 30, 2022.

**A. MPPL*****Regulatory Proceedings***

The Director, SEZ Section, Gol issued guidelines in 2009 which laid down that captive power plants in IT/ ITES SEZs were to be classified as separate units and were entitled to avail fiscal benefits under the SEZ Act including the benefit of exemption from the levy of excise duty under the Central Excise Act, 1994, on the goods supplied to them. However, in 2015, a new circular was issued which withdrew all such benefits and incentives extended to the captive power plants set up in a SEZ with effect from April 1, 2015. In 2016, new guidelines were issued which restored the benefits and exemptions given under the 2009 circular. However, the exemptions and benefits were prospective in nature and did not apply to SEZ developers, such as MPPL, for the period between the 2015 circular and the 2016 guidelines. By way of their letters in 2016, two diesel providers who were providing high speed diesel to MPPL, informed MPPL that amount payable due to excise duty on supply of diesel to MPPL was ₹31.60 million and ₹8.49 million, respectively, due to the changed guidelines. MPPL filed an application before the Development Commissioner, Manyata Embassy Business Park SEZ in 2016 seeking approval of its DG set unit as a SEZ unit with retrospective effect, which was not granted. Subsequently, MPPL filed an appeal before the Development Commissioner, Manyata Embassy Business Park SEZ seeking modification of the letter of approval granted by the Board of Approval, SEZ Section to classify MPPL's captive power plant as a SEZ unit, as it was not granted with retrospective effect, which was rejected. MPPL has filed a writ petition in 2017 before the High Court of Karnataka to set aside the said order and a stay order has been granted.

**B. EEPL*****Regulatory Proceedings***

- a. The Karnataka Electricity Regulatory Commission has issued orders in 2005, 2008 and 2014 granting exemption to all solar power generators in Karnataka that achieved commercial operation date between April 1, 2013 and March 31, 2018 from paying certain charges such as, inter alia, payment of wheeling and banking charges, cross subsidy surcharges, transmission losses and wheeling losses for a period of ten years from the date of commissioning. The Commission issued an order in 2018 withdrawing the aforementioned exemption available to Karnataka's power generators, including EEPL. Subsequently, EEPL and others have filed writ petitions in 2018 in the High Court of Karnataka against the State of Karnataka, the Karnataka Electricity Regulatory Commission,

Bangalore Electricity Supply Company Limited, Gulbarga Electricity Supply Company Limited and Karnataka Power Transmission Corporation Limited. In the event of cancellation of the aforesaid exemption, EEPL would incur an estimated loss of approximately ₹1,053.50 million over a ten year period. The High Court of Karnataka by way of an order dated May 24, 2018 has directed interim stay on the Commission's order withdrawing the aforesaid exemptions. The Bangalore Electricity Supply Company Limited filed an interlocutory application on June 18, 2018, seeking vacating of the interim order dated May 24, 2018 passed by the High Court of Karnataka, and Karnataka Electricity Regulatory Commission has filed common preliminary objections on September 27, 2018 and requested the High Court of Karnataka to dismiss the writ petition filed by EEPL and others. The High Court of Karnataka, by way of an order dated March 13, 2019, allowed the writ petitions filed by EEPL and others, and quashed the order dated May 14, 2018 issued by the Karnataka Electricity Regulatory Commission. EEPL has filed a caveat petition for receiving notifications in case any intra court writ appeal filed by any of the parties to the said petition, before the Division Bench of the High Court of Karnataka. Karnataka Electricity Regulatory Commission has filed a common writ appeal against the said order, against EEPL & Others. Electricity Supply Companies have also filed writ appeals against some of the petitioners, but no appeal has been filed against EEPL.

- b. Please also see section vi of the litigation section.

***Other Material Litigation***

- a. EEPL has received a demand notice under the Insolvency and Bankruptcy Code, 2016 on February 28, 2019 from a third party subcontractor, engaged by IL&FS Development Company (IEDCL), the parent company of ISPL, which was itself engaged by ISPL as a contractor for Embassy Energy. The demand notice alleges that unpaid amounts (categorised as operational debts) aggregating up to ₹1,008.1 million (including interest up to October 2018) are due to the sub-contractor directly from EEPL for the various works claimed to have been undertaken at the site of Embassy Energy, on the basis of certain correspondence with EEPL. The demand notice requires payment within 10 days of the letter, failing which the subcontractor may initiate a corporate insolvency resolution process against EEPL. EEPL has by its letter dated March 1, 2019, refuted all such claims inter alia on the basis that the payments are due from ISPL (and/or its parent entity) to the sub-contractor and not from EEPL, and therefore the sub-contractor has no claim against EEPL. By its letters dated March 18, 2019, the subcontractor has responded to the letter from EEPL, denying all statements made by EEPL and reiterating that the unpaid amounts are due from EEPL, without prejudice to any action, including criminal, that may be taken under law including the Insolvency and Bankruptcy Code,

2016 against EEPL, IEDCL, ISPL and certain representatives of these entities, including Jitendra Virwani. EEPL has also written to ISPL in relation to deficiencies in services required to be contractually provided by ISPL. ISPL has responded to EEPL denying the allegations in such letters. The lenders of ISPL have also written to EEPL in relation to certain payments made by EEPL to ISPL under the deferred payment agreement dated March 3, 2017. EEPL has responded to the lenders stating that they are not party to the arrangements between EEPL and ISPL and should approach ISPL directly. The sub-contractor has thereafter filed an application under Section 9 of the Code before the Bengaluru bench of National Company Law Tribunal claiming debt of ₹997.59 million and interest thereon against EEPL. The third party sub-contractor vide a letter dated January 2, 2020 served the notice of hearing in the captioned matter for initiation of insolvency proceedings under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the NCLT, Bengaluru pursuant to its order dated December 16, 2019. The petitioner has filed a claim as an operational creditor of IEDCL for an amount of ₹1,008.10 million (including interest up to September 2019) dues to the sub-contractor. The NCLT, Bengaluru has disposed this matter on March 8, 2022. The third party sub-contractor has filed an appeal against the order of the NCLT, Bengaluru before the National Company Law Appellate Tribunal, Chennai.

- b. In relation to Embassy Energy, ISPL has identified 465.77 acres of land for Embassy Energy. The approval obtained by EEPL from the Government of Karnataka for the establishment of Embassy Energy requires that the land is purchased and the solar project is established only after obtaining conversion of the use of the land for non-agricultural purposes. EEPL is required to obtain approval from the local authorities to purchase the land for the solar project under Section 109 of the Karnataka Land Reforms Act, 1961 which is deemed conversion of agricultural land and no further approvals are necessary. EEPL directly or through land aggregators has executed agreements for sale and powers of attorney with various land owners for 465.77 acres of land. Applications for approval under Section 109 have been made for 465.77 acres of land and such approvals have been received for 442.54 acres. EEPL has executed sale deeds in respect of 405.73 acres of land. Of the 405.73 acres of land for which sale deeds have been executed, payment of conversion fee is pending.

**C. GLSP*****Regulatory Proceedings***

GLSP and its occupier have received a notice in 2017 from the Karnataka State Pollution Control Board stating that the sewage treatment plant at Embassy Golflinks was inspected by the relevant officials and was found to not be operating in accordance with the standards stipulated pursuant to an order passed by the National Green Tribunal and a public notice issued

by the Karnataka State Pollution Control Board detailing revised standards required to be adopted for such plants in 2017. GLSP was called upon to show cause as to why action should not be initiated against it under the Water Act, 1974 and related legislations within 30 days from the date of the notice. Golflinks Embassy Business Park Management Services LLP has responded to the notice stating that it is in the process of complying with the observations and requesting for a period of five to seven months for compliance and to grant consent. As per the National Green Tribunal and a public notice issued by the Karnataka State Pollution Control Board, all the sewage treatment plants in Embassy Golflinks have been upgraded as per the National Green Tribunal guidelines and to meet the Karnataka State Pollution Control Board prescribed new standards.

GLSP has informed the KSPCB of completion of upgradation works pursuant to a letter dated September 10, 2020 and requested officials to conduct an inspection, if required.

**D. IENMPL*****Certain other matters***

Since the 1970s, many correspondences have been exchanged by IENMPL, MCGM, and the Government of Maharashtra, in relation to unauthorised construction and approval for change of use of three floors of Express Towers since the execution of the lease deed (including notices relating to alleged unauthorised construction and unauthorised use). IENMPL last applied to the MCGM in 1990 for such permission which was rejected. IENMPL thereafter wrote to the Government of Maharashtra requesting that they direct the MCGM to regularise the office use and occupation of plaza floors (as per the previous approval of the Government of Maharashtra). The Government of Maharashtra has observed that the local regulations do not contain a provision dealing with plaza floors and has since written to the local authorities in 2004 to formulate guiding principles for treatment of plaza floors which are yet to be notified.

**E. Embassy Techvillage*****Regulatory Proceedings***

- a. The Director, SEZ Section, Gol issued guidelines in 2009 which laid down that captive power plants in IT/ ITES SEZs were to be classified as separate units and were entitled to avail fiscal benefits under the Special Economic Zones Act, 2005 including the benefit of exemption from the levy of excise duty under the Central Excise Act, 1994, on the goods supplied to them. However, in 2015, a new circular was issued which withdrew all such benefits and incentives extended to the captive power plants set up in a SEZ with effect from April 1, 2015. In 2016, new guidelines were issued which restored the benefits and exemptions given under the 2009 circular. However, the exemptions and benefits were prospective in nature and did not apply to SEZ developers, such as VTPL for the period between the 2015 circular and the 2016 guidelines. By way of its letter dated March 3, 2016, the diesel supplier providing high speed



## Statutory Disclosures (Contd.)

diesel to VTPL, informed VTPL that amount payable due to excise duty on supply of diesel to VTPL was ₹4.31 million, due to the changed guidelines. VTPL filed an application before the Development Commissioner, Vikas Telecom SEZ in 2016 seeking approval of its DG set unit as a SEZ unit with retrospective effect, which was not granted. Subsequently, VTPL filed an appeal before the Board of Approval, SEZ Section in 2016 seeking modification of the letter of approval granted by the Board of Approval, SEZ Section to classify VTPL's captive power plant as a SEZ unit, as it was not granted with retrospective effect, which was rejected. VTPL has filed a writ petition in 2017 before the High Court of Karnataka to set aside the said order and a stay order was granted.

- b. VTPL has received a demand note dated August 14, 2020 from the Bangalore Water Supply and Sewerage Board ("BWSSB") for a payment of total charges amounting to ₹99.44 million in relation to issuance of a no-objection certificate for a proposed project commercial building on land parcel. VTPL has filed a writ petition before the High Court of Karnataka against the State of Karnataka, Bangalore Water Supply and Sewerage Board and others challenging inter-alia, the government order dated February 12, 2016 and the demand note issued against VTPL and seeking to, inter-alia, (i) quash the demand notice dated August 14, 2020; and (ii) issue of no-objection certificate to VTPL. Pursuant to an order dated November 17, 2020, the High Court of Karnataka granted an ad-interim stay on the demand notice dated August 14, 2020 in relation to certain charges and instructed VTPL to pay the prescribed fee for issuance of no objection certificate. Accordingly, VTPL has made the requisite payment hereunder and received the NOC from BWSSB. The matter is currently pending.
- c. VTPL has received a demand note dated September 29, 2020 from the Bangalore Water Supply and Sewerage Board for a payment of total charges amounting to ₹39.20 million in relation to issuance of a no-objection certificate for a proposed project office building on land parcel. VTPL has filed a writ petition before the Karnataka High Court against State of Karnataka, Bangalore Water Supply and Sewerage Board and others challenging inter-alia, the government order dated February 12, 2016 and the demand note against VTPL seeking to, inter-alia, (i) quash the demand notice dated September 29, 2020; and (ii) issue of no-objection certificate to VTPL. Pursuant to an order dated November 30, 2020, the High Court of Karnataka granted an ad-interim stay on the demand notice dated September 29, 2020 in relation to certain charges and instructed VTPL to pay the prescribed fee for issuance of no objection certificate. Accordingly, VTPL has made the requisite payment hereunder and received the NOC from BWSSB. The matter is currently pending.

- d. The Department of Stamps and Registrations, Government of Karnataka, had issued a notices dated July 18, 2022 to VTPL and SIPL, alleging that there is shortfall in the stamp duty and registration fee under the sale deeds executed between SIPL and VTPL. VTPL and SIPL are in the process of filing their objections to the notice and the matter is currently pending for hearing before the Deputy Commissioner of Stamps and Registration.

- e. Please also see section vi of this litigation section.

**Other Material Litigation**

A third-party suit was filed against VTPL and other defendants in 2004 before the Additional City Civil & Sessions Judge, Bengaluru seeking partition of a land parcel admeasuring 1 acre and 9 guntas forming part of Embassy TechVillage. The court decreed on November 29, 2011 dismissing the suit filed by the plaintiffs. The appellant has filed an appeal in 2012 before the High Court of Karnataka to set aside the judgement and decree dated November 29, 2011. The matter is currently pending.

**III. Material litigation and regulatory action pending against Embassy Sponsor**

With respect to Embassy Sponsor, details of all pending regulatory actions and criminal matters against Embassy Sponsor have been disclosed. For the purpose of pending civil/ commercial matters against Embassy Sponsor matters exceeding ₹ 675.84 million (being 5% of the total consolidated revenue of Embassy Sponsor for the Financial Year 2022) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Embassy REIT has been disclosed. Other than as disclosed below, there is no pending criminal litigation, regulatory actions or material civil/ commercial matters against Embassy Sponsor as of September 30, 2022.

**Criminal Litigation**

A charge sheet has been filed by the Central Bureau of Investigation against various individuals and the companies including Embassy Realtors Private Limited (which subsequently merged with Embassy Sponsor) and its founder, Jitendra (Jitu) Virwani in 2014, who have been named as accused number 12 and 11 respectively. As part of allegations made against the various others accused, there have also been allegations of corruption and irregularities in 2004 with relation to certain land development and housing projects awarded by the Government of Andhra Pradesh and the Andhra Pradesh Housing Board to a consortium in which, Embassy Realtors Private Limited, was holding a minority stake. The offences alleged against Embassy Sponsor and Jitendra Virwani are under the Indian Penal Code, 1860, including, inter-alia, Sections 120 (b) & 420. Jitendra Virwani filed a criminal petition in the High Court of Telangana and Andhra Pradesh seeking an interim order of stay against the proceedings in the trial court; the High Court has exempted the personal appearance of Jitendra Virwani instead of staying the further

proceedings. Subsequently, Embassy Sponsor has filed a criminal petition in the High Court of Telangana and Andhra Pradesh in 2016 seeking to inter-alia quash the proceedings pending before the Special Court for CBI cases at Hyderabad. An interim order of stay has been granted by the High Court in favour of Embassy Sponsor in this regard until the date of the next hearing. Embassy Sponsor and Jitendra Virwani were also named as respondents in proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002 in relation to the same subject matter and an order for the provisional attachment of certain movable assets of Embassy Sponsor and Jitendra Virwani was passed in January 2018. The Adjudicating Authority has in June 2018 passed an order to the effect that such alleged assets were not involved in the money laundering and has revoked the attachment of such assets. The Directorate of Enforcement has filed an appeal before the Appellate Tribunal at New Delhi and the Appellate Tribunal has dismissed the Appeal filed by the Enforcement Directorate and confirmed the orders passed by the Adjudicating Authority. Aggrieved by the Orders passed by the Appellate Tribunal at New Delhi, the Enforcement Directorate has filed an appeal before the High Court of Telangana at Hyderabad and the said Appeal is pending before the High Court at Hyderabad.

**Regulatory Proceedings**

- a. The Deputy Commissioner (Registration) and District Registrar, Bengaluru has by an order passed in 2017 directed Embassy Sponsor to make payment of stamp duty of ₹93.22 million and registration fee of ₹16.50 million pertaining to a sale agreement for residential properties in Bengaluru. Embassy Sponsor filed an appeal before the Karnataka Appellate Tribunal, Bengaluru ("KAT") in 2018 challenging the order which was dismissed in 2019. The KAT directed Embassy Sponsor to pay an amount of ₹100.97 million. Embassy Sponsor has filed a writ petition before the High Court of Karnataka challenging the orders passed by the KAT and High Court has granted an interim order of stay against the order of the KAT.
- b. A third party individual has filed an application before the National Green Tribunal, Chennai in 2015 against the State of Karnataka, and several other builders including Embassy Sponsor, alleging that builders are polluting the Bellandur lake and surrounding environment by discharging effluents in the lake, around which they are developing residential and commercial projects. The matter is currently pending for hearing.
- c. Embassy Sponsor has received a notice from the Competition Commission of India in 2018 inquiring into its acquisition of over 70% of the shareholding of Mac Charles (India) Limited as a combination. Embassy Sponsor has replied to the notice inter alia submitting that the transaction does not constitute a combination within the meaning of Section 5 of the Competition Act, 2002 since Mac

Charles (India) Limited was eligible to avail the de minimus exemption for combinations under the provisions of the Competition Act, 2002. Embassy Sponsor has replied to the notice as stated above and has not received any response thereafter.

- d. The Maharashtra Pollution Control Board pursuant to a notice in 2011 has filed a criminal case in 2012 before the Chief Judicial Magistrate Court, Pune against Embassy Sponsor and another accused for violating environmental laws by carrying out construction at plot no. 3, Rajiv Gandhi Infotech Park, Pune without obtaining prior clearance. The court issued summons in 2012, against which Embassy Sponsor has filed a criminal writ petition in the Bombay High Court. This matter is pending for hearing before the Bombay High Court.
- e. In 2015, Embassy Sponsor filed an application with the Bangalore Development Authority ("BDA") for the issue of a development plan in relation to certain property owned by MPPL. The BDA issued the development plan. Subsequently, the Embassy Sponsor as the co-developer of the property filed an application with the BDA for a modified development plan in connection with the use of TDR rights. In February 2020, the Karnataka state government issued amendments to the relevant regulations in relation to levy of fees, cess and surcharges for modified development plans. Subsequently, the BDA issued two demand notices dated September 24, 2020 to the Embassy Sponsor to pay ₹121 million towards various charges in connection with the modified development plan. The Embassy Sponsor has filed a writ petition against the State of Karnataka and others before the High Court of Karnataka, inter-alia, to set aside the demand notices issued by the BDA and declare the amendments as ultra vires. Subsequently, BDA issued a letter dated March 10, 2021 to Embassy Sponsor indicating that an amount of ₹0.037 million is to be paid for issuance of modified development plan and the same was paid by Embassy Sponsor on March 17, 2021. The matter is currently pending.
- f. Embassy Sponsor received a demand notices dated January 13, 2021 and October 7, 2021 from BBMP towards ground rent and other charges for the purposes of issuing occupancy certificate at certain properties owned by Embassy Sponsor. The Embassy Sponsor has filed two separate writ petitions against State of Karnataka before the High Court of Karnataka, inter alia to set aside the demand notices issued by BBMP. On March 30, 2021 the High Court of Karnataka has passed a stay against the demand notices. However, demand with respect to (i) scrutiny fee and license fee shall be stayed only to excess of 50% of the demand (i) security deposit shall be paid at the rate specified i.e. INR 25/- per square meter and (iii) stay on administrative charges. The High Court has indicated that the payments need to be made within four weeks, pursuant to which BBMP will issue the occupancy certificate.



Statutory Disclosures (Contd.)

IV. Material litigation and regulatory action pending against the Associates of Embassy Sponsor

With respect to the Associates of Embassy Sponsor, details of all pending regulatory actions and criminal matters against the Associates of Embassy Sponsor have been disclosed. For the purpose of pending civil/ commercial matters against Associates of Embassy Sponsor, (excluding the Asset SPVs and the Investment Entity) matters exceeding ₹ 410.50 million (being 5% of the total consolidated revenue of Embassy Sponsor for the Financial Year 2021) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Embassy REIT has been disclosed. Other than as disclosed below, there is no pending criminal litigation, regulatory actions or material civil/ commercial matters against the Associates of Embassy Sponsor as of September 30, 2021.

Regulatory Proceedings

- a. Concord India Private Limited received a notice in 2008 from the Range Forest Officer, Bengaluru regarding initiation of proceedings in the High Court of Karnataka for the alleged unauthorised occupation of 78 acres forest land in a plantation reserved forest in Bengaluru. The company has filed a writ petition in 2008 to quash the notice pursuant to which the court ordered in 2012 that the occupied area was not forest land. The Range Forest Officer has filed a writ appeal in the High Court of Karnataka in 2012 against the order and the company has also filed a writ petition in the High Court of Karnataka in 2012 against the State of Karnataka challenging old notifications of the Karnataka State Government declaring the occupied area as an industrial area instead of as a de-reserved reserve forest area for non-forest activity. The said case has been disposed vide judgment dated July 23, 2019.
- b. Le Meridien Hotel, Bengaluru (owned by Mac Charles (India) Limited) has received a notice in 2013 from the Employees' Provident Fund Organisation to show cause why damages on belated remittance should not be levied. The hotel agreed to the delay in payment except for certain periods. The Assistant Provident Fund Commissioner in 2016 ordered the hotel to pay belated remittance of ₹0.11 million within stipulated time along with interest payable. The hotel has filed an appeal in 2016 before the Employees Provident Fund Appellate Tribunal, Bengaluru challenging the order and the tribunal granted interim stay. Further, the provident fund along with the payment of back wages was remitted.

- c. J.V. Holdings Private Limited has received a notice in 2014 from the RBI to show cause why action should not be initiated against it for doing business as an NBFC in violation of the Reserve Bank of India Act, 1934. The company filed its reply to the RBI and the RBI in 2016 directed it to either merge with another NBFC, wind up its business or register as an NBFC. The RBI also directed the company in 2017 to exit partnerships it is invested in to qualify as a core investment company. In 2018, the RBI has asked J.V. Holdings Private Limited to submit its response on the status of complying with the notice. The company has replied to the RBI stating that it has commenced provision of marketing services and that the proposed income from such business activity will be such that the company will not be an NBFC by March 31, 2019. The company has ceased undertaking non-banking financial business as on March 31, 2019 and has have not received any further communication in this regard from RBI.
- d. Udhyan Investments Private Limited has received a notice in 2015 from the RBI to provide clarifications to determine whether it is an NBFC. The company clarified that it does not qualify as an NBFC. The company has not received any further communication in this regard from RBI.
- e. Embassy Construction Private Limited ("ECPL") has received a demand note dated June 16, 2020 from the Bangalore Water Supply and Sewerage Board for a payment of total charges amounting to ₹20.57 million in relation to issuance of a no-objection certificate for a proposed project commercial building on land situated at Venkata Village, Yelahanka Hobli, Bangalore North Taluk, Bangalore and ECPL has filed a writ petition before the Karnataka High Court against State of Karnataka, Bangalore Water Supply and Sewerage Board and others challenging inter-alia, the demand note against ECPL seeking to, inter-alia, (i) quash the demand notice; and (ii) issue of no-objection certificate to ECPL. The High Court of Karnataka granted an ad- interim stay dated November 13, 2020 on the demand notice issued by BWSSB in relation to certain charges and instructed ECPL to pay the prescribed fee for issuance of no-objection certificate and directed BWSSB to issue NOC by accepting Administration Fees & Scrutiny Fees amounting to ₹3.2 million and the said demand notice will be subject to outcome of the Writ Petition. The matter is currently pending.
- f. ECPL received a demand notice dated July 16, 2021 from BBMP towards ground rent and other charges for the purposes of issuing occupancy certificate at certain properties owned by ECPL.

ECPL has filed a writ petition against State of Karnataka before the High Court of Karnataka, inter alia to set aside the demand notice dated July 16, 2021 issued by BBMP. On August 27, 2021 the High Court of Karnataka has passed a stay against the demand notice dated July 16, 2021. However, demand with respect to (i) scrutiny fee and license fee shall be stayed only for those in excess of 50% of the demand (i) security deposit shall be paid at the rate of INR 25/- per square meter and (iii) stay on administrative charges. The High Court has indicated that the payments need to be made within four weeks, pursuant to which BBMP will issue the occupancy certificate.

Other Material Litigation

- a. A third party filed a petition before the Indian Council for Arbitration against Concord India Private Limited for resolution of a dispute in respect of a memorandum of understanding between the third party and Concord India Private Limited entered into in 1999 in respect of joint development of 78 acres of land situated at Kadugodi plantation. The petitioner has claimed that they are entitled to develop the land, whereas Concord India Private Limited has stated that the petitioner is not entitled to any relief since the memorandum of understanding was terminated. The arbitral tribunal passed an award in favour of Concord India Private Limited dismissing the petition filed by the petitioner. Aggrieved by the award passed by the arbitral tribunal, the petitioner filed a suit before the City Civil Court at Bengaluru in 2019 challenging the said award and the said suit is pending for consideration.

V. Material litigation and regulatory action pending against Blackstone Sponsor, its Associates and the Blackstone Sponsor Group

As of September 30, 2022, Blackstone Sponsor, its Associates and Blackstone Sponsor Group do not have any regulatory actions, criminal matters, or material

civil/commercial litigation, i.e., in excess of USD 6.94 million (being 5% of the income of the Blackstone Sponsor for the calendar year ended December 31, 2021) pending against them.

VI. Material litigation and regulatory action pending against the Manager and its Associates

As of September 30, 2022, the Manager and its Associates (to the extent that such Associates are not Associates of the Sponsors) do not have any regulatory actions, criminal matters, or other material civil/ commercial litigation pending against them. For the purposes of civil/commercial matters against the Manager and its Associates (to the extent that such Associates are not Associates of the Sponsors), matters involving amounts exceeding 5% of the revenue of the Manager for the Financial Year 2022 have been considered material.

A search under section 132 of the Income Tax Act was conducted on June 1, 2022 on the Manager, Embassy REIT, certain SPVs namely VTPL, EOVL, SIPL and EEPL, certain representatives of such entities (collectively referred to as "Embassy REIT Entities"), the Embassy Sponsors, (including some representatives of the Embassy Sponsors) and certain third-parties. Pursuant to the communication received from the income tax authorities by the Embassy REIT Entities, requisite information has been provided to the authorities. The Embassy REIT Entities have not received any demand or show cause notice from the income tax authorities pursuant to such search proceedings

VII. Material litigation and regulatory action pending against the Trustee

As of September 30, 2022, the Trustee does not have any regulatory actions, criminal matters, or material civil/commercial litigation, i.e., in excess of ₹ 11.16 million (Indian Rupees Eleven Million and Sixteen Thousand Only) (being 5% of the income of the profit after tax of the Trustee for the Financial Year 2021-22) pending against it.



VIII. Taxation Proceedings

Details of all direct tax, indirect tax and property tax matters against the Relevant Parties as of September 30, 2022 are as follows:

Nature of case	Number of cases	Amount involved (in ₹ million)
<b>EMBASSY REIT (ASSET SPVS AND INVESTMENT ENTITY)</b>		
Direct Tax	25	314.30
Indirect Tax	22	974.43
Property Tax	4	3,418.9
<b>EMBASSY SPONSOR - EPDPL</b>		
Direct Tax	18	217.45
Indirect Tax	3	276.64
Property Tax	Nil	Nil
<b>KEY PERSONS (BOARD OF DIRECTORS) OF THE EMBASSY SPONSOR</b>		
Direct Tax	3	669.56
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>BLACKSTONE SPONSOR</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>KEY PERSONS (BOARD OF DIRECTORS) OF THE BLACKSTONE SPONSOR</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>MANAGER - EOPMSPL</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>BLACKSTONE SPONSOR GROUP</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>ASSOCIATES OF THE MANAGER*</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>ASSOCIATES OF THE EMBASSY SPONSOR</b>		
Direct Tax	27	560.92
Indirect Tax	32	636.14
Property Tax	Nil	Nil
<b>ASSOCIATES OF THE BLACKSTONE SPONSOR#</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil

\* Excludes Associates of the Sponsors

# Excludes the Blackstone Sponsor Group

14. RISK FACTORS

Risk Factors-Embassy Office Parks REIT

Risk related to our organisation and structure

1. The Portfolio has certain liabilities, which liabilities if realised may impact the trading price of the units, our profitability and our ability to make distributions.
2. We have incurred external debt at Embassy REIT level. Additionally, we may incur further debt and a significant amount of such future debt may be utilised in the operation and development of our business. Consequently, our cash flows and operating results could be adversely affected by required repayments or related interest and other risks of our debt financing. Our inability to service debt may impact distributions to Unitholders.
3. We do not provide any assurance or guarantee of any distributions to the Unitholders. We may not be able to make distributions to Unitholders and the level of distributions may decrease. Our historical distributions may not be indicative of future distributions.
4. The REIT Regulations impose restrictions on the investments made by us and require us to adhere to certain investment conditions, which may limit our ability to acquire and/or dispose of assets or explore new opportunities. The laws governing REITs in India are in their early stages and relatively untested.
5. The holding and financing structure of the Portfolio may not be tax efficient.

Risks Related to our business and industry

1. Our business is dependent on the Indian economy and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material adverse effect on our business.
2. Our business, financial condition, cash flows and results of operations and the trading price of our units have been and may continue to be adversely impacted by the outbreak of and the resulting disruptions caused by the coronavirus disease 2019 (COVID-19) pandemic and any government action (lockdown etc.). The spread of COVID-19 has led to disruption, uncertainty and volatility in the Indian and global markets, which may adversely affect our ability to access the equity and debt markets, cost of capital and liquidity.
3. We have a limited operating history and may not be able to operate our business successfully or generate sufficient cash flows to make or sustain distributions.
4. A significant portion of our revenues are derived from a limited number of large tenants, tenants in the technology sector and from a few integrated office parks. Any conditions that impact these tenants, the technology sector or parks may adversely affect our business, revenue from operations and financial condition.
5. Tenant leases across our Portfolio are subject to the risk of non-renewal, non-replacement or early termination. Further, vacant properties could be difficult to lease, which could adversely affect our revenues.

6. Our business and profitability are dependent on the performance of the commercial real estate market in India generally and any fluctuations in market conditions may have an adverse impact on our financial condition.
7. As GLSP does not qualify as an Asset SPV under the REIT Regulations, it is not required to comply with the mandatory distribution requirements under the REIT Regulations.
8. The valuation reports obtained for our Portfolio are based on various assumptions and may not be indicative of the true value of our assets.
9. We have in the past recognized impairment losses and may be required to record significant changes to the earning in the future when we review our Portfolio for potential impairment.
10. Our contingent liability could adversely affect our financial condition, results of operations and cash flows.
11. We rely on third party operators to successfully operate and manage certain Portfolio Assets. Our results of operations may be adversely affected if we fail to effectively oversee the functioning of third-party operators.
12. Compliance with, and changes in, applicable laws (including without limitation environmental laws and regulations) could adversely affect the development of our properties and our financial condition.
13. If we are unable to maintain relationships with other stakeholders in our Portfolio, our financial conditions and results of operation may be adversely affected.
14. We may incur losses as a result of unforeseen or catastrophic events, including war, the emergence of pandemics the emergence of pandemics, terrorist attacks, extreme weather events, natural disasters or other widespread health emergencies that could create economic and financial disruptions, and could lead to operational difficulties (including travel limitations) that could impair/ impact our ability to manage our businesses.
15. We are exposed to a variety of risks associated with safety, security and crisis management.
16. We may be unable to successfully grow our business in new markets in India, which may adversely affect our growth, business prospects, results of operations and financial condition.
17. We may be adversely affected if the Asset SPVs and/ or Investment Entity are unable to obtain, maintain or renew all regulatory approvals that are required for their respective business.
18. Some of our Portfolio Assets are located on land leased from the MMRDA, MIDC, NOIDA and KIADB. The relevant Asset SPVs are required to comply with the terms and conditions provided in the respective lease agreements with such government bodies, failing which MMRDA, MIDC, NOIDA or KIADB, as the case may be, may, impose penalties, terminate the lease or take over the premises.



Statutory Disclosures (Contd.)

19. We have entered into material related party transactions, the terms of which may be unfavorable to us or could involve conflicts of interest. The Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Manager, Embassy Sponsor or the Blackstone Sponsor Group on more favourable terms than those payable by us.

20. Our solar operations are dependent on the regulatory and policy environment affecting the renewable energy sector in India.

21. Our Asset SPVs and the Investment Entity are subject to ongoing compliance requirements under various laws, and there have been certain past instances of non-compliance.

22. Some of our Portfolio Assets are located on land notified as SEZs and the Asset SPVs are required to comply with the SEZ Act and the rules made thereunder.

23. The title, leasehold rights and development rights or other interests over land where the Portfolio are located may be subject to legal uncertainties and defects, which may interfere with our ownership and/or leasehold rights of the Portfolio and result in us incurring costs to remedy and cure such defects.

24. There can be no assurance that we will be able to successfully complete future acquisitions or efficiently manage the assets we have acquired or may acquire in the future. Further, any of our acquisitions in the future may be subject to acquisition related risks.

25. There may be conflicts of interests between the Manager, Embassy Sponsor, the Blackstone Sponsor Group, the Blackstone Sponsor, the Trustee and/or their respective associates/ affiliates.

26. We may not be able to successfully meet working capital or capital expenditure requirements of our Portfolio Assets due to the unavailability of funding on acceptable terms.

27. We have invested in and may continue to invest in under construction real estate projects, which are subject to risks in relation to delay in completion, receipt of approvals and cost overruns.

28. The audit report of our Statutory Auditors on the Consolidated Financial Statements may contain certain qualifications and matters of emphasis.

29. Our Portfolio Assets and the Investment Entity may be subject to increases in direct expenses and other operating expenses. Renovation work, repair and maintenance or physical damage to the Portfolio Assets and / or the assets of the Investment Entity may disrupt our operations and collection of rental income or otherwise result in an adverse impact on our financial condition and results of operation.
30. We may be subject to certain restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. The terms of such financing may limit our ability to make distributions to the Unitholders.

31. Recent disruptions in the financial markets and current economic conditions could adversely affect our ability to service existing indebtedness. We may require additional debt financing in order to continue to grow our business, which may not be available on acceptable terms, or at all.

32. Except in relation to a portion of the Embassy TechVillage campus which has not been acquired by Embassy REIT, The Blackstone Sponsor has not entered into a deed of right of first offer in respect of any assets operated by the Blackstone Sponsor Group or other entities of the Blackstone Sponsor Group which could lead to potential conflicts of interest.

33. The ROFO Deed entered into with Embassy Sponsor, in respect of certain identified existing assets and the potential future asset pipeline, is subject to various terms and conditions. Further, the Embassy Sponsor may undertake corporate restructuring exercises, including mergers and amalgamations with third-party entities, which may impact the potential future asset pipeline under the ROFO Deed.

34. The brand “Embassy” is owned by Embassy Shelters Private Limited and licensed to us. Our license to use the “Embassy” trademark and logo may be terminated under certain circumstances and our ability to use the trademark and logo may be impaired. Further, for certain other Asset SPVs, we do not have registered trademarks in the name of the relevant SPVs.

35. We operate in a highly competitive environment and increased competitive pressure could adversely affect our business and the ability of the Manager to execute our growth strategy.

36. We may experience a decline in realised rent rates from time to time, which may adversely affect our business, results of operations, cash flows and distributions.

37. We may not able to maintain adequate insurance to cover all losses we may incur in our business operations.

38. There is outstanding litigation and regulatory action, including title litigation , involving the Asset SPV’s and various parties to the Embassy REIT that may adversely affect our business.

39. Our business may be adversely affected by the illiquidity of real estate investments.

40. Lease deeds with some of our tenants are not adequately stamped or registered, and consequently, we may be unable to successfully litigate over the said agreements in the future and penalties may be imposed on us.

41. Security and IT risks may disrupt our business, result in losses or limit our growth.
42. Foreign Account Tax Compliance withholding may affect payments on the Units for investors.
43. We expect to be classified as a passive foreign investment company for U.S. federal income tax purposes, which could result in materially adverse U.S. federal income tax consequences to U.S. investors in our Units.

Risks related to our relationships with the Sponsors and the Manager

1. We and parties associated with us are required to maintain the eligibility conditions specified under Regulation 4 of the REIT Regulations as well as the Certificate of Registration on an ongoing basis. We may not be able to ensure such ongoing compliance by Embassy Sponsor, the Blackstone Sponsor, the Manager, the Blackstone Sponsor Group and the Trustee, which could result in the cancellation of our registration.

2. Our Sponsors will be able to exercise significant influence over certain of our activities and the interests of the Sponsors may conflict with the interests of other Unitholders or the interests of the Sponsors may conflict with each other.

3. Conflicts of interest may arise out of common business objectives shared by the Manager, Embassy Sponsor, the Blackstone Sponsor, the Blackstone Sponsor Group and us.

4. Certain principals and employees may be involved in and have a greater financial interest in the performance of other real estate investments, projects and businesses of Embassy Group or Blackstone and such activities may create conflicts of interest in making investment decisions on our behalf.

5. We depend on the Manager and its personnel for our success. We may not find a suitable replacement for the Manager if the Investment Management Agreement is terminated or if key personnel cease to be employed by the Manager or otherwise become unavailable to us.

6. We depend on the Manager to manage our business and assets, and our results of operations, financial condition and ability to make distributions may be harmed if the Manager fails to perform satisfactorily, for which our recourse may be limited. In addition, the Manager may also provide property management services to entities outside the Embassy REIT Assets in the future subject to applicable law.

Risks related to India

1. Our performance is linked to the stability of policies and the political situation in India.

2. Any downgrading of India’s sovereign debt rating by a domestic or international rating agency could materially and adversely affect our ability to obtain financing and, in turn, our business and financial performance.

3. Significant differences exist between Ind AS and other accounting principles, such as IFRS, Indian GAAP and U.S. GAAP which may be material to your assessment of our financial condition, results of operations and cash flows.

4. It may not be possible for Unitholders to enforce foreign judgments.

5. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations and growth prospects.

6. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units.

7. Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate.

8. We may be subject to the Competition Act, which may require us to receive approvals from the Competition Commission of India (CCI) prior to undertaking certain transactions.

9. Our ability to raise funding is dependent on our ability to raise capital through a fresh issue of Units and or our ability to raise debt on acceptable terms. Further, debt securities issued by us may not qualify as eligible securities that can be held by certain types of investors, and certain lenders may be unable to extend loans to us due to regulatory and other restrictions, which may make it more difficult for us to raise funds and may increase the cost of borrowings.

Risks related to the ownership of the Units

1. The ability of the public Unitholders to remove the Trustee or the Manager may be limited because of the conditions under the REIT Regulations.

2. Trusts like Embassy REIT may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.

3. We are subject to ongoing reporting requirements as a listed entity. Requirements and other obligations of real estate investment trusts post-listing are still evolving. Accordingly, the level of ongoing disclosures made to and the protections granted to Unitholders may be limited as compared to those made to or available to the shareholders of a company that has listed its equity shares upon a recognised stock exchange in India.

4. Fluctuations in the exchange rate of the Indian Rupee with respect to other currencies will affect the foreign currency equivalent of the value of the Units and any distributions.

5. Unitholders are unable to request for the redemption of their Units.

6. The Units may experience price and volume fluctuations and there may not be an active or liquid market for the Units.

7. There can be no assurance on the trading price of the Units and the price of the Units may decline.



Statutory Disclosures (Contd.)

8. Any future issuance of Units by us or sale of Units by Embassy Sponsor, Blackstone Sponsor Group or any of other significant Unitholders may materially and adversely affect the trading price of the Units. The Embassy Sponsor and certain members of the Blackstone Sponsor Group have pledged a of their Units. We cannot assure you that we will not issue further Units or that the Unitholders, including the Embassy Sponsor, the Blackstone Sponsor Group, and other significant Unitholders, will not dispose of, pledge or otherwise encumber their Units.
9. Our rights and the rights of the Unitholders to recover claims against the Manager or the Trustee are limited.
10. NAV per Unit may be diluted if further issues are priced below the current NAV per Unit.
11. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Manager and us.

15. INFORMATION OF THE CONTACT PERSON OF EMBASSY REIT

**Ms. Namitha Kutnikar**  
Interim Compliance Officer  
Royal Oaks, Embassy Golflinks Business Park,  
Off Intermediate Ring Road,  
Bengaluru – 560 071;  
T: +91 80 3322 2222;  
F: +91 80 3322 2223;  
E: compliance@embassyofficeparks.com

16. COMPLIANCE UNDER FEMA:

Embassy REIT has complied with the conditions prescribed for downstream investment in accordance with the applicable provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

17. SUMMARY OF HALF-YEARLY VALUATION REPORT CAPTURING KEY ASPECTS OF THE REPORT

Please refer to pages 265-300 of this report.

18. AUDITOR’S REPORT

Please refer to pages 135 and 178-179 of this report.

Review Report

**The Board of Directors**  
**Embassy Office Parks Management Services Private Limited (“the Manager”)**  
**(Acting in its capacity as the Manager of Embassy Office Parks REIT)**  
**1st Floor, Embassy Point**  
**150, Infantry Road**  
**Bengaluru -560001**

INTRODUCTION

1. We have reviewed the accompanying unaudited condensed standalone interim Ind AS financial statements of Embassy Office Parks REIT (the “REIT”) which comprise the unaudited condensed standalone balance sheet as at September 30, 2022, the unaudited condensed statement of Profit and Loss, including other comprehensive income and unaudited condensed statement of Cash Flows for the quarter and half year ended September 30, 2022, the unaudited condensed statement of changes in Unitholders equity for the half year ended September 30, 2022, the Statements of Net Assets at fair value as at September 30, 2022, the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows of the REIT for the half year ended September 30, 2022 and a summary of the significant accounting policies and select explanatory information (together hereinafter referred to as the “Condensed Standalone Interim Ind AS Financial Statements”) being submitted by the REIT pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (“REIT Regulations”).
2. The Manager is responsible for the preparation of the Condensed Standalone Interim Ind AS Financial Statements in accordance with the requirements of Indian Accounting Standard 34 (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 Interim Ind AS Financial Statements has been approved by the Board of Directors of the Manager. Our responsibility is to express a conclusion on the Condensed Standalone Interim Ind AS Financial Statements based on our review.

SCOPE OF REVIEW

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Condensed Standalone Interim Ind AS Financial Statements are free of material misstatement. A review consists of making inquiries, primarily of Manager 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.

CONCLUSION

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Condensed Standalone Interim Ind AS Financial Statements have not been prepared in all material respects in accordance with the requirements of Ind AS 34, 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.

For **S.R. Batliboi & Associates LLP**  
*Chartered Accountants*  
ICAI Firm registration number: 101049W/E300004  
  
per **Adarsh Ranka**  
*Partner*  
Membership No.: 209567  
UDIN: 22209567BAJFFX4944  
  
Place: Bengaluru, India  
Date: October 20, 2022



Condensed Standalone Balance Sheet

(all amounts in ₹ Million unless otherwise stated)			
	Note	As at September 30, 2022	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
- Investments	3	248,233.52	239,333.52
- Loans	4	84,568.59	86,410.72
Non-current tax assets (net)	5	5.31	-
Other non-current assets	6	0.57	1.47
<b>Total non-current assets</b>		<b>332,807.99</b>	<b>325,745.71</b>
<b>Current assets</b>			
Financial assets			
- Cash and cash equivalents	7	5,291.26	5,200.47
- Loans	8	1,701.20	2,080.00
- Other financial assets	9	9.44	6.51
Other current assets	10	76.39	50.95
<b>Total current assets</b>		<b>7,078.29</b>	<b>7,337.93</b>
<b>Total assets</b>		<b>339,886.28</b>	<b>333,083.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Unit capital	11	288,262.11	288,262.11
Other equity	12	(33,146.61)	(30,233.92)
<b>Total equity</b>		<b>255,115.50</b>	<b>258,028.19</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	13	84,564.82	74,491.33
<b>Total non-current liabilities</b>		<b>84,564.82</b>	<b>74,491.33</b>
<b>Current liabilities</b>			
Financial liabilities			
- Trade payables	14		
- total outstanding dues of micro and small enterprises		0.16	0.59
- total outstanding dues of creditors other than micro and small enterprises		1.93	8.22
- Other financial liabilities	15	107.13	463.90
Other current liabilities	16	93.94	88.61
Liabilities for current tax (net)	17	2.80	2.80
<b>Total current liabilities</b>		<b>205.96</b>	<b>564.12</b>
<b>Total equity and liabilities</b>		<b>339,886.28</b>	<b>333,083.64</b>

Significant accounting policies

2

The accompanying notes referred to above are an integral part of these Condensed Standalone Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022

Condensed Standalone Statement of Profit and Loss

(all amounts in ₹ Million unless otherwise stated)								
	Note	For the quarter ended September 30, 2022 (Unaudited)	For the quarter ended June 30, 2022 (Unaudited)	For the quarter ended September 30, 2021 (Unaudited)	For the half year ended September 30, 2022 (Unaudited)	For the half year ended March 31, 2022 (Audited *)	For the half year ended September 30, 2021 (Unaudited)	For the year ended March 31, 2022 (Audited)
<b>Income and gains</b>								
Dividend		2,130.00	2,715.00	2,455.00	4,845.00	4,595.00	4,880.00	9,475.00
Interest	18	2,729.82	2,725.31	3,107.87	5,455.13	5,418.16	6,161.37	11,579.53
Other income	19	16.30	17.00	18.24	33.30	45.58	35.94	81.52
<b>Total Income</b>		<b>4,876.12</b>	<b>5,457.31</b>	<b>5,581.11</b>	<b>10,333.43</b>	<b>10,058.74</b>	<b>11,077.31</b>	<b>21,136.05</b>
<b>EXPENSES</b>								
Valuation expenses		2.06	2.07	1.82	4.13	6.49	5.07	11.56
Audit fees		1.18	1.18	1.26	2.36	2.09	2.76	4.85
Investment management fees	29	60.40	58.83	63.53	119.23	116.55	137.91	254.46
Trustee fees		0.74	0.74	0.74	1.48	1.47	1.48	2.95
Legal and professional fees		58.33	19.30	22.04	77.63	5.46	51.65	57.11
Other expenses	20	17.48	12.12	8.84	29.60	23.66	18.91	42.57
<b>Total Expenses</b>		<b>140.19</b>	<b>94.24</b>	<b>98.23</b>	<b>234.43</b>	<b>155.72</b>	<b>217.78</b>	<b>373.50</b>
<b>Earnings before finance costs, impairment loss and tax</b>		<b>4,735.93</b>	<b>5,363.07</b>	<b>5,482.88</b>	<b>10,099.00</b>	<b>9,903.02</b>	<b>10,859.53</b>	<b>20,762.55</b>
Finance costs	21	1,493.01	1,466.21	1,874.34	2,959.22	2,868.93	3,593.37	6,462.30
Impairment loss	3	-	-	857.48	-	-	857.48	857.48
<b>Profit before tax</b>		<b>3,242.92</b>	<b>3,896.86</b>	<b>2,751.06</b>	<b>7,139.78</b>	<b>7,034.09</b>	<b>6,408.68</b>	<b>13,442.77</b>
<b>Tax expense:</b>	22							
Current tax		7.00	7.27	7.79	14.27	29.98	15.37	45.35
		7.00	7.27	7.79	14.27	29.98	15.37	45.35
<b>Profit for the period/year</b>		<b>3,235.92</b>	<b>3,889.59</b>	<b>2,743.27</b>	<b>7,125.51</b>	<b>7,004.11</b>	<b>6,393.31</b>	<b>13,397.42</b>
<b>Items of other comprehensive income</b>								
Items that will not be reclassified subsequently to profit or loss								
- Gain/(loss) on remeasurement of defined benefit liability, net of tax		-	-	-	-	-	-	-
<b>Total comprehensive income for the period/year</b>		<b>3,235.92</b>	<b>3,889.59</b>	<b>2,743.27</b>	<b>7,125.51</b>	<b>7,004.11</b>	<b>6,393.31</b>	<b>13,397.42</b>
<b>Earning per unit</b>								
Basic	23	3.41	4.10	2.89	7.52	7.39	6.74	14.13
Diluted		3.41	4.10	2.89	7.52	7.39	6.74	14.13

Significant accounting policies (refer note 2)

\* Refer note 34

The accompanying notes referred to above are an integral part of these Condensed Standalone Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



# Condensed Standalone Statement of Cash Flows

(all amounts in ₹ Million unless otherwise stated)

	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited*)	(Unaudited)	(Audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>							
Profit before tax	3,242.92	3,896.86	2,751.06	7,139.78	7,034.09	6,408.68	13,442.77
Adjustments to reconcile profit before tax to net cash flows:							
Interest income	(2,729.82)	(2,725.31)	(3,107.87)	(5,455.13)	(5,418.16)	(6,161.37)	(11,579.53)
Dividend	(2,130.00)	(2,715.00)	(2,455.00)	(4,845.00)	(4,595.00)	(4,880.00)	(9,475.00)
Profit on sale of investments	(16.30)	(17.00)	(18.24)	(33.30)	(40.03)	(35.94)	(75.97)
Impairment loss	-	-	857.48	-	-	857.48	857.48
Liabilities no longer required written back	-	-	-	-	(5.55)	-	(5.55)
Finance costs	1,493.01	1,466.21	1,874.34	2,959.22	2,868.93	3,593.37	6,462.30
Operating cash flow before working capital changes	(140.19)	(94.24)	(98.23)	(234.43)	(155.72)	(217.78)	(373.50)
Changes in:							
Other current and non-current assets	28.92	(53.46)	(6.81)	(24.54)	(22.83)	(22.93)	(45.76)
Other current and non-current liabilities and provisions	(5.48)	10.81	(1.92)	5.33	84.36	(22.35)	62.01
Other current financial liabilities	9.26	6.52	(14.83)	15.78	(7.78)	10.30	2.51
Other financial assets	(2.04)	(0.89)	37.71	(2.93)	28.49	(35.00)	(6.51)
Trade payables	(0.01)	(6.71)	(8.82)	(6.72)	8.45	(2.24)	6.21
Cash used in operations	(109.54)	(137.97)	(92.90)	(247.51)	(65.03)	(290.00)	(355.05)
Taxes (paid)/refund received (net)	(14.07)	(5.51)	(13.13)	(19.58)	(26.99)	(19.26)	(46.25)
Net cash used in operating activities	(123.61)	(143.48)	(106.03)	(267.09)	(92.02)	(309.26)	(401.30)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>							
Loans given to subsidiaries	(2,634.80)	(305.00)	(2,910.20)	(2,939.80)	(2,108.50)	(8,124.01)	(10,232.51)
Loans repaid by subsidiaries	4,220.12	1,931.81	2,430.46	6,151.93	19,714.04	8,029.27	27,743.31
Contingent consideration paid	-	(350.00)	-	(350.00)	-	-	-
Investment in debentures issued by joint venture	-	(9,500.00)	-	(9,500.00)	-	-	-
Redemption of debentures issued by joint venture	450.00	150.00	-	600.00	-	-	-
Interest received	2,356.18	2,107.76	1,849.67	4,463.94	3,928.95	3,671.53	7,600.48
Dividend received	2,130.00	2,715.00	2,455.00	4,845.00	4,595.00	4,880.00	9,475.00
Redemption of mutual funds (net)	16.30	17.00	18.24	33.30	40.03	35.94	75.97
Net cash (used in)/ generated from investing activities	6,537.80	(3,233.43)	3,843.17	3,304.37	26,169.52	8,492.73	34,662.25



(all amounts in ₹ Million unless otherwise stated)

	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited*)	(Unaudited)	(Audited)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>							
Expenses incurred towards issue of units	-	-	(16.38)	-	(1.34)	(16.38)	(17.72)
Proceeds from issue of Non-convertible debentures (net of issue expenses)	(15.93)	9,941.73	2,992.80	9,925.80	30,778.96	2,992.80	33,771.77
Redemption of Non-convertible debentures (including redemption premium)	-	-	-	-	(45,302.84)	-	(45,302.84)
Distribution to unitholders	(5,052.26)	(4,984.95)	(5,346.20)	(10,037.21)	(10,292.94)	(10,654.57)	(20,947.51)
Interest paid	(1,430.35)	(1,404.73)	(695.99)	(2,835.08)	(2,363.75)	(1,371.70)	(3,735.44)
Net cash generated from/(used in) financing activities	(6,498.54)	3,552.05	(3,065.77)	(2,946.49)	(27,181.91)	(9,049.85)	(36,231.74)
Net increase/(decrease) in cash and cash equivalents	(84.35)	175.14	671.37	90.79	(1,104.41)	(866.38)	(1,970.79)
Cash and cash equivalents at the beginning of the period/ year	5,375.61	5,200.47	5,633.51	5,200.47	6,304.88	7,171.26	7,171.26
Cash and cash equivalents at the end of the period/year	5,291.26	5,375.61	6,304.88	5,291.26	5,200.47	6,304.88	5,200.47
<b>Cash and cash equivalents comprise:</b>							
Balances with banks							
- in current accounts	5,287.33	5,371.69	6,303.13	5,287.33	5,197.53	6,303.13	5,197.53
- in escrow accounts	3.93	3.92	1.75	3.93	2.94	1.75	2.94
Cash and cash equivalents at the end of the period/ year (refer note 7)	5,291.26	5,375.61	6,304.88	5,291.26	5,200.47	6,304.88	5,200.47

Significant accounting policies (refer note 2)

\* Refer note 34

The accompanying notes referred to above are an integral part of these Condensed Standalone Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



# Condensed Standalone Statement of changes in Unitholders’ Equity

(all amounts in ₹ Million unless otherwise stated)

## A. UNIT CAPITAL

Particulars	Units (No. in Million)	Amount
Balance as at April 1, 2021	947.90	288,262.11
Changes during the year	-	-
Balance as at March 31, 2022	947.90	288,262.11
Balance as at April 1, 2022	947.90	288,262.11
Changes during the period	-	-
Balance as at September 30, 2022	947.90	288,262.11

## B. OTHER EQUITY

Particulars	Reserves and Surplus
	Retained Earnings
Balance as at April 1, 2021	(22,682.89)
Add: Total comprehensive income for the year ended March 31, 2022	13,397.42
Less: Distribution to Unitholders during the year ended March 31, 2022 * ^	(20,948.45)
Balance as at March 31, 2022	(30,233.92)
Balance as at April 1, 2022	(30,233.92)
Add: Total comprehensive income for the half year ended September 30, 2022	7,125.51
Less: Distribution to Unitholders during the half year ended September 30, 2022 * ^^	(10,038.20)
Balance as at September 30, 2022	(33,146.61)

\* The distributions made by Trust to its Unitholders are based on the Net Distributable Cash flows (NDCF) of Embassy Office Parks REIT under the REIT Regulations which includes repayment of loans by SPVs to REIT.

^ The distribution for year ended March 31, 2022 does not include the distribution relating to the quarter ended March 31, 2022, as the same was paid subsequent to the year ended March 31, 2022.

^^ The distribution for half year ended September 30, 2022 does not include the distribution relating to the quarter ended September 30, 2022, as the same will be paid subsequently.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890  
Place: Mumbai  
Date: October 20, 2022

# Condensed Standalone Financial Statements Disclosure pursuant to SEBI circular No. CIR/IMD/ DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

## A) STATEMENT OF NET ASSETS AT FAIR VALUE

Sr. No	Particulars	Unit of measurement	As at September 30, 2022		As at March 31, 2022	
			Book value	Fair value	Book value	Fair value
A	Assets	₹ in Million	339,886.28	451,012.63	333,083.64	435,060.15
B	Liabilities	₹ in Million	84,770.78	84,770.78	75,055.45	75,055.45
C	Net Assets (A-B)	₹ in Million	255,115.50	366,241.85	258,028.19	360,004.70
D	No. of units	Numbers	947,893,743	947,893,743	947,893,743	947,893,743
E	NAV (C/D)	₹	269.14	386.37	272.21	379.79

### Notes:

#### 1. Measurement of fair values

The fair value of investments in SPVs are computed basis the fair value of the underlying investment properties, investment properties under development, property, plant and equipment and capital work-in-progress as at September 30, 2022 and as at March 31, 2022 along with book values of other assets and liabilities accounted in the respective SPV financial statements as at September 30, 2022 and as at March 31, 2022. The fair value of the properties has been determined by independent registered external property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued.

#### Valuation technique

The fair value measurement for all the investment properties, investment properties under development, property plant and equipment and capital work-in-progress has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The valuers have followed a Discounted Cash Flow method. The valuation model considers the present value of net cash flows to be generated from the respective properties, taking into account the expected rental growth rate, vacancy period, occupancy rate, average room rent, lease incentive costs and blended tariff rates. The expected net cash flows are discounted using the risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (primary vs secondary), tenant credit quality and lease terms.

#### 2. Break up of Net asset value

Particulars	As at September 30, 2022	As at March 31, 2022
Fair value of investments in SPVs	436,729.66	429,800.75
Add: Other assets	14,282.97	5,259.40
Less: Liabilities	(84,770.78)	(75,055.45)
Net Assets	366,241.85	360,004.70

3. The Trust holds investment in SPVs which in turn hold the properties. Hence, the breakup of property wise fair values has been disclosed in the Condensed Consolidated financial statements.



# Condensed Standalone Financial Statements

## Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

### B) STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Sr. No.	Particulars	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
		(Unaudited)	(Audited *)	(Unaudited)	(Audited)
A	Total comprehensive income	7,125.51	7,004.11	6,393.31	13,397.42
B	Add: Income of SPV's and changes in fair value not recognised in total comprehensive income of Condensed Standalone financial statements	3,871.16	6,264.56	1,000.68	7,265.24
C (A+B)	Total Return	10,996.67	13,268.67	7,393.99	20,662.66

\* Refer note 34

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

per **Adarsh Ranka**  
Partner  
Membership number: 209567

**Jitendra Virwani**  
Director  
DIN: 00027674

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Bengaluru  
Date: October 20, 2022

Place: Bengaluru  
Date: October 20, 2022

Place: Mumbai  
Date: October 20, 2022

# Condensed Standalone Financial Statements

## Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

### NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021
1	Cash flows received from SPVs/Holdcos and Investment Entity in the form of:			
	• Interest	2,356.18	2,107.76	1,849.67
	• Dividends (net of applicable taxes)	2,130.00	2,715.00	2,455.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	2,327.09	1,781.81	1,910.46
	• Proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-
2	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity adjusted for the following:	-	-	-
	• Applicable capital gains and other taxes	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-
	• Directly attributable transaction costs	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-
3	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-
4	Add: Any other income at the Trust level not captured herein	16.30	17.00	18.24
5	Less: Any other expense at the Trust level, and not captured herein (excluding acquisition related costs)	(17.48)	(12.12)	(36.99)
6	Less: Any fees, including but not limited to:			
	• Trustee fees	(0.74)	(0.74)	(0.74)
	• REIT Management Fees (to the extent not paid in Units)	(60.40)	(58.83)	(63.53)
	• Valuer fees	(2.06)	(2.07)	(1.82)
	• Legal and professional fees	(58.74)	(19.72)	(22.55)
	• Trademark license fees	(0.36)	(0.35)	(0.36)
	• Secondment fees	(0.41)	(0.41)	(0.39)
7	Less: Debt servicing (including principal, interest, redemption premium etc.) of external debt at the Trust level, to the extent not paid through debt or equity	(1,493.01)	(1,466.21)	(725.71)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the Trust level	(14.07)	(5.51)	(13.13)
	Net Distributable Cash Flows	5,182.30	5,055.61	5,368.15

\* Refer note 34



# Condensed Standalone Financial Statements

## Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

Sr. No.	Particulars	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
1	Cash flows received from SPVs/Holdcos and Investment Entity in the form of:				
	• Interest	4,463.94	3,905.75	3,671.53	7,577.28
	• Dividends (net of applicable taxes)	4,845.00	4,595.00	4,880.00	9,475.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	4,108.90	3,915.89	3,845.46	7,761.35
	• Proceeds from buy-backs/capital reduction (net of applicable taxes)	-	-	-	-
2	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity adjusted for the following:	-	-	-	-
	• Applicable capital gains and other taxes	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-
3	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-
4	Add: Any other income at the Trust level not captured herein	33.30	63.23	35.94	99.17
5	Less: Any other expense at the Trust level, and not captured herein (excluding acquisition related costs)	(29.60)	(23.66)	(53.48)	(77.14)
6	Less: Any fees, including but not limited to:				
	• Trustee fees	(1.48)	(1.47)	(1.48)	(2.95)
	• REIT Management Fees (to the extent not paid in Units)	(119.23)	(116.55)	(137.91)	(254.46)
	• Valuer fees	(4.13)	(6.49)	(5.07)	(11.56)
	• Legal and professional fees	(78.46)	(6.06)	(52.92)	(58.98)
	• Trademark license fees	(0.71)	(0.71)	(0.71)	(1.42)
	• Secondment fees	(0.82)	(0.78)	(0.78)	(1.56)
7	Less: Debt servicing (including principal, interest, redemption premium etc.) of external debt at the Trust level, to the extent not paid through debt or equity	(2,959.22)	(2,376.76)	(1,443.53)	(3,820.29)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the Trust level	(19.58)	(26.99)	(19.26)	(46.25)
	<b>Net Distributable Cash Flows</b>	<b>10,237.91</b>	<b>9,920.40</b>	<b>10,717.79</b>	<b>20,638.19</b>

\* Refer note 34

# Condensed Standalone Financial Statements

## Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

**Notes:**  
The Board of Directors of the Manager to the Trust, in their meeting held on October 20, 2022, have declared distribution to Unitholders of ₹5.46 per unit which aggregates to ₹5,175.50 Million for the quarter ended September 30, 2022. The distribution of ₹5.46 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.20 per unit in the form of dividend and the balance ₹2.40 per unit in the form of amortisation of SPV debt.  
Along with distribution of ₹5,052.27 Million / ₹5.33 per unit for the quarter ended June 30, 2022, the cumulative distribution for the half year ended September 30, 2022 aggregates to ₹ 10,227.77 Million / ₹10.79 per unit.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Bengaluru  
Date: October 20, 2022

Place: Mumbai  
Date: October 20, 2022



Notes

to the Condensed Standalone Financial Statements

1 TRUST INFORMATION

Embassy Property Developments Private Limited (‘EPDPL’) and BRE/Mauritius Investments (‘BMI’) collectively known as (the ‘Sponsors’ or the ‘Co-Sponsors’) have set up the Embassy Office Parks REIT (or the “ Embassy REIT” or the “Trust”) on 30 March 2017 at Royal Oaks, Embassy Golf Links Business Park, Bengaluru – 560 071, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to a Trust Deed dated March 30, 2017 as amended on September 11, 2018. The Embassy REIT was registered with SEBI on August 3, 2017 as a real estate investment trust (REIT) under Regulation 6 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 having registration number IN/REIT/17-18/0001. Pursuant to a letter dated August 21, 2018, SEBI took on record the

(all amounts in ₹ Million unless otherwise stated)

addition of the Blackstone Sponsor to the sponsors of the Embassy REIT. The Trustee to Embassy Office Parks REIT is Axis Trustee Services Limited (the ‘Trustee’) and the Manager for Embassy Office Parks REIT is Embassy Office Parks Management Services Private Limited (the ‘Manager’ or ‘EOPMSPL’).

The objectives of Embassy REIT are to undertake activities in accordance with the provisions of the SEBI REIT Regulations and the Trust Deed. The principal activity of Embassy REIT is to own and invest in rent or income generating real estate and related assets in India with the objective of producing stable and sustainable distributions to Unitholders.

The Units of the Trust were listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on April 1, 2019.

Details of Special Purpose Vehicles (SPVs)/Subsidiaries of Trust is provided below:

Name of the SPV/Subsidiary	Activities	Shareholding (in percentage)
Manyata Promoters Private Limited (‘MPPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Manyata), located at Bangalore along with being an intermediate (HoldCo.) for the Trust. Development, rental and maintenance of serviced residences (Hotel Hilton Garden and Hotel Hilton Garden Inn at Embassy Manyata), located in Bangalore.	Embassy Office Parks REIT: 100%
Umbel Properties Private Limited (‘UPPL’)	Development, rental and maintenance of serviced residences (Hilton hotel) located at Bengaluru.	Embassy Office Parks REIT: 100%
Embassy Energy Private Limited (‘EEPL’)	Generation and supply of solar power to the office spaces of SPVs/Subsidiaries of the Trust located in Bengaluru.	MPPL: 80% Embassy Office Parks REIT: 20%
Galaxy Square Private Limited (‘GSPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Galaxy), located in Noida.	Embassy Office Parks REIT: 100%
Quadron Business Park Private Limited (‘QBPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Quadron Business Park), located in Pune and (Embassy one) located in Bengaluru Development, rental and maintenance of serviced residences (Hotel Four Seasons at Embassy One), located in Bengaluru	Embassy Office Parks REIT: 100%
Earnest Towers Private Limited (‘ETPL’)	Development and leasing of office space and related interiors and maintenance of such assets (First International Financial Centre), located in Mumbai.	Embassy Office Parks REIT: 100%
Qubix Business Park Private Limited (‘QBPPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Qubix), located in Pune.	Embassy Office Parks REIT: 100%
Oxygen Business Park Private Limited (‘OBPPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Oxygen), located in Noida.	Embassy Office Parks REIT: 100%
Vikhroli Corporate Park Private Limited (‘VCPPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Embassy 247), located in Mumbai.	Embassy Office Parks REIT: 100%
Indian Express Newspapers (Mumbai) Private Limited (‘IENMPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Express Towers), located in Mumbai.	Embassy Office Parks REIT: 100%
Embassy Pune TechZone Private Limited (‘EPTPL’)	Development and leasing of office space and related interiors and maintenance of such assets (Embassy TechZone) located at Pune	Embassy Office Parks REIT: 100 %



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

Name of the SPV/Subsidiary	Activities	Shareholding (in percentage)
Vikas Telecom Private Limited (‘VTPL’) *	Development and leasing of office space and related interiors and maintenance of such assets “Embassy TechVillage” (ETV), located in Bengaluru. w.e.f. 1 April 2021, Embassy Office Ventures Private Limited (‘EOVPL’) is merged with VTPL	Embassy Office Parks REIT: 100% (40% up to April 1, 2021, refer note 33) EOVPL : Nil (60% up to April 1, 2021, refer note 33)
Sarla Infrastructure Private Limited (‘SIPL’) *	Development and leasing of office space and related interiors and maintenance of such assets (ETV, Block 9), located in Bengaluru.	Embassy Office Parks REIT: 100%

\* together known as Embassy Tech Village assets (ETV assets/ETV SPVs).

The Trust also holds economic interest in a joint venture (Golflinks Software Park Private Limited (GLSP), entity incorporated in India) through a SPV as detailed below.

Name of the joint venture	Activities	Shareholding (in percentage)
Golflinks Software Park Private Limited (‘GLSP’)	Development and leasing of office space and related interiors (Embassy Golflinks Business Park), located at Bengaluru	Kelachandra Holdings LLP (50%), MPPL: 50%

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Condensed Standalone Financial Statements

The Condensed Standalone Financial Statements (hereinafter referred to as the ‘Condensed Standalone Financial statements’) of the Trust comprises the Standalone Balance Sheet and the Statement of Net Assets at fair value as at September 30, 2022, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Cash Flows, the Statement of Net Distributable Cash flows and a summary of significant accounting policies and other explanatory information for the quarter and half year ended September 30, 2022, the Condensed Statement of Changes in Unitholders’ Equity and the Statement of Total Returns at fair value for the half year ended September 30, 2022.

The Condensed Standalone Financial Statements were approved for issue in accordance with resolution passed by the Board of Directors of the Manager on behalf of the Trust on October 20, 2022.

The Condensed Standalone Financial Statements have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued there under read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the “REIT regulations”); Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting”, as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the REIT regulations. Also refer Note 11 (a) on classification of Unitholders fund.

Embassy Office Parks REIT has prepared Condensed Standalone Financial Statements which comply with Ind AS applicable for the period ended September 30, 2022, together with the comparative period data as at and for the year ended March 31, 2022, as described in the summary of significant accounting policies.

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

Statement of compliance to Ind-AS

These Condensed Standalone Financial Statements for the period ended September 30, 2022 are the financial statements of the Embassy Office Parks REIT and have been prepared in accordance with Indian Accounting Standards (Ind AS) 34 “Interim Financial Reporting” as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), to the extent not inconsistent with REIT regulations.

Changes in accounting policies and disclosures  
New and amended standards

The accounting policies adopted and methods of computation followed are consistent with those of the previous financial year, except for items disclosed below:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 1, 2022.

(i) Reference to the Conceptual Framework - Amendments to Ind AS 103

The amendments replaced the reference to the ICAI’s “Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards” with the reference to the “Conceptual Framework for Financial Reporting under Indian Accounting Standard” without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.



## Notes

to the Condensed Standalone Financial Statements

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

These amendments had no impact on the financial statements of the Trust.

There were certain amendments to standards and interpretations which are applicable for the first time for the period ended September 30, 2022, but either the same are not relevant or do not have an impact on the Condensed standalone financial statements of the Trust. The Trust has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### 2.2 Summary of significant accounting policies

#### a) Functional and presentation currency

The Condensed Standalone Financial Statements are presented in Indian Rupees, which is the Embassy Office Parks REIT's functional currency and the currency of the primary economic environment in which the Embassy Office Parks REIT operates. All financial information presented in Indian Rupees has been rounded off to nearest Million except unit and per unit data.

#### b) Basis of measurement

The Condensed Standalone Financial Statements are prepared on the historical cost basis, except for the following:

- Certain financial assets and liabilities (refer accounting policy regarding financial instrument): measured at fair values.

#### c) Use of judgements and estimates

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

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

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

- Classification of lease arrangements as finance lease or operating lease – Note 2.2 (m)
- Classification of Unitholders' funds – Note 11(a).

(all amounts in ₹ Million unless otherwise stated)

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment are included in the following notes -

- Valuation of financial instruments – Refer Note 2.2 (h)
- Recognition of deferred tax asset on carried forward losses and recognition of minimum alternate tax credit: availability of future taxable profit against which tax losses carried forward can be used - Note 2.2(q) (ii)

- Impairment of investments and loans in subsidiaries

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments in subsidiaries are based on value in use of the underlying properties. The value in use calculation is based on discounted cash flow model. The key assumptions used to determine the recoverable amount are disclosed and further explained in Note 3.

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

The Embassy Office Parks REIT presents assets and liabilities in the Condensed Standalone 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.

The Embassy Office Parks 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



## Notes

to the Condensed Standalone Financial Statements

cash equivalents. The Embassy Office Parks REIT has identified twelve months as its operating cycle.

#### e) Measurement of fair values

A number of the Embassy Office Parks REIT accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Embassy Office Parks REIT. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Embassy Office Parks REIT uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Embassy Office Parks REIT has an established control framework with respect to the measurement of fair values. The Embassy Office Parks REIT engages with external valuers for measurement of fair values in the absence of quoted prices in active markets.

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

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

(all amounts in ₹ Million unless otherwise stated)

When measuring the fair value of an asset or a liability, the Embassy Office Parks REIT uses observable market data as far as possible. 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. The REIT recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### f) Impairment of non-financial assets

The Embassy Office Parks REIT assesses, at each reporting date, whether there is an indication that a non-financial asset other than deferred tax assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Embassy Office Parks REIT estimates the asset's recoverable amount.

An impairment loss is recognised in the Standalone Statement of Profit and Loss if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable unit. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis. A CGU is the smallest identifiable asset REIT that generates cash flows that are largely independent from other assets and REITs. Impairment losses are recognised in the Standalone Statement of Profit and Loss, unless it reverses previous revaluation credited to equity, in which case it is charged to equity.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets, such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.



# Notes

to the Condensed Standalone Financial Statements

g) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Embassy Office Parks REIT entities at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on foreign exchange transactions settled and from translations during the period/year are recognised in the Standalone Statement of Profit and Loss of the period/year except exchange differences arising from the translation of the items which are recognised in OCI.

h) Financial instruments

i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Embassy Office Parks REIT becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement  
Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt instrument;
- Fair value through other comprehensive income (FVOCI) – equity instrument; or
- Fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Embassy Office Parks REIT changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(all amounts in ₹ Million unless otherwise stated)

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of the principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of the principal and interest on the principal amount outstanding.

On initial recognition of an equity instrument that is not held for trading, the Embassy Office Parks REIT may irrevocably elect to present subsequent changes in the investment’s fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Embassy Office Parks REIT may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Embassy Office Parks REIT makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether Management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Embassy Office Parks REIT’s Management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and



# Notes

to the Condensed Standalone Financial Statements

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Embassy Office Parks REIT’s continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Embassy Office Parks REIT considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Embassy Office Parks REIT considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Embassy Office Parks REIT’s claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(all amounts in ₹ Million unless otherwise stated)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit and loss.

iii) Derecognition

Financial assets

The Embassy Office Parks REIT derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Embassy Office Parks REIT neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Embassy Office Parks REIT enters into transactions whereby it transfers assets recognised in its Standalone Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)	
<b>Financial liabilities</b> The Embassy Office Parks REIT derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.  The Embassy Office Parks REIT also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.	Evidence that a financial asset is credit-impaired includes the following observable data: <ul style="list-style-type: none"><li>significant financial difficulty of the borrower or issuer</li><li>a breach of contract such as a default or being past due for 180 days or more</li><li>the restructuring of a loan or advance by the Embassy Office Parks REIT on terms that the Embassy Office Parks REIT would not consider otherwise</li><li>it is probable that the borrower will enter bankruptcy or other financial reorganisation or</li><li>the disappearance of an active market for a security because of financial difficulties.</li></ul>
iv) <b>Offsetting</b> Financial assets and financial liabilities are offset and the net amount presented in the Standalone Balance Sheet when, and only when, the Embassy Office Parks REIT currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.	The Embassy Office Parks REIT measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses: <ul style="list-style-type: none"><li>debt securities that are determined to have low credit risk at the reporting date; and</li><li>other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.</li></ul>
i) <b>Compound financial instruments</b> The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.  Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not measured subsequently.  Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in cost of asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.	Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.  Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.  12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).  In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Embassy Office Parks REIT is exposed to credit risk.
j) <b>Impairment of financial assets</b> <b>Financial assets</b> The Embassy Office Parks REIT recognises loss allowances for expected credit losses on: <ul style="list-style-type: none"><li>financial assets measured at amortised cost; and</li><li>financial assets measured at FVTOCI – debt investments.</li></ul> At each reporting date, the Embassy Office Parks REIT assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.	When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Embassy Office Parks REIT considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Embassy Office Parks REIT’s historical experience and informed credit assessment and including forward-looking information.  The Embassy Office Parks REIT assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)	
The Embassy Office Parks REIT considers a financial asset to be default when: <ul style="list-style-type: none"><li>the borrower is unlikely to pay its credit obligations to the Embassy Office Parks REIT in full, without recourse by the Embassy Office Parks REIT to actions such as realising security (if any is held); or</li><li>the financial asset is 180 days or more past due without any security.</li></ul>	<b>l) Financial guarantee contracts</b> Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.  The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.  When guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted as contributions and recognised as part of the cost of investment.
<b>Measurement of expected credit losses:</b> Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Embassy Office Parks REIT and the cash flows that the Embassy Office Parks REIT expects to receive).	<b>m) Leases</b> <b>Embassy Office Parks REIT as a lessee</b> A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.  The Embassy Office Parks REIT recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.  The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Condensed statement of profit and loss.
<b>Presentation of allowance for expected credit losses in the balance sheet:</b> Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is charged to profit and loss account and is recognised in OCI.	<b>n) Embedded derivatives</b> When the Embassy Office Parks REIT becomes a party to a hybrid contract with a host that is not an asset within the scope of Ind AS 109 Financial Instruments, it identifies whether there is an embedded derivative. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.
<b>Write-off:</b> The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Embassy Office Parks REIT determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Embassy Office Parks REIT’s procedures for recovery of amounts due.  Majority of the financial assets of the Embassy Office Parks REIT pertains to loans to subsidiaries and other receivables. Considering the nature of business, the Embassy Office Parks REIT does not foresee any credit risk on its loans and other receivables which may cause an impairment. Also, Embassy Office Parks REIT does not have any past history of significant impairment of loans and other receivables.	



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)	
Generally, the Embassy Office Parks REIT uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Embassy Office Parks REIT, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.	<b>iii. Initial direct costs</b> Initial direct costs such as brokerage expenses incurred specifically to earn revenues from an operating lease are capitalised to the carrying amount of leased asset and recognised over the lease term on the same basis as rental income.
	<b>n) Revenue recognition</b> Revenue is measured at the fair value of the consideration received or receivable. This <i>inter alia</i> 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.
The Embassy Office Parks REIT recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Embassy Office Parks REIT recognises any remaining amount of the re-measurement in Condensed statement of profit and loss.	<b>Recognition of dividend income, interest income</b> Dividend income is recognised in profit or loss on the date on which the Embassy Office Parks 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.
	<b>o) Investments in subsidiaries and joint ventures</b> The Trust accounts for its investments in subsidiaries and joint ventures at cost less accumulated impairment losses (if any) in its Condensed Standalone Financial Statements. Investments accounted for at cost are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.
The Embassy Office Parks REIT has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Embassy Office Parks REIT recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.	<b>p) Borrowing costs</b> 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
<b>Embassy Office Parks REIT as a lessor</b>	
<b>i. Determining whether an arrangement contains a lease</b> At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.	
<b>ii. Assets held under leases</b> Leases in which the Embassy Office Parks REIT does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Embassy Office Parks REIT to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Embassy Office Parks REIT's net investment in the leases.	

# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)	
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.	will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Embassy Office Parks REIT recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.
	Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.
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.	Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rate (and tax laws) that have been enacted or substantively enacted at the reporting date.
	The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Embassy Office Parks REIT expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.
<b>q) Taxation</b> Income tax comprises current and deferred tax. Income tax expense is recognised in the Standalone Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.	Tax impact of timing difference which arise during the tax holiday period are recognised only to the extent of those differences which are reversed after the tax holiday period.
<b>(i) Current tax:</b> Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period/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 the reporting date.  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.	<b>r) Provisions and contingencies</b> The Embassy Office Parks REIT recognises a provision when there is a present obligation (legal or constructive) as a result of a past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.
	Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.
<b>(ii) Deferred tax:</b> Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. 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;  • Taxable temporary differences arising on initial recognition of goodwill.	If the effect of the time value of money is material, provisions are discounted.
	Deferred income tax asset are recognised to the extent that it is probable that future taxable profits



# Notes

to the Condensed Standalone Financial Statements

s) **Operating segments**

The objectives of Embassy REIT are to undertake activities in accordance with the provisions of the SEBI REIT Regulations and the Trust Deed. The principal activity of Embassy REIT is to own and invest in rent or income generating real estate and related assets in India.

The Board of Directors of the Manager allocate the resources and assess the performance of the Trust, thus are the Chief Operating Decision Maker (CODM). In accordance with the requirements of Ind AS 108 – “Segment Reporting”, the CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed. As the Embassy Office Parks REIT operates only in India, hence no separate geographical segment is disclosed.

t) **Cash and cash equivalents**

Cash and cash equivalents in the Standalone Balance Sheet comprises of cash at banks and on hand, deposits held at call with bank or financial institutions, 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.

u) **Cash distributions to Unitholders**

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

v) **Statement of Cash flows**

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

w) **Earnings per unit**

The basic earnings per unit is computed by dividing the net profit/(loss) attributable to the unitholders 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

(all amounts in ₹ Million unless otherwise stated)

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.

x) **Earnings before finance costs, impairment loss and tax**

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

y) **Distribution Policy**

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to the Unitholders not less than ninety percent of the net distributable cash flows (‘NDCF’) of Embassy Office Parks REIT and the current policy of the Manager is to comply with such requirement. The NDCF is calculated in accordance with the REIT Regulations and in the manner provided in the NDCF framework defined by the Manager. The Manager has made certain clarificatory amendments to the NDCF framework under the Distribution Policy to ensure that there is no ambiguity in computing the NDCF at Embassy REIT and SPV/Holdco level. The amended framework is approved by a special majority in the Unitholder’s Meeting held on July 8, 2021 and is effective from April 1, 2021.

In terms of the REIT Regulations and NDCF framework which prescribes for the minimum amount of NDCF to be distributed to Embassy Office Parks REIT:

- not less than 90% of the NDCF of the SPVs are required to be distributed to the Embassy Office Parks REIT, in proportion to its shareholding in the SPV, subject to applicable provisions of the Companies Act, 2013.
- 100% of the cash flows received by the Holding Company from the underlying SPVs are required to be distributed to the Embassy Office Parks REIT, and not less than 90% of the NDCF generated by the Holding Company on its own shall be distributed to the Embassy Office Parks REIT, subject to applicable provisions of the Companies Act, 2013.



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

- The aforesaid net distributable cash flows are made available to Embassy Office Parks REIT in the form of (i) interest paid on Shareholder Debt provided by Embassy Office Parks REIT to the SPV’s/Holding Company, (ii) Principal repayment of Shareholder Debt, (iii) dividend declared by the SPVs/Holding Company and received by Embassy Office Parks REIT and (iv) Proceeds from sale of any Embassy REIT assets.

Since Embassy Office Parks REIT endeavours to quarterly distributions, any shortfall as regards minimum quarterly distribution by the SPVs and Holding Company to Embassy Office Parks REIT, post interest paid on Shareholder Debt, Interim Dividend payments and Principal repayment of Shareholder Debt, would be done by declaring dividend, to the extent permitted under the Companies Act, 2013. Further, repayment of short-term construction debt given

z) **Statement of net assets at fair value**

The disclosure of Statement of Net Assets at Fair value comprises of the fair values of the properties held by Asset SPVs and the HoldCo as well as book values of the total liabilities and other assets of the Trust. The fair value of the property held by Asset SPVs and HoldCo are reviewed semi-annually by the independent property valuer taking into consideration market conditions existing at the reporting date, and other generally accepted market practices. The independent valuer is leading independent appraiser with a recognised and relevant professional qualification and experience.



## Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

### 3 NON-CURRENT INVESTMENTS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>a) Trade, unquoted investments in subsidiaries (at cost) (refer note below and note 25)</b>		
- 405,940,204 (March 31, 2022: 405,940,204) equity shares of Umbel Properties Private Limited of ₹10 each, fully paid up	2,841.67	2,841.67
Less: Provision for impairment (refer note (a) below)	(1,348.68)	(1,348.68)
- 2,129,635 (March 31, 2022: 2,129,635) equity shares of Quadron Business Park Private Limited of ₹10 each, fully paid up	13,689.26	13,689.26
Less: Provision for impairment (refer note (a) below)	(2,718.94)	(2,718.94)
- 1,999 (March 31, 2022: 1,999) equity shares of Embassy Energy Private Limited of ₹10 each, fully paid up	732.79	732.79
Less: Provision for impairment (refer note (a) below)	(65.43)	(65.43)
	13,130.67	13,130.67
- 8,703,248 (March 31, 2022: 8,703,248) equity shares of Embassy Pune TechZone Private Limited of ₹10 each, fully paid up	12,083.50	12,083.50
- 1,461,989 (March 31, 2022: 1,461,989) equity shares of Manyata Promoters Private Limited of ₹100 each, fully paid up	99,475.27	99,475.27
- 271,611 (March 31, 2022: 271,611) equity shares of Qubix Business Park Private Limited of ₹10 each, fully paid up	5,595.08	5,595.08
- 1,884,747 (March 31, 2022: 1,884,747) equity shares of Oxygen Business Park Private Limited of ₹10 each, fully paid up	12,308.89	12,308.89
- 154,633,789 (March 31, 2022: 154,633,789) equity shares of Earnest Towers Private Limited of ₹10 each, fully paid up (refer note (b) below)	10,590.24	10,590.24
- 6,134,015 (March 31, 2022: 6,134,015) equity shares of Vikhroli Corporate Park Private Limited of ₹10 each, fully paid up	10,710.94	10,710.94
- 254,583 (March 31, 2022: 254,583) equity shares of Indian Express Newspapers (Mumbai) Private Limited of ₹100 each, fully paid up	13,210.96	13,210.96
- 107,958 (March 31, 2022: 107,958) equity shares of Galaxy Square Private Limited of ₹100 each, fully paid up	4,662.50	4,662.50
- 6,515,036 (March 31, 2022: 6,515,036) Class A equity shares of Vikas Telecom Private Limited of ₹10 each, fully paid up (refer note (c) below and note 33)	50,695.45	50,695.45
- 3,300 (March 31, 2022: 3,300) equity shares of Sarla Infrastructure Private Limited of ₹1,000 each, fully paid up	6,870.02	6,870.02
	226,202.85	226,202.85
	239,333.52	239,333.52
<b>Aggregate amount of impairment recognised</b>	<b>4,133.05</b>	<b>4,133.05</b>
<b>b) Trade, unquoted, measured at amortised cost</b>		
<b>Investment in debentures of GLSP (Joint venture entity) (refer note (e) below)</b>		
- 9,500 (March 31, 2022: Nil) 8.15% debentures of ₹ 1 Million each (refer note (e) below and note 25)	8,900.00	-
	248,233.52	239,333.52

- (a) The recoverable amounts of the investments in subsidiaries have been computed based on value in use of the underlying properties, computed semi-annually in March and September of each financial year. The value in use is determined by iVAS Partners, independent external property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE South Asia Private Limited based on discounted cash flow method. There is no impairment loss for half year ended September 30, 2022 (year ended March 31, 2022: ₹857.48 Million ). As at September 30, 2022, an amount of ₹4,133.05 Million (March 31, 2022: ₹4,133.05 Million ) has been provided as impairment on investment in subsidiaries namely Umbel Properties Private Limited, Quadron Business Park Private Limited and Embassy Energy Private Limited. The impairment loss arose in these entities mainly due to slower ramp up of hotel room occupancy, slower than anticipated lease up, coupled with the current economic conditions due to COVID-19 pandemic.



## Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

The financial projections basis which the future cash flows have been estimated consider the increase in economic uncertainties due to COVID-19, revisiting the key operating assumptions as well as growth rates factored while arriving at terminal value and subjecting these variables to sensitivity analysis.

- (b) Pursuant to the National Company Law Tribunal, Mumbai (NCLT), order dated August 24, 2021, Earnest Towers Private Limited (ETPL) had reduced its equity share capital by 30,970,800 fully paid equity shares and details of consideration receivable by REIT from ETPL on such capital reduction are provided below. The said consideration was converted into long-term loan receivable by the Trust from ETPL, carrying interest rate of 12.5% per annum (refer note 25).

As per the petition, the capital reduction is to be implemented in the following manner:

Particulars	Amount
Number of equity shares cancelled	3,09,70,800
Consideration per equity share (in ₹)	50.00
<b>Total consideration payable to Trust on capital reduction (in ₹ Million )</b>	<b>1,548.54</b>

Since the Trust continued to hold the same economic interest through equity shareholding in ETPL, both before and after capital reduction, the aforementioned consideration of ₹1,548.54 Million was accounted for as a reduction of carrying amount of the Trust's investment in ETPL.

- (c) The Board of Directors of the Manager through a resolution by circulation dated January 23, 2021 approved the Scheme of Arrangement ("the Scheme") involving EOVL and VTPL. The Scheme provided for the merger/amalgamation of EOVL into VTPL (on a going concern basis). The Scheme was approved by Bengaluru Bench of National Company Law Tribunal (NCLT) on February 17, 2022, VTPL and EOVL had filed the necessary forms with Registrar of Companies (RoC). Upon the Scheme becoming effective, VTPL has become a 100% directly-held SPV of Embassy Office Parks REIT, holding Embassy Tech Village. Since the Trust continued to hold the same economic interest through equity shareholding both before and after the composite scheme of arrangement, the Trust's investments in EOVL were derecognised and the carrying amount of such investments was recognised as cost of shares issued by VTPL to the Trust upon such merger during the quarter ended March 31, 2022.

- (d) **Details of % shareholding in the SPVs/subsidiaries, held by Trust is as under:**

Name of Subsidiary	As at September 30, 2022	As at March 31, 2022
Embassy Pune TechZone Private Limited	100.00%	100.00%
Manyata Promoters Private Limited	100.00%	100.00%
Umbel Properties Private Limited	100.00%	100.00%
Embassy Energy Private Limited	19.99%	19.99%
Earnest Towers Private Limited	100.00%	100.00%
Indian Express Newspapers (Mumbai) Private Limited	100.00%	100.00%
Vikhroli Corporate Park Private Limited	100.00%	100.00%
Qubix Business Park Private Limited	100.00%	100.00%
Quadron Business Park Private Limited	100.00%	100.00%
Oxygen Business Park Private Limited	100.00%	100.00%
Galaxy Square Private Limited	100.00%	100.00%
Vikas Telecom Private Limited (refer note 33)	100.00%	100.00%
Sarla Infrastructure Private Limited	100.00%	100.00%

- (e) **Investment in debentures of joint venture entity**

- 9,500 (March 31, 2022: Nil) unlisted, unrated, secured, redeemable, non-convertible debentures of Golflinks Software Parks Private Limited with face value of ₹1,000,000.00 each was issued on 6 April 2022.
- Interest Rate: 8.15% p.a.
- Security: The debentures are secured by first ranking exclusive security interest over identified land and building of Embassy Golflinks Business Park.
- Tenure: Debentures shall be redeemed 7 years from the deemed date of allotment. Early redemption of debentures shall be permitted subject to availability of funds on such date.



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 4 NON-CURRENT LOANS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Loan to subsidiaries (refer note 25)	84,568.59	86,410.72
	84,568.59	86,410.72

### Terms attached to loan to subsidiaries

**Security:** Unsecured

**Interest :** 12.50% per annum. The Lender may reset the rate of interest applicable to all or any tranche of the loan amount on: (i) any drawdown date; and (ii) any interest payment date prior to the repayment date, by giving a notice of not less than 5 (five) days to the borrower, provided that pursuant to any such reset, the interest rate shall continue to be not less than 12.50% per annum and not more than 14.00% per annum for any disbursements of the loan amount out of the proceeds of Listing.

### Repayment:

- (a) Bullet repayment on the date falling at the end of 15 (fifteen) years from the first drawdown date.
- (b) Early repayment option (wholly or partially) is available to the borrower (SPV's).

## 5 NON-CURRENT TAX ASSETS (NET)

Particulars	As at September 30, 2022	As at March 31, 2022
Advance tax, net of provision for tax	5.31	-
	5.31	-

## 6 OTHER NON-CURRENT ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
Prepayments	0.57	1.47
	0.57	1.47

## 7 CASH AND CASH EQUIVALENTS

Particulars	As at September 30, 2022	As at March 31, 2022
Balances with banks		
- in current accounts *	5,287.33	5,197.53
- in escrow accounts		
Balances with banks for unclaimed distributions	3.93	2.94
	5,291.26	5,200.47

\* Balance in current accounts includes cheques on hand received from SPV's in respect of interest/principal repayments of loans as at September 30, 2022 amounting to ₹641.18 Million (March 31, 2022 : ₹536.97 Million ).

## 8 CURRENT LOANS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Loan to subsidiaries (refer note 25)	1,701.20	2,080.00
	1,701.20	2,080.00

### Terms attached to Loan to subsidiaries

**Security:** Unsecured

**Interest :** 12.50% per annum. The Lender may reset the rate of interest applicable to all or any tranche of the loan amount on: (i) any drawdown date; and (ii) any interest payment date prior to the repayment date, by giving a notice of not less than 5 (five) days to the borrower.

**Repayment:** Bullet repayment and to be payable within 364 days from the date of disbursement. Early repayment option (wholly or partially) is available to the borrower (SPV's).

# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 9 OTHER FINANCIAL ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
Other receivables		
- from related party (refer note 25)	9.44	6.51
	9.44	6.51

## 10 OTHER CURRENT ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Balances with government authorities	28.48	19.05
Prepayments	47.91	31.90
	76.39	50.95

## 11 UNIT CAPITAL

Particulars	Units (No. in Million )	Amount
<b>As at April 1, 2021</b>	<b>947.90</b>	<b>288,262.11</b>
Changes during the year	-	-
<b>Balance as at March 31, 2022</b>	<b>947.90</b>	<b>288,262.11</b>
Changes during the period	-	-
<b>Balance as at September 30, 2022</b>	<b>947.90</b>	<b>288,262.11</b>

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

The Trust has only one class of Units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the REIT Regulations. The Board of Directors of the Manager approves distributions to Unitholders. The distribution will be in proportion to the number of Units held by the Unitholders. The Trust declares and pays distributions in Indian Rupees.

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Embassy Office Parks REIT for each financial year. Accordingly, a portion of the Unitholders' funds contains a contractual obligation of the Trust 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 December 29, 2016 and No. CIR/IMD/DF/141/2016 dated December 26, 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 dated December 26, 2016 dealing with the minimum disclosures for key financial statements. Consistent with Unitholders' funds being classified as equity, the distributions to Unitholders is presented in Statement of Changes in Unitholders' Equity and not as finance costs. In line with the above, the dividend payable to unitholders is recognised as liability when the same is approved by the Manager.

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

Name of the Unitholder	As at September 30, 2022		As at March 31, 2022	
	No. of Units	% holding	No. of Units	% holding
Embassy Property Developments Private Limited	115,484,802	12.18%	115,484,802	12.18%
SG Indian Holding (NQ) Co I Pte Limited	55,239,840	5.83%	74,262,742	7.83%
BRE/Mauritius Investments	52,610,124	5.55%	77,431,543	8.17%

- (c) The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further, the Trust had issued an aggregate of 613,332,143 Units at ₹300.00 each and 111,335,400 Units at a price of ₹331.00 each for consideration other than cash during the period of five years immediately preceding the balance sheet date.



## Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

### (d) Unitholding of Sponsors

Name of Sponsors	Units held by Sponsors				% Change during the year ended September 30, 2022
	No. of units as at September 30, 2022	% of total units as at September 30, 2022	No. of units as at April 1, 2022	% of total units as at April 1, 2022	
Embassy Property Developments Private Limited	115,484,802	12.18%	115,484,802	12.18%	0.00%
BRE/Mauritius Investments (Co-sponsor), including co-sponsor group (refer note 25)	223,597,193	23.59%	300,597,191	31.71%	(8.12%)

### 12 OTHER EQUITY

Particulars	As at September 30, 2022	As at March 31, 2022
Retained earnings *	(33,146.61)	(30,233.92)
	(33,146.61)	(30,233.92)

\* Refer Standalone Statement of changes in Unitholders’ Equity for detailed movement in other equity balances.

### Retained earnings

The cumulative gain or loss arising from the operations which is retained and accumulated under the heading of retained earnings. At the end of the period/year, the profit after tax is transferred from the statement of profit and loss to the retained earnings account.

### 13 BORROWINGS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Secured</b>		
Non-convertible debentures		
15,000 (March 31, 2022 : 15,000) Embassy REIT Series II, Non-convertible debentures (NCD) 2020, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note A below)		
- Embassy REIT Series II NCD 2020 - Tranche A	7,452.20	7,428.80
- Embassy REIT Series II NCD 2020 - Tranche B	7,474.65	7,462.25
26,000 (March 31, 2022 : 26,000) Embassy REIT Series III, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note B below)	25,859.87	25,808.89
3,000 (March 31, 2022 : 3,000) Embassy REIT Series IV, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note C below)	2,978.39	2,975.64
31,000 (March 31, 2022 : 31,000) Embassy REIT Series V, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note D and E below)		
- Embassy REIT Series V NCD 2021 - Series A	19,907.18	19,883.54
- Embassy REIT Series V NCD 2021 - Series B	10,939.65	10,932.21
10,000 (March 31, 2022 : Nil) Embassy REIT Series VI, Non-convertible debentures (NCD) 2022, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note F below)	9,952.88	-
	84,564.82	74,491.33

### Notes

#### A. 15,000 (March 31, 2022 : 15,000) Embassy REIT Series II NCD 2020, face value of ₹1,000,000 each

In September 2020, the Trust issued 7,500 listed, AAA rated, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche A), debentures having face value of ₹1 Million each amounting to ₹7,500.00 Million with

a coupon rate of 7.25% p.a. payable quarterly. In October 2020, the Trust further issued 7,500 such debentures (Tranche B), with an coupon rate of 6.70% p.a. payable quarterly and with same terms and conditions as Tranche A.

The Tranche A and Tranche B NCD described above were listed on the Bombay Stock Exchange on September 17, 2020 and November 5, 2020 respectively.



## Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

### Security terms:

The NCD’s are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders) :

1. A sole and exclusive first ranking charge by way of mortgage created by EPTPL on the constructed buildings and related parcels identified as Block 2, Block 3, Food court, Block 6, Block I, Block 11 and Block 5, having an aggregate leasable area of 2,00,674 square meters and forming part of the development known as Embassy TechZone together with portion of land admeasuring 96,630 square meters on which the aforesaid buildings are constructed out of the aggregate area of land measuring 67.45 acres equivalent to 2,72,979 sq. mtrs.
2. A sole and exclusive first ranking pledge created by the Embassy REIT over the shareholding in the SPV’s namely IENMPL and EPTPL together known as “secured SPVs” along with shareholder loans given to these SPVs
3. A sole and exclusive first ranking charge by way of hypothecation created by Embassy REIT over identified bank accounts and receivables.
4. A sole and exclusive first ranking charge by way of hypothecation created by EPTPL over identified bank accounts and receivables.
5. A corporate guarantee issued by each of EPTPL and IENMPL.

### Redemption terms:

1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date
2. These debentures will be redeemed on the expiry of 37 months from the date of allotment for the debentures at par on October 9, 2023.
3. In case of downgrading of credit rating , the coupon rate shall increase by 0.25% - 1.25% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the IRR shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.
4. The issuer shall have the option of redeeming all or part of the debentures on a pro rata basis at any time on a specified call option date (between March 2023 to September 2023) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

#### B. 26,000 (March 31, 2022 : 26,000) Embassy REIT Series III NCD 2021, face value of ₹1,000,000 each

In January 2021, the Trust issued 26,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series III NCD 2021 debentures having face value of ₹1 Million each amounting to ₹26,000.00 Million with an coupon rate of 6.40% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on January 19, 2021.

### Security terms

The NCD’s are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

1. A first ranking charge by way of mortgage created by VTPL on the constructed buildings and related parcels identified as Block 1A, Block 2 and Block 7B, having an aggregate leasable area of 3,43,772 square meters and forming part of the development known as Embassy TechVillage together with portion of land admeasuring 101,859 square meters on which the aforesaid buildings are constructed.
2. A first ranking charge by way of mortgage created by QBPPL on the constructed buildings and related parcels identified as Block IT 1 and Block IT 2, having an aggregate leasable area of 42,163 square meters and forming part of the development known as Embassy Qubix together with portion of land admeasuring 23,028 square meters on which the aforesaid buildings are constructed.
3. A first ranking *pari passu* pledge created by the Embassy REIT, MPPL and EOVL over their shareholding in the SPV’s namely VTPL and EEPL together known as “Secured SPVs”.
4. A sole and exclusive first ranking charge by way of hypothecation created by Embassy REIT over identified bank accounts and receivables.
5. A sole and exclusive first ranking charge by way of hypothecation created by VTPL over identified bank accounts and receivables and by QBPPL over identified receivables.
6. A corporate guarantee issued by each of VTPL, EEPL and QBPPL.



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)	
Redemption terms:	Redemption terms:
1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date.	1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date
2. These debentures will be redeemed on the expiry of 37 months from the Date of Allotment for the Debentures at par on February 15, 2024.	2. These debentures will be redeemed on the expiry of 60 months from the Date of Allotment for the Debentures at par on September 7, 2026.
3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25% - 1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25% - 1.00% over and above the coupon rate calculated from the date of change of rating.	3. In case of downgrading of credit rating , the coupon rate shall increase by 0.25% - 1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25% - 1.00% over and above the coupon rate calculated from the date of change of rating.
4. The issuer shall have the option of redeeming all or part of the debentures on a pro-rata basis at any time on a specified call option date (between July 2023 to January 2024) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.	4. The issuer shall have the option of redeeming all or part of the debentures on a pro rata basis at any time on a specified call option date (between March 2026 to August 2026) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

C. 3,000 (March 31, 2022: 3,000) Embassy REIT Series IV, Non-convertible Debentures (NCD) 2021, face value of ₹1,000,000 each

In September 2021, the Trust issued 3,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series IV NCD 2021 debentures having face value of ₹1 Million each amounting to ₹3,000.00 Million with an coupon rate of 6.80% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on September 9, 2021.

Security terms

The NCD’s are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

1. A first ranking charge by way of mortgage created by SIPL on the constructed, under-construction buildings, erections, constructions of every description and related parcels identified as Block 9, admeasuring 1.1 Million square feet and forming part of the development known as Embassy TechVillage.
2. A first ranking *pari passu* pledge created by the Embassy REIT over its shareholding in SIPL; known as the “Secured SPV”.
3. A first ranking *pari passu* charge by way of hypothecation created by Embassy REIT over identified receivables from SIPL
4. A first ranking *pari passu* charge by way of hypothecation created by SIPL over all current and future movable assets, including identified bank accounts and receivables.
5. A corporate guarantee issued by SIPL.

D. 20,000 (March 31, 2022: 20,000) Embassy REIT Series V - Series A, Non-convertible Debentures (NCD) 2021, face value of ₹1,000,000 each

In October 2021, the Trust issued 20,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series V NCD 2021 (Series A) debentures having face value of ₹1 Million each amounting to ₹20,000.00 Million with a coupon rate of 6.25% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on October 20, 2021.

Security term

The NCD’s are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

1. A first ranking *pari passu* charge by way of mortgage created by MPPL on the constructed buildings and related parcels identified as Palm (Block F3), Mahogany (Block F2), Mulberry (Block G1), Ebony (Block G2), G Bridge (G1 & G2), Teak (Block G3), Cypress (Block D4), Beech (Block E1) and Mfar – Green Phase 4, having an aggregate leasable area of 40,16,856 sq ft and land admeasuring 30.856 acres, forming part of the development known as Embassy Manyata Promoters Business Park.
2. A first ranking *pari passu* pledge created by Embassy REIT over its shareholding in MPPL; known as “Secured SPV”.
3. A first ranking *pari passu* charge by way of hypothecation created by Embassy REIT over the identified receivables from MPPL.



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)	
4. A first ranking <i>pari passu</i> charge by way of hypothecation created by MPPL including identified bank accounts and receivables.	4. A first ranking <i>pari passu</i> charge by way of hypothecation created by MPPL including identified bank accounts and receivables.
5. A corporate guarantee issued by MPPL.	5. A corporate guarantee issued by MPPL.
Redemption terms	Redemption terms
1. Interest is payable on the last day of each financial quarter in a year until the scheduled redemption date.	1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption date.
2. These debentures will be redeemed on the expiry of 36 months from date of allotment at par on October 18, 2024.	2. These Debentures will be redeemed on the expiry of 60 months from Date of Allotment at par on October 18, 2026.
3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25% - 1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25% - 1.00% over and above the coupon rate calculated from the date of change of rating.	3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25% - 1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25% - 1.00% over and above the coupon rate calculated from the date of change of rating.
4. The issuer shall have the option of redeeming all or part of the Series V (Series A) debentures on a pro rata basis at any time on a specified call option date (between April 2024 to July 2024) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.	4. The issuer shall have the option of redeeming all or part of the Series V (Series B) debentures on a pro rata basis at any time on a specified call option date (between April 2026 to July 2026) delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

E. 11,000 (March 31, 2022: 11,000) Embassy REIT Series V - Series B, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each

In October 2021, the Trust issued 11,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series V NCD 2021 (Series B) debentures having face value of ₹1 Million each amounting to ₹11,000.00 Million with a coupon rate of 7.05% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on October 20, 2021.

Security term

The NCD’s are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

1. A first ranking *pari passu* charge by way of mortgage created by MPPL on the constructed buildings and related parcels identified as Magnolia (Block B), Pine (Block L5), Mountain Ash (Block H2), Silver Oak (Block E2) and Mfar- Philips Building having an aggregate leasable area of 20,23,051 sq ft and land admeasuring 11.530 acres forming part of the development known as Embassy Manyata Business Park.
2. A first ranking *pari passu* pledge created by Embassy REIT over its shareholding in MPPL; known as “Secured SPV”.
3. A first ranking *pari passu* charge by way of hypothecation created by Embassy REIT over the identified receivables from MPPL.

F. 10,000 (March 31, 2022: Nil) Embassy REIT Series VI - Non-convertible debentures (NCD) 2022, face value of ₹1,000,000 each

In April 2022, the Trust issued 10,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series VI NCD 2022 debentures having face value of ₹1 Million each amounting to ₹10,000.00 Million with a coupon rate of 7.35% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on April 7, 2022.

Security term

The NCD’s are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

1. A sole and exclusive first ranking *pari passu* pledge created by MPPL over the 50% shareholding of GLSP.
2. A sole and exclusive first ranking *pari passu* pledge created by Embassy REIT over all the debentures issued by GLSP (“GLSP NCDs”)
3. A first ranking *pari passu* charge by way of hypothecation created by Embassy REIT over the identified receivables/ cash flows of GLSP NCDs issued by GLSP.
4. A first ranking *pari passu* charge by way of hypothecation created by MPPL over the identified receivables from GLSP.
5. A corporate guarantee issued by MPPL.



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## Redemption terms

- Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption date.
- These Debentures will be redeemed on the expiry of 60 months from Date of Allotment at par on April 5, 2027.
- In case of downgrading of credit rating, the coupon rate shall increase by 0.25%-1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.
- The issuer shall have the option of redeeming all or part of the Series VI debentures on a pro rata basis at any time on a specified call option date (September 2026) delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

## G. Disclosure required under SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated April 13, 2018

- Details of non-convertible debentures are as follows:-

Particulars	Secured/ Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Embassy REIT Series II NCD 2020 (Tranche A and B)	Secured	-	September 30, 2022	October 9, 2023	December 31, 2022
Embassy REIT Series III NCD 2021	Secured	-	September 30, 2022	February 15, 2024	December 31, 2022
Embassy REIT Series IV NCD 2021	Secured	-	September 30, 2022	September 7, 2026	December 31, 2022
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	September 30, 2022	October 18, 2024	December 31, 2022
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	September 30, 2022	October 18, 2026	December 31, 2022
Embassy REIT Series VI NCD 2022	Secured	-	September 30, 2022	April 5, 2027	December 31, 2022

- Rating agency CRISIL has assigned a rating of “CRISIL AAA/Stable” to Embassy REIT Series II NCD 2020, Embassy REIT Series III NCD 2021, Embassy REIT Series IV NCD 2021, Embassy REIT Series V NCD 2021 and Embassy REIT Series VI NCD 2022.

## H. Other requirements as per Guidelines for issuance of debt securities by Real Estate Investment Trusts (REITs)

Particulars	As at September 30, 2022	As at March 31, 2022
Asset cover ratio (refer a below)	16.63%	15.09%
Debt-equity ratio (refer b below)	0.33	0.29
Debt-service coverage ratio (refer c below)	3.41	3.21
Interest-service coverage ratio (refer d below)	3.41	3.21
Net worth (refer e below)	255,115.50	258,028.19

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

- Asset cover ratio \*= Total borrowings of the Trust/Gross asset value of the Subsidiaries and Joint venture of the Trust as computed by independent valuers
- Debt equity ratio \* = Total borrowings of the Trust/Unitholders’ Equity
- Debt Service Coverage Ratio = Earnings before Finance costs, Depreciation, Amortisation, Impairment Loss and Tax/ [Finance cost (net of capitalisation and excluding interest on lease deposit and interest on lease liability) + Principal repayments made during the year to the extent not repaid through debt or equity]
- Interest Service Coverage Ratio = Earnings before Finance costs, Depreciation, Amortisation, Impairment Loss and Tax/Finance cost (net of capitalisation and excluding interest on lease deposit and interest on lease liability)
- Net worth = Unit capital + Other equity

\* Total borrowings of the Trust = Long-term borrowings + Short-term borrowings

Unitholder’s Equity = Unit Capital + Other equity

# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 14 TRADE PAYABLES

Particulars	As at September 30, 2022	As at March 31, 2022
Trade payables		
- total outstanding dues to micro and small enterprises (refer note below)	0.16	0.59
- total outstanding dues other than micro and small enterprises		
- to related party (refer note 25)	0.14	-
- to others	1.79	8.22
	2.09	8.81

### Note:

Disclosure as per Section 22 of “The Micro, Small and Medium Enterprises Development Act, 2006” (“MSMED Act, 2006”).

Particulars	As at September 30, 2022	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	0.16	0.59
The amount of interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during accounting period;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006.	-	-

## 15 OTHER FINANCIAL LIABILITIES

Particulars	As at September 30, 2022	As at March 31, 2022
Unclaimed distribution	3.93	2.94
Contingent consideration (refer note 25)	-	350.00
Other liabilities		
- to related party (refer note 25)	59.62	56.73
- to others	43.58	54.23
	107.13	463.90

## 16 OTHER CURRENT LIABILITIES

Particulars	As at September 30, 2022	As at March 31, 2022
Statutory dues	28.96	23.63
Other liabilities	64.98	64.98
	93.94	88.61

## 17 LIABILITIES FOR CURRENT TAX (NET)

Particulars	As at September 30, 2022	As at March 31, 2022
Provision for income-tax, net of advance tax	2.80	2.80
	2.80	2.80



## Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

### 18 INTEREST INCOME

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Interest income							
- on fixed deposits	-	-	-	-	23.20	-	23.20
- on debentures (refer note 25)	192.07	182.43	-	374.50	-	-	-
- on loan to subsidiaries (refer note 25)	2,537.75	2,542.88	3,107.87	5,080.63	5,394.96	6,161.37	11,556.33
	2,729.82	2,725.31	3,107.87	5,455.13	5,418.16	6,161.37	11,579.53

### 19 OTHER INCOME

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Profit on sale of investments	16.30	17.00	18.24	33.30	40.03	35.94	75.97
Liabilities no longer required written back	-	-	-	-	5.55	-	5.55
	16.30	17.00	18.24	33.30	45.58	35.94	81.52

### 20 OTHER EXPENSES

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Rates and taxes	10.33	7.04	4.75	17.37	15.25	12.38	27.63
Marketing and advertisement expenses	6.65	4.29	2.48	10.94	7.82	4.57	12.39
Insurance expenses	0.14	0.15	0.14	0.29	0.30	0.26	0.56
Bank charges	-	0.12	0.03	0.12	0.14	0.19	0.33
Miscellaneous expenses	0.36	0.52	1.44	0.88	0.15	1.51	1.66
	17.48	12.12	8.84	29.60	23.66	18.91	42.57

### 21 FINANCE COSTS

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Interest expense on Non-convertible debentures	1,493.01	1,466.21	738.91	2,959.22	2,481.22	1,456.73	3,937.95
Accrual of premium on redemption of debentures (Embassy REIT Series I NCD)	-	-	1,135.43	-	387.30	2,136.64	2,523.94
Other borrowing costs (refer note 25)	-	-	-	-	0.41	-	0.41
	1,493.01	1,466.21	1,874.34	2,959.22	2,868.93	3,593.37	6,462.30



## Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

### 22 TAX EXPENSE

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Current tax	7.00	7.27	7.79	14.27	29.98	15.37	45.35
	7.00	7.27	7.79	14.27	29.98	15.37	45.35

### 23 EARNINGS PER UNIT (EPU)

Basic EPU amounts are calculated by dividing the profit for the period/year attributable to Unitholders by the weighted average number of units outstanding during the period/year. Diluted EPU amounts are calculated by dividing the profit attributable to unitholders by the weighted average number of units outstanding during the period/year plus the weighted average number of units that would be issued on conversion of all the potential dilutive instruments into unit capital.

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

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Profit after tax for calculating basic and diluted EPU (₹ in Million )	3,235.92	3,889.59	2,743.27	7,125.51	7,004.11	6,393.31	13,397.42
Weighted average number of Units (No. in Million )*	947.90	947.90	947.90	947.90	947.90	947.90	947.90
Earnings Per Unit							
- Basic (Rupees/unit)	3.41	4.10	2.89	7.52	7.39	6.74	14.13
- Diluted (Rupees/unit) *	3.41	4.10	2.89	7.52	7.39	6.74	14.13

\* The Trust does not have any outstanding dilutive potential instruments.

### 24 COMMITMENTS AND CONTINGENCIES

#### a) Contingent liabilities

There are no contingent liabilities as at September 30, 2022 and March 31, 2022.

#### b) Statement of capital and other commitments

- There are no capital commitments as at September 30, 2022 and March 31, 2022.
- The Trust has committed to provide financial support to some of its subsidiaries to ensure that these entities operate on going concern basis and are able to meet their debts and liabilities as they fall due.



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 25 RELATED PARTY DISCLOSURES

### I. List of related parties as at September 30, 2022

#### A Parties to Embassy Office Parks REIT

Embassy Property Developments Private Limited – Co-Sponsor

BRE/Mauritius Investments – Co-Sponsor

Embassy Office Parks Management Services Private Limited – Manager

Axis Trustee Services Limited – Trustee

#### BRE/Mauritius Investments – Co-Sponsor

SG Indian Holding (NQ) Co. I Pte. Limited

BRE/Mauritius Investments II

BREP NTPL Holding (NQ) Pte. Limited

BREP VII NTPL Holding (NQ) Pte. Limited

BREP GML Holding (NQ) Pte. Limited

BREP VII GML Holding (NQ) Pte. Limited

BREP Asia SG Oxygen Holding (NQ) Pte. Limited

BREP VII SG Oxygen Holding (NQ) Pte. Limited

BREP Asia HCC Holding (NQ) Pte. Limited

BREP VII HCC Holding (NQ) Pte. Limited

India Alternate Property Limited

BREP Asia SG Indian Holding (NQ) Co II Pte. Limited

BREP VII SG Indian Holding (NQ) Co II Pte. Limited

### Directors and Key managerial personnel's of the Manager (Embassy Office Parks Management Services Private Limited)

#### Directors

Jitendra Virwani

Tuhin Parikh

Vivek Mehra

Ranjan Pai

Anuj Puri

Punita Kumar Sinha

Robert Christopher Heady

Aditya Virwani

Asheesh Mohta (alternate to Robert Christopher Heady)

#### Key management personnel

Michael David Holland - CEO (up to June 30, 2022)

Vikaash Khdloya – CEO (w.e.f. July 1, 2022)

Aravind Maiya – CFO (up to May 31, 2022)

Abhishek Agrawal – Interim CFO (w.e.f. June 1, 2022)

Deepika Srivastava – Compliance Officer and Company Secretary  
(up to September 29, 2022)

#### (ii) Joint Venture

Golflinks Software Park Private Limited

#### (i) Subsidiaries (SPV)

Manyata Promoters Private Limited

Umbel Properties Private Limited

Embassy Energy Private Limited

Earnest Towers Private Limited

Indian Express Newspapers (Mumbai) Private Limited

Vikhroli Corporate Park Private Limited

Qubix Business Park Private Limited

Quadron Business Park Private Limited

Oxygen Business Park Private Limited

Galaxy Square Private Limited

Embassy Pune TechZone Private Limited

Vikas Telecom Private Limited

Sarla Infrastructure Private Limited

### B Other related parties with whom the transactions have taken place during the period/year

Embassy Shelters Private Limited



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## C Transactions during the period/year

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
<b>Unsecured loans given to</b>							
Quadron Business Park Private Limited	20.00	50.00	90.00	70.00	45.00	190.00	55.00
Embassy Pune TechZone Private Limited	-	-	150.00	-	-	450.00	450.00
Manyata Promoters Private Limited	150.00	-	240.00	150.00	150.00	240.00	390.00
Qubix Business Park Private Limited	30.00	-	-	30.00	45.00	-	45.00
Oxygen Business Park Private Limited	35.00	-	90.00	35.00	25.00	140.00	165.00
Earnest Towers Private Limited	40.00	-	-	40.00	-	400.00	400.00
Vikhroli Corporate Park Private Limited	9.80	-	-	9.80	20.00	-	20.00
Galaxy Square Private Limited	70.00	25.00	-	95.00	20.00	-	20.00
Umbel Properties Private Limited	-	50.00	30.00	50.00	3.50	60.00	63.50
Indian Express Newspapers (Mumbai) Private Limited	30.00	-	10.00	30.00	30.00	10.00	40.00
Embassy Energy Private Limited	-	-	40.00	-	-	40.00	40.00
Sarla Infrastructure Private Limited	20.00	180.00	2,210.20	200.00	790.00	2,210.20	3,000.20
Vikas Telecom Private Limited	960.00	-	-	960.00	-	-	-
<b>Long-term loan pursuant to capital reduction (refer note 3 (b))</b>							
Earnest Towers Private Limited	-	-	1,548.54	-	-	1,548.54	1,548.54
<b>Short-term construction loan given</b>							
Manyata Promoters Private Limited	1,020.00	-	-	1,020.00	205.00	4,333.81	4,538.81
Galaxy Square Private Limited	-	-	-	-	-	-	-
Oxygen Business Park Private Limited	30.00	-	-	30.00	100.00	-	100.00
Quadron Business Park Private Limited *	-	-	-	-	120.00	-	300.00
Vikas Telecom Private Limited	220.00	-	-	220.00	95.00	-	95.00
Embassy Pune TechZone Private Limited	-	-	50.00	-	460.00	50.00	510.00
<b>Unsecured loans repaid by</b>							
Embassy Pune TechZone Private Limited	104.63	388.83	50.24	493.46	99.04	184.60	283.64
Manyata Promoters Private Limited	-	-	144.18	-	14,940.00	144.18	15,084.18
Qubix Business Park Private Limited	85.75	90.55	34.58	176.30	134.95	117.29	252.24
Oxygen Business Park Private Limited	207.66	91.67	61.00	299.33	116.13	102.14	218.27
Earnest Towers Private Limited	43.38	-	123.51	43.38	-	337.78	337.78
Vikhroli Corporate Park Private Limited	239.00	-	144.81	239.00	-	285.60	285.60
Galaxy Square Private Limited	62.74	-	106.30	62.74	133.23	212.38	345.61
Indian Express Newspapers (Mumbai) Private Limited	21.36	83.15	41.83	104.51	46.91	154.35	201.26
Embassy Energy Private Limited	132.80	240.82	127.77	373.62	314.17	295.46	609.63
Sarla Infrastructure Private Limited	245.79	317.13	174.39	562.92	337.74	378.94	716.68
Vikas Telecom Private Limited	1,728.21	419.66	901.85	2,147.87	2,733.72	1,632.74	4,366.46

\* Includes ₹180 million of long term loan subsequently converted to short term loan during year ended 31 March 2022.



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)							
Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
<b>Investment in debentures</b>							
Golflinks Software Park Private Limited	-	9,500.00	-	9,500.00	-	-	-
<b>Redemption of investment in debentures</b>							
Golflinks Software Park Private Limited	450.00	150.00	-	600.00	-	-	-
<b>Short-term construction loan repaid by</b>							
Manyata Promoters Private Limited	1,000.00	-	150.00	1,000.00	-	3,813.81	3,813.81
Oxygen Business Park Private Limited	100.00	-	-	100.00	-	-	-
Quadron Business Park Private Limited	-	300.00		300.00			
Embassy Pune TechZone Private Limited	248.80	-	370.00	248.80	660.00	370.00	1,030.00
Vikas Telecom Private Limited *	-	-		-	198.15	-	198.15
<b>Secondment fees</b>							
Embassy Office Parks Management Services Private Limited	0.41	0.41	0.39	0.82	0.78	0.78	1.56
<b>Investment management fees</b>							
Embassy Office Parks Management Services Private Limited	60.40	58.83	63.53	119.23	116.55	137.91	254.46
<b>Trademark license fees</b>							
Embassy Shelters Private Limited	0.36	0.35	0.36	0.71	0.71	0.71	1.42
<b>Trustee fee expenses</b>							
Axis Trustee Services Limited	0.74	0.74	0.74	1.48	1.47	1.48	2.95
<b>Interest income on debentures</b>							
Golflinks Software Park Private Limited	192.07	182.43	-	374.50	-	-	-
<b>Interest income on loan to subsidiaries</b>							
Quadron Business Park Private Limited	395.92	390.68	396.79	786.60	796.28	787.25	1,583.53
Embassy Pune TechZone Private Limited	140.40	156.12	178.41	296.52	331.89	350.15	682.04
Manyata Promoters Private Limited	461.10	441.55	906.07	902.65	1,004.81	1,789.47	2,794.28
Qubix Business Park Private Limited	72.60	74.55	79.40	147.15	153.65	160.26	313.91
Oxygen Business Park Private Limited	219.21	225.12	226.58	444.33	454.94	451.44	906.38
Earnest Towers Private Limited	52.43	51.81	26.49	104.24	103.62	28.57	132.19
Vikhroli Corporate Park Private Limited	122.74	121.71	126.91	244.45	242.51	256.25	498.76
Galaxy Square Private Limited	53.15	51.79	59.15	104.94	108.68	120.53	229.21
Umbel Properties Private Limited	58.89	56.82	56.77	115.71	113.17	111.55	224.72
Indian Express Newspapers (Mumbai) Private Limited	90.10	91.61	94.20	181.71	183.52	190.85	374.37
Embassy Energy Private Limited	161.55	167.26	181.92	328.81	349.82	366.79	716.61
Sarla Infrastructure Private Limited	114.21	121.39	58.61	235.60	227.33	105.03	332.36
Vikas Telecom Private Limited	595.45	592.47	716.57	1,187.92	1,324.74	1,443.23	2,767.97

# Includes repayment of long term loan converted to short term loan during the half year ended 31 March 2022 of ₹103.15 million.



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)							
Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
<b>Dividend received</b>							
Indian Express Newspapers (Mumbai) Private Limited	80.00	105.00	115.00	185.00	210.00	240.00	450.00
Embassy Pune TechZone Private Limited	-	-	40.00	-	135.00	40.00	175.00
Earnest Towers Private Limited	175.00	120.00	-	295.00	330.00	-	330.00
Vikhroli Corporate Park Private Limited	135.00	240.00	-	375.00	330.00	-	330.00
Manyata Promoters Private Limited	1,740.00	2,250.00	2,300.00	3,990.00	3,590.00	4,600.00	8,190.00
<b>Expenses incurred by related party on behalf of the Trust</b>							
Embassy Office Parks Management Services Private Limited	-	-	-	-	3.50	-	3.50
<b>Expenses incurred by the Trust on behalf of related party</b>							
Vikas Telecom Private Limited	3.37	20.11	19.10	23.48	17.60	19.10	36.70
Manyata Promoters Private Limited	5.84	38.88	28.40	44.72	24.86	28.40	53.26
Others	7.64	35.71	26.17	43.35	27.96	26.17	54.13
<b>Contingent consideration paid</b>							
Embassy Property Developments Private Limited	-	350.00	-	350.00	-	-	-
<b>Other borrowing costs (Guarantee fees)</b>							
Qubix Business Park Private Limited	-	-	-	-	0.06	-	0.06
Manyata Promoters Private Limited	-	-	-	-	0.06	-	0.06
Sarla Infrastructure Private Limited	-	-	-	-	0.06	-	0.06
Vikas Telecom Private Limited	-	-	-	-	0.06	-	0.06
Embassy Energy Private Limited	-	-	-	-	0.06	-	0.06
Indian Express Newspapers (Mumbai) Private Limited	-	-	-	-	0.06	-	0.06
Embassy Pune TechZone Private Limited	-	-	-	-	0.06	-	0.06
<b>Guarantee given by SPV on behalf of REIT</b>							
Sarla Infrastructure Private Limited	-	-	3,000.00	-	-	3,000.00	3,000.00
Manyata Promoters Private Limited	-	10,000.00	-	10,000.00	31,000.00	-	31,000.00



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

D Closing balances

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured loan receivable (non-current)</b>		
Quadron Business Park Private Limited	15,734.17	15,232.22
Embassy Pune TechZone Private Limited	3,626.37	4,119.83
Manyata Promoters Private Limited	17,604.86	16,847.37
Qubix Business Park Private Limited	2,249.45	2,395.75
Oxygen Business Park Private Limited	6,861.46	7,125.78
Earnest Towers Private Limited	1,659.04	1,679.04
Vikhroli Corporate Park Private Limited	3,764.65	3,973.46
Galaxy Square Private Limited	1,691.43	1,659.17
Umbel Properties Private Limited	2,235.44	2,237.46
Indian Express Newspapers (Mumbai) Private Limited	2,866.69	2,941.20
Embassy Energy Private Limited	4,998.32	5,371.94
Sarla Infrastructure Private Limited	3,442.27	3,805.19
Vikas Telecom Private Limited	17,834.44	19,022.31
<b>Short-term construction loan</b>		
Manyata Promoters Private Limited	800.00	780.00
Oxygen Business Park Private Limited	30.00	100.00
Embassy Pune TechZone Private Limited	651.20	900.00
Quadron Business Park Private Limited	-	300.00
Vikas Telecom Private Limited	220.00	-
<b>Other receivables</b>		
Vikas Telecom Private Limited	-	1.77
Embassy Pune TechZone Private Limited	5.85	2.13
Golfinks Software Park Private Limited	3.59	-
Manyata Promoters Private Limited	-	2.61
<b>Other financial liabilities</b>		
Embassy Office Parks Management Services Private Limited	59.62	56.73
<b>Trade payables</b>		
Embassy Office Parks Management Services Private Limited	0.14	-
<b>Investment in Debentures</b>		
Golfinks Software Park Private Limited	8,900.00	-
<b>Investment in equity shares of subsidiaries</b>		
Embassy Pune TechZone Private Limited	12,083.50	12,083.50
Manyata Promoters Private Limited	99,475.27	99,475.27
Quadron Business Park Private Limited *	10,970.32	10,970.32
Oxygen Business Park Private Limited	12,308.89	12,308.89
Earnest Towers Private Limited	10,590.24	10,590.24
Vikhroli Corporate Park Private Limited	10,710.94	10,710.94
Qubix Business Park Private Limited	5,595.08	5,595.08
Galaxy Square Private Limited	4,662.50	4,662.50
Umbel Properties Private Limited *	1,492.99	1,492.99
Indian Express Newspapers (Mumbai) Private Limited	13,210.96	13,210.96
Embassy Energy Private Limited *	667.36	667.36
Vikas Telecom Private Limited	50,695.45	50,695.45
Sarla Infrastructure Private Limited	6,870.02	6,870.02
<b>Contingent consideration payable</b>		
Embassy Property Developments Private Limited (refer note 27)	-	350.00
<b>Guarantee given by SPV on behalf of REIT</b>		
Indian Express Newspapers (Mumbai) Private Limited and Embassy Pune TechZone Private Limited	15,000.00	15,000.00
Vikas Telecom Private Limited, Embassy Energy Private Limited and Qubix Business Park Private Limited	26,000.00	26,000.00
Sarla Infrastructure Private Limited	3,000.00	3,000.00
Manyata Promoters Private Limited	41,000.00	31,000.00

\* Net of provision for impairment of ₹4,133.05 Million (March 31, 2022 : ₹4,133.05 Million ).



Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

26 FINANCIAL INSTRUMENTS:

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

Particulars	Carrying value		Fair Value	
	September 30, 2022	September 30, 2022	March 31, 2022	March 31, 2022
<b>Financial assets</b>				
<b>Amortised cost</b>				
Loans	86,269.79	-	88,490.72	-
Cash and cash equivalents	5,291.26	-	5,200.47	-
Other financial assets	9.44	-	6.51	-
<b>Total assets</b>	<b>91,570.49</b>	<b>-</b>	<b>93,697.70</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Borrowings	84,564.82	83,843.56	74,491.33	78,186.53
Other financial liabilities	107.13	-	463.90	-
Trade payables	2.09	-	8.81	-
<b>Total liabilities</b>	<b>84,674.04</b>	<b>83,843.56</b>	<b>74,964.04</b>	<b>78,186.53</b>

The fair value of cash and cash equivalents, trade payables, loans and other financial assets and liabilities approximate their carrying amounts.

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) Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the half year ended September 30, 2022 and year ended March 31, 2022.

c) Determination of fair values

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

- i) The fair value of mutual funds are based on price quotations at reporting date.
- ii) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.
- iii) The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cash flows discounted at the current market rate.



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 27 DETAILS OF UTILISATION OF PROCEEDS OF ISSUE OF EMBASSY REIT SERIES V NCD 2021 AS AT SEPTEMBER 30, 2022 ARE FOLLOWS:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation up to March 31, 2022	Unutilised amount as at March 31, 2022	Actual utilisation up to September 30, 2022	Unutilised amount as at September 30, 2022
Refinancing of the Existing Series I NCD Debt	30,845.00	30,845.00	-	-	-
General purposes including issue expenses	155.00	129.26	25.74	25.74	-
<b>Total</b>	<b>31,000.00</b>	<b>30,974.26</b>	<b>25.74</b>	<b>25.74</b>	<b>-</b>

## 28 DETAILS OF UTILISATION OF PROCEEDS OF ISSUE OF EMBASSY REIT SERIES VI NCD 2022 AS AT SEPTEMBER 30, 2022 ARE FOLLOWS:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation up to September 30, 2022	Unutilised amount as at September 30, 2022
Subscription of GLSP Debentures	9,500.00	9,500.00	-
General purposes including issue expenses	500.00	500.00	-
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>-</b>

## 29 INVESTMENT MANAGEMENT FEES

Pursuant to the Investment management agreement dated June 12, 2017, as amended, the Manager is entitled to fees @ 1% of REIT Distributions 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 Trust and its investments. Investment management fees accrued for the quarter ended September 30, 2022 and half year ended September 30, 2022 amounts ₹ 60.40 Million and ₹119.23 Million respectively. There are no changes during the half year ended September 30, 2022 in the methodology for computation of fees paid to the Manager.

## 30 SECONDMENT FEES

Pursuant to the Secondment agreement dated 11 March 2019, the Manager is entitled to fees of ₹ 0.10 Million per month in respect certain employees of the Manager being deployed to the Trust in connection with the operation and management of the assets of the Trust. The fees shall be subject to an escalation of 5% (five per cent) every financial year. Secondment fees for the quarter ended September 30, 2022 and half year ended September 30, 2022 amounts to ₹0.41 Million and ₹0.82 Million respectively. There are no changes during the half year ended September 30, 2022 in the methodology for computation of secondment fees paid to the Manager.

## 31 SEGMENT REPORTING

The Trust does not have any Operating segments as at September 30, 2022 and March 31, 2022 and hence, disclosure under Ind AS 108, Operating segments has not been provided in the Condensed Standalone Financial Statements.

**32** The Trust outsources its manpower and technology assistance requirements and does not have any employee on its roles and hence does not incur any employee related benefits/costs.

**33** The Board of Directors of the Manager through a resolution by circulation dated January 23, 2021 approved the Scheme of Arrangement (“the Scheme”) involving EOVPPL and VTPL. The Scheme provides for the merger/ amalgamation of EOVPPL into VTPL (on a going concern basis). The Scheme was approved by Bengaluru Bench of National Company Law Tribunal (NCLT) on February 17, 2022, The Company had filed the necessary forms with Registrar of Companies (RoC). Upon the Scheme becoming effective, VTPL had become a 100% directly-held SPV of Embassy Office Parks REIT, holding Embassy Tech Village. The consideration paid by VTPL to give effect to the Scheme to Embassy REIT is as follows:



# Notes

to the Condensed Standalone Financial Statements

(all amounts in ₹ Million unless otherwise stated)

- VTPL had issued and allotted 1 fully paid-up ordinary share of face value of ₹10 each for every 3.72 class A equity shares of face value of ₹10 each, fully paid-up held in EOVPPL.
- VTPL had issued and allotted 1 fully paid-up ordinary share of face value of ₹10 each for every 3.14 ordinary equity shares of face value of ₹10 each, fully paid-up held in EOVPPL.

**34** The figures for the half year ended 31 March 2022 are the derived figures between the audited figures in respect of the year ended 31 March 2022 and the published year-to-date figures up to 30 September 2021, which were subject to limited review.

**35** A search under section 132 of the Income Tax Act was conducted on 1 June 2022 on the Trust, EOPMSPL and certain SPV's namely VTPL, EOVPPL, SIPL, EEPL. Pursuant to the communication received from the income tax authorities

by the Trust, requisite information has been provided to the authorities. As on the date of the financial statements, the Trust has not received any demand or show cause notice from the income tax authorities pursuant to such search proceedings.

## 36 DISTRIBUTIONS

The Board of Directors of the Manager to the Trust, in their meeting held on October 20, 2022, have declared distribution to Unitholders of ₹5.46 per unit which aggregates to ₹5,175.50 Million for the quarter ended September 30, 2022. The distribution of ₹5.46 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.20 per unit in the form of dividend and the balance ₹2.40 per unit in the form of amortisation of SPV debt.

Along with distribution of ₹5,052.27 Million / ₹5.33 per unit for the quarter ended June 30, 2022, the cumulative distribution for the half year ended September 30, 2022 aggregates to ₹ 10,227.77 Million / ₹10.79 per unit.

The accompanying notes referred to above are an integral part of these Condensed Standalone Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



# Review Report

**The Board of Directors**  
**Embassy Office Parks Management Services Private Limited (“the Manager”)**  
**(Acting in its capacity as the Manager of Embassy Office Parks REIT)**  
**1st Floor, Embassy Point**  
**150, Infantry Road**  
**Bengaluru – 560 001**

## INTRODUCTION

1. We have reviewed the accompanying unaudited condensed consolidated interim Ind AS financial statements of Embassy Office Parks REIT (the “REIT”), its subsidiaries and a Joint venture (together referred as “the Group”), which comprise the unaudited condensed consolidated balance sheet as at September 30, 2022, the unaudited condensed consolidated statement of profit and loss, including other comprehensive income and unaudited condensed consolidated statement of Cash Flows for the quarter and half year ended September 30, 2022, the unaudited condensed consolidated statement of changes in Unitholder’s equity for the half year ended September 30, 2022, the consolidated Statement of Net Assets at fair value as at September 30, 2022, the consolidated statement of Total Returns at fair value and the statement of Net Distributable Cash Flows of the REIT and each of its subsidiaries for the half year ended September 30, 2022 and a summary of significant account policies and select explanatory information (together hereinafter referred to as the “Condensed Consolidated Interim Ind AS Financial Statements”) being submitted by the REIT pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (“REIT Regulations”).
2. The Manager is responsible for the preparation of the Condensed Consolidated Interim Ind AS Financial Statements in accordance with the requirements of Indian Accounting Standard 34 (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 REIT Regulations. The Condensed Consolidated Interim Ind AS Financial Statements has been approved by the Board of Directors of the Manager. Our responsibility is to express a conclusion on the Condensed Consolidated Interim Ind AS Financial Statements based on our review.

## SCOPE OF REVIEW

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the

review to obtain moderate assurance as to whether the Condensed Consolidated Interim Ind AS Financial Statements is free of material misstatement. A review consists of making inquiries, primarily of Manager 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 Ind AS Financial Statements includes the financial information of the following entities:

Sr. No.	Name of the entities
<b>A PARENT ENTITY</b>	
1	Embassy Office Parks REIT
<b>B SUBSIDIARIES</b>	
1	Manyata Promoters Private Limited (‘MPPL’)
2	Umbel Properties Private Limited
3	Embassy-Energy Private Limited
4	Galaxy Square Private Limited
5	Quadron Business Park Private Limited
6	Qubix Business Park Private Limited
7	Oxygen Business Park Private Limited
8	Earnest Towers Private Limited
9	Vikhroli Corporate Park Private Limited
10	Indian Express Newspapers (Mumbai) Private Limited
11	Embassy Pune TechZone Private Limited
12	Vikas Telecom Private Limited
13	Sarla Infrastructure Private Limited
<b>C JOINTLY CONTROLLED ENTITY</b>	
1	Golflinks Software Park Private Limited

## CONCLUSION

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Ind AS Financial Statements have not been prepared in all material respects in accordance with the requirement of Ind AS 34, 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.

## EMPHASIS OF MATTER

1. We draw attention to note 46(iv) to the Condensed Consolidated Interim Ind AS Financial Statements which refers to the uncertainty in relation to two pending cases, as regards Property tax dues aggregating to ₹3,418.89 Million as at September 30, 2022 payable by MPPL, before judicial forums, basis previously raised demand notices by the local regulatory authority. Based on legal opinions obtained and pending outcome of such legal matter no provision has been made in these Condensed Consolidated Interim Ind AS Financial Statements.
2. We draw attention to note 54 to the Condensed Consolidated Interim Ind AS Financial Statements, regarding advance aggregating to ₹ 4,638.30 Million as at September 30, 2022, paid for co-development of M3 Block B property as detailed in note 54. As explained by the Group, basis the representation obtained from

Embassy Property Development Private Limited, the Group is confident of delivery of the property under development after acquisition of necessary transferable development rights and building approvals which are yet to be received.

Our conclusion is not modified in respect to the above matters.

For **S R Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per **Adarsh Ranka**

Partner

Membership No.: 209567

UDIN: 22209567BAJFKW4216

Place: Bengaluru, India

Date: October 20, 2022



Condensed Consolidated Balance Sheet

(all amounts in ₹ Million unless otherwise stated)			
	Note	As at September 30, 2022 (Unaudited)	As at March 31, 2022 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	29,711.26	30,235.11
Capital work-in-progress	4	390.76	324.80
Investment properties	5	278,193.32	280,522.23
Investment properties under development	8	9,692.48	6,779.98
Goodwill	6	64,045.35	64,045.35
Other intangible assets	7	12,923.80	13,978.00
Equity accounted investee	9	23,183.71	23,634.69
Financial assets			
- Investments	10	8,900.00	-
- Other financial assets	11	3,062.14	2,781.36
Deferred tax assets (net)	25	97.60	89.30
Non-current tax assets (net)	12	1,097.24	814.99
Other non-current assets	13	18,486.36	19,001.37
<b>Total non-current assets</b>		<b>449,784.02</b>	<b>442,207.18</b>
<b>Current assets</b>			
Inventories	14	33.30	11.09
Financial assets			
- Trade receivables	15	545.96	605.81
- Cash and cash equivalents	16A	6,164.64	5,884.49
- Other bank balances	16B	237.28	231.50
- Other financial assets	17	1,530.53	2,244.59
Current tax assets	18	-	307.19
Other current assets	19	1,131.14	466.94
<b>Total current assets</b>		<b>9,642.85</b>	<b>9,751.61</b>
<b>Total assets</b>		<b>459,426.87</b>	<b>451,958.79</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Unit capital	20	288,262.11	288,262.11
Other equity	21	(36,360.38)	(29,395.21)
<b>Total equity</b>		<b>251,901.73</b>	<b>258,866.90</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	22	132,357.91	120,739.79
- Lease liabilities		345.07	347.98
- Other financial liabilities	23	4,052.55	3,494.61
Provisions	24	11.63	7.64
Deferred tax liabilities (net)	25	51,722.74	51,745.44
Other non-current liabilities	26	672.46	560.81
<b>Total non-current liabilities</b>		<b>189,162.36</b>	<b>176,896.27</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	27	3,130.01	273.73
- Trade payables	28		
- total outstanding dues of micro and small enterprises		28.30	112.73
- total outstanding dues of creditors other than micro and small enterprises		210.94	204.38
- Other financial liabilities	29	13,292.19	14,163.26
Provisions	30	7.22	6.24
Other current liabilities	31	1,387.28	1,355.16
Current tax liabilities (net)	32	306.84	80.12
<b>Total current liabilities</b>		<b>18,362.78</b>	<b>16,195.62</b>
<b>Total equity and liabilities</b>		<b>459,426.87</b>	<b>451,958.79</b>
<b>Significant accounting policies</b>	2		

The accompanying notes referred to above are an integral part of these Condensed Consolidated Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567  
Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674  
Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890  
Place: Mumbai  
Date: October 20, 2022

Condensed Consolidated Statement of Profit and Loss

(all amounts in ₹ Million unless otherwise stated)								
	Note	For the quarter ended September 30, 2022 (Unaudited)	For the quarter ended June 30, 2022 (Unaudited)	For the quarter ended September 30, 2021 (Unaudited)	For the half year ended September 30, 2022 (Unaudited)	For the half year ended March 31, 2022 (Audited)**	For the half year ended September 30, 2021 (Unaudited)	For the year ended March 31, 2022 (Audited)
INCOME AND GAINS								
Revenue from operations	33	8,571.22	8,293.63	7,351.85	16,864.85	14,897.77	14,728.28	29,626.05
Interest income	34	317.90	257.73	215.71	575.63	447.12	452.69	899.81
Other income	35	69.94	53.54	134.04	123.48	181.41	188.05	369.46
Total Income		8,959.06	8,604.90	7,701.60	17,563.96	15,526.30	15,369.02	30,895.32
EXPENSES								
Cost of materials consumed	36	82.38	101.20	20.75	183.58	57.67	26.86	84.53
Employee benefits expense	37	133.19	112.39	45.82	245.58	129.62	98.97	228.59
Operating and maintenance expenses	38	231.63	247.13	117.61	478.76	320.39	265.25	585.64
Repairs and maintenance	40	703.49	704.01	628.71	1,407.50	1,331.28	1,326.39	2,657.67
Valuation expenses		2.06	2.07	0.68	4.13	6.49	5.07	11.56
Audit fees		14.26	14.06	15.19	28.32	23.00	30.81	53.81
Insurance expenses		45.98	38.94	40.73	84.92	78.01	71.48	149.49
Investment management fees	45	230.90	232.70	239.38	463.60	442.91	481.72	924.63
Trustee fees		0.74	0.74	0.74	1.48	1.47	1.48	2.95
Legal and professional fees		104.46	152.88	141.79	257.34	126.20	282.26	408.46
Other expenses	39	572.32	455.05	397.63	1,027.37	819.26	718.56	1,537.82
Total Expenses		2,121.41	2,061.17	1,649.03	4,182.58	3,336.30	3,308.85	6,645.15
Earnings before finance costs, depreciation, amortisation and tax		6,837.65	6,543.73	6,052.57	13,381.38	12,190.00	12,060.17	24,250.17
Finance costs (net)	41	2,459.91	2,312.04	2,208.37	4,771.95	4,003.60	4,281.68	8,285.28
Depreciation expense	42	2,261.51	1,667.88	1,500.36	3,929.39	3,029.35	2,966.73	5,996.08
Amortisation expense	42	528.94	530.05	493.40	1,058.99	983.69	984.86	1,968.55
Profit before share of profit of equity accounted investee and tax		1,587.29	2,033.76	1,850.44	3,621.05	4,173.36	3,826.90	8,000.26
Share of profit after tax of equity accounted investee		133.78	196.02	211.41	329.80	499.22	462.92	962.14
Profit before tax		1,721.07	2,229.78	2,061.85	3,950.85	4,672.58	4,289.82	8,962.40
Tax expense:	43							
Current tax		525.08	396.78	441.84	921.86	778.74	891.26	1,670.00
Deferred tax charge/(credit)		(88.66)	44.62	(340.83)	(44.04)	(980.12)	(611.33)	(1,591.45)
		436.42	441.40	101.01	877.82	(201.38)	279.93	78.55
Profit for the period/year		1,284.65	1,788.38	1,960.84	3,073.03	4,873.96	4,009.89	8,883.85
Items of other comprehensive income								
Items that will not be reclassified subsequently to profit or loss								
- Gain/(loss) on remeasurement of defined benefit liability, net of tax		-	-	-	-	0.83	-	0.83
Total comprehensive income attributable to Unitholders for the period/year		1,284.65	1,788.38	1,960.84	3,073.03	4,874.79	4,009.89	8,884.68
Earnings per Unit								
Basic, attributable to the Unitholders of the Trust	44	1.36	1.89	2.07	3.24	5.14	4.23	9.37
Diluted, attributable to the Unitholders of the Trust		1.36	1.89	2.07	3.24	5.14	4.23	9.37

\*\* Refer note 57.

**Significant accounting policies**

2

The accompanying notes referred to above are an integral part of these Condensed Consolidated Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567  
Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674  
Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890  
Place: Mumbai  
Date: October 20, 2022



Condensed Consolidated Statement of Cash Flows

(all amounts in ₹ Million unless otherwise stated)							
	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)**	(Unaudited)	(Audited)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>							
Profit before share of profit of equity accounted investee and tax	1,587.29	2,033.76	1,850.44	3,621.05	4,173.36	3,826.90	8,000.26
Adjustments to reconcile profit before tax to net cash flows:							
Depreciation expense	2,261.51	1,667.88	1,500.36	3,929.39	3,029.35	2,966.73	5,996.08
Amortisation expense	528.94	530.05	493.40	1,058.99	983.69	984.86	1,968.55
Assets and other balances written off	-	4.42	-	4.42	6.11	-	6.11
Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	-	3.44	-	3.44	15.71	-	15.71
Allowances for credit loss and bad debts written off	0.17	0.25	-	0.42	0.76	1.80	2.56
Liabilities no longer required written back	-	(5.49)	(97.98)	(5.49)	(26.02)	(102.82)	(128.84)
Profit on sale of mutual funds	(34.37)	(43.71)	(32.28)	(78.08)	(76.50)	(64.32)	(140.82)
Finance costs (net)	2,459.91	2,312.04	2,208.37	4,771.95	4,003.60	4,281.68	8,285.28
Interest income	(317.90)	(257.73)	(215.71)	(575.63)	(447.12)	(452.69)	(899.81)
Operating profit before working capital changes	6,485.95	6,244.91	5,706.60	12,730.86	11,662.94	11,442.14	23,105.08
Working capital adjustments							
- Inventories	(20.61)	(1.60)	0.59	(22.21)	(1.51)	1.22	(0.29)
- Trade receivables	(133.37)	216.34	109.92	82.97	(321.33)	225.01	(96.32)
- Other financial assets (current and non-current)	362.91	66.33	975.52	429.24	2,140.30	1,905.29	4,045.59
- Other assets (current and non-current)	(58.10)	(563.25)	(196.93)	(621.35)	278.50	(375.33)	(96.83)
- Trade payables	(2.45)	(69.93)	107.57	(72.38)	113.62	(191.51)	(77.89)
- Other financial liabilities (current and non-current)	35.31	410.56	(167.09)	445.87	(505.57)	(352.25)	(857.82)
- Other liabilities and provisions (current and non-current)	408.29	(259.55)	(154.79)	148.74	142.14	(777.36)	(635.22)
Cash generated from operating activities before taxes	7,077.93	6,043.81	6,381.39	13,121.74	13,509.09	11,877.21	25,386.30
Taxes paid (net)	(474.27)	(182.98)	(500.37)	(657.25)	(783.04)	(933.52)	(1,716.56)
Cash generated from operating activities	6,603.66	5,860.83	5,881.02	12,464.49	12,726.05	10,943.69	23,669.74
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>							
Redemption of deposits with banks (net)	44.15	34.59	102.89	78.74	478.16	40.81	518.97
Redemption in mutual funds (net)	34.37	43.71	32.28	78.08	76.50	64.32	140.82
Investment in debentures	-	(9,500.00)	-	(9,500.00)	-	-	-
Repayment of investment in debentures	450.00	150.00	-	600.00	-	-	-
Payment for purchase of Investment Properties, Property, Plant and Equipment and Intangibles including Capital Work-in-progress and Investment Properties under Development	(2,446.87)	(1,966.18)	(3,166.16)	(4,413.05)	(7,895.47)	(6,114.18)	(14,009.65)
Payment of contingent consideration	-	(350.00)	-	(350.00)	-	-	-
Dividend received	175.00	395.00	450.00	570.00	650.00	750.00	1,400.00
Interest received	304.05	804.29	(167.87)	1,108.34	61.64	67.98	129.62
Net cash flow used in investing activities	(1,439.30)	(10,388.59)	(2,748.86)	(11,827.89)	(6,629.17)	(5,191.07)	(11,820.24)



Condensed Consolidated Statement of Cash Flows  
(Continued)

(all amounts in ₹ Million unless otherwise stated)							
	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)**	(Unaudited)	(Audited)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>							
Interest paid	(2,453.23)	(2,320.09)	(1,225.91)	(4,773.32)	(4,014.03)	(2,406.58)	(6,420.61)
Repayment of borrowings	(12,180.70)	(821.42)	(1,139.31)	(13,002.12)	(45,453.41)	(6,316.72)	(51,770.13)
Proceeds from borrowings (net of issue expenses)	14,654.78	12,821.77	5,009.80	27,476.55	52,417.57	11,619.23	64,036.80
Transaction costs related to issue of units	-	-	(42.06)	-	24.34	(42.06)	(17.72)
Cash used in distribution to Unitholders	(5,052.26)	(4,984.95)	(5,346.20)	(10,037.21)	(10,292.90)	(10,654.57)	(20,947.47)
Payment of lease liabilities	(20.35)	-	(20.66)	(20.35)	-	(20.66)	(20.66)
Net cash (used in)/generated from financing activities	(5,051.76)	4,695.31	(2,764.34)	(356.45)	(7,318.43)	(7,821.36)	(15,139.79)
Net increase/(decrease) in cash and cash equivalents	112.60	167.55	367.82	280.15	(1,221.55)	(2,068.74)	(3,290.29)
Cash and cash equivalents at the beginning of the period/year	6,052.04	5,884.49	6,738.22	5,884.49	7,106.04	9,174.78	9,174.78
Cash and cash equivalents at the end of the period/year	6,164.64	6,052.04	7,106.04	6,164.64	5,884.49	7,106.04	5,884.49
Components of cash and cash equivalents (refer note 16A)							
Cash in hand	1.50	3.69	0.71	1.50	0.74	0.71	0.74
Balances with banks							
- in current accounts	5,815.63	5,991.80	7,062.52	5,815.63	5,821.18	7,062.52	5,821.18
- in escrow accounts	72.42	21.55	21.45	72.42	54.00	21.45	54.00
- in fixed deposits	275.09	35.00	21.36	275.09	8.57	21.36	8.57
	6,164.64	6,052.04	7,106.04	6,164.64	5,884.49	7,106.04	5,884.49

\*\* Refer note 57.

Significant accounting policies (refer note 2)

The accompanying notes referred to above are an integral part of these Condensed Consolidated Financial Statements.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Bengaluru  
Date: October 20, 2022

Place: Mumbai  
Date: October 20, 2022



# Condensed Consolidated Statement of Changes in Unitholder’s Equity

(all amounts in ₹ Million unless otherwise stated)

## A. UNIT CAPITAL

Particulars	Units (No . in Million)	Amount
Balance as at April 1, 2021	947.90	288,262.11
Changes during the year	-	-
Balance as at March 31, 2022	947.90	288,262.11
Balance as at April 1, 2022	947.90	288,262.11
Changes during the period	-	-
Balance as at September 30, 2022	947.90	288,262.11

## B. OTHER EQUITY

Particulars	Reserves and Surplus Retained Earnings
Balance as on April 1, 2021	(17,331.44)
Add: Profit for the year ended March 31, 2022	8,883.85
Add: Other Comprehensive Income for the year ended March 31, 2022#	0.83
Less: Distribution to Unitholders during the year ended March 31, 2022**	(20,948.45)
Balance as at March 31, 2022	(29,395.21)
Balance as on April 1, 2022	(29,395.21)
Add: Profit for the period ended September 30, 2022	3,073.03
Less: Distribution to Unitholders during the period ended September 30, 2022**	(10,038.20)
Balance as at September 30, 2022	(36,360.38)

\* The distributions made by Trust to its Unitholders are based on the Net Distributable Cash flows (NDCF) of Embassy Office Parks REIT under the REIT Regulations which includes repayment of loan by SPVs to Embassy REIT.

^ The distribution for year ended March 31, 2022 does not include the distribution relating to the quarter ended March 31, 2022, as the same will be paid subsequently.

^^ The distribution for period ended September 30, 2022 does not include the distribution relating to the quarter ended September 30, 2022, as the same will be paid subsequently.

# Other comprehensive income comprises of gain/(loss) on remeasurements of defined benefit liability (net) of Nil for the period ended September 30, 2022 (March 31, 2022: ₹0.83 Million).

As per our report of even date attached

for **S R Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm’s registration number: 101049W/E300004

per **Adarsh Ranka**

Partner

Membership number: 209567

Place: Bengaluru

Date: October 20, 2022

for and on behalf of the Board of Directors of

**Embassy Office Parks Management Services Private Limited**

(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**

Director

DIN: 00027674

Place: Bengaluru

Date: October 20, 2022

**Tuhin Parikh**

Director

DIN: 00544890

Place: Mumbai

Date: October 20, 2022

# Consolidated Statement of Net Assets at fair value

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

## A) STATEMENT OF NET ASSETS AT FAIR VALUE

Sr. No.	Particulars	Unit of measurement	As at September 30, 2022		As at March 31, 2022	
			Book Value	Fair value	Book Value	Fair value
A	Assets	₹ in Million	459,426.87	588,413.97	451,958.79	567,192.96
B	Liabilities	₹ in Million	207,525.14	208,583.97	193,091.89	193,819.45
C	Net Assets (A-B)	₹ in Million	251,901.73	379,830.00	258,866.90	373,373.51
D	No. of units	Numbers	947,893,743	947,893,743	947,893,743	947,893,743
E	NAV (C/D)	₹	265.75	400.71	273.10	393.90

### Notes:

#### 1. Measurement of fair values:

The fair value of investment properties, investment properties under development (including capital advances); property, plant and equipment (relating to the hotel property in UPPL, MPPL and QBPL, and the solar power plant in EEPL); capital work-in-progress (relating to the proposed hotel to be developed in ETV assets); intangibles and the investment in GLSP as at September 30, 2022 and March 31, 2022 has been determined by iVAS Partners, independent external registered property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE.

#### Valuation technique

The fair value measurement for all the investment properties, investment properties under development, property plant and equipment, intangibles and capital work-in-progress has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The valuers have followed a Discounted Cash Flow method. The valuation model considers the present value of net cash flows to be generated from the respective properties, taking into account the expected rental growth rate, vacancy period, occupancy rate, average room rent, lease incentive costs and blended tariff rates. The expected net cash flows are discounted using the risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality, lease terms, seasonality in sustaining a stable average room rent and occupancy for the hotels.

#### 2. Property-wise break up of Fair value of Assets as at September 30, 2022 is as follows:

Particulars	Fair value of investment properties, investment properties under development, property, plant and equipment, capital work-in-progress and intangibles*	Other assets at book value (***) (Note i)	Total assets	Total liabilities to be considered (Note ii)	Asset wise NAV	Book value of assets
<b>100% owned assets</b>						
MPPL	197,136.59	2,956.56	200,093.15	39,545.74	160,547.41	133,816.80
EPTPL	22,511.89	442.56	22,954.45	4,681.52	18,272.93	22,793.91
UPPL	4,701.18	159.44	4,860.62	439.04	4,421.58	4,259.51
EEPL	8,685.75	80.49	8,766.24	236.92	8,529.32	8,612.73
GSPL	9,476.37	110.50	9,586.87	427.37	9,159.50	5,890.88
ETPL	14,211.64	47.49	14,259.13	520.81	13,738.32	9,797.41
OBPPL	24,689.11	491.59	25,180.70	3,337.94	21,842.76	16,551.05
QBPPL	9,910.46	238.00	10,148.46	358.92	9,789.54	8,874.13
QBPL	26,129.99	1,251.85	27,381.84	560.52	26,821.32	21,293.99
VCPL	18,502.44	128.62	18,631.06	952.98	17,678.08	12,616.85
IENMPL	17,888.48	150.90	18,039.38	969.99	17,069.39	14,319.46
ETV Assets	119,778.88	2,156.25	121,935.13	21,581.34	100,353.79	99,109.47
Trust	-	78,306.97	78,306.97	134,970.88	(56,663.91)	78,306.97
<b>Total</b>	<b>473,622.77</b>	<b>86,521.22</b>	<b>560,143.99</b>	<b>208,583.97</b>	<b>351,560.02</b>	<b>436,243.16</b>
Investment in GLSP **	28,269.98	-	28,269.98	-	28,269.98	23,183.71
	<b>501,892.75</b>	<b>86,521.22</b>	<b>588,413.97</b>	<b>208,583.97</b>	<b>379,830.00</b>	<b>459,426.87</b>



# Consolidated Statement of Net Assets at fair value

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

3. Property-wise break up of Fair value of Assets as at March 31, 2022 is as follows:

Particulars	Fair value of investment properties, investment properties under development, property, plant and equipment, capital work-in-progress and intangibles*	Other assets at book value (***) (Note i)	Total assets	Total liabilities to be considered (Note ii)	Asset wise NAV	Book value of assets
100% owned assets						
MPPL	190,524.00	2,916.34	193,440.34	38,246.87	155,193.47	134,444.03
EPTPL	22,441.00	692.70	23,133.70	3,714.43	19,419.27	22,581.47
UPPL	4,280.00	91.05	4,371.05	407.38	3,963.67	4,241.15
EEPL	8,965.00	58.40	9,023.40	197.72	8,825.68	8,843.39
GSPL	9,276.00	80.76	9,356.76	422.07	8,934.69	5,846.95
ETPL	14,045.00	27.30	14,072.30	449.42	13,622.88	9,807.28
OBPPL	24,648.00	231.03	24,879.03	2,298.76	22,580.27	15,884.51
QBPL	9,999.00	157.03	10,156.03	217.97	9,938.06	8,894.53
QBPL	25,470.00	1,863.56	27,333.56	556.84	26,776.72	21,776.69
VCPPL	17,939.00	128.57	18,067.57	638.23	17,429.34	12,712.56
IENMPL	17,987.00	136.83	18,123.83	899.71	17,224.12	14,294.69
ETV Assets	116,539.00	1,458.91	117,997.91	20,068.40	97,929.51	99,722.44
Trust	-	69,274.41	69,274.41	125,701.65	(56,427.24)	69,274.41
Total	462,113.00	77,116.89	539,229.89	193,819.45	345,410.44	428,324.10
Investment in GLSP **	27,963.07	-	27,963.07	-	27,963.07	23,634.69
	490,076.07	77,116.89	567,192.96	193,819.45	373,373.51	451,958.79

\* Fair values of investment properties, investment properties under development, property, plant and equipment, intangibles, capital work in progress and investment in GLSP as at 30 September 2022 and 31 March 2022 as disclosed above are solely based on the fair valuation report of iVAS Partners, independent external registered property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE South Asia Pvt. Ltd. ('CBRE').

For the purpose of fair valuation of assets, the Embassy Office Parks Group has fair valued its investment property, investment property under development (including capital advances), property, plant and equipment (relating to the hotel property in UPPL, MPPL and QBPL and the solar power plant in EEPL); capital work-in-progress (relating to the proposed hotel to be developed in ETV assets); intangibles and the investment in GLSP.

\*\* Fair value of equity investments in GLSP has been done based on equity valuation method proportionate to stake held in GLSP.

\*\*\* Other assets at book value include Goodwill of ₹64,045.35 Million (refer note 6) on book value basis (net off impairment loss). The Goodwill of ₹ 64,045.35 Million (March 31, 2022: ₹64,045.35 Million) mainly arises on account of requirement to value individual assets and liabilities acquired on business combination at fair values using an approach as well as the requirement to recognise deferred tax liability of ₹53,207.28 Million (March 31, 2022: ₹53,207.28 Million), calculated as a difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases.

Notes:

- (i) Other assets at book value includes cash and cash equivalents, debt investments in GLSP and other working capital balances which are not factored in the discounted cash flow method used in determining the fair value of investment properties, investment properties under development, property, plant and equipment, capital work-in-progress and intangibles.
- (ii) Total liabilities includes all liabilities except lease liability.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Bengaluru  
Date: October 20, 2022

Place: Mumbai  
Date: October 20, 2022

# Consolidated Statement of Total Returns at Fair value

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ Million unless otherwise stated)

B) STATEMENT OF TOTAL RETURNS AT FAIR VALUE

Sr. No.	Particulars	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
A	Total comprehensive income	3,073.03	4,874.79	4,009.89	8,884.68
B	Add: Changes in fair value not recognised in total comprehensive income (refer note below)	7,923.64	8,393.87	3,384.10	11,777.97
C (A+B)	Total Return	10,996.67	13,268.66	7,393.99	20,662.65

Note:

In the above statement, changes in fair value for the half year ended September 30, 2022 has been computed based on the difference in fair values of investment properties, investment properties under development, property, plant and equipment (relating to the hotel property in UPPL, MPPL and QBPL and the solar power plant in EEPL); capital work-in-progress (relating to the proposed hotel to be developed in ETV assets); intangibles and investment in GLSP as at September 30, 2022 as compared with the values as at March 31, 2022 net of cash spent on construction during the period. The fair values of the aforementioned assets as at September 30, 2022 and March 31, 2022 are solely based on the valuation report of iVAS Partners, independent external registered property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Bengaluru  
Date: October 20, 2022

Place: Mumbai  
Date: October 20, 2022



# Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ 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) Embassy Office Parks REIT – Standalone

Sr. No.	Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021
1	Cash flows received from SPVs/ Holdcos and Investment Entity in the form of:			
	• Interest	2,356.18	2,107.76	1,849.67
	• Dividends (net of applicable taxes)	2,130.00	2,715.00	2,455.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	2,327.09	1,781.81	1,910.46
	• Proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-
2	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity adjusted for the following:			
	• Applicable capital gains and other taxes	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-
	• Directly attributable transaction costs	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-
3	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-
4	Add: Any other income at the Embassy REIT level not captured herein	16.30	17.00	18.24
5	Less: Any other expense at the Embassy REIT level, and not captured herein (excluding acquisition related costs)	(17.48)	(12.12)	(36.99)
6	Less: Any fees, including but not limited to:			
	• Trustee fees	(0.74)	(0.74)	(0.74)
	• REIT Management fees (to the extent not paid in Units)	(60.40)	(58.83)	(63.53)
	• Valuer fees	(2.06)	(2.07)	(0.67)
	• Legal and professional fees	(58.74)	(19.72)	(23.71)
	• Trademark license fees	(0.36)	(0.35)	(0.36)
	• Secondment fees	(0.41)	(0.41)	(0.38)
7	Less: Debt servicing (including principal, interest, redemption premium, etc.) of external debt at the Embassy REIT level, to the extent not paid through debt or equity	(1,493.01)	(1,466.21)	(725.71)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the standalone Embassy REIT level	(14.07)	(5.51)	(13.13)
	<b>Net Distributable Cash Flows at REIT level</b>	<b>5,182.30</b>	<b>5,055.61</b>	<b>5,368.15</b>

#### Note:

The Board of Directors of the Manager to the Trust, in their meeting held on October 20, 2022, have declared distribution to Unitholders of ₹5.46 per unit which aggregates to ₹5,175.50 Million for the quarter ended September 30, 2022. The distribution of ₹5.46 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.20 per unit in the form of dividend and the balance ₹2.40 per unit in the form of amortisation of SPV debt.

Along with distribution of ₹5,052.27 Million/ ₹5.33 per unit for the quarter ended June 30, 2022, the cumulative distribution for the half year ended September 30, 2022 aggregates to ₹ 10,227.77 Million/ ₹10.79 per unit.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022

# Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ 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) Embassy Office Parks REIT- Standalone

Sl No	Particulars	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
1	Cash flows received from SPVs/ Holdcos and Investment Entity in the form of:				
	• Interest	4,463.94	3,905.75	3,671.53	7,577.28
	• Dividends (net of applicable taxes)	4,845.00	4,595.00	4,880.00	9,475.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	4,108.90	3,915.89	3,845.46	7,761.35
	• Proceeds from buy-backs/ capital reduction (net of applicable taxes)	-	-	-	-
2	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity adjusted for the following:				
	• Applicable capital gains and other taxes	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-
3	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos/ Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-
4	Add: Any other income at the Embassy REIT level not captured herein	33.30	63.23	35.94	99.17
5	Less: Any other expense at the Embassy REIT level, and not captured herein (excluding acquisition related costs)	(29.60)	(23.66)	(53.48)	(77.14)
6	Less: Any fees, including but not limited to:				
	• Trustee fees	(1.48)	(1.47)	(1.48)	(2.95)
	• REIT Management fees (to the extent not paid in Units)	(119.23)	(116.55)	(137.91)	(254.46)
	• Valuer fees	(4.13)	(6.49)	(5.07)	(11.56)
	• Legal and professional fees	(78.46)	(6.06)	(52.92)	(58.98)
	• Trademark license fees	(0.71)	(0.71)	(0.71)	(1.42)
	• Secondment fees	(0.82)	(0.78)	(0.78)	(1.56)
7	Less: Debt servicing (including principal, interest, redemption premium, etc.) of external debt at the Embassy REIT level, to the extent not paid through debt or equity	(2,959.22)	(2,376.76)	(1,443.53)	(3,820.29)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the standalone Embassy REIT level	(19.58)	(26.99)	(19.26)	(46.25)
	<b>Net Distributable Cash Flows at REIT level</b>	<b>10,237.91</b>	<b>9,920.40</b>	<b>10,717.79</b>	<b>20,638.19</b>

#### Note:

The Board of Directors of the Manager to the Trust, in their meeting held on October 20, 2022, have declared distribution to Unitholders of ₹5.46 per unit which aggregates to ₹5,175.50 Million for the quarter ended September 30, 2022. The distribution of ₹5.46 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.20 per unit in the form of dividend and the balance ₹2.40 per unit in the form of amortisation of SPV debt.

Along with distribution of ₹5,052.27 Million/ ₹5.33 per unit for the quarter ended June 30, 2022, the cumulative distribution for the half year ended September 30, 2022 aggregates to ₹ 10,227.77 Million/ ₹10.79 per unit.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
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(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
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**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
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Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

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

For the quarter ended September 30, 2022 for distribution

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	Total
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	84.49	705.91	35.22	(5.11)	129.07	13.55	70.27	(0.95)	(698.45)	52.04	91.53	59.19	(358.04)	178.72
	Adjustment:														
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:														
	• Depreciation, amortisation and impairment	119.33	1,002.84	91.19	40.07	45.94	26.34	58.94	76.44	83.39	20.95	34.58	490.61	88.57	2,179.19
	• Assets written off or liabilities written back	-	(0.02)	-	-	(0.01)	-	-	(0.24)	-	-	0.44	-	-	0.17
	• Current tax charge as per Statement of Profit and Loss	(20.04)	144.79	8.68	4.10	45.00	12.42	24.00	2.42	-	22.70	32.00	(16.96)	259.01	518.12
	• Deferred tax	(3.28)	(22.01)	14.47	(4.53)	6.03	3.29	7.18	6.68	379.75	3.53	(7.63)	29.87	178.92	592.27
	• MAT adjustments	-	-	(8.68)	-	-	-	-	(2.42)	-	-	-	-	-	(11.10)
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	8.84	(27.05)	-	-	(20.72)	(6.55)	(28.85)	6.47	5.07	1.17	26.46	66.47	25.60	56.91
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	109.83	461.11	161.55	58.89	52.38	51.15	90.10	213.79	393.01	70.12	122.64	595.09	114.20	2,493.86
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:														-
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debits settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	(all amounts in ₹ Million unless otherwise stated)													
		EPTPL	MPPL	EEPL	UPPL	ETPL	CSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPL	VTPL	SIPL	Total
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(39.98)	(152.60)	21.95	2.66	125.04	32.22	0.13	(14.03)	3.34	1.91	71.26	519.03	57.76	628.69
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(0.42)	-	-	-	-	-	(0.25)	-	-	-	-	-	(0.67)
9	Add: Cash flow received from SPV and Investment Entity towards (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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(14.18)	(218.22)	(30.02)	(6.05)	(56.82)	(15.85)	(30.31)	(7.55)	(2.90)	(14.07)	(34.63)	(24.08)	(5.31)	(459.99)
	Total Adjustments (B)	160.52	1,188.42	259.14	95.14	196.84	103.02	121.19	281.31	861.66	106.31	245.12	1,660.03	718.75	5,997.45
	Net distributable Cash Flows at SPV Level [C = (A+B)]	245.01	1,894.33	294.36	90.03	325.91	116.57	191.46	280.36	163.21	158.35	336.65	1,719.22	360.71	6,176.17

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

For the quarter ended June 30, 2022 for distribution

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	Total
1	Profit/ (loss) after tax as per Statement of Profit and Loss (standalone) (A)	35.20	1,318.06	77.22	(35.68)	117.59	34.82	83.61	8.27	(212.90)	65.87	92.09	32.60	(51.12)	1,565.63
	Adjustment:														
2	Add/ (Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:														
	• Depreciation, amortisation and impairment	120.33	708.87	91.20	57.39	45.52	26.10	59.48	78.08	83.23	15.40	33.96	500.90	88.56	1,909.02
	• Assets written off or liabilities written back	3.44	(2.06)	-	-	-	0.01	-	0.24	-	-	-	(3.43)	-	(1.80)
	• Current tax charge as per Statement of Profit and Loss	20.04	205.11	19.04	(4.10)	40.00	13.97	29.00	0.07	-	20.58	28.84	16.96	-	389.51
	• Deferred tax	(5.60)	(7.09)	31.73	(10.25)	3.79	0.21	2.48	(3.97)	(86.79)	5.08	(4.62)	49.29	(19.64)	(45.38)
	• MAT adjustments	-	(342.14)	(19.04)	-	-	-	-	-	-	-	-	-	-	(361.18)
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	4.80	20.44	-	-	(13.02)	(0.11)	(11.18)	12.46	3.74	(6.55)	13.63	76.08	39.69	139.98
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	110.87	441.55	167.26	56.82	51.81	51.27	91.61	216.80	389.35	73.26	121.50	592.82	121.39	2,486.31
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/ Holdcos or Investment Entity adjusted for the following:														
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	Total
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(34.72)	298.73	43.40	6.16	(73.15)	(59.84)	56.48	29.50	22.06	7.23	21.63	(153.41)	289.03	453.10
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(7.59)	-	-	-	-	-	(1.10)	(2.50)	-	-	(37.50)	-	(48.69)
9	Add: Cash flow received from SPV and Investment Entity towards (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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	296.16	(240.46)	(2.73)	7.35	(32.06)	(15.30)	(31.01)	(23.56)	(4.75)	(15.77)	(32.48)	(63.18)	(19.89)	(177.68)
	Total Adjustments (B)	515.32	1,075.36	330.86	113.37	22.89	16.31	196.86	308.52	404.34	99.23	182.46	978.53	499.14	4,743.19
	Net distributable Cash Flows at SPV Level [C = (A+B)]	550.52	2,393.42	408.08	77.69	140.48	51.13	280.47	316.79	191.44	165.10	274.55	1,011.13	448.02	6,308.82

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

For the quarter ended September 30, 2021 for distribution

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENTMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	EOVPL	SIPL	Total
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	56.06	1,226.93	44.00	(94.66)	94.25	49.75	102.33	(24.60)	(184.57)	47.09	32.91	144.27	(279.93)	(24.07)	1,189.76
	Adjustment:															
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:															
	• Depreciation, amortisation and impairment	124.45	550.33	91.17	57.19	50.75	25.95	60.75	79.53	89.17	15.29	39.05	289.28	230.00	-	1,702.91
	• Assets written off or liabilities written back	-	-	-	(0.01)	(5.09)	(2.32)	(0.25)	(1.42)	(3.80)	-	(0.96)	(1.19)	-	-	(15.04)
	• Current tax charge as per Statement of Profit and Loss	9.33	252.98	11.57	1.10	34.00	20.22	42.84	-	1.47	8.77	26.00	25.76	-	-	434.04
	• Deferred tax	(2.92)	(123.51)	18.79	(33.22)	1.59	(2.40)	(5.78)	(13.12)	(496.40)	4.86	(9.16)	91.67	-	(9.96)	(579.56)
	• MAT adjustments	(9.33)	126.47	(11.56)	-	-	-	-	-	304.23	(8.92)	-	(47.49)	-	-	353.40
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	7.12	40.41	-	-	(5.89)	0.95	12.94	6.86	1.20	(2.19)	21.52	25.08	-	(13.56)	94.44
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	120.28	824.24	181.92	56.77	26.57	59.16	94.23	210.37	380.30	79.41	126.95	688.92	-	15.79	2,864.91
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:															
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No. Particulars		(all amounts in ₹ Million unless otherwise stated)														
		EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENTMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	EOVPL	SIPL	Total
• Directly attributable transaction costs		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(20.76)	(205.61)	(5.42)	(8.92)	(6.75)	33.11	(7.20)	40.27	22.19	(16.77)	70.95	456.72	47.19	266.26	665.26
8	Less: External debt repayment to the extent not repaid through debt or equity	-	-	-	-	-	-	-	-	(7.14)	-	-	(18.75)	-	-	(25.89)
9	Add: Cash flow received from SPV and Investment Entity towards (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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(14.79)	(248.05)	(20.77)	(0.38)	(40.27)	(18.97)	(48.83)	(10.32)	(1.28)	(13.56)	(33.52)	(35.83)	(0.25)	(0.13)	(486.95)
Total Adjustments (B)		213.38	1,217.26	265.70	72.53	54.91	115.70	148.70	312.17	289.94	66.89	240.83	1,474.17	276.94	258.40	5,007.52
Net distributable Cash Flows at SPV Level [C = (A+B)]		269.44	2,444.19	309.70	(22.13)	149.16	165.45	251.03	287.57	105.37	113.98	273.74	1,618.44	(2.99)	234.33	6,197.28
Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.																



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

For the half year ended September 30, 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VTPL	SIPL	Total
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	119.69	2,023.97	112.44	(40.79)	246.66	48.37	153.88	7.32	(911.35)	117.91	91.79	(409.16)	1,744.35
Adjustment:														
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:													
	• Depreciation, amortisation and impairment	239.66	1,711.71	182.39	97.46	91.46	52.44	118.42	154.52	166.62	36.35	68.54	991.51	4,088.21
	• Assets written off or liabilities written back	3.44	(2.08)	-	-	(0.01)	0.01	-	-	-	-	0.44	(3.43)	(1.63)
	• Current tax charge as per Statement of Profit and Loss	-	349.90	27.72	-	85.00	26.39	53.00	2.49	-	43.28	60.84	-	907.63
	• Deferred tax	(8.88)	(29.10)	46.20	(14.78)	9.82	3.50	9.66	2.71	292.96	8.61	(12.25)	79.16	546.89
	• MAT adjustments	-	(342.14)	(27.72)	-	-	-	-	(2.42)	-	-	-	-	(372.28)
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	13.64	(6.61)	-	-	(33.74)	(6.66)	(40.03)	18.93	8.81	(5.38)	40.09	142.55	196.89
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	220.70	902.66	328.81	115.71	104.19	102.42	181.71	430.59	782.36	143.38	244.14	1,187.91	4,980.17
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:													
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No. Particulars		(all amounts in ₹ Million unless otherwise stated)													
		EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENTMPL	OBPPL	QBPL	VCPPL	VTPL	SIPL	Total	
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Add/ (Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(74.70)	146.13	65.35	8.82	51.89	(27.62)	56.61	15.47	25.40	9.14	92.89	365.62	346.79	1,081.79
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(8.01)	-	-	-	-	-	(1.35)	(2.50)	-	-	(37.50)	-	(49.36)
9	Add: Cash flow received from SPV and Investment Entity towards (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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	281.98	(458.68)	(32.75)	1.30	(88.88)	(31.15)	(61.32)	(31.11)	(7.65)	(29.84)	(67.11)	(87.26)	(25.20)	(637.67)
	Total Adjustments (B)	675.84	2,263.78	590.00	208.51	219.73	119.33	318.05	589.83	1,266.00	205.54	427.58	2,638.56	1,217.89	10,740.64
	Net distributable Cash Flows at SPV Level [C = (A+B)]	795.53	4,287.75	702.44	167.72	466.39	167.70	471.93	597.15	354.65	323.45	611.20	2,730.35	808.73	12,484.99
Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.															

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

For the half year ended March 31, 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. No.	Particulars	(all amounts in ₹ Million unless otherwise stated)										
		EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	INMPL	OBPPL	QBPL	QBPPL	VCPPL
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	176.58	2,379.82	133.31	(175.90)	192.88	134.98	209.65	(29.62)	(862.11)	132.05	176.94
	Adjustment:											
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:											
	• Depreciation, amortisation and impairment	252.45	1,219.87	182.43	114.17	97.55	51.17	117.58	158.44	157.76	31.03	68.09
	• Assets written off or liabilities written back	(0.21)	(11.22)	0.75	0.03	0.09	-	(0.04)	(0.76)	13.84	(3.06)	-
	• Current tax charge as per Statement of Profit and Loss	38.24	483.02	32.15	-	70.91	3.87	84.28	(0.20)	-	27.68	55.21
	• Deferred tax	3.86	(98.24)	54.45	(58.99)	(1.75)	(7.17)	(6.60)	(15.94)	(221.35)	19.08	(10.52)
	• MAT adjustments	(93.48)	-	(32.59)	-	-	-	-	-	341.64	(28.81)	-
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	1.46	31.02	-	-	6.45	4.65	20.23	16.32	0.22	(17.31)	38.19
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-
	• Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	219.92	897.40	349.82	113.17	103.54	108.24	183.50	434.20	795.22	152.54	242.49
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:											
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	(all amounts in ₹ Million unless otherwise stated)										
		EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	INMPL	OBPPL	QBPL	QBPPL	VCPPL
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-
7	Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(14.41)	(661.23)	(39.15)	22.77	34.10	(12.28)	(88.78)	(33.73)	52.91	352	2.77
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(13.38)	-	-	-	-	-	-	(7.25)	-	-
9	Add: Cash flow received from SPV and Investment Entity towards (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	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(18.66)	(459.84)	(17.17)	6.73	(84.39)	(41.55)	(78.62)	42.37	38.26	(28.14)	(64.49)
	Total Adjustments (B)	389.17	1,387.40	530.69	197.88	226.50	106.93	231.55	600.70	1,171.35	156.53	331.74
	Net distributable Cash Flows at SPV Level [C = (A+B)]	565.75	3,767.22	644.00	21.98	419.38	241.91	441.20	571.08	309.24	288.58	508.68

\* VTPL filed a scheme of arrangement ('the Scheme') pursuant to which EOVPL is merged with VTPL. The appointed date for the scheme is April 1, 2021. For the purpose of NDCF disclosure, management has computed and presented the NDCF of EOVPL upto December 31, 2021 in EOVPL. NDCF for the period January 1, 2022 to March 31, 2022 of EOVPL is computed and presented in VTPL (refer note 56).

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

For the half year ended September 30, 2021 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENTMPL	OBPPL	QBPL	QBPPL	VCPPPL	VTPL	EOVPL	SIPL	Total
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	100.49	2,392.86	94.99	(196.29)	205.94	101.03	217.97	(44.01)	(515.89)	106.95	108.93	193.08	(553.63)	(49.93)	2,162.49
Adjustment:																
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:															
	• Depreciation, amortisation and impairment	251.93	1,094.58	182.35	114.19	101.03	51.35	120.65	154.71	166.72	29.78	77.21	577.12	460.00	-	3,381.62
	• Assets written off or liabilities written back	-	-	-	(4.85)	(5.09)	(2.32)	(0.25)	(1.42)	(3.80)	-	(0.96)	0.61	-	-	(18.08)
	• Current tax charge as per Statement of Profit and Loss	16.33	491.97	24.16	1.10	82.00	46.48	86.14	-	1.47	20.22	47.00	59.03	-	-	875.90
	• Deferred tax	(7.02)	(69.06)	39.54	(69.43)	(1.58)	(1.72)	(7.36)	(21.88)	(567.05)	9.43	(11.72)	114.51	-	(6.62)	(599.96)
	• MAT adjustments	(16.33)	-	(23.72)	-	-	-	-	-	304.23	(19.47)	-	(47.49)	-	-	197.22
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	17.56	75.60	-	-	8.07	3.27	20.44	25.44	(2.03)	(1.96)	40.59	36.37	-	(32.03)	191.32
	• Acquisition related costs															
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	237.92	1,680.73	366.79	111.55	28.65	120.53	190.87	421.38	770.76	160.26	256.28	1,389.78	-	31.07	5,766.57
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:															
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENTMPL	OBPPL	QBPL	QBPPL	VCPPPL	VTPL	EOVPL	SIPL	Total
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Add/ (Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	12.05	(480.74)	8.31	(3.14)	(0.70)	51.69	48.06	26.45	39.13	398	93.46	925.50	91.71	542.94	1,358.70
8	Less: External debt repayment to the extent not repaid through debt or equity	-	-	-	-	-	-	-	-	(7.14)	-	-	(37.50)	-	-	(44.64)
9	Add: Cash flow received from SPV and Investment Entity towards (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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(37.38)	(4,19.19)	(30.16)	(0.83)	(52.81)	(37.40)	(88.15)	(3.75)	(13.43)	(31.64)	(64.92)	(132.80)	(1.72)	(0.13)	(914.31)
	Total Adjustments (B)	475.06	2,373.89	567.27	148.59	159.57	231.88	370.40	600.93	688.86	170.60	436.94	2,885.13	549.99	535.23	10,194.34
	Net distributable Cash Flows at SPV Level [C = (A+B)]	575.55	4,766.75	662.26	(47.70)	365.51	332.91	588.37	556.92	172.97	277.55	545.87	3,078.21	(3.64)	485.30	12,356.83
- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.																

As per our report of even date attached for **S R Batliboi & Associates LLP** Chartered Accountants ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka** Partner Membership number: 209567

Place: Bengaluru Date: October 20, 2022

for and on behalf of the Board of Directors of **Embassy Office Parks Management Services Private Limited** (as Manager to Embassy Office Parks REIT)

**Jitendra Virwani** Director DIN: 00027674

Place: Bengaluru Date: October 20, 2022

**Tuhin Parikh** Director DIN: 00544890

Place: Mumbai Date: October 20, 2022



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

For the year ended March 31, 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sr. No.	Particulars	(all amounts in ₹ Million unless otherwise stated)														
		EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	INMPL	OBPPL	QBPL	QBPPL	VCPL	VTPL*	EOVPL*	SIPL	Total
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	277.07	4,772.68	228.30	(372.19)	398.82	236.01	427.62	(73.63)	(1,378.00)	239.00	285.87	832.95	(844.57)	(132.06)	4,897.87
	Adjustment:															
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:															
	• Depreciation, amortisation and impairment	504.38	2,314.45	364.78	228.36	198.58	102.52	238.23	313.15	324.48	60.81	145.30	1,377.06	690.00	-	6,862.10
	• Assets written off or liabilities written back	(0.21)	(11.22)	0.75	(4.82)	(5.00)	(2.32)	(0.29)	(2.18)	10.04	(3.06)	(0.96)	(6.51)	(0.10)	-	(25.88)
	• Current tax charge as per Statement of Profit and Loss	54.57	974.99	56.31	1.10	152.91	50.35	170.42	(0.20)	1.47	47.90	102.21	11.92	-	-	1,623.95
	• Deferred tax	(3.16)	(167.30)	93.99	(128.42)	(3.33)	(8.89)	(13.96)	(37.82)	(788.30)	28.51	(22.24)	(159.25)	-	1.31	(1,208.86)
	• MAT adjustments	(109.81)	-	(56.31)	-	-	-	-	-	645.87	(48.28)	-	-	-	-	431.47
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	19.02	106.62	-	-	14.52	7.92	40.67	41.76	(1.81)	(19.27)	78.78	109.12	-	(44.02)	353.31
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	457.84	2,578.13	716.61	224.72	132.19	228.77	374.37	855.58	1,565.98	312.80	498.77	2,649.90	-	82.71	10,678.37
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	INMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL*	EOVPL*	SIPL	Total
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:  • Applicable capital gains and other taxes  • Related debts settled or due to be settled from sale proceeds  • Directly attributable transaction costs  • Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	(2.36)	(1,141.97)	(30.84)	19.63	33.40	39.41	(40.72)	(7.28)	92.04	7.50	96.23	2,625.43	152.82	1,133.48	2,976.77
7	Add/ (Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	-	(13.38)	-	-	-	-	-	-	(14.39)	-	-	(106.25)	-	-	(134.02)



Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016  
NET DISTRIBUTABLE CASH FLOWS (NDCF) PURSUANT TO GUIDANCE UNDER PARAGRAPH 6 TO SEBI CIRCULAR NO. CIR/IMD/DF/146/2016

Sr. No.	Particulars	(all amounts in ₹ Million unless otherwise stated)										
		EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL
9	Add: Cash flow received from SPV and Investment Entity towards (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	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(56.04)	(879.03)	(47.33)	5.90	(137.20)	(78.95)	(166.77)	38.62	24.83	(59.78)	(129.41)
	Total Adjustments (B)	864.23	3,761.29	1,097.96	346.47	386.07	338.81	601.95	1,201.63	1,860.21	327.13	768.68
	Net distributable Cash Flows at SPV Level [C = (A+B)]	1,141.30	8,533.97	1,326.26	(25.72)	784.89	574.82	1,029.57	1,128.00	482.21	566.13	1,054.55

\* VTPL filed a scheme of arrangement ('the Scheme') pursuant to which EOVPL is merged with VTPL. The appointed date for the scheme is 1 April 2021. For the purpose of NDCF disclosure, management has computed and presented the NDCF of EOVPL up to December 31, 2021 in EOVPL NDCF for the period January 1, 2022 to March 31, 2022 of EOVPL is computed and presented in VTPL (refer note 56).  
- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of Companies Act, 2013.

As per our report of even date attached

for **S R Battiboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



Notes  
to the Condensed Consolidated Financial Statements

1 ORGANISATION STRUCTURE

The interim Condensed Consolidated Financial Statements ('Condensed Consolidated Financial Statements') comprise condensed financial statements of Embassy Office Parks REIT (the 'Trust' or the 'Embassy REIT' or the 'REIT'), its subsidiaries namely Manyata Promoters Private Limited ('MPPL'), Umbel Properties Private Limited ('UPPL'), Embassy Energy Private Limited ('EEPL'), Galaxy Square Private Limited ('GSPL'), Quadron Business Park Private Limited ('QBPL'), Qubix Business Park Private Limited ('QBPPL'), Oxygen Business Park Private Limited ('OBPPL'), Earnest Towers Private Limited ('ETPL'), Vikhroli Corporate Park Private Limited ('VCPPL'), Indian Express Newspapers (Mumbai) Private Limited ('IENMPL'), Embassy Pune TechZone Private Limited ('EPTPL'), Vikas Telecom Private Limited ('VTPL') and Sarla Infrastructure Private Limited ('SIPL') (individually referred to as 'Special Purpose Vehicle' or 'SPV' and together referred to as 'Embassy Office Parks Group') and a Joint Venture namely Golfinks Software Park Private Limited ('GLSP') (also referred to as the Investment Entity). The SPVs are Companies domiciled in India.

The objectives of Embassy REIT, having its registered office at Royal Oaks, Embassy Golf Links Business Park, Off Intermediate Ring Road, Bengaluru

Details of SPVs/Subsidiaries of REIT is provided below:

Name of the SPV	Activities	Shareholding (in percentage)
MPPL	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Manyata), located at Bengaluru along with being an intermediate (HoldCo.) Development, rental and maintenance of serviced residences (Hotel Hilton Garden and Hotel Hilton Garden Inn at Embassy Manyata), located in Bengaluru.	Embassy Office Parks REIT: 100%
UPPL	Development, rental and maintenance of serviced residences (Hilton hotel).	Embassy Office Parks REIT: 100%
EEPL	Generation and supply of solar power mainly to the office spaces of Embassy Office Parks Group located in Bengaluru.	MPPL: 80% Embassy Office Parks REIT: 20%
GSPL	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Galaxy), located in Noida.	Embassy Office Parks REIT: 100%
QBPL	Development and leasing of office space and related interiors and maintenance of such assets (Quadron Business Park), located in Pune and (Embassy one) located in Bengaluru. Development, rental and maintenance of serviced residences (Hotel Four Seasons at Embassy One), located in Bengaluru.	Embassy Office Parks REIT: 100%
QBPPL	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Qubix), located in Pune.	Embassy Office Parks REIT: 100%
OBPPL	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Oxygen), located in Noida.	Embassy Office Parks REIT: 100%
ETPL	Development and leasing of office space and related interiors and maintenance of such assets (First International Financial Centre), located in Mumbai.	Embassy Office Parks REIT: 100%
VCPPL	Development and leasing of office space and related interiors and maintenance of such assets (Embassy 247), located in Mumbai.	Embassy Office Parks REIT: 100%
IENMPL	Development and leasing of office space and related interiors and maintenance of such assets (Express Towers), located in Mumbai.	Embassy Office Parks REIT: 100%
EPTPL	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Tech Zone), located at Pune	Embassy Office Parks REIT: 100%

(all amounts in ₹ Million unless otherwise stated)

- 560 071, Karnataka, are to undertake activities in accordance with the provisions of the SEBI REIT Regulations and the Trust Deed. The principal activity of Embassy REIT is to own and invest in rent or income generating real estate and related assets in India with the objective of producing stable and sustainable distributions to Unitholders.

Embassy Property Developments Private Limited ('EPDPL') and BRE/Mauritius Investments ('BMI') (collectively known as the 'Sponsors' or the 'Co-Sponsors') have set up the Embassy Office 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 August 3, 2017 under Regulation 6 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014. The Trustee to Embassy Office Parks REIT is Axis Trustee Services Limited (the 'Trustee') and the Manager for Embassy Office Parks REIT is Embassy Office Parks Management Services Private Limited (the 'Manager' or 'EOPMSPL').

The Units of the Trust were listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) on April 1, 2019.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

Name of the SPV	Activities	Shareholding (in percentage)
VTPL*	Development and leasing of commercial space and related interiors and maintenance of such assets "Embassy TechVillage" (ETV), located in Bengaluru. w.e.f. April 1, 2021, EOVP is merged with VTPL (refer note 56).	Embassy Office Parks REIT: 100%
SIPL*	Development and leasing of commercial space and related interiors and maintenance of such assets (ETV Block 9), located in Bengaluru.	Embassy Office Parks REIT: 100%

\* together known as Embassy TechVillage assets (ETV assets/ETV SPVs).

The Trust also holds economic interest in a joint venture Golflinks Software Park Private Limited (GLSP), entity incorporated in India through a SPV as detailed below.

Name of the SPV	Activities	Shareholding (in percentage)
GLSP	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Golflinks Business Park), located at Bengaluru.	MPPL: 50% Kelachandra Holdings LLP: 50%

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation of Condensed Consolidated Financial Statements

The Interim Condensed Consolidated Financial Information (hereinafter referred to as the “Condensed Consolidated Financial Statements”) of the Embassy Office Parks Group comprises the Consolidated Balance Sheet and the Consolidated Statement of Net Assets at fair value as at September 30, 2022, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flow, the Statement of Net Distributable Cashflows of Embassy REIT and each of the SPVs and a summary of significant accounting policies and other explanatory information for the quarter and half year ended September 30, 2022, the Consolidated Statement of Changes in Unitholders’ Equity and the Consolidated Statement of Total Returns at fair value for the half year ended September 30, 2022. The Condensed Consolidated Financial Statements were approved for issue in accordance with resolution passed by the Board of Directors of the Manager on behalf of the Trust on October 20, 2022.

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 including any guidelines and circulars issued there under read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the “REIT regulations”); Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting”, as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the REIT regulations. Also refer Note 20(a) on classification of Unitholders fund.

The Condensed Consolidated Financial Statements are presented in Indian Rupees in Millions, except when otherwise indicated.

### Statement of compliance to Ind-AS

These Condensed Consolidated Financial Statements for the quarter and half year ended September 30, 2022 are the financial statements of the Embassy Office Parks Group and have been prepared in accordance with Indian Accounting Standards (Ind AS) 34 “Interim Financial Reporting” as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, to the extent not inconsistent with REIT regulations.

The Condensed Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all the SPVs and the Trust used for the purpose of consolidation are drawn up to the same reporting date i.e. September 30, 2022.

### Basis of Consolidation

#### (i) Subsidiaries

The Embassy Office Parks Group consolidates entities which it owns or controls. The Condensed Consolidated Financial Statements comprise the financial statements of the Embassy Office 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 the Embassy Office Parks Group are stated below:

- a) The Condensed Consolidated Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 – Consolidated Financial Statements, to the extent applicable.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

- b) Goodwill is recognised in the Condensed Consolidated Financial Statements at the excess of cost of investment over share of fair value of net assets acquired on the date of acquisition.
- c) The Condensed Consolidated Financial Statements of the Embassy Office Parks Group are consolidated on a line-by-line basis and intragroup balances and transactions for assets and liabilities, equity, income, expenses and cash flows between entities of the Embassy Office Parks Group are eliminated in full upon consolidation.
- d) Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the equity attributable to shareholders of the Company. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests’ 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.

#### (ii) Interests in joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results of joint ventures are incorporated in these Condensed Consolidated Financial Statements using the equity method of accounting as described below:

Under the equity method of accounting, the investments are initially recognised at cost on the date of acquisition and adjusted thereafter to recognise the Embassy Office Parks Group’s share of the post-acquisition profits or losses of the investee in profit and loss, and Embassy Office Parks Group’s share of other comprehensive income of the investee in other comprehensive income.

Goodwill is calculated at excess of cost of investment over share of fair value of net assets acquired on the date of acquisition and is disclosed as an additional information in the Notes to the Condensed Consolidated Financial Statements.

Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When Embassy Office Parks Group’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, Embassy Office Parks Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between Embassy Office Parks Group and joint ventures are eliminated to the extent of Embassy Office Parks Group’s interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees are consistent with the policies adopted by the Embassy Office Parks Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the Embassy Office Parks Group’s policy.

### Basis of Business Combination

The Embassy Office Parks Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the condensed consolidated statement of profit and loss as incurred. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

The Embassy Office Parks Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Embassy Office Parks Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values and no goodwill or deferred tax is recognised.

When the acquisition of subsidiaries represent a business combination, purchase consideration paid in excess of the fair value of net assets acquired



# Notes

to the Condensed Consolidated Financial Statements

is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss, except for changes in fair value which are measurement period adjustments, wherein the change is adjusted with the asset/liability recognised at the acquisition date with corresponding adjustment to goodwill. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates subsequent its settlement is accounted for within equity.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share 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 of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in Unitholders' equity.

## 2.2 Summary of significant accounting policies

### a) Functional and presentation currency

The Condensed Consolidated Financial Statements are presented in Indian Rupees, which is the Embassy Office Parks REIT's functional currency and the currency of the primary economic environment in which the Embassy Office Parks Group operates. All financial information presented in Indian Rupees has been rounded off to nearest Million except unit and per unit data.

### b) Basis of measurement

The Condensed Consolidated Financial Statements are prepared 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;

(all amounts in ₹ Million unless otherwise stated)

- The assets and liabilities of the SPVs on the date of acquisition have been accounted using their Fair value and the goodwill/capital reserve amount has been calculated accordingly; and
- Contingent consideration: measured at fair value.

### c) Use of judgements and estimates

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

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

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

#### i) Business combinations

The Embassy Office Parks Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which substantive processes are acquired and, in particular, the extent of services provided by the subsidiary.

In accounting for business combinations, judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Estimating the acquisition date fair value of the identifiable assets acquired, useful life thereof and liabilities assumed involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the management. Changes in these judgements, estimates and assumptions can materially affect the results of operations.

#### ii) Impairment of goodwill and intangible assets with infinite useful life

For the purpose of impairment testing, goodwill and intangible assets with infinite useful life acquired in a business combination is, from the acquisition



# Notes

to the Condensed Consolidated Financial Statements

date, allocated to each of the Embassy Office Parks Group's cash-generating units that are expected to benefit from the combination. In performing such impairment assessments, management compared the carrying value of each of the identifiable cash generating units ("CGUs") to which goodwill and such intangible assets had been allocated with their respective 'value in use' computed based on discounted cash flow method, to determine if any impairment loss should be recognised. The discounted cash flow method involves estimating future cash flows, growth rates and discount rates which require significant management judgement – Note 2.2 (j).

- iii) Classification of lease arrangements as finance lease or operating lease – Note 2.2 (r).
- iv) Classification of assets as investment properties or as property, plant and equipment – Notes 2.2 (f) and (g).
- v) Significant judgements involved in the purchase price allocation of the assets acquired and liabilities assumed on account of Business Combination and deferred tax accounting on the resultant fair value accounting– Note on Basis of Business Combination and Note 2.2 (v) (ii).
- vi) Judgements in preparing Condensed Consolidated Financial Statements – Note 2.1.
- vii) Classification of Unitholders' funds – Note 20(a).

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment during quarter and half year ended September 30, 2022 is included in the following notes:

- i) Fair valuation and disclosures and impairment of non-financial assets being investment properties and property plant and equipment - The fair value of investment properties and property, plant and equipment are reviewed regularly by management with reference to independent property valuations and market conditions existing at half yearly basis. The independent valuers are independent appraisers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued. Judgement is also applied in determining the extent and frequency of independent appraisals.

SEBI Circulars issued under the REIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (Refer Statement of net assets at fair value and Statement of total returns at fair value for details).

(all amounts in ₹ Million unless otherwise stated)

Refer note 2.2 (j) as regards estimates and assumptions involved in impairment assessment of non-financial assets being investment properties and property plant and equipment.

- ii) Useful lives of Investment Properties and Property, Plant and Equipment – Notes 2.2(f) and (g).
- iii) Valuation of financial instruments – Note 2.2 (l).
- iv) Recognition of deferred tax asset on carried forward losses and recognition of minimum alternate tax credit: availability of future taxable profit against which tax losses carried forward can be used- Note 2.2(v)(ii). Further, significant judgements are involved in determining the provision for income taxes, including recognition of minimum alternate tax credit, in SPVs entitled for tax deduction under Section 80IAB of the Income Tax Act, 1961, wherein the tax deduction is dependent upon necessary details available for exempt and non-exempt income.

### d) Current versus non-current classification

The Embassy Office 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.



Notes

to the Condensed Consolidated Financial Statements

The Embassy Office 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. The Embassy Office Parks Group has identified twelve months as its operating cycle.

e) Measurement of fair values

A number of the Embassy Office Parks Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the Asset or liability.

The principal or the most advantageous market must be accessible by the Embassy Office Parks Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Embassy Office Parks Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Embassy Office Parks Group has an established control framework with respect to the measurement of fair values. The Embassy Office Parks Group engages with external registered valuers for measurement of fair values in the absence of quoted prices in active markets.

While measuring the fair value of an asset or liability, the Embassy Office Parks Group uses market observable data as far as possible. Fair values are categorised into different levels in a

(all amounts in ₹ Million unless otherwise stated)

fair value hierarchy based on inputs used in the valuation techniques as follows –

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

When measuring the fair value of an asset or a liability, the Embassy Office Parks Group uses observable market data as far as possible. 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. The Embassy Office Parks Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

f) Investment properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment properties. Investment properties is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Embassy Office Parks Group and the cost of the item can be measured reliably. The cost of the assets not ready for their intended use before such date, are disclosed as investment properties under development. All other repairs and maintenance costs are expensed when incurred. When part of an investment properties is replaced, the carrying amount of such replaced position is derecognised.

Investment properties are depreciated on straight-line method over their estimated useful lives. However, where the management’s estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life. The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Pursuant to this policy, Management’s estimates of useful life of the following major assets under straight-line method are as follows:



Notes

to the Condensed Consolidated Financial Statements

Asset category	Estimated useful life (in years)
Buildings	60 years
Plant and Machinery	15 years
Furniture and Fixtures	12 years
Electrical Equipment	15 years
Leasehold land*	30-99 years based on the primary lease period

Pro rata depreciation is provided on properties purchased or sold during the year.

\*Upfront premium paid under lease-cum-sale agreements to acquire land where the Embassy Office Parks Group has an option to purchase the land at the end of/ during the lease term are not amortised over the lease period.

Investment properties acquired on Business Combination is depreciated over the remaining useful life from the date of acquisition as certified by the technical valuer.

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of Investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Note: Plant and machinery, furniture and fixtures and electrical equipment which are physically attached to the building are considered as part of the investment properties.

g) Property, plant and equipment and intangible assets

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets. The cost of such assets not ready for their intended use are disclosed as capital work-in-progress.

Intangible assets are recorded at their acquisition cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

(all amounts in ₹ Million unless otherwise stated)

Depreciation is provided on the straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment and intangibles as follows:

Asset category	Estimated useful life (in years)
Buildings	60 years
Plant and Machinery	15 years
Furniture and Fixtures	12 years
Electrical Equipment	15 years
Office Equipment	5 years
Computers	3 years
Computer Software	3 years
Operating Supplies	2-5 years
Vehicles	8 years

Upfront premium paid under lease-cum-sale agreements to acquire land where the Embassy Office Parks Group has an option to purchase the land at the end of/ during the lease term are not amortised over the lease period.

The useful lives of intangible assets are assessed as either finite or indefinite.

Right to use trademark: The earnings potential of trade name/trademark can at times be substantial. A trademark is recognised on a reporting company’s balance sheet as an intangible asset separate from goodwill because it satisfies either of the following two tests:

- It arises from legal rights (a trademark is essentially a bundle of rights)
- It is capable of being sold, transferred, and licensed separately from other assets of the acquiring company

The recognition of an acquired trademark is performed as part of a purchase price allocation, whereby a portion of the price paid by the acquirer for all of the acquired assets is assigned to the trademark using an acceptable valuation methodology.

The life of the Right to use trademark is considered indefinite because there is no foreseeable limit nor any specific covenant that limits the time period over which the asset is expected to generate net cash inflows for the SPVs.

Intangible assets comprising of Right to use trademark with indefinite useful lives are not amortised, but are tested for impairment annually, at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Power purchase agreement is one of the essential contracts required for a small power generating



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

company with limited production capacity and marketability. Since sales with the customer take the form of a contract, the power purchase agreement meets the contractual criteria for recognition. This agreement provides ongoing and repeat business for the Company and provides a platform for the Company to reach profitability.

The initial useful life of the power purchase agreements is estimated to be 25 years based on the contract period and hence are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively.

CAM service rights are contract-based intangible assets, which represent the value of contractual rights that arise from contractual arrangements. An entity establishes relationships with its customers through certain contracts, these customer relationships arise from contractual rights.

CAM service rights are recognised at their fair value as at the date of acquisition, these are subsequently amortised on a straight-line basis, over their estimated contractual lives.

Property, plant and equipment and Intangibles acquired on Business Combination, except right-to-use trademark, is depreciated over the remaining useful life from the date of acquisition as certified by the technical valuer.

When parts of an item of plant and equipment have different useful lives, they are treated as separate components and depreciated over their respective estimated useful lives.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Pro rata depreciation is provided on all property, plant and equipment and intangible assets purchased or sold during the year.

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**h) Non-current assets held for sale**

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs of disposal. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Consolidated Statement of Profit and Loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

**i) Inventory**

**Stores and operating supplies**

Inventories which comprises food and beverages and operating supplies are valued at lower of cost or net realisable value. Cost of inventories comprises purchase price, costs of conversion and other incidental costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to sell.

**j) Impairment of non-financial assets**

The Embassy Office Parks Group assesses, at each reporting date, whether there is an indication that a non-financial asset other than inventories and deferred tax assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Embassy Office Parks Group estimates the asset's recoverable amount.

An impairment loss is recognised in the Consolidated Statement of Profit and Loss if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable unit. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU on a pro rata basis. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the Consolidated Statement of Profit and Loss, unless it reverses previous revaluation credited to equity, in which case it is charged to equity.

Goodwill arising from a business combination is allocated to CGUs or group of CGUs that are expected to benefit from the synergies of the combination. Goodwill is tested for impairment



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

**l) Financial instruments**

**i) Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Embassy Office Parks Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**ii) Classification and subsequent measurement**  
**Financial assets**

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt instrument;
- Fair value through other comprehensive income (FVOCI) – equity instrument; or
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Embassy Office Parks Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets 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 the principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of the principal and interest on the principal amount outstanding.

on an annual basis and more often, if there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets, such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

**k) Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currencies of Embassy Office Parks Group's entities at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on foreign exchange transactions settled and from translations during the year are recognised in the Consolidated Statement of Profit and Loss of the year except exchange differences arising from the translation of the items which are recognised in OCI.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

consistent with the Embassy Office Parks Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

**Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest**

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Embassy Office Parks Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Embassy Office Parks Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Embassy Office Parks Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payment of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

On initial recognition of an equity instrument that is not held for trading, the Embassy Office Parks Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Embassy Office Parks Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Financial assets: Business model assessment**

The Embassy Office Parks Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Embassy Office Parks Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose,



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

Embassy Office Parks Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Embassy Office Parks Group enters into transactions whereby it transfers assets recognised in its Condensed Consolidated Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

**Financial liabilities**

The Embassy Office Parks Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Embassy Office Parks Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

**iv) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the Condensed Consolidated Balance Sheet only when the Embassy Office Parks Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**m) Compound financial instruments**

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not measured subsequently.

Interest related to the financial liability is recognised in profit and loss (unless it qualifies for inclusion in cost of asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

**Financial assets: Subsequent measurement and gains and losses**

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit and loss.
Debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit and loss.
Equity instruments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit and loss.

**Financial liabilities: Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit and loss.

**iii) Derecognition**

**Financial assets**

The Embassy Office Parks Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the



# Notes

to the Condensed Consolidated Financial Statements

**n) Rental support**

Rental supports that are an integral part of an acquisition transaction is treated as a deduction in the acquisition cost of such investment properties. Where, the right to receive the rental support is spread over a period of time, the right to receive the rental support is reduced from the acquisition cost and is recognised as a financial asset at fair value and subsequently measured at amortised cost based on effective interest rate method.

**o) Impairment of financial assets**  
**Financial assets**

The Embassy Office Parks Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI – debt investments

At each reporting date, the Embassy Office Parks Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being past due for 180 days or more; or
- the restructuring of a loan or advance by the Embassy Office Parks Group on terms that in the material assessment of the Embassy Office Parks Group it would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties

The Embassy Office Parks Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

(all amounts in ₹ Million unless otherwise stated)

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Embassy Office Parks Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Embassy Office Parks Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Embassy Office Parks Group’s historical experience and informed credit assessment and including forward-looking information.

The Embassy Office Parks Group assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Embassy Office Parks Group considers a financial asset to be default when:

- the borrower is unlikely to pay its credit obligations to the Embassy Office Parks Group in full, without recourse by the Embassy Office Parks Group to actions such as realising security (if any is held); or
- the financial asset is 180 days or more past due without any security.

**Measurement of expected credit losses:** Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Embassy Office Parks Group and the cash flows that the Embassy Office Parks Group expects to receive).

**Presentation of allowance for expected credit losses in the balance sheet:** Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit and loss account and is recognised in OCI.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

**r) Leases**

**Embassy Office Parks Group as a lessee**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Embassy Office Parks Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Embassy Office Parks Group. Generally, the Embassy Office Parks Group uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Embassy Office Parks Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The Embassy Office Parks Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Embassy Office Parks Group recognises any remaining amount of the re-measurement in profit and loss.

The Embassy Office Parks Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that

**Write-off:** The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Embassy Office Parks Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Embassy Office Parks Group’s procedures for recovery of amounts due.

Majority of the financial assets of the Embassy Office Parks Group pertain to trade and other receivables. Considering the nature of business, the Embassy Office Parks Group does not foresee any credit risk on its trade and other receivables which may cause an impairment. As per the agreement with tenants, the receivables are covered by clause of payment security mechanism which ensures receipt of all trade receivables. Also, the Embassy Office Parks Group does not have any past history of significant impairment of trade and other receivables.

**p) Embedded derivatives**

When the Embassy Office Parks Group becomes a party to a hybrid contract with a host that is not an asset within the scope of Ind AS 109 Financial Instruments, it identifies whether there is an embedded derivative. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

**q) Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

When guarantees in relation to debt or other payables of subsidiaries or associates are provided for with no compensation, the fair values are accounted as contributions and recognised as part of the cost of investment.



# Notes

to the Condensed Consolidated Financial Statements

have a lease term of 12 months or less and leases of low-value assets. The Embassy Office Parks Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**Embassy Office Parks Group as a lessor**

**i. Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for other elements on the basis of their relative fair values.

**ii. Assets held under leases**

Leases in which the Embassy Office Parks Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term. The lease term is the non-cancellable period together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Embassy Office Parks Group is reasonably certain that the tenant will exercise that option. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Embassy Office Parks Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Embassy Office Parks Group's net investment in the leases.

**iii. Initial direct costs**

Initial direct costs such as brokerage expenses incurred specifically to earn revenues from an operating lease are capitalised to the carrying amount of leased asset and recognised over the lease term on the same basis as rental income.

**s) 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 from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

(all amounts in ₹ Million unless otherwise stated)

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

**i) Rental income from investment properties**

Rental income from property leased under operating lease is recognised in the statement of profit and loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. The lease term is the non-cancellable period together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Embassy Office Parks Group is reasonably certain that the tenant will exercise that option. Contingent rents are recognised as revenue in the period in which they are earned on a receipt basis.

**ii) Income from finance lease**

For assets let out under finance lease, the 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.

**iii) Revenue from Room Rentals**

Revenue from room rentals are based on the occupancy charged on the basis of room rates which are contracted (exclusive of applicable taxes).

**iv) Revenue from contract with customers**

a) Revenue from maintenance services is recognised as and when the services are rendered based on the terms of the contracts with the lessees.

b) Revenue from Food, beverages and banquets

Revenue from food and beverages are recorded as and when food is served. Revenue generated from the banquet services offered are charged on the basis of cover charges per person which is billed (exclusive of applicable taxes) based on guaranteed covers if actual cover is less than contracted.



# Notes

to the Condensed Consolidated Financial Statements

**c) Other operating income**

Other operating income, including service charges on rooms and Food & Beverage (F&B) revenues and other hospitality-related operating income is recognised when the services are rendered and the same become chargeable. Revenue from other services is recognised on accrual basis as per the terms of the agreement.

**v) Recognition of dividend and interest income**

Dividend income is recognised in profit and loss on the date on which the Embassy Office Parks Group'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.

**t) Employee benefits**

**Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Embassy Office Parks Group makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**Gratuity**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Embassy Office Parks Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in

(all amounts in ₹ Million unless otherwise stated)

the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Embassy Office Parks Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Embassy Office Parks Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Embassy Office Parks Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Compensated absences**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Embassy Office Parks Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Assets or liabilities related to employee benefit arrangements acquired on Business Combination are recognised and measured in accordance with Ind AS 19 Employee Benefits.

**u) Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that



# Notes

to the Condensed Consolidated Financial Statements

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.

Capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average borrowing costs (WABC). 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.

v) **Taxation**

Income tax comprises current and deferred tax. Income tax expense is recognised in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognised in equity or in other comprehensive income.

(i) **Current tax:**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period/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 the reporting date.

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

(ii) **Deferred tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised

(all amounts in ₹ Million unless otherwise stated)

in respect of carried forward tax losses and tax credits. 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;
- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Embassy Office Parks 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; and
- Taxable temporary differences arising on initial recognition of goodwill.

Deferred income tax asset are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Embassy Office Parks Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Embassy Office Parks Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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 realised simultaneously.

Tax impact of timing difference which arise during the tax holiday period are recognised only to the



# Notes

to the Condensed Consolidated Financial Statements

extent of those differences which are reversed after the tax holiday period.

Minimum Alternative Tax (‘MAT’) under the provisions of the Income Tax, 1961 is recognised as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Embassy Office Parks Group will pay normal income tax during the period for which MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax assets or liabilities acquired on Business Combination are recognised and measured in accordance with Ind AS 12 Income taxes.

w) **Provisions and contingencies**

The Embassy Office Parks Group recognises a provision when there is a present obligation (legal or constructive) as a result of a past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

If the effect of the time value of money is material, provisions are discounted.

x) **Operating segments**

An operating segment is a component of the Embassy Office Parks Group that engages in business activities from which it may earn revenues and incur expenses. All operating segments’ operating results are reviewed regularly by a representative of the Embassy Office Parks Group, the Embassy Office Parks Group’s Chief Operating Decision Maker (‘CODM’), to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(all amounts in ₹ Million unless otherwise stated)

Net Operating Income (‘NOI’) is the key metric reported to the CODM for the purposes of assessment of the segment results. The same is defined as follows:

**Commercial Offices segment:**

NOI for commercial offices is defined as Revenue from operations (which includes (i) facility rentals, (ii) maintenance services income, (iii) income from finance lease, and (iv) other operating income for Commercial Offices) less Direct operating expenses (which includes (i) Operating and maintenance expenses including common area maintenance expenses (ii) property taxes, (iii) rent, and (iv) insurance).

**Hospitality segment:**

NOI for hospitality segment is defined as Revenue from operations (which includes (i) room rentals, (ii) sale of food and beverages, (iii) other operating income for hospitality less Direct operating expenses (which includes (i) cost of materials consumed, (ii) employee benefits expenses, (iii) Operating and maintenance expenses excluding property management fees, and (iv) Other expenses).

**Other segment:**

NOI for other segments is defined as Revenue from operations (which includes income from generation of renewable energy) less Direct operating expenses (which includes (i) Operating and maintenance and (ii) Other expenses).

Certain income (such as interest, dividend and other income) and certain expenses (such as Other expenses excluding Direct operating expenses, depreciation, amortisation, impairment and finance cost) are not specifically allocable to segments and accordingly these expenses are adjusted against the total income of the Embassy Office Parks Group.

y) **Cash and cash equivalents**

Cash and cash equivalents in the Consolidated Balance Sheet comprises of cash at banks and on hand, deposits held at call with bank or financial institutions, 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.

z) **Distribution Policy**

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to the Unitholders not less than ninety percent of the net distributable cash flows (‘NDCF’) of Embassy Office Parks REIT and the



# Notes

to the Condensed Consolidated Financial Statements

current policy of the Manager is to comply with such requirement. The NDCF is calculated in accordance with the REIT Regulations and in the manner provided in the NDCF framework defined by the Manager. The Manager has made certain clarificatory amendments to the NDCF framework under the Distribution Policy to ensure that there is no ambiguity in computing the NDCF at Embassy REIT and SPV/Holdco level. The amended framework is approved by a special majority in the Unitholder's Meeting held on July 8, 2021 and is effective from April 1, 2021.

In terms of the REIT Regulations and NDCF framework which prescribes for the minimum amount of NDCF to be distributed to Embassy Office Parks REIT:

- not less than 90% of the NDCF of the SPVs are required to be distributed to the Embassy Office Parks REIT, in proportion to its shareholding in the SPV, subject to applicable provisions of the Companies Act, 2013.
- 100% of the cash flows received by the Holding Company from the underlying SPVs are required to be distributed to the Embassy Office Parks REIT, and not less than 90% of the NDCF generated by the Holding Company on its own shall be distributed to the Embassy Office Parks REIT, subject to applicable provisions of the Companies Act, 2013.
- The aforesaid net distributable cash flows are made available to Embassy Office Parks REIT in the form of (i) Interest paid on Shareholder Debt provided by Embassy Office Parks REIT to the SPV's/Holding Company, (ii) Principal repayment of Shareholder Debt, (iii) Dividend declared by the SPVs/Holding Company and received by Embassy Office Parks REIT and (iv) Proceeds from sale of any Embassy REIT assets.

Since Embassy Office Parks REIT endeavours to quarterly distributions, any shortfall as regards minimum quarterly distribution by the SPVs and Holding Company to Embassy Office Parks REIT, post interest paid on Shareholder Debt, Interim Dividend payments and Principal repayment of Shareholder Debt, would be done by declaring dividend, to the extent permitted under the Companies Act, 2013. Further, repayment of short-term construction debt given to SPVs, debt

(all amounts in ₹ Million unless otherwise stated)

repayment of Series I NCD (including redemption premium) which was refinanced through debt, and interest on external debt paid and capitalised to development work in progress to the extent funded by debt, are not considered for NDCF computation.

**aa) Cash distribution to Unitholders**

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.

**ab) Consolidated Statement of Cash flows**

Consolidated Cash flows are reported using the indirect method, whereby Profit/(loss) before share of profit of equity accounted investees and tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Embassy Office Parks Group are segregated.

For the purpose of the 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 the Embassy Office Parks Group's cash management.

**ac) Earnings per unit**

The basic earnings per unit is computed by dividing the net profit/(loss) attributable to the Unitholders of the Trust 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.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

**ad) Earnings before finance costs, depreciation, amortisation and tax**

The Embassy Office Parks Group has elected to present earnings before finance cost, depreciation, amortisation and tax as a separate line item on the face of the Consolidated Statement of Profit and Loss. The Embassy Office Parks Group measures earnings before finance cost, depreciation, amortisation and tax excluding share of profit of equity accounted investees on the basis of profit/(loss) from continuing operations. In its measurement, the Embassy Office Parks Group does not include depreciation and amortisation expense, finance costs, share of profit of equity accounted investees and tax expense.

**ae) Statement of net assets at fair value**

The disclosure of Statement of Net Assets at Fair value comprises of the fair values of the properties held by Asset SPVs and the HoldCo as well as book values of the total liabilities and other assets of all SPVs consolidated. The fair value of the property held by Asset SPVs and HoldCo are reviewed semi-annually by the independent property valuer taking into consideration market conditions existing at the reporting date, and other generally accepted market practices. The independent valuer is leading independent appraiser with a recognised and relevant professional qualification and experience.



Notes

to the Condensed Consolidated Financial Statements

3 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amounts for the period ended September 30, 2022

Particulars	Land-freehold (refer note I)	Buildings	Plant and machinery	Furniture and fixtures	Electrical equipment	Office equipment	Computers	Operating supplies	Vehicles	Total
<b>Gross block</b>										
As at April 1, 2021	8,846.00	7,067.88	7,382.02	486.21	457.90	19.58	20.37	10.83	45.31	24,336.10
Additions for the year	5.84	5,854.05	602.32	801.89	1,313.53	24.96	17.18	255.78	17.40	8,892.95
Disposals	-	(14.50)	(0.56)	-	-	(0.10)	(0.10)	-	-	(15.26)
As at March 31, 2022	8,851.84	12,907.43	7,983.78	1,288.10	1,771.43	44.44	37.45	266.61	62.71	33,213.79
As at April 1, 2022	8,851.84	12,907.43	7,983.78	1,288.10	1,771.43	44.44	37.45	266.61	62.71	33,213.79
Additions for the period	-	0.76	5.09	10.96	-	0.49	0.45	-	-	17.75
Disposals	-	-	-	-	-	-	-	-	-	-
As at September 30, 2022	8,851.84	12,908.19	7,988.87	1,299.06	1,771.43	44.93	37.90	266.61	62.71	33,231.54
<b>Accumulated depreciation and impairment</b>										
As at April 1, 2021	156.94	830.52	926.52	183.34	120.95	15.14	12.28	10.83	12.23	2,268.75
Charge for the year	-	129.82	430.99	88.31	53.42	1.86	2.83	0.22	4.63	712.08
Disposals	-	(1.69)	(0.29)	-	-	(0.07)	(0.10)	-	-	(2.15)
As at March 31, 2022	156.94	958.65	1,357.22	271.65	174.37	16.93	15.01	11.05	16.86	2,978.68
As at April 1, 2022	156.94	958.65	1,357.22	271.65	174.37	16.93	15.01	11.05	16.86	2,978.68
Charge for the period	-	111.17	221.38	105.59	93.21	4.29	1.98	0.06	3.92	541.60
Disposals	-	-	-	-	-	-	-	-	-	-
As at September 30, 2022	156.94	1,069.82	1,578.60	377.24	267.58	21.22	16.99	11.11	20.78	3,520.28
<b>Carrying amount (net)</b>										
As at March 31, 2022	8,694.90	11,948.78	6,626.56	1,016.45	1,597.06	27.51	22.44	255.56	45.85	30,235.11
As at September 30, 2022	8,694.90	11,838.37	6,410.27	921.82	1,503.85	23.71	20.91	255.50	41.93	29,711.26

Notes:

- i. The solar plant has been constructed on 465.77 acres of land, of which title for 424.53 acres is registered in name of the group and balance 41.24 acres is in the process of registration.
- ii. Accumulated Depreciation as at September 30, 2022 includes impairment loss of ₹886.18 Million (March 31, 2022: ₹886.18 Million).
- iii. The amount of borrowing cost capitalised during the period is ₹14.92 Million (March 31, 2022: ₹433.05 Million) at a capitalisation rate which is the SPV specific Weighted Average Borrowing Cost (WABC).

4 CAPITAL WORK-IN-PROGRESS

Particulars	As at September 30, 2022	As at March 31, 2022
UPPL (Hilton Hotels at Embassy Golfink Parks)	21.65	18.27
QBPL (Hotel Four Seasons at Embassy One)	12.69	-
VTPL – (Hilton Hotels at ETV)**	356.42	306.53
	390.76	324.80

\*\*forms part of ETV assets CGU

Notes

to the Condensed Consolidated Financial Statements

5 INVESTMENT PROPERTIES

Reconciliation of carrying amounts for the period ended September 30, 2022

Particulars	Land-freehold	Land-leasehold (refer notes)	Buildings	Plant and machinery	Furniture and fixtures	Electrical equipment	Office equipment	Vehicle	Computer	Total
<b>Gross block</b>										
As at April 1, 2021	126,547.49	28,370.64	107,760.97	13,095.99	1,759.03	3,425.00	63.74	5.31	12.00	281,040.17
Additions for the year	5.49	238.91	9,872.06	2,307.64	225.57	818.20	2.00	-	0.04	13,469.91
Disposals	-	-	(1.20)	(0.20)	(13.99)	(0.48)	-	-	-	(15.87)
As at March 31, 2022	126,552.98	28,609.55	117,631.83	15,403.43	1,970.61	4,242.72	65.74	5.31	12.04	294,494.21
As at April 1, 2022	126,552.98	28,609.55	117,631.83	15,403.43	1,970.61	4,242.72	65.74	5.31	12.04	294,494.21
Additions for the period	-	-	821.94	138.27	18.50	95.18	0.11	-	-	1,074.00
Disposals	-	-	-	(10.59)	(3.60)	(5.44)	-	-	-	(19.63)
As at September 30, 2022	126,552.98	28,609.55	118,453.77	15,531.11	1,985.51	4,332.46	65.85	5.31	12.04	295,548.58
<b>Accumulated depreciation and impairment</b>										
As at April 1, 2021	12.80	844.66	4,361.80	2,033.86	591.39	815.14	27.59	4.04	3.13	8,694.41
Charge for the year	-	361.02	2,771.66	1,387.45	288.36	461.72	11.44	1.27	1.08	5,284.00
Disposals	-	-	-	(0.20)	(6.08)	(0.15)	-	-	-	(6.43)
As at March 31, 2022	12.80	1,205.68	7,133.46	3,421.11	873.67	1,276.71	39.03	5.31	4.21	13,971.98
As at April 1, 2022	12.80	1,205.68	7,133.46	3,421.11	873.67	1,276.71	39.03	5.31	4.21	13,971.98
Charge for the period	-	181.30	2,044.46	761.14	119.80	273.03	7.85	0.12	0.09	3,387.79
Disposals	-	-	-	(1.27)	(1.28)	(1.96)	-	-	-	(4.51)
As at September 30, 2022	12.80	1,386.98	9,177.92	4,180.98	992.19	1,547.78	46.88	5.43	4.30	17,355.26
<b>Carrying amount (net)</b>										
As at March 31, 2022	126,540.18	27,403.87	110,498.37	11,982.32	1,096.94	2,966.01	26.71	-	7.83	280,522.23
As at September 30, 2022	126,540.18	27,222.57	109,275.85	11,350.13	993.32	2,784.68	18.97	(0.12)	7.74	278,193.32

Notes:

- i. EPTPL: The leasehold land for Embassy Techzone is taken from Maharashtra Industrial Development Corporation (‘MIDC’) on a lease for a period of 95 years. The lease expires in July 2100.
- ii. OBPPL: The leasehold land for Embassy Oxygen is taken from New Okhla Industrial Development Authority (‘NOIDA’) on a lease for a period of 90 years. The lease expires in September 2097.
- iii. ETPL: The leasehold land for First International Financial Centre is taken from Mumbai Mahanagar Regional Development Authority (‘MMRDA’) on a lease for a period of 80 years. The lease expires in June 2088.
- iv. GSPL: The leasehold land for Embassy Galaxy is taken from NOIDA on a lease for a period of 90 years. The lease expires in June 2095.
- v. QBPL: The leasehold land for Embassy Quadron is taken from MIDC for a lease term of 95 years. The lease expires in October 2100. As per the lease agreement the Company can renew the lease for a further period of 95 years.
- vi. VTPL: VTPL had earlier entered into lease-cum sale agreement for the land located in Embassy Tech Village with Karnataka Industrial Area Development Board (KIADB) for a period of 20 years commencing from 16 June 2006. As per the lease agreement KIADB shall sell the land to VTPL at any time during the tenure of the lease or on expiry of the lease period, if VTPL has performed all the conditions contained in the agreement and committed no breach thereof. VTPL had converted the leasehold land measuring 81.39 acres into a freehold land as per the sale deed entered with KIADB on February 12, 2018. Further, 1 acre and 37 guntas leasehold land is yet to be registered and is classified as a leasehold land and no depreciation has been charged on the same.
- vii. Investment properties comprises of commercial buildings and other assets forming part of the buildings, that is leased to third parties. The license agreement entered into with tenants may or may not contain an initial non-cancellable period. Subsequent renewals of these license agreements are negotiated with the tenants and historically the average renewal period ranges between three and five years.
- viii. The investment properties have been leased out to lessees/held for lease on operating lease basis.
- ix. The plant and machinery and furniture and fixtures are physically attached to the buildings and form an integral part thereof, hence they are considered as investment properties.
- x. The amount of borrowing cost capitalised during the period is ₹274.85 Million (March 31, 2022: ₹806.23 Million) at a capitalisation rate which is the SPV specific Weighted Average Borrowing Cost (WABC).
- xi. In accordance with Ind AS 116- Leases, investment properties includes Right-of-Use (ROU) asset of ₹298.06 Million (March 31, 2022: ₹300.26 Million) which is recorded under Land Leasehold. The corresponding lease liability amounting to ₹345.07 Million (March 31, 2022: ₹347.98 Million) is recorded as a financial liability.
- xii. Accumulated Depreciation as at September 30, 2022 includes impairment loss of ₹31.71 Million (March 31, 2022: ₹31.71 Million).



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 6 GOODWILL [REFER NOTE 2.1 (I) (B)]

As at September 30, 2022

SPV	Goodwill as at April 1, 2022	Consideration transferred for business combination during the period	Fair value of net assets acquired under business combination during the period/ adjustments	Goodwill arising on acquisitions during the period	Impairment loss for the period	Net carrying value as at September 30, 2022
MPPL	21,466.58	-	-	-	-	21,466.58
EPTPL	1,027.18	-	-	-	-	1,027.18
EEPL	703.52	-	-	-	-	703.52
UPPL	131.89	-	-	-	-	131.89
ETPL	2,899.23	-	-	-	-	2,899.23
GSPL	1,962.11	-	-	-	-	1,962.11
IENMPL	6,071.57	-	-	-	-	6,071.57
OBPPL	6,529.49	-	-	-	-	6,529.49
QBPPL	1,596.82	-	-	-	-	1,596.82
QBPL	3,198.66	-	-	-	-	3,198.66
VCPPL	4,265.12	-	-	-	-	4,265.12
ETV assets	14,193.18	-	-	-	-	14,193.18
	64,045.35	-	-	-	-	64,045.35

As at March 31, 2022

SPV	Goodwill as at April 1, 2021	Consideration transferred for business combination during the year	Fair value of net assets acquired under business combination during the period/ adjustments	Goodwill arising on acquisitions during the period	Impairment loss for the year	Net carrying value as at March 31, 2022
MPPL	21,466.58	-	-	-	-	21,466.58
EPTPL	1,027.18	-	-	-	-	1,027.18
EEPL	703.52	-	-	-	-	703.52
UPPL	131.89	-	-	-	-	131.89
ETPL	2,899.23	-	-	-	-	2,899.23
GSPL	1,962.11	-	-	-	-	1,962.11
IENMPL	6,071.57	-	-	-	-	6,071.57
OBPPL	6,529.49	-	-	-	-	6,529.49
QBPPL	1,596.82	-	-	-	-	1,596.82
QBPL	3,198.66	-	-	-	-	3,198.66
VCPPL	4,265.12	-	-	-	-	4,265.12
ETV assets*	14,094.07	-	99.11	-	-	14,193.18
	63,946.24	-	99.11	-	-	64,045.35

\* During the year ended March 31, 2022, the fair value of other assets acquired was revised by ₹99.11 Million based on the new information obtained about facts and circumstances that existed as at the acquisition date. Accordingly, the above amount was adjusted with Goodwill in the year ended March 31, 2022 with a corresponding impact in the fair value of the asset taken over.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 7 OTHER INTANGIBLE ASSETS

Reconciliation of carrying amounts for the period ended September 30, 2022

Particulars	CAM service rights	Power Purchase Agreement	Right to use trade mark	Computer software	Total
As at April 1, 2021	9,826.91	3,348.00	3,641.88	35.91	16,852.70
Additions during the year	-	-	-	21.91	21.91
As at March 31, 2022	9,826.91	3,348.00	3,641.88	57.82	16,874.61
As at April 1, 2022	9,826.91	3,348.00	3,641.88	57.82	16,874.61
Additions during the period	-	-	-	4.79	4.79
As at September 30, 2022	9,826.91	3,348.00	3,641.88	62.61	16,879.40
Accumulated amortisation					
As at April 1, 2021	612.13	291.13	-	24.80	928.06
Amortisation for the year	1,817.26	145.57	-	5.72	1,968.55
As at March 31, 2022	2,429.39	436.70	-	30.52	2,896.61
As at April 1, 2022	2,429.39	436.70	-	30.52	2,896.61
Amortisation for the period	982.63	72.78	-	3.58	1,058.99
As at September 30, 2022	3,412.02	509.48	-	34.10	3,955.60
Carrying amount (net)					
As at March 31, 2022	7,397.52	2,911.30	3,641.88	27.30	13,978.00
As at September 30, 2022	6,414.89	2,838.52	3,641.88	28.51	12,923.80

## 8 INVESTMENT PROPERTIES UNDER DEVELOPMENT (IPUD)

IPUD mainly comprises upcoming buildings and other infrastructure upgrades in various properties. The details are as follows:

SPV/ Hold Co	Particulars	As at September 30, 2022	As at March 31, 2022
Base build			
VTPL	Block 8	1,579.95	933.51
EPTPL	Hudson block and Ganges block	3,302.18	2,878.05
OBPL	Tower 1	2,135.34	1,513.82
Infrastructure and Upgrade Projects			
MPPL	Master plan upgrades	1,014.40	681.36
VTPL	Master plan upgrades	187.52	4.69
EPTPL	Master plan upgrades	1,107.29	646.08
QBPL	Master plan upgrades	117.70	46.55
GSPL	Master plan upgrades	93.51	-
QBPPL	Master plan upgrades	118.70	49.54
Multiple	Various	35.89	26.38
		9,692.48	6,779.98

## 9 EQUITY ACCOUNTED INVESTEE

Particulars	As at September 30, 2022	As at March 31, 2022
Investment in joint venture		
Golflinks Software Park Private Limited	23,183.71	23,634.69
	23,183.71	23,634.69
Goodwill on acquisition included as a part of carrying cost	10,449.36	10,449.36
	As at September 30, 2022	As at March 31, 2022
Percentage ownership interest	50%	50%
Fair value of net assets on Purchase Price Allocation	26,247.74	26,247.74
Embassy Office Parks Group's share of net assets (50%)	13,123.87	13,123.87
Carrying amount of interest (including goodwill)	23,183.71	23,634.69



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 10 NON-CURRENT INVESTMENTS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Trade, unquoted, measured at amortised cost</b>		
Investment in debentures of joint venture (refer note 49)	8,900.00	-
9,500 (March 31, 2022: Nil) 8.15% debentures of face value of ₹1,000,000 each		
	8,900.00	-
<b>Terms:</b>		
9,500 (March 31, 2022: Nil) unlisted, unrated, secured, redeemable, non-convertible debentures of Golflinks Software Parks Private Limited with face value of ₹1,000,000 each was issued on April 6, 2022. Outstanding as on September 30, 2022 of ₹8,900.00 Million (March 31, 2022: Nil).		
Interest Rate: 8.15% p.a. on monthly outstanding balance.		
Security: The debentures are secured by first ranking exclusive security interest over identified land and building of Embassy Golflinks Business Park.		
Tenure: Debentures shall be redeemed 7 years from the deemed date of allotment. Early redemption of debentures shall be permitted subject to availability of Net cash flows on such date.		
<b>Aggregate amount of unquoted investments</b>	8,900.00	-
<b>Aggregate amount of quoted investments</b>	-	-
<b>Investment measured at amortised cost</b>	8,900.00	-
<b>Investment measured at fair value through profit and loss</b>	-	-

## 11 OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Bank deposits with more than 12 months maturity*	228.38	310.39
Unbilled revenue	836.56	784.82
Security deposits		
- others	897.03	889.49
Receivable under finance lease	1,100.17	796.66
	3,062.14	2,781.36
	228.38	310.39

\* Includes fixed deposits held as lien against debt taken and margin money for bank guarantee

## 12 NON-CURRENT TAX ASSETS (NET)

Particulars	As at September 30, 2022	As at March 31, 2022
Advance tax, net of provision for tax	1,097.24	814.99
	1,097.24	814.99

## 13 OTHER NON-CURRENT ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Advance paid for co-development of property, including development rights on land (refer note 49 and 54)	16,030.55	15,777.90
Other capital advances		
- related party (refer note 49)	264.02	223.73
- others	1,257.33	2,022.43
Balances with government authorities	150.95	193.78
Paid under protest to government authorities (refer note 46)	729.75	716.30
Prepayments	53.76	67.23
	18,486.36	19,001.37

# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 14 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at September 30, 2022	As at March 31, 2022
Stock of consumables	33.30	11.09
	33.30	11.09

## 15 TRADE RECEIVABLES

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured</b>		
Considered good *	545.96	605.81
Credit impaired	6.60	6.60
Less: Allowances for impairment losses	(6.60)	(6.60)
	545.96	605.81

\* Includes trade receivables from related parties amounting to ₹206.07 Million (March 31, 2022: ₹523.36 Million) (refer note 49).

## 16A CASH AND CASH EQUIVALENTS

Particulars	As at September 30, 2022	As at March 31, 2022
Cash on hand	1.50	0.74
Balances with banks		
- in current accounts*	5,815.63	5,821.18
- in escrow accounts		
- Balances with banks for unclaimed distributions	3.93	2.94
- Others^	68.49	51.06
- in fixed deposit accounts with original maturity of less than three months	275.09	8.57
	6,164.64	5,884.49

\* Balance in current accounts includes cheques on hand as at September 30, 2022 amounting to ₹641.18 Million (March 31, 2022: ₹536.97 Million).

^ Includes unspent Corporate Social Responsibility (CSR) balances amounting to ₹1.76 Million (March 31, 2022: ₹30.82 Million) which has been deposited in separate escrow accounts.

## 16B OTHER BANK BALANCES

Particulars	As at September 30, 2022	As at March 31, 2022
Balances with banks		
- in fixed deposit accounts with original maturity greater than three months and maturity less than twelve months from the reporting date*	237.28	231.50
	237.28	231.50
*Deposit for availing letter of credit facilities	237.28	231.50



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 17 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Interest accrued but not due		
- on fixed deposits	4.27	0.88
- on statutory deposits	6.11	16.10
- on others	1.01	2.01
Security deposits	0.53	0.53
Unbilled revenue (refer note 49)	447.65	431.78
Unbilled maintenance charges	296.33	238.28
Receivable under finance lease	339.04	446.94
Receivable for rental support from a related party (refer note 49)	174.77	-
Receivable for sale of co-developer rights	-	482.92
Other receivables		
- related parties (refer note 49)	257.29	620.97
- others	3.53	4.18
	1,530.53	2,244.59

## 18 CURRENT TAX ASSETS (NET)

Particulars	As at September 30, 2022	As at March 31, 2022
Advance tax, net of provision for tax	-	307.19
	-	307.19

## 19 OTHER CURRENT ASSETS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Unsecured, considered good</b>		
Advance for supply of goods and rendering of services		
- to related parties (refer note 49)	102.62	74.43
- to others	31.29	22.37
Balances with government authorities	328.35	180.51
Prepayments	668.88	189.63
	1,131.14	466.94

## 20 UNIT CAPITAL

Unit capital	No. in Million	Amount
<b>As at April 1, 2021</b>	947.90	288,262.11
Changes during the year	-	-
<b>Closing balance as at March 31, 2022</b>	947.90	288,262.11
<b>As at April 1, 2022</b>	947.90	288,262.11
Changes during the period	-	-
<b>Closing balance as at September 30, 2022</b>	947.90	288,262.11

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

The Trust has only one class of Units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of Units is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the REIT Regulations. The Board of Directors of the Manager approves distributions to Unitholders. The distribution will be in proportion to the number of Units held by the Unitholders. The Trust declares and pays distributions in Indian Rupees.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Embassy Office Parks REIT for each financial year. Accordingly, a portion of the Unitholders' funds contains a contractual obligation of the Trust 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 December 29, 2016 and No. CIR/IMD/DF/141/2016 dated December 26, 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 dated December 26, 2016 dealing with the minimum disclosures for key financial statements. Consistent with Unitholders' funds being classified as equity, the distributions to Unitholders is presented in Statement of Changes in Unitholders' Equity and not as finance cost. In line with the above, the dividend payable to Unitholders is recognised as liability when the same is approved by the Manager.

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

Name of the Unitholder	As at September 30, 2022		As at March 31, 2022	
	No. of Units	% holding	No. of Units	% holding
Embassy Property Developments Private Limited	115,484,802	12.18%	115,484,802	12.18%
SG Indian Holding (NQ) Co I Pte Limited	55,239,840	5.83%	74,262,742	7.83%
BRE/Mauritius Investments	52,610,124	5.55%	77,431,543	8.17%

(c) The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further, the Trust had issued an aggregate of 613,332,143 Units at ₹300.00 each and 111,335,400 Units at a price of ₹331.00 each for consideration other than cash during the period of five years immediately preceding the balance sheet date.

### (d) Unitholding of sponsor group:

Sponsors	Units held by sponsor group				% Change during the period ended September 30, 2022
	No. of units as at September 30, 2022	% of total shares as at September 30, 2022	No. of units as at March 31, 2022	% of total shares as at March 31, 2022	
Embassy Property Developments Private Limited	115,484,802	12.18%	115,484,802	12.18%	-
BRE/Mauritius Investments (Co-sponsor), including co-sponsor group (refer note 49)	223,597,193	23.59%	300,597,191	31.71%	(8.12%)

## 21 OTHER EQUITY\*

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Reserves and Surplus</b>		
Retained earnings	(36,360.38)	(29,395.21)
	(36,360.38)	(29,395.21)

\* Refer Consolidated Statement of Changes in Unitholders' Equity for detailed movement in other equity balances.

### Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Embassy Office Parks group is recognised and accumulated under the heading of retained earnings. At the end of the period, the profit for the period including other comprehensive income is transferred from the Statement of Profit and Loss to the retained earnings account.



Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

22 NON-CURRENT BORROWINGS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Secured</b>		
<b>Non-convertible debentures</b>		
15,000 (March 31, 2022: 15,000) Embassy REIT Series II, Non-convertible debentures (NCD) 2020, face value of ₹1,000,000 each (net of issue expenses, at amortised cost)		
- Embassy REIT Series II NCD 2020 - Tranche A (refer note i below)	7,452.20	7,428.80
- Embassy REIT Series II NCD 2020 - Tranche B (refer note i below)	7,474.65	7,462.25
26,000 (March 31, 2022: 26,000) Embassy REIT Series III, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) [refer note (ii) below]	25,859.87	25,808.89
3,000 (March 31, 2022: 3,000) Embassy REIT Series IV, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) [refer note (iii) below]	2,978.39	2,975.64
31,000 (March 31, 2022: 31,000) Embassy REIT Series V, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each (net of issue expenses, at amortised cost)		
- Embassy REIT Series V NCD 2021 - Series A (refer note (iv) below)	19,907.18	19,883.54
- Embassy REIT Series V NCD 2021 - Series B (refer note (v) below)	10,939.65	10,932.21
10,000 (March 31, 2022: Nil) Embassy REIT Series VI, Non-convertible debentures (NCD) 2022, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note (vi) below)	9,952.88	-
4,950 (March 31, 2022: Nil) VTPL Series I, Non-convertible debentures (NCD) 2022, face value of ₹1,000,000 each (net of issue expenses, at amortised cost) (refer note (vii) below)	4,938.81	-
<b>Term loans</b>		
- from banks (refer note ix)	38,695.31	45,751.36
Overdraft (refer note ix)	3,663.52	-
<b>Unsecured</b>		
<b>Term loans</b>		
- from banks (refer note ix)	495.45	497.10
	132,357.91	120,739.79

Notes (Also in line with regulation 54 of SEBI Listing and Disclosure Regulations (LODR), 2015 as amended):

(i) 15,000 (March 31, 2022: 15,000) Embassy REIT Series II NCD 2020, face value of ₹1,000,000 each

In September 2020, the Trust issued 7,500 listed, AAA rated, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche A), debentures having face value of ₹1 Million each amounting to ₹7,500.00 Million with a coupon rate of 7.25% p.a. payable quarterly. In October 2020, the Trust further issued 7,500 such debentures (Tranche B), with a coupon rate of 6.70% p.a. payable quarterly and with same terms and conditions as Tranche A.

The Tranche A and Tranche B NCD described above were listed on the Bombay Stock Exchange on September 17, 2020 and November 5, 2020 respectively.

Security terms

The NCD's are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

- A sole and exclusive first ranking charge by way of mortgage created by EPTPL on the constructed buildings and related parcels identified as Block 2, Block 3, Food court, Block 6, Block 1, Block 11 and Block 5, having an aggregate leasable area of 200,674 square meters and forming part of the development known as Embassy Tech Zone together with portion of land admeasuring 96,630 square meters on which the aforesaid buildings are constructed out of the aggregate area of land measuring 67.45 acres equivalent to 272,979 sq. mtrs.
- A sole and exclusive first ranking pledge created by the Embassy REIT over the shareholding in the SPVs namely IENMPL and EPTPL together known as “secured SPVs” along with shareholder loans given to these SPVs.
- A sole and exclusive first ranking charge by way of hypothecation created by Embassy REIT over identified bank accounts and receivables.
- A sole and exclusive first ranking charge by way of hypothecation created by EPTPL over identified bank accounts and receivables.
- A Corporate Guarantee issued by each of EPTPL and IENMPL.



Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

Redemption terms

- Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date.
- These debentures will be redeemed on the expiry of 37 months from the Date of Allotment for the Debentures at par on October 9, 2023.
- In case of downgrading of credit rating, the coupon rate shall increase by 0.25%-1.25% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the IRR shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.
- The issuer shall have the option of redeeming all or part of the debentures on a pro rata basis at any time on a specified call option date (between March 2023 to September 2023) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

(ii) 26,000 (March 31, 2022: 26,000) Embassy REIT Series III NCD 2021, face value of ₹1,000,000 each

In January 2021, the Trust issued 26,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series III NCD 2021 debentures having face value of ₹1 Million each amounting to ₹26,000.00 Million with an coupon rate of 6.40% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on January 19, 2021.

Security terms

The NCD's are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking *pari passu inter se* the Debenture Holders):

- A first ranking charge by way of mortgage created by VTPL on the constructed buildings and related parcels identified as Block 1A, Block 2 and Block 7B, having an aggregate leasable area of 3,43,772 square meters and forming part of the development known as Embassy TechVillage together with portion of land admeasuring 101,859 square meters on which the aforesaid buildings are constructed.
- A first ranking charge by way of mortgage created by QBPPL on the constructed buildings and related parcels identified as Block IT 1 and Block IT 2, having an aggregate leasable area of 42,163 square meters and forming part of the development known as Embassy Qubix together

with portion of land admeasuring 23,028 square meters on which the aforesaid buildings are constructed.

- A first ranking *pari passu* pledge created by the Embassy REIT, MPPL and EOVL over their shareholding in the SPV's namely VTPL and EEPL together known as “Secured SPVs”.
- A sole and exclusive first ranking charge by way of hypothecation created by Embassy REIT over identified bank accounts and receivables.
- A sole and exclusive first ranking charge by way of hypothecation created by VTPL over identified bank accounts and receivables and by QBPPL over identified receivables.
- A corporate guarantee issued by each of VTPL, EEPL and QBPPL.

Redemption terms

- Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date.
- These debentures will be redeemed on the expiry of 37 months from the Date of Allotment for the Debentures at par on February 15, 2024.
- In case of downgrading of credit rating, the coupon rate shall increase by 0.25%-1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.
- The issuer shall have the option of redeeming all or part of the debentures on a pro rata basis at any time on a specified call option date (between July 2023 to January 2024) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

(iii) 3,000 (March 31, 2022: 3,000) Embassy REIT Series IV, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each

In September 2021, the Trust issued 3,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series IV NCD 2021 debentures having face value of ₹1 Million each amounting to ₹3,000.00 Million with an coupon rate of 6.80% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on September 9, 2021.



# Notes

to the Condensed Consolidated Financial Statements

	(all amounts in ₹ Million unless otherwise stated)
<b>Security terms</b> The NCD's are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking <i>pari passu inter se</i> the Debenture Holders):	amounting to ₹20,000.00 Million with a coupon rate of 6.25% p.a. payable quarterly.
	The debentures described above were listed on the Bombay Stock Exchange on October 20, 2021.
<b>Security term</b> The NCD's are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking <i>pari passu inter se</i> the Debenture Holders):	
1. A first ranking charge by way of mortgage created by SIPL on the constructed, under-construction buildings, erections, constructions of every description and related parcels identified as Block 9, admeasuring 1.1 Million square feet and forming part of the development known as Embassy TechVillage.	1. A first ranking <i>pari passu</i> charge by way of mortgage created by MPPL on the constructed buildings and related parcels identified as Palm (Block F3), Mahogany (Block F2), Mulberry (Block G1), Ebony (Block G2), G Bridge (G1 & G2), Teak (Block G3), Cypress (Block D4), Beech (Block E1) and Mfar – Green Phase 4, having an aggregate leasable area of 40,16,856 sq ft and land admeasuring 30.856 acres, forming part of the development known as Embassy Manyata Business Park.
2. A first ranking <i>pari passu</i> pledge created by the Embassy REIT over its shareholding in SIPL; known as the “Secured SPV”.	2. A first ranking <i>pari passu</i> pledge created by Embassy REIT over its shareholding in MPPL; known as “Secured SPV”.
3. A first ranking <i>pari passu</i> charge by way of hypothecation created by Embassy REIT over identified receivables from SIPL.	3. A first ranking <i>pari passu</i> charge by way of hypothecation created by Embassy REIT over the identified receivables from MPPL.
4. A first ranking <i>pari passu</i> charge by way of hypothecation created by SIPL over all current and future movable assets, including identified bank accounts and receivables.	4. A first ranking <i>pari passu</i> charge by way of hypothecation created by MPPL including identified bank accounts and receivables.
5. A corporate guarantee issued by SIPL.	5. A corporate guarantee issued by MPPL.
<b>Redemption terms</b>	<b>Redemption terms</b>
1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date.	1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption date.
2. These debentures will be redeemed on the expiry of 60 months from the Date of Allotment for the Debentures at par on September 7, 2026.	2. These Debentures will be redeemed on the expiry of 36 months from Date of Allotment at par on October 18, 2024.
3. In case of downgrading of credit rating , the coupon rate shall increase by 0.25%-1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.	3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25% - 1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25% - 1.00% over and above the coupon rate calculated from the date of change of rating.
4. The issuer shall have the option of redeeming all or part of the debentures on a pro rata basis at any time on a specified call option date (between March 2026 to August 2026) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.	4. The issuer shall have the option of redeeming all or part of the Series V (Tranche A) debentures on a pro rata basis at any time on a specified call option date (between April 2024 to July 2024) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.
<b>(iv) 20,000 (March 31, 2022: 20,000) Embassy REIT Series V - Series A, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each</b> In October 2021, the Trust issued 20,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series V NCD 2021 (Tranche A) debentures having face value of ₹1 Million each	

# Notes

to the Condensed Consolidated Financial Statements

	(all amounts in ₹ Million unless otherwise stated)
<b>(v) 11,000 (March 31, 2022: 11,000) Embassy REIT Series V - Series B, Non-convertible debentures (NCD) 2021, face value of ₹1,000,000 each</b> In October 2021, the Trust issued 11,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series V NCD 2021 (Tranche B) debentures having face value of ₹1 Million each amounting to ₹11,000.00 Million with a coupon rate of 7.05% p.a. payable quarterly.	pro rata basis at any time on a specified call option date (between April 2026 to July 2026) delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.
	The debentures described above were listed on the Bombay Stock Exchange on October 20, 2021.
<b>Security term</b> The NCD's are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking <i>pari passu inter se</i> the Debenture Holders):	
1. A first ranking <i>pari passu</i> charge by way of mortgage created by MPPL on the constructed buildings and related parcels identified as Magnolia (Block B), Pine (Block L5), Mountain Ash (Block H2), Silver Oak (Block E2) and Mfar-Philips Building having an aggregate leasable area of 20,23,051 sq ft and land admeasuring 11.530 acres forming part of the development known as Embassy Manyata Business Park.	1. A sole and exclusive first ranking <i>pari passu</i> pledge created by MPPL over the 50% shareholding of GLSP.
2. A first ranking <i>pari passu</i> pledge created by Embassy REIT over its shareholding in MPPL; known as “Secured SPV”.	2. A sole and exclusive first ranking <i>pari passu</i> pledge created by Embassy REIT over all the debentures issued by GLSP (“GLSP NCDs”)
3. A first ranking <i>pari passu</i> charge by way of hypothecation created by Embassy REIT over the identified receivables from MPPL.	3. A first ranking <i>pari passu</i> charge by way of hypothecation created by Embassy REIT over the identified receivables/cash flows of GLSP NCDs issued by GLSP.
4. A first ranking <i>pari passu</i> charge by way of hypothecation created by MPPL including identified bank accounts and receivables.	4. A first ranking <i>pari passu</i> charge by way of hypothecation created by MPPL over the identified receivables from GLSP.
5. A corporate guarantee issued by MPPL.	5. A corporate guarantee issued by MPPL.
<b>Redemption terms</b>	<b>Redemption terms</b>
1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption date.	1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption date.
2. These Debentures will be redeemed on the expiry of 60 months from Date of Allotment at par on October 18, 2026.	2. These Debentures will be redeemed on the expiry of 60 months from Date of Allotment at par on April 5, 2027.
3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25% -1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.	3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25%-1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.
4. The issuer shall have the option of redeeming all or part of the Series V (Tranche B) debentures on a	
<b>(vi) 10,000 (March 31, 2022: Nil) Embassy REIT Series VI, Non-convertible debentures (NCD) 2022, face value of ₹1,000,000 each</b> In April 2022, the Trust issued 10,000 listed, AAA rated, secured, redeemable, transferable and non-convertible Embassy REIT Series VI NCD 2022 debentures having face value of ₹1 Million each amounting to ₹10,000.00 Million with a coupon rate of 7.35% p.a. payable quarterly.	
	The debentures described above were listed on the Bombay Stock Exchange on April 7, 2022.
<b>Security term</b> The NCD's are secured against each of the following in favour of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking <i>pari passu inter se</i> the Debenture Holders):	
1. A first ranking <i>pari passu</i> charge by way of mortgage created by MPPL on the constructed buildings and related parcels identified as Magnolia (Block B), Pine (Block L5), Mountain Ash (Block H2), Silver Oak (Block E2) and Mfar-Philips Building having an aggregate leasable area of 20,23,051 sq ft and land admeasuring 11.530 acres forming part of the development known as Embassy Manyata Business Park.	
2. A first ranking <i>pari passu</i> pledge created by Embassy REIT over its shareholding in MPPL; known as “Secured SPV”.	
3. A first ranking <i>pari passu</i> charge by way of hypothecation created by Embassy REIT over the identified receivables from MPPL.	
4. A first ranking <i>pari passu</i> charge by way of hypothecation created by MPPL including identified bank accounts and receivables.	
5. A corporate guarantee issued by MPPL.	
<b>Redemption terms</b>	
1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption date.	
2. These Debentures will be redeemed on the expiry of 60 months from Date of Allotment at par on October 18, 2026.	
3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25% -1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.	
4. The issuer shall have the option of redeeming all or part of the Series V (Tranche B) debentures on a	



Notes

to the Condensed Consolidated Financial Statements

- (all amounts in ₹ Million unless otherwise stated)

4. The issuer shall have the option of redeeming all or part of the Series VI debentures on a pro rata basis at any time on a specified call option date (September 2026) delivering a Call Option Notice to the debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.
- (vii) **4,950 (March 31, 2022: Nil) VTPL Series I, Non-convertible debentures (NCD) 2022, face value of ₹1,000,000 each**

In August 2022, VTPL issued 4,950 listed, AAA rated, secured, redeemable, transferable, green debt securities in the form of non-convertible VTPL Series I NCD 2022 debentures having face value of ₹1 Million each amounting to ₹4,950.00 Million with a coupon rate of 7.65% p.a. payable quarterly.

The debentures described above were listed on the Bombay Stock Exchange on September 5, 2022.

**Security term**

The NCD's are secured against each of the following in favour of the Debenture Trustee (holding for the benefit of the Debenture Holders):

1. A first ranking *pari passu* charge by way of equitable mortgage on the constructed and related parcels of immovable properties identified as Parcel 5, admeasuring 2.43 Million square feet and forming part of the development known as Embassy Tech Village, Bengaluru.
- (all amounts in ₹ Million unless otherwise stated)

2. A first ranking *pari passu* charge by way of hypothecation over identified bank account and receivables.

3. Keepwell Undertaking from Embassy Office Parks REIT.

**Redemption terms**

1. Interest is payable on the last day of each financial quarter in a year until the Scheduled Redemption Date.

2. These debentures will be redeemed on the expiry of 2 years and 364 days from the Deemed Date of Allotment for the Debentures at par; on August 29, 2025.

3. In case of downgrading of credit rating, the coupon rate shall increase by 0.25%-1.00% over and above the applicable coupon rate calculated from the date of change of rating. In case of any subsequent upgrading of credit rating, the coupon rate shall restore/decrease by 0.25%-1.00% over and above the coupon rate calculated from the date of change of rating.

4. The issuer shall have the option of redeeming all or part of the debentures on a pro rata basis at any time on a specified call option date (between April 2025 to June 2025) by delivering a Call Option Notice to the debenture holders prior to the relevant call option date.

(viii) Disclosure required under SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated April 13, 2018

1. Details of non-convertible debentures are as follows:-

Particulars	Secured/ Unsecured	Previous due date		Next due date	
		Principal	Interest	Principal	Interest
Embassy REIT Series II NCD 2020	Secured	-	September 30, 2022	October 9, 2023	December 31, 2022
Embassy REIT Series III NCD 2021	Secured	-	September 30, 2022	February 15, 2024	December 31, 2022
Embassy REIT Series IV NCD 2021	Secured	-	September 30, 2022	September 7, 2026	December 31, 2022
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	September 30, 2022	October 18, 2024	December 31, 2022
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	September 30, 2022	October 18, 2026	December 31, 2022
VTPL Series I NCD 2022	Secured	-	September 30, 2022	August 29, 2025	December 31, 2022

2. Rating agency CRISIL has assigned a rating of “CRISIL AAA/Stable” to all the above NCDs.
3. Other requirements as per Guidelines for issuance of debt securities by Real Estate Investment Trusts (REITs)

Particulars	As at September 30, 2022	As at March 31, 2022
Asset cover ratio (refer a below)	26.65%	24.51%
Debt – equity ratio (refer b below)	0.54	0.47
Debt – service coverage ratio (refer c below)	2.95	3.09
Interest-service coverage ratio (refer d below)	2.98	3.15
Net worth (refer e below)	251,901.73	258,866.90



Notes

to the Condensed Consolidated Financial Statements

- (all amounts in ₹ Million unless otherwise stated)
- Formulae for computation of ratios are as follows basis consolidated financial statements:-
- a) Asset cover ratio = Total borrowings\*/ Gross asset value as computed by independent valuers

b) Debt equity ratio = Total borrowings\*/ Unitholders’ Equity\*

c) Debt Service Coverage Ratio = Earnings before Finance costs, Depreciation, Amortisation and Tax/[Finance cost (net of capitalisation and excluding interest on lease deposit and interest on lease liability) + Principal repayments made during the year to the extent not refinanced]

d) Interest Service Coverage Ratio = Earnings before Finance costs, Depreciation, Amortisation and Tax/Finance cost (net of capitalisation and excluding interest on lease deposit and interest on lease liability)

e) Net worth = Unit capital + Other equity

\* Total borrowings = Long-term borrowings + Short-term borrowings

Unitholder’s Equity = Unit Capital + Other equity

- (ix) (a) **Lender 1 [balance as at September 30, 2022: ₹3,797.24 Million (March 31, 2022: ₹3,726.20 Million)]**
1. First ranking mortgage over leasehold rights of 6.63 acres of Block M3 land and building being constructed thereon situated at Embassy Manyata Bengaluru.

2. First ranking mortgage over 1.77 acres of Block F1 land and any future construction thereon situated at Embassy Manyata Business Park.

3. Debt service reserve account to be maintained equal to three months interest on outstanding loan.

4. Keepwell Undertaking from Embassy Office Parks REIT.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable as bullet payment at the end of 36 months from first disbursement i.e. by March 2024. The loan carries an interest rate of 1M T-Bill rate plus applicable spread, 8.50% p.a. effective October 1, 2022	3,797.24	3,726.20

- (b) **Lender 2 [balance as at September 30, 2022: ₹5,913.29 Million (March 31, 2022: ₹4,669.52 Million)]**
1. First ranking mortgage of undivided share of land and building thereon (Office Tower – 1 and Office Tower – 2 at NXT Block) situated at Front Parcel of Embassy Manyata, Bengaluru.

2. Exclusive charge over the entire lease rental receivables from tenants, security deposits payable and current assets pertaining to buildings (Office Tower – 1 and Office Tower – 2 at NXT Block) situated at Embassy Manyata, Bengaluru.

3. Exclusive charge on the Escrow Account established and maintained pursuant to Escrow Agreement of the Borrower.

4. Debt service reserve account to be maintained equal to one month debt servicing requirement on the outstanding amount under the Facility.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable in 144 monthly instalments with Nil moratorium, from the date of drawdown. Each tranche carries interest of 1 Year MCLR as applicable on date of drawdown + applicable spread, average rate being 7.68% p.a.	5,913.29	4,669.52

- (c) **Lender 3 [balance as at September 30, 2022: ₹597.79 Million (March 31, 2022: ₹Nil)]**
- First ranking mortgage of undivided share of land and building thereon (Office Tower – 1 and Office Tower – 2 at NXT Block) situated at Front Parcel of Embassy Manyata, Bengaluru.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Overdraft Facility repayable by way of three annual structured installments. The debt carries an interest rate of 1 Year I-MCLR plus applicable spread, currently 8.10% p.a.	597.79	-

Note

The SPV uses this long term Overdraft facility to park temporary excess funds and utilises such temporary excess funds as and when needed. This parking and utilisation of excess funds temporarily is not considered as loan repayment or drawdown for the purpose of NDCF computation.



Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

- (d) Lender 4 [balance as at September 30, 2022: ₹4,915.14 Million (March 31, 2022: ₹4,913.42 Million)]**
- 1. Exclusive charge on mortgage of undivided share of land and building thereon (Hilton Hotel, Hilton Garden Inn and Convention Centre) situated at Front Parcel of Embassy Manyata, Bengaluru.
  - 2. Exclusive charge over current assets and fixed and moveable assets pertaining to buildings (Hilton Hotel, Hilton Garden Inn and Convention Centre) situated at Embassy Manyata, Bengaluru.
  - 3. Exclusive charge on the Escrow Account established and maintained pursuant to Escrow Agreement of the Borrower.
  - 4. Keepwell Undertaking from Embassy Office Parks REIT.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable in 120 monthly instalments from the date of drawdown, with moratorium till September 30, 2023. The loan carries an interest rate of 1 Year I-MCLR plus spread of 0.40%, currently 7.95% p.a.	4,915.14	4,913.42

- (e) Lender 5, 6 and 7 [balance as at September 30, 2022: ₹9,378.27 Million (March 31, 2022: ₹14,948.43 Million)]**
- 1. First *pari passu* charge on mortgage on the underlying parcel 5 land and buildings and blocks thereon measuring to 2.43 Million square feet at Embassy Tech Village, Bengaluru.
  - 2. First charge by way of hypothecation of the receivables of the above Buildings of Embassy TechVillage, Bengaluru.
  - 3. A debt service reserve account with 1 months equivalent of ensuing repayment obligations in form of interest bearing deposit in respect of loan obligations outstanding with Lender 5

Name of the lender	Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Lender 5	Repayable in structured monthly instalments with no moratorium, interest rate of lender's 3M T-Bill rate + applicable spread, currently 7.65% p.a.	7,187.09	7,404.34
	Repayable as bullet payment on October 29, 2025. The loan carries an interest rate of lender's 3M T-Bill rate + applicable spread, currently 7.84% p.a.	445.84	145.12
Lender 6*	Repayable in structured monthly instalments with no moratorium, interest rate of 3 months T-Bill rate + applicable spread.	-	7,398.97
Lender 7	Repayable in 36 monthly instalments with Nil moratorium, from the date of drawdown. The loan carries an interest rate of 1 Year I-MCLR plus applicable spread, currently 7.95% p.a.	998.20	-
	Overdraft Facility availed as sublimit of Term loan on same terms and conditions - Repayable by way of a three annual instalments from the date of first drawdown. The debt carries interest of 1 Year I-MCLR plus applicable spread, currently 8.10 % p.a.	747.14	-

The SPV uses this long-term Over Draft facility to park temporary excess funds and utilises such temporary excess funds as and when needed. This parking and utilisation of excess funds temporarily is not considered as loan repayment or drawdown for the purpose of NDCF computation.

\* The loan has been foreclosed in the month of August 2022.

- (f) Lender 8 [balance as at September 30, 2022: ₹1,748.49 Million (March 31, 2022: ₹946.92 Million)]**
- Exclusive mortgage of undivided share of land of 3.24 acres and building being constructed thereon (Tower 1) situated at Embassy Oxygen, Noida.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable in 4 quarterly instalments after moratorium of 4 quarters from date of drawdown. Each tranche carries interest of 1 Year MCLR as applicable on date of drawdown + spread of NIL, average rate being 7.43% p.a.	1,748.49	946.92

- (g) Lender 9 [balance as at September 30, 2022: ₹2,584.59 Million (March 31, 2022: ₹1,866.69 Million)]**
- 1. Exclusive mortgage of undivided share of land admeasuring approximately 9.83 acres and building being constructed thereon at Hudson & Ganges blocks and MLCP Building at Embassy TechZone, Pune ("Project")
  - 2. Exclusive charge on the entire current assets including receivables of EPTPL in relation to the Project.
  - 3. Exclusive charge on the Escrow Account established and maintained pursuant to Escrow Agreement of EPTPL.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable by way of single bullet repayment on August 31, 2023. The debt carries interest of 1 Year MCLR + applicable spread, currently 8.40% p.a.	2,584.59	1,866.69

Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

- (h) Lender 10 [balance as at September 30, 2022: ₹15,056.80 Million (March 31, 2022: ₹14,951.41 Million)]**
- 1. Exclusive charge on mortgage of undivided share of land admeasuring 26,67,701 sq ft and building thereon (Blocks C1, C2, C4, L1, L2 and L3) situated at Embassy Manyata Business Park, Bengaluru.
  - 2. Exclusive charge over current assets and moveable assets pertaining to buildings (Blocks C1, C2, C4, L1, L2 and L3) situated at Embassy Manyata Business Park, Bengaluru.
  - 3. First ranking *pari passu* pledge over the equity shares of MPPL.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable by way of a single bullet repayment at the end of 60th month from date of first disbursement i.e. October 25, 2026. The debt carries interest of Repo rate + applicable spread, currently 7.85% p.a.	13,956.63	14,951.41
Overdraft Facility availed as sublimit of Term loan on same terms and conditions - Repayable by way of a single bullet repayment on October 25, 2026. The debt carries interest of Repo rate + applicable spread, currently 7.85% p.a.	1,000.00	-
Repayable by way of a single bullet repayment on October 25, 2026. The debt carries interest of 12 months MCLR + Nil spread, currently 7.75% p.a.	100.17	-

The SPV uses this long term Over Draft facility to park temporary excess funds and utilises such temporary excess funds as and when needed. This parking and utilisation of excess funds temporarily is not considered as loan repayment or drawdown for the purpose of NDCF computation.

- (i) Lender 11 [balance as at September 30, 2022: ₹750.00 Million (March 31, 2022: Nil)]**
- 1. A first ranking *pari passu* charge on the immovable properties (land and building) identified as Hilton Hotel, forming part of the development known as Embassy Golflinks, Bengaluru.
  - 2. A corporate guarantee issued by UPPL.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Overdraft Facility repayable by way of three annual installments from the date of first drawdown. The debt carries interest of 1 Year I-MCLR plus NIL spread, currently 7.95% p.a.	250.00	-
Overdraft Facility repayable by way of three annual installments from the date of first drawdown. The debt carries interest of 1 Year I-MCLR plus NIL spread, currently 7.95% p.a.	250.00	-
Overdraft Facility repayable by way of three annual installments from the date of first drawdown. The debt carries interest of 1 Year I-MCLR plus NIL spread, currently 8.05% p.a.	250.00	-

- (j) Lender 12 [balance as at September 30, 2022: ₹747.23 Million (March 31, 2022: Nil)]**
- 1. A first ranking *pari passu* mortgage on Block 8, forming part of the development known as Embassy Tech Village, Bengaluru.

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Overdraft Facility repayable by way of three annual installments from the date of first drawdown. The debt carries interest of 1 Year I-MCLR plus NIL spread, currently 7.95% p.a.	747.23	-

- (k) Lender 13 [balance as at September 30, 2022: ₹495.45 Million (March 31, 2022: ₹497.10 Million)]**  
*Unsecured loan*

Repayment and interest terms	As at September 30, 2022	As at March 31, 2022
Repayable by way of a single bullet repayment at the end of 48th month from date of first disbursement i.e. March 24, 2026. The debt carries interest of 3 months T- Bill rate + applicable spread, currently 7.26% p.a.	298.31	300.39
Repayable by way of a single bullet repayment at the end of 48th month from date of first disbursement i.e. February 9, 2026. The debt carries interest of 3 months T- Bill rate + applicable spread, currently 7.94% p.a.	197.14	196.71



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 23 OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at September 30, 2022	As at March 31, 2022
Lease deposits (refer note 49)	3,730.57	3,126.11
Capital creditors	321.98	368.50
	4,052.55	3,494.61

## 24 NON-CURRENT PROVISIONS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Provision for employee benefits</b>		
- gratuity	11.63	7.64
	11.63	7.64

## 25 DEFERRED TAX

### Deferred tax Assets (net)

Particulars	As at September 30, 2022	As at March 31, 2022
Deferred tax assets (net)	97.60	89.30
	97.60	89.30

### Deferred tax liabilities (net)

Particulars	As at September 30, 2022	As at March 31, 2022
Minimum Alternate Tax credit entitlement	(5,121.12)	(4,648.90)
Deferred tax liabilities (net)	56,843.86	56,394.34
	51,722.74	51,745.44

## 26 OTHER NON-CURRENT LIABILITIES

Particulars	As at September 30, 2022	As at March 31, 2022
Deferred lease rental	653.57	541.92
Advances from customers	18.89	18.89
	672.46	560.81

## 27 SHORT-TERM BORROWINGS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Current maturities of long-term debt</b>		
<b>Secured</b>		
Terms loans		
- from banks and financial institutions (refer note 22)	2,949.16	273.73
Overdraft (refer note 22)	180.85	-
	3,130.01	273.73

## 28 TRADE PAYABLES

Particulars	As at September 30, 2022	As at March 31, 2022
Trade payable		
- total outstanding dues to micro and small enterprises (including related parties - refer note 49)	28.30	112.73
- total outstanding dues of creditors other than micro and small enterprises		
- to related parties (refer note 49)	63.25	68.81
- to others	147.69	135.57
	239.24	317.11

# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 29 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at September 30, 2022	As at March 31, 2022
Security deposits		
- related party (refer note 49)	80.00	80.00
Lease deposits (refer note 49)	9,081.16	9,292.41
Capital creditors		
- to related party (refer note 49)	60.63	410.24
- to others	2,815.94	3,101.11
Unclaimed dividend	3.93	2.94
Contingent consideration (refer note 49)	-	350.00
Other liabilities		
- to related party (refer note 49)	208.05	178.07
- to others	1,042.48	748.49
	13,292.19	14,163.26

## 30 CURRENT PROVISIONS

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Provision for employee benefits</b>		
- gratuity	0.27	0.27
- compensated absences	6.95	5.97
	7.22	6.24

## 31 OTHER CURRENT LIABILITIES

Particulars	As at September 30, 2022	As at March 31, 2022
Unearned income	45.51	21.52
Advances received from customers (refer note 49)	411.29	480.06
Statutory dues	344.01	260.70
Deferred lease rentals	401.09	410.28
Other liabilities	185.38	182.60
	1,387.28	1,355.16

## 32 CURRENT TAX LIABILITIES (NET)

Particulars	As at September 30, 2022	As at March 31, 2022
Provision for income-tax, net of advance tax	306.84	80.12
	306.84	80.12



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 33 REVENUE FROM OPERATIONS

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Facility rentals	5,953.79	5,860.03	5,529.15	11,813.82	11,114.27	11,048.05	22,162.32
Income from finance lease	57.75	41.47	47.80	99.22	89.52	94.31	183.83
Room rentals	413.01	360.77	64.02	773.78	200.40	87.97	288.37
Revenue from contracts with customers							
Maintenance services	1,215.29	1,124.54	1,079.33	2,339.83	2,152.61	2,276.58	4,429.19
Sale of food and beverages	346.48	278.17	66.01	624.65	197.17	84.82	281.99
Income from generation of renewable energy	327.77	409.04	372.24	736.81	750.07	754.91	1,504.98
Other operating income							
- hospitality	42.72	28.85	8.90	71.57	25.07	13.27	38.34
- others (refer note 54)	214.41	190.76	184.40	405.17	368.66	368.37	737.03
	8,571.22	8,293.63	7,351.85	16,864.85	14,897.77	14,728.28	29,626.05

## 34 INTEREST INCOME

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
- on debentures (refer note 49)	96.05	91.20	-	187.25	-	-	-
- on fixed deposits	6.02	4.47	11.16	10.49	38.19	23.39	61.58
- on security deposits	56.40	5.64	14.16	62.04	1.54	15.27	16.81
- on other statutory deposits	-	-	1.42	-	4.13	6.02	10.15
- on income-tax refund	-	2.97	2.15	2.97	8.80	10.42	19.22
- others	159.43	153.45	186.82	312.88	394.46	397.59	792.05
	317.90	257.73	215.71	575.63	447.12	452.69	899.81

## 35 OTHER INCOME

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Liabilities no longer required written back	-	5.49	97.98	5.49	26.02	102.82	128.84
Profit on sale of mutual funds	34.37	43.71	32.28	78.08	76.50	64.32	140.82
Miscellaneous	35.57	4.34	3.78	39.91	78.89	20.91	99.80
	69.94	53.54	134.04	123.48	181.41	188.05	369.46

## 36 COST OF MATERIALS CONSUMED

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Purchases	102.99	102.80	18.90	205.79	59.18	25.64	84.82
Add: Decrease/ (Increase) in inventory	(20.61)	(1.60)	1.85	(22.21)	(1.51)	1.22	(0.29)
	82.38	101.20	20.75	183.58	57.67	26.86	84.53



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 37 EMPLOYEE BENEFITS EXPENSE \*

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Salaries and wages	110.49	92.31	41.43	202.80	112.29	87.03	199.32
Contribution to provident and other funds	7.65	6.60	1.85	14.25	7.67	4.97	12.64
Staff welfare	15.05	13.48	2.54	28.53	9.66	6.97	16.63
	133.19	112.39	45.82	245.58	129.62	98.97	228.59

\* Majorly refers to employee benefits expense of the hospitality segment.

## 38 OPERATING AND MAINTENANCE EXPENSES

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Power and fuel (net)	213.38	229.17	108.50	442.55	299.40	255.04	554.44
Operating consumables	18.25	17.96	9.11	36.21	20.99	10.21	31.20
	231.63	247.13	117.61	478.76	320.39	265.25	585.64

## 39 OTHER EXPENSES

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Property tax (net)	281.54	255.72	256.92	537.26	514.71	510.50	1,025.21
Rates and taxes	24.22	22.47	49.83	46.69	31.16	61.78	92.94
Marketing and advertising expenses	48.74	86.58	42.77	135.32	59.84	51.20	111.04
Assets and other balances written off	-	4.42	-	4.42	6.11	-	6.11
Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	-	3.44	-	3.44	15.71	-	15.71
Allowances for credit loss	-	-	-	-	(0.04)	1.80	1.76
Bad debts written off	0.17	0.25	-	0.42	0.80	-	0.80
Brokerage and commission	20.90	15.49	10.46	36.39	17.89	11.09	28.98
Travelling and conveyance	5.61	4.59	2.03	10.20	7.14	4.00	11.14
Corporate Social Responsibility (CSR) expenditure	85.29	3.81	8.66	89.10	94.02	17.50	111.52
Miscellaneous expenses	105.85	58.28	26.96	164.13	71.92	60.69	132.61
	572.32	455.05	397.63	1,027.37	819.26	718.56	1,537.82

## 40 REPAIRS AND MAINTENANCE

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Repairs and maintenance							
- common area maintenance	497.27	533.90	450.72	1,031.17	953.51	967.83	1,921.34
- buildings	32.83	47.07	22.53	79.90	80.33	67.81	148.14
- machinery	120.60	80.01	107.98	200.61	192.85	198.37	391.22
- others	52.79	43.03	47.48	95.82	104.59	92.38	196.97
	703.49	704.01	628.71	1,407.50	1,331.28	1,326.39	2,657.67



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 41 FINANCE COSTS (NET OF CAPITALISATION)

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Interest expense							
- on borrowings from banks and financial institutions	826.14	725.23	359.87	1,551.37	1,148.94	699.04	1,847.98
- on lease deposits	127.91	143.05	138.10	270.96	272.56	273.68	546.24
- on lease liabilities	8.71	8.73	8.66	17.44	16.74	17.03	33.77
- on Non-convertible debentures	1,497.15	1,435.03	738.91	2,932.18	2,374.48	1,456.73	3,831.21
Premium on redemption of debentures (Embassy REIT Series I NCD)	-	-	962.83	-	190.88	1,835.20	2,026.08
	2,459.91	2,312.04	2,208.37	4,771.95	4,003.60	4,281.68	8,285.28

Gross interest expense is ₹2,589.86 Million and ₹5,061.72 Million and interest capitalised is ₹129.95 Million and ₹289.77 Million for the quarter and half year ended September 30, 2022 respectively.

## 42 DEPRECIATION AND AMORTISATION

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Depreciation of property, plant and equipment	270.52	271.08	171.22	541.60	372.10	339.98	712.08
Depreciation of investment properties	1,990.99	1,396.80	1,329.14	3,387.79	2,657.25	2,626.75	5,284.00
Amortisation of intangible assets	528.94	530.05	493.40	1,058.99	983.69	984.86	1,968.55
	2,790.45	2,197.93	1,993.76	4,988.38	4,013.04	3,951.59	7,964.63

## 43 TAX EXPENSE\*

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Current tax	525.08	396.78	441.84	921.86	778.74	891.26	1,670.00
Deferred tax charge/(credit)							
Deferred tax charge/(credit)	(88.32)	529.78	(694.23)	441.46	(1,214.37)	(808.55)	(2,022.92)
Minimum Alternate Tax credit entitlement (MAT)	(0.34)	(485.16)	353.40	(485.50)	234.25	197.22	431.47
	436.42	441.40	101.01	877.82	(201.38)	279.93	78.55

\*Tax expense for the half year ended 30 September 2022 includes ₹541.98 Million pertaining to previous year.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 44 EARNINGS PER UNIT (EPU)

Basic EPU amounts are calculated by dividing the profit for the period attributable to Unitholders by the weighted average number of units outstanding during the period. Diluted EPU amounts are calculated by dividing the profit attributable to Unitholders 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 potential dilutive instruments into Unit capital.

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

	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Profit after tax for calculating basic and diluted EPU	1,284.65	1,788.38	1,960.84	3,073.03	4,873.96	4,009.89	8,883.85
Weighted average number of Units (No. in Million)	947.90	947.90	947.90	947.90	947.90	947.90	947.90
Earnings Per Unit							
- Basic (Rupees/unit)	1.36	1.89	2.07	3.24	5.14	4.23	9.37
- Diluted (Rupees/unit)*	1.36	1.89	2.07	3.24	5.14	4.23	9.37

\* The Trust does not have any outstanding dilutive potential instruments.

## 45 MANAGEMENT FEES

### Property Management Fee

Pursuant to the Investment Management Agreement dated June 12, 2017 as amended, Manager is entitled to fees @ 3% of the collection of Facility Rentals per annum of the relevant property in respect to operations, maintenance, administration and management of the Holdco or the SPV, as applicable. The fees has been determined to meet the ongoing costs of the Manager to undertake the services provided to the Embassy REIT and its SPVs. Property Management fees for the quarter and half year ended September 30, 2022 amounts to ₹170.49 Million and ₹344.37 Million respectively. There are no changes during the period in the methodology for computation of fees paid to Manager.

### REIT Management Fees

Pursuant to the Investment Management Agreement dated June 12, 2017, as amended, Manager is entitled to fees @ 1% of REIT Distributions 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. REIT Management fees accrued for the quarter and half year ended September 30, 2022 amounts to ₹60.41 Million and ₹119.23 Million respectively. There are no changes during the period in the methodology for computation of fees paid to Manager.

### Secondment Fees

Pursuant to the Secondment Agreement dated March 11, 2019, Manager is entitled to fees of ₹0.10 Million per month in respect of certain employees of Manager being deployed to the Embassy Office Parks REIT in connection with the operation and management of the assets of the Embassy REIT. Secondment Fees for the quarter and half year ended September 30, 2022 amounts to ₹0.41 Million and ₹0.82 Million respectively. There are no changes during the period in the methodology for computation of secondment fees paid to Manager.

## 46 COMMITMENTS AND CONTINGENCIES

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (refer note i)	8,072.31	11,070.17
<b>Contingent liabilities</b>		
Claims not acknowledged as debt in respect of Income Tax matters (refer note ii)	310.79	351.31
Claims not acknowledged as debt in respect of Indirect Tax matters (refer note iii)	772.09	772.09
Claims not acknowledged as debt in respect of Property Tax matters (refer note iv)	3,418.89	3,418.89
<b>Others</b> (refer notes v and vi)		



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 46 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Based on management’s best estimate and basis expert opinion obtained by the Group, no provisions have been made for above claims as at September 30, 2022. The Group will continue to monitor developments to identify significant uncertainties and change in estimates, if any, in future period.

**Notes:**

**i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for**

SPV	As at September 30, 2022	As at March 31, 2022
MPPL	3,697.17	4,693.92
VTPL	3,624.09	4,077.96
OBPPL	329.64	946.42
EPTPL	204.04	1,154.13
Others	217.37	197.74
	8,072.31	11,070.17

**ii) Claims not acknowledged as debt in respect of Income Tax matters**

SPV	As at September 30, 2022	As at March 31, 2022
MPPL	269.94	308.60
QBPPL	3.76	3.76
IENMPL	9.25	9.25
VTPL	27.84	29.70
	310.79	351.31

**MPPL:**

- a) The SPV was assessed u/s. 143(3) of the Income Tax Act for AY 2016-17 and received assessment order dated December 31, 2018 with additions made u/s.14A of the Income Tax Act with a tax demand of ₹172.28 Million. The SPV has filed an appeal against the assessment order at the CIT (A) and has paid ₹14.06 Million under protest with balance demand stayed. Accordingly, the SPV has disclosed ₹172.28 Million (March 31, 2022: ₹172.28 Million) as contingent liability.
- b) The SPV was assessed u/s. 143(3) of the Income Tax Act for AY 2017-18 and received assessment order dated December 24, 2019 with additions made u/s.14A of the Income Tax Act read with rule 8D of the Income-tax Rules and addition to the income based on reconciliation differences between Form 26AS and the books of accounts. Further, order u/s 154 of the Income Tax Act was received dated July 26, 2021 with a disallowance made u/s 115JB of the Act. Aggrieved by such orders the SPV had filed appeals before the CIT(A) which was passed in favour of the department. Aggrieved by such order, the SPV had filed an appeal before the hon’ble ITAT on June 30, 2022 for which a favourable order was received dated September 6, 2022. Accordingly, the SPV has disclosed ₹70.84 Million only (March 31, 2022: ₹109.50 Million) as contingent liability against the 143(3) order.
- c) The SPV was assessed u/s. 143(3) of the Income Tax Act for AY 2018-19 and received assessment order dated September 13, 2021 with additions made u/s.14A of the Income Tax Act read with rule 8D of the Income-tax Rules and short grant of TDS credit. The SPV has filed an appeal against the assessment order at the CIT(A). Accordingly, the SPV has disclosed ₹26.82 Million (March 31, 2022: 26.82) as contingent liability.

**QBPPL:** The SPV had received an assessment order u/s. 143(3) of the Income Tax Act for AY 2015-16 with 14A disallowance, certain expense disallowances and short grant of TDS credit resulting in demand of ₹3.76 Million. An appeal against the assessment order was filed before CIT(A) and the same is in the process of hearing. Penalty proceedings have been initiated. Accordingly, the SPV has disclosed the above demand of ₹3.76 Million (March 31, 2022: ₹3.76 Million) as a contingent liability.

**IENMPL:** The SPV received a tax demand notice of ₹9.25 Million for Assessment Year 2014-15 wherein the Assessing Officer had disallowed municipal tax paid claimed against Income from House property and additions made u/s.14A of the Income tax Act read with Rule 8D of the Income Tax Rules. The SPV contested the said demand and has filed an appeal with the CIT(A) against the said order. Accordingly, the SPV has disclosed ₹9.25 Million (March 31, 2022: ₹9.25 Million) as contingent liability.

# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 46 COMMITMENTS AND CONTINGENCIES (CONTINUED)

**ii) Claims not acknowledged as debt in respect of Income Tax matters (continued)**

**VTPL:**

- (a) The SPV was reassessed u/s. 153C read with 143(3) of the Income Tax Act, 1961 for the AY 2003-04 and 2004-05. Certain additions u/s. 68 were made and tax demand of ₹25.17 Million was raised. The SPV filed an appeal against the demand order before CIT(A) which was upheld in favour of SPV quashing the demand raised. Aggrieved by the CIT(A) order, Income Tax Department filed an appeal before ITAT, Delhi which was dismissed and resultantly the income tax department filed an appeal before Hon’ble High Court of Karnataka which was also dismissed for want of jurisdiction. The Income tax department has now preferred an appeal before the Hon’ble High Court of Delhi. Accordingly, the SPV has disclosed ₹25.17 Million (March 31, 2022: ₹25.17 Million) as contingent liability.
- (b) The SPV was assessed u/s. 143(3) of the Income Tax Act, 1961 for AY 2018-19 with additions made u/s. 69C and u/s. 14A and a tax demand of ₹2.67 Million was raised. The SPV has preferred an appeal against the assessment order before the CIT(A). The SPV has therefore disclosed ₹2.67 Million (March 31, 2022: ₹2.67 Million) as contingent liability.
- (c) The SPV was assessed u/s. 201 of the Income Tax Act, 1961 for AY 2020-21 for short deduction of taxes and interest thereon and interest on late deduction with a tax demand of ₹1.87 Million. The SPV has filed an appeal against the assessment order before the CIT(A). The order was received in June 2022 dismissing the appeal. The SPV has therefore disclosed ₹Nil (March 31, 2022: ₹1.87 Million) as contingent liability.

**iii) Claims not acknowledged as debt in respect of Indirect Tax matters**

SPV	As at September 30, 2022	As at March 31, 2022
MPPL	656.02	656.02
ETPL	64.73	64.73
GSPL	23.99	23.99
UPPL	23.04	23.04
VTPL	4.31	4.31
	772.09	772.09

**MPPL:**

- (a) The SPV had received Order-in-original dated December 23, 2015 with a demand to pay a sum of ₹522.04 Million (including interest and penalty) from the Commissioner of Central Excise Bengaluru-V Commissionerate towards incorrectly availed Cenvat credit during the period April 1, 2006 to March 31, 2012. Appeal has been filed before CESTAT dated April 18, 2016. The appeal is pending before CESTAT and the amount of ₹522.04 Million (March 31, 2022: ₹522.04 Million) is disclosed as contingent liability.
- (b) The Customs department issued demand notice to the Oil Suppliers of the SPV with a demand of ₹31.60 Million for the period April 1, 2015 to February 15, 2016 denying duty benefit on the procurement of diesel. The Oil Suppliers have subsequently raised the demand on the SPV. Consequently, SPV preferred an appeal before the SEZ commissioner which was rejected by the Commissioner and aggrieved by the order, SPV filed a Writ Petition before the Hon’ble High Court of Karnataka and obtained an Interim stay order from the Court on February 9, 2017 which is still in force. Accordingly, a sum of ₹31.60 Million (March 31, 2022: ₹31.60 Million) has been disclosed as contingent liability.
- (c) The Principal Commissioner of Service Tax issued a final adjudication order dated January 20, 2022 with a demand of ₹102.38 Million including penalty on various issues including irregular availment of input credit, turnover reconciliation etc. The SPV has filed an appeal with CESTAT against the order received from commissioner of service tax. Accordingly, a sum of ₹102.38 Million (March 31, 2022: ₹102.38 Million) has been disclosed as contingent liability.

**ETPL:**

- (a) The SPV has received an Order from Joint Commissioner, Service Tax - I, Kolkata for the period 2012-13 in respect of non-registration and non-payment of service tax under the category of ‘Builder’s Special Services’ and not ‘Construction of Immovable Property’ service with regard to installation of parking equipment which is taxable as a service leading to ineligibility of abatement of ₹10.01 Million, irregular availment of credit of ₹6.87 Million and non-payment of service tax of ₹0.96 Million (along with penalty of equal amount). Against the aforesaid Order, the SPV has filed an appeal before the Commissioner of Central Excise (Appeals - I), Kolkata which directed the SPV to make a pre-deposit of ₹1.33 Million to stay the recovery of the balance amount. The same has been paid by the SPV under protest and such appeal is currently pending for disposal. Accordingly, the demand along with penalty amount of ₹35.68 Million (March 31, 2022: ₹35.68 Million) has been disclosed as a contingent liability.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 46 COMMITMENTS AND CONTINGENCIES (CONTINUED)

### iii) Claims not acknowledged as debt in respect of Indirect Tax matters (continued)

- (b) SPV has received an Order from Joint Commissioner, Service Tax - I, Kolkata in January 2020, demanding ₹14.52 Million in respect of denial of input tax credit during construction period for the financial years 2014-15 to 2016-17 (along with penalty of equal amount). Against the aforesaid Order, the SPV has filed an appeal before the Commissioner of Central Excise (Appeals - I), Kolkata which directed the SPV to make a pre-deposit of ₹1.09 Million to stay the recovery of the balance amount. The same was paid by the SPV under protest. Accordingly, the SPV has disclosed the demand along with penalty amount of ₹29.05 Million (March 31, 2022: ₹29.05 Million) as contingent liability.

**GSPL:** The SPV had received an Order-in-Original passed by the Commissioner, Customs, Central Excise and Service Tax Commissionerate, Noida for the period FY 2007-08 to 2010-11 demanding ₹11.99 Million (along-with penalty of equal amount) in respect of inclusion of notional interest accrued on security deposit in the taxable value. Against the aforesaid Order, the SPV had filed an appeal before the Hon'ble Customs, Excise and Service Tax Appellate Tribunal which directed the SPV to make a pre-deposit of ₹0.90 Million to stay the recovery of the balance amount. The same was paid by the SPV under protest. During the previous year FY 17-18, the SPV had received a favourable order and the said demand was annulled and the pre-deposit has been refunded; however, the Commissioner Excise has filed an appeal against the Order to Hon'ble High Court of Allahabad. Accordingly, the SPV has disclosed the demand along with penalty amount of ₹23.99 Million (March 31, 2022: ₹23.99 Million) as contingent liability.

**UPPL:** The SPV had received show cause notices dated July 3, 2015 for demand due to irregular cenvat credit availed for ₹23.04 Million relating to period from April 1, 2011 to March 31, 2016. Responses have been filed and is pending before the Commissioner of Service Tax. Accordingly, the aforementioned demand of ₹23.04 Million (March 31, 2022: ₹23.04 Million) is disclosed as contingent liability.

**VTPL:** The Customs department issued demand notice to the Oil Suppliers of the SPV with a demand of ₹4.31 Million for the period April 1, 2015 to February 15, 2016 denying duty benefit on the procurement of diesel. The Oil Suppliers have subsequently raised the demand on the SPV. Consequently, SPV preferred an appeal before the SEZ commissioner which was rejected by the Commissioner and aggrieved by the order, SPV filed a Writ Petition before the Hon'ble High Court of Karnataka and obtained an Interim stay order from the Court on February 9, 2017 which is still in force. Accordingly, a sum of ₹4.31 Million (March 31, 2022: ₹4.31 Million) has been disclosed as contingent liability.

### iv) Claims not acknowledged as debt in respect of Property Tax matters

SPV	As at September 30, 2022	As at March 31, 2022
MPPL	3,418.89	3,418.89
	3,418.89	3,418.89

#### MPPL:

- (a) The SPV has received a demand order dated October 5, 2015 to pay a sum of ₹2,739.49 Million (including penalty and interest up to June 2016) towards the difference in property tax payable by the SPV, which difference arose on account of classification of the property under different schedules for the purpose of computing property taxes, for the period 2008-09 to 2015-16. The SPV is contesting that the concerned property being an industrial estate that has been developed as special economic zone must be classified as category XIV as per the notification issued under Karnataka Municipal Corporation Act, 1976 ('the Act') and Bruhat Bengaluru Mahanagar Palike Property Tax Rules, 2009 ('Rules'). Whereas, the Assistant Revenue Officer has been considering the concerned property under category VIII as per the notification issued under the Act and Rules. The SPV filed a writ petition against the demand order which has been dismissed by the Hon'ble High Court of Karnataka. The said court upheld the demand made by BBMP. Against the order passed by single judge for the dismissal of writ petition, MPPL has based on external legal opinion filed an appeal before the aforementioned court and the same has been admitted by the court on June 27, 2016. The Hon'ble High Court restrained BBMP from taking any coercive action against the SPV and also directed BBMP to allow the SPV to make payment of property tax for the assessment year 2016-17. The matter is currently pending as at the date of these financial statements. Accordingly, this has been disclosed as a contingent liability. The SPV paid ₹646.69 Million (March 31, 2022: ₹646.69 Million) under protest against the above demand.
- (b) The SPV has also received demand notices dated October 9, 2017 to pay a sum of ₹760.07 Million including penalty as of that date towards the differential property tax based on the total survey report for certain blocks for the period 2008-09 to 2017-18. An appeal had been filed before the Joint Commissioner, BBMP, Bytarayanapura, Bengaluru ("Joint Commissioner") objecting the total survey report and property tax assessment notice arising therefrom. New demand notices dated January 17, 2019 were issued to pay a sum of ₹860.39 Million (including penalty) towards the differential property tax for the period 2008-09 to 2017-18 and interest up to the date of payment as per the

# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 46 COMMITMENTS AND CONTINGENCIES (CONTINUED)

### iv) Claims not acknowledged as debt in respect of Property Tax matters (continued)

demand notices. The SPV submitted a letter to the Joint Commissioner dated March 29, 2019 referring to the appeals preferred by the SPV and had paid a sum of ₹286.80 Million towards property tax demanded under protest. An order was passed by the Joint Commissioner dismissing the appeal preferred by the SPV. Against the order passed by the Joint Commissioner, MPPL has, based on external legal opinion, filed a writ petition before the Hon'ble High Court of Karnataka on August 3, 2020 on various grounds, *inter alia*, that the rates BBMP has relied on to calculate property tax in the said demand notices dated October 9, 2017 has been already challenged in a writ appeal filed by the SPV and pending before Hon'ble High Court of Karnataka as mentioned in note iv(a) above. Additionally new notices dated July 24, 2019 and March 18, 2021 were issued to pay a sum of ₹78.56 Million (including penalty) and ₹27.25 Million (including penalty) towards the differential property tax for the year 2018-19 and 2019-20 respectively and the SPV has paid ₹35.26 Million towards property tax demanded under protest. However, BBMP vide notice dated June 17, 2021 have returned the demand draft amount of ₹9.08 Million (differential property tax for the year 2019 -20 paid) requesting payment of interest and penalty along with the differential tax amounting to ₹27.25 Million. The BBMP has issued distress warrant on February 1, 2022 in relation to the above said matter with a notice to pay ₹ 727.09 Million against which MPPL has obtained an interim stay on February 16, 2022 from the Hon'ble High Court of Karnataka till the next date of hearing. Accordingly, a net contingent liability of ₹679.40 Million (March 31, 2022: ₹679.40 Million) has been disclosed in these financial statements. Pursuant to the return of the demand draft amounting to ₹9.08 Million, the SPV has filed an writ petition before the Hon'ble High Court of Karnataka for (i) staying the operation and execution of the demand notices dated March 18, 2021 and endorsement dated June 17, 2021 and (ii) directing the BBMP to accept the payment of differential property tax. The Hon'ble High Court of Karnataka on September 30, 2022 directed the BBMP to accept the principal payment of ₹9.08 Million. Basis the order of the Hon'ble High Court of Karnataka, MPPL has submitted the principal payment of ₹9.08 Million to BBMP vide letter dated October 11, 2022.

### v) Others: tax matters pertaining to equity accounted investee company

#### (a) GLSP (50% equity accounted investee – joint venture) Income Tax matters:

During the year ended March 31, 2020, GLSP has received assessment order for AY 2017-18 for disallowance under section 14A of Income Tax Act read with rule 8D of the Income-tax Rules, disallowance of claim under section 80G of the Income Tax Act and addition to the income based on differences between Form 26AS and the books of accounts. GLSP has filed an appeal against the assessment order with CIT(A). Accordingly, GLSP has disclosed ₹2.83 Million (March 31, 2022: ₹2.83 Million) as contingent liability.

During the period ended September 30, 2021, GLSP has received assessment order for AY 2018-19 with disallowance made under section 14A of Income Tax Act read with rule 8D of the Income-tax Rules. GLSP has filed an appeal against the assessment order with CIT(A). Accordingly, GLSP has disclosed ₹0.68 Million (March 31, 2022: ₹0.68) as contingent liability.

#### (b) GLSP (50% equity accounted investee – joint venture) Service Tax matters:

- a) GLSP has received show cause notice and order-in-original dated August 14, 2011 and December 11, 2011 to pay a sum of ₹111.86 Million from Office of the Commissioner of Service tax towards wrongly availed Cenvat credit during the period April 1, 2009 to March 31, 2011. Appeal has been filed before CESTAT. As at September 30, 2022 the appeal is pending before CESTAT for hearing and accordingly the same is disclosed as a contingent liability by GLSP.
- b) GLSP has received an Order-in-Original dated August 31, 2010 to pay a sum of ₹90.49 Million from Office of the Commissioner of Service tax towards wrongly availed Cenvat credit during the period June 2007 to March 2009. Appeal was filed before CESTAT and a favourable order was received by the entity. Commissioner of Service Tax has filed an appeal before Hon'ble High Court of Karnataka. Matter is heard in our favour by the court and reserved for order.

### vi) Other matters

- (a) **VCPPL (Forfeiture of security deposit matters):** Orange Business Services India Technology Private Limited, earlier known as Equant Technologies Services (India) Private Limited ("Equant") had filed a summary suit bearing No. 388 of 2012 with the Hon'ble Bombay High Court alleging that the SPV incorrectly terminated the letter of intent dated July 18, 2008 executed between the SPV and Equant for renting premises in Embassy 247 Park pursuant to which Equant paid to the SPV a security deposit of ₹40.32 Million, which was withheld by the SPV on account of breach of agreed terms of the said letter of intent. The Hon'ble High Court had passed an order dated February 10, 2014 wherein the court has grated leave to defend the matter subject to deposit of ₹34.42 Million in the court within 12 weeks VCPPL. VCPPL filed an appeal against the order dated February 10, 2014 and further obtained a stay on July 7, 2014 against the order dated February 10, 2014 till final disposal of the appeal. The matter is pending for hearing.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 46 COMMITMENTS AND CONTINGENCIES (CONTINUED)

### vi) Other matters (continued)

#### (b) EEPL:

- i) SPV received a demand notice under the Insolvency and Bankruptcy Code, 2016 (IBC) on February 28, 2019 from a third party subcontractor, engaged by IL&FS Development Company (IEDCL), the parent company of IL&FS Solar Power Limited ('ISPL'), which was itself engaged by ISPL as a contractor for Embassy Energy. The demand notice alleges that unpaid amounts (categorised as operational debts) aggregating up to ₹1,008.10 Million (including interest up to October 2018) are due to the sub-contractor directly from EEPL for the various works claimed to have been undertaken at the site of Embassy Energy, on the basis of certain correspondence with EEPL. The demand notice requires payment within 10 days of the letter, failing which the subcontractor may initiate a corporate insolvency resolution process against EEPL. EEPL has by its letter dated March 1, 2019, refuted all such claims *inter alia* on the basis that the payments are due from ISPL (and/ or its parent entity) to the sub-contractor and not from EEPL, and therefore the sub-contractor has no claim against EEPL. By its letters dated March 18, 2019, the subcontractor has responded to the letter from EEPL, denying all statements made by EEPL and reiterating that the unpaid amounts are due from EEPL. The sub-contractor has thereafter filed an application under Section 9 of the Code before the Bengaluru bench of National Company Law Tribunal claiming debt of ₹1,082.50 Million (including interest up to September 2019) and interest thereon against EEPL. During the previous year ended March 31, 2020, the third party sub-contractor vide a letter dated January 2, 2020 served the notice of hearing in the captioned matter for initiation of insolvency proceedings under Section 9 of the IBC before the NCLT, Bengaluru pursuant to its order dated December 16, 2019. The petitioner has filed a claim as an operational creditor of IEDCL for an amount of ₹1,082.50 Million (including interest up to September 2019) due to him. The National Company Law Tribunal vide its order dated March 8, 2022 has dismissed the petition filed by the third party sub-contractor and issued order in favour of the SPV. Subsequent to March 31, 2022 the third -party contractor filed an appeal before the National Company Law Appellate Tribunal, Chennai. The matter is listed for admission on January 3, 2023.
- ii) The Karnataka Electricity Regulatory Commission, Bengaluru (KERC) has issued orders in 2005, 2008 and 2014 granting exemption to all solar power generators in Karnataka that achieved commercial operation date between April 1, 2013 and March 31, 2018 from paying certain charges such as payment of wheeling and banking charges, cross subsidy surcharges, transmission losses and wheeling losses for a period of ten years from the date of commissioning. KERC has issued an order dated May 14, 2018 withdrawing the aforementioned exemption available to Karnataka's power generators, including EEPL.

The SPV commissioned the solar plant during the FY 2017-2018 and as per the previous Regulation, the charges did not apply to the SPV for a period of 10 years. The SPV filed a writ petition with the Hon'ble High Court of Karnataka challenging the KERC Order and obtained an interim Stay Order dated May 24, 2018. BESCOM filed preliminary statement of objections and also filed application seeking recalling of interim order. The application seeking recalling of interim order was rejected. The Hon'ble High Court passed the judgement on March 13, 2019 allowing the Writ Petition and quashed the order dated May 14, 2018 passed by KERC. The SPV has filed Caveat Petition for receiving notifications in case any suit/appeal is filed by any of the parties to the said petition. KERC has filed a common writ appeal against the order dated March 13, 2019 against EEPL and Others. However, Electricity Supply Companies (ESCOMS) have also filed Writ Appeals against some of the petitioners, but no appeal has been filed against EEPL. In the event an adverse order is passed in the said appeal made by ESCOMS, EEPL may also be affected.

- (c) **MPPL:** SPV has filed a writ petition in 2015 against the BBMP and others seeking to *inter alia*, quash (i) a circular from 2014 re-fixing the improvement charges under the Karnataka Municipal Corporations Act, 1976, and the Karnataka Municipal Corporations (Recovery of Improvement Expenses) Rules, 2009, and (ii) a notice from 2015 demanding payment of betterment charges of ₹127.90 Million. In 2016, the Hon'ble High Court of Karnataka has granted an interim stay on the impugned circular and notice. Further, MPPL has received a new demand notice dated March 29, 2022 issued by the BBMP for payment of the betterment charges amounting to ₹127.91 Million along with interest amounting to ₹184.19 Million. MPPL has paid the betterment charges of ₹127.91 Million under protest vide letter dated March 30, 2022 to BBMP. The Karantaka HC has passed an order for listing of the Writ Petition post disposal of the other Writ Appeals relating to betterment charges pending before the Karnataka HC.
- (d) **VTPL:** SPV has received a demand note dated August 14, 2020 and September 29, 2020 from the Bangalore Water Supply and Sewerage Board for a payment of total charges amounting to ₹138.64 Million in relation to issuance of a no-objection certificate (NOC) for a proposed project commercial building on land parcel. SPV has filed a writ petition before the High Court of Karnataka against the State of Karnataka, Bengaluru Water Supply and Sewerage Board and others challenging *inter alia*, the government order dated February 12, 2016 and the demand note issued against the SPV and seeking to, *inter alia*, (i) quash the demand notice dated August 14, 2020 and September 29, 2020; and

# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 46 COMMITMENTS AND CONTINGENCIES (CONTINUED)

### vi) Other matters (continued)

- (ii) issuance of NOC to SPV. SPV has obtained an ad-interim direction from the High Court of Karnataka on November 17, 2020 wherein the court has granted stay of demand notice on August 14, 2020 and September 29, 2020 limited to advance probable pro rata charges and beneficiary charges and has further instructed the SPV to pay the prescribed fee for issuance of NOC. Pursuant to the same, SPV has made payments on December 29, 2020 and December 30, 2020 amounting to ₹17.91 Million towards NOC charges and treated water charges and the balance amount of ₹120.73 Million towards advance probable pro rata charges and BCC charges which have been stayed by the Hon'ble High Court of Karnataka have been shown as contingent liability (March 31, 2022: ₹120.73 Million). Additionally, SPV has received the NOCs dated December 30, 2020 from BWSSB with respect to the above.

## 47 FINANCIAL INSTRUMENTS – FAIR VALUES

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

Particulars	Carrying value	Fair Value	Carrying value	Fair Value
	September 30, 2022	September 30, 2022	March 31, 2022	March 31, 2022
<b>Financial assets</b>				
<b>Amortised cost</b>				
Investments	8,900.00	-	-	-
Trade receivables	545.96	-	605.81	-
Cash and cash equivalents	6,164.64	-	5,884.49	-
Other bank balances	237.28	-	231.50	-
Other financial assets	4,592.67	-	5,025.95	-
<b>Total assets</b>	<b>20,440.55</b>	<b>-</b>	<b>11,747.75</b>	<b>-</b>
<b>Financial liabilities</b>				
<b>Amortised cost</b>				
Borrowings (including current maturities of long-term debt) – floating rates	45,984.29	-	46,025.09	-
Borrowings (including current maturities of long-term debt) – fixed rates	89,503.63	88,782.37	74,988.43	78,186.53
Lease deposits	12,811.73	-	12,418.52	-
Trade payables	239.24	-	317.11	-
Contingent consideration	-	-	350.00	350.00
Lease liabilities	345.07	-	347.98	-
Other financial liabilities	4,533.01	-	4,889.35	-
<b>Total liabilities</b>	<b>153,416.97</b>	<b>88,782.37</b>	<b>139,336.48</b>	<b>78,536.53</b>

The fair value of investments, cash and cash equivalents, fixed deposits, trade receivables, borrowings at floating rates, lease deposits, trade payables and other financial assets and liabilities approximate their carrying amounts and hence the same has not been disclosed in the table above.

### B. Measurement of fair values

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

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

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

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the half year ended September 30, 2022 and year ended March 31, 2022.

## 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 values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.
- ii) The fair values of borrowings at fixed rates are considered to be equivalent to present value of the future contracted cash flows discounted at the current market rate. The fair value has been categorised as Level 3 Fair value.
- iii) The fair values of contingent consideration is valued based on the present value of expected payments, discounted using a risk-adjusted discount rate.

## 48 OPERATING SEGMENTS

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures. Based on the ‘management approach’ as defined in Ind AS 108, the Chief Operating Decision Maker (‘CODM’) evaluates the Embassy Office Parks’ performance and allocates resources based on an analysis of various performance indicators by operating segments. The accounting principles used in the preparation of the Condensed Consolidated Financial Statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

Operating segments of Embassy Office Parks Group are (i) Commercial Offices, (ii) Hospitality and (iii) Other segments. Other segments comprise Generation of Renewable Energy. Revenue and identifiable operating expenses in relation to segments are categorised based on items that are individually identifiable to that segment.

Net Operating Income (‘NOI’) is the key metric reported to the CODM for the purposes of assessment of the segment results. The same is defined as follows:

- a) **Commercial Offices segment:**  
NOI for Commercial Offices is defined as revenue from operations (which includes (i) facility rentals, (ii) maintenance services income, (iii) income from finance lease, and (iv) other operating income for Commercial Offices) less direct operating expenses (which includes (i) operating and maintenance expenses including common area maintenance expenses (ii) property taxes, (iii) rent and (iv) insurance).
- b) **Hospitality segment:**  
NOI for hospitality segment is defined as revenue from operations (which includes (i) room rentals, (ii) sale of food and beverages, (iii) other operating income from hospitality) less direct operating expenses (which includes (i) cost of materials consumed, (ii) employee benefits expenses, (iii) operating and maintenance expenses excluding property management fees and (iv) other expenses).
- c) **Other segment:**  
NOI for other segments is defined as revenue from operations (which includes income from generation of renewable energy) less direct operating expenses (which includes (i) operating and maintenance expenses and (ii) other expenses).

Certain income (such as interest, dividend and other income) and certain expenses (such as other expenses excluding direct operating expenses, depreciation, amortisation, impairment loss and finance cost) are not specifically allocable to segments and accordingly these expenses are adjusted against the total income of the Embassy Office Parks Group.

Further, the information relating to segment assets and segment liabilities are not regularly provided to CODM for review and hence the same is not disclosed.

# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 48 OPERATING SEGMENTS (CONTINUED)

Particulars	Total						
	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Revenue from operations	8,571.22	8,293.63	7,351.85	16,864.85	14,897.77	14,728.28	29,626.05
Identifiable operating expenses	(1,533.17)	(1,520.16)	(1,116.14)	(3,053.33)	(2,435.08)	(2,279.63)	(4,714.71)
Net Operating Income (segment results for the period/year)	7,038.05	6,773.47	6,235.71	13,811.51	12,462.69	12,448.65	24,911.34
Other operating expenses	(588.24)	(541.01)	(532.89)	(1,129.25)	(901.22)	(1,029.22)	(1,930.44)
Interest, dividend and other income	387.84	311.27	349.75	699.11	628.53	640.74	1,269.27
Earnings before finance costs, depreciation, amortisation and tax	6,837.65	6,543.73	6,052.57	13,381.38	12,190.00	12,060.17	24,250.17
Share of profit after tax of equity accounted investee	133.78	196.02	211.41	329.80	499.22	462.92	962.14
Depreciation and amortisation expenses	(2,790.45)	(2,197.93)	(1,993.76)	(4,988.38)	(4,013.04)	(3,951.59)	(7,964.63)
Finance costs	(2,459.91)	(2,312.04)	(2,208.37)	(4,771.95)	(4,003.60)	(4,281.68)	(8,285.28)
Profit before tax	1,721.07	2,229.78	2,061.85	3,950.85	4,672.58	4,289.82	8,962.40
Tax expense	(436.42)	(441.40)	(101.01)	(877.82)	201.38	(279.93)	(78.55)
Other Comprehensive Income	-	-	-	-	0.83	-	0.83
Total comprehensive income for the period/year	1,284.65	1,788.38	1,960.84	3,073.03	4,874.79	4,009.89	8,884.68

Particulars	Commercial Offices						
	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Revenue from operations	7,441.24	7,216.80	6,840.68	14,658.04	13,724.76	13,787.31	27,512.07
Identifiable operating expenses	(1,008.07)	(987.50)	(918.58)	(1,995.57)	(1,942.92)	(1,918.55)	(3,861.47)
Net Operating Income (segment results for the period/ year)	6,433.17	6,229.30	5,922.10	12,662.46	11,781.84	11,868.76	23,650.60

Particulars	Hospitality						
	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Revenue from operations	802.21	667.79	138.93	1,470.00	422.94	186.06	609.00
Identifiable operating expenses	(507.26)	(501.19)	(164.57)	(1,008.45)	(447.98)	(296.49)	(744.47)
Net Operating Income (segment results for the period/ year)	294.95	166.60	(25.64)	461.55	(25.04)	(110.43)	(135.47)

Particulars	Other Segment						
	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
Revenue from operations	327.77	409.04	372.24	736.81	750.07	754.91	1,504.98
Identifiable operating expenses	(17.84)	(31.47)	(32.99)	(49.31)	(44.18)	(64.59)	(108.77)
Net Operating Income (segment results for the period/ year)	309.93	377.57	339.25	687.50	705.89	690.32	1,396.21



Notes  
to the Condensed Consolidated Financial Statements

48 OPERATING SEGMENTS (CONTINUED)

An analysis of CGU wise Segment Revenues and Segment Results is given below

For the quarter ended September 30, 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
<b>Segment Revenue:</b>														
Commercial Office Segment	-	2,961.10	371.18	-	-	179.99	303.77	397.00	216.55	208.60	350.38	319.29	2,133.38	7,441.24
Hospitality Segment	-	391.88	-	220.27	-	-	-	-	-	190.06	-	-	-	802.21
Others	-	-	-	-	327.77	-	-	-	-	-	-	-	-	327.77
<b>Total</b>	<b>-</b>	<b>3,352.98</b>	<b>371.18</b>	<b>220.27</b>	<b>327.77</b>	<b>179.99</b>	<b>303.77</b>	<b>397.00</b>	<b>216.55</b>	<b>398.66</b>	<b>350.38</b>	<b>319.29</b>	<b>2,133.38</b>	<b>8,571.22</b>
<b>Net Operating Income (segment results)</b>														
Commercial Office Segment	-	2,591.82	317.61	-	-	142.50	279.13	316.74	186.26	144.18	305.87	281.90	1,867.16	6,433.17
Hospitality Segment	-	153.32	-	106.26	-	-	-	-	-	35.37	-	-	-	294.95
Others	-	-	-	-	309.93	-	-	-	-	-	-	-	-	309.93
<b>Total</b>	<b>-</b>	<b>2,745.14</b>	<b>317.61</b>	<b>106.26</b>	<b>309.93</b>	<b>142.50</b>	<b>279.13</b>	<b>316.74</b>	<b>186.26</b>	<b>179.55</b>	<b>305.87</b>	<b>281.90</b>	<b>1,867.16</b>	<b>7,038.05</b>

For the quarter ended June 30, 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
<b>Segment Revenue:</b>														
Commercial Office Segment	-	2,901.01	374.22	-	-	175.39	265.60	397.61	218.21	208.24	341.96	330.90	2,003.66	7,216.80
Hospitality Segment	-	284.78	-	186.35	-	-	-	-	-	196.66	-	-	-	667.79
Others	-	-	-	-	409.04	-	-	-	-	-	-	-	-	409.04
<b>Total</b>	<b>-</b>	<b>3,185.79</b>	<b>374.22</b>	<b>186.35</b>	<b>409.04</b>	<b>175.39</b>	<b>265.60</b>	<b>397.61</b>	<b>218.21</b>	<b>404.90</b>	<b>341.96</b>	<b>330.90</b>	<b>2,003.66</b>	<b>8,293.63</b>
<b>Net Operating Income (segment results)</b>														
Commercial Office Segment	-	2,476.97	329.45	-	-	139.67	238.74	331.44	188.97	154.51	301.36	292.63	1,775.56	6,229.30
Hospitality Segment	-	56.43	-	73.27	-	-	-	-	-	36.90	-	-	-	166.60
Others	-	-	-	-	377.57	-	-	-	-	-	-	-	-	377.57
<b>Total</b>	<b>-</b>	<b>2,533.40</b>	<b>329.45</b>	<b>73.27</b>	<b>377.57</b>	<b>139.67</b>	<b>238.74</b>	<b>331.44</b>	<b>188.97</b>	<b>191.41</b>	<b>301.36</b>	<b>292.63</b>	<b>1,775.56</b>	<b>6,773.47</b>

Notes

to the Condensed Consolidated Financial Statements

48 OPERATING SEGMENTS (CONTINUED)

An analysis of CGU wise Segment Revenues and Segment Results is given below

For the quarter ended September 30, 2021

Particulars	REIT	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
<b>Segment Revenue:</b>														
Commercial Office Segment	-	2,904.96	379.52	-	-	200.50	226.12	359.31	191.43	180.08	327.16	363.22	1,708.38	6,840.68
Hospitality Segment	-	-	-	49.40	-	-	-	-	-	89.53	-	-	-	138.93
Others	-	-	-	-	372.24	-	-	-	-	-	-	-	-	372.24
<b>Total</b>	<b>-</b>	<b>2,904.96</b>	<b>379.52</b>	<b>49.40</b>	<b>372.24</b>	<b>200.50</b>	<b>226.12</b>	<b>359.31</b>	<b>191.43</b>	<b>269.61</b>	<b>327.16</b>	<b>363.22</b>	<b>1,708.38</b>	<b>7,351.85</b>
<b>Net Operating Income (segment results)</b>														
Commercial Office Segment	-	2,497.14	341.87	-	-	172.06	201.47	287.70	158.66	124.75	286.66	330.69	1,521.09	5,922.09
Hospitality Segment	-	-	-	(6.70)	-	-	-	-	-	(18.94)	-	-	-	(25.64)
Others	-	-	-	-	339.25	-	-	-	-	-	-	-	-	339.25
<b>Total</b>	<b>-</b>	<b>2,497.14</b>	<b>341.87</b>	<b>(6.70)</b>	<b>339.25</b>	<b>172.06</b>	<b>201.47</b>	<b>287.70</b>	<b>158.66</b>	<b>105.81</b>	<b>286.66</b>	<b>330.69</b>	<b>1,521.09</b>	<b>6,235.71</b>

For the half year ended September 30, 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
<b>Segment Revenue:</b>														
Commercial Office Segment	-	5,862.11	745.40	-	-	355.38	569.37	794.61	434.76	416.83	692.33	650.19	4,137.05	14,658.04
Hospitality Segment	-	676.66	-	406.62	-	-	-	-	-	386.72	-	-	-	1,470.00
Others	-	-	-	-	736.81	-	-	-	-	-	-	-	-	736.81
<b>Total</b>	<b>-</b>	<b>6,538.77</b>	<b>745.40</b>	<b>406.62</b>	<b>736.81</b>	<b>355.38</b>	<b>569.37</b>	<b>794.61</b>	<b>434.76</b>	<b>803.55</b>	<b>692.33</b>	<b>650.19</b>	<b>4,137.05</b>	<b>16,864.85</b>
<b>Net Operating Income (segment results)</b>														
Commercial Office Segment	-	5,068.79	647.06	-	-	282.17	517.87	648.18	375.23	298.68	607.22	574.53	3,642.73	12,662.46
Hospitality Segment	-	209.75	-	179.53	-	-	-	-	-	72.27	-	-	-	461.55
Others	-	-	-	-	687.50	-	-	-	-	-	-	-	-	687.50
<b>Total</b>	<b>-</b>	<b>5,278.54</b>	<b>647.06</b>	<b>179.53</b>	<b>687.50</b>	<b>282.17</b>	<b>517.87</b>	<b>648.18</b>	<b>375.23</b>	<b>370.95</b>	<b>607.22</b>	<b>574.53</b>	<b>3,642.73</b>	<b>13,811.51</b>



Notes  
to the Condensed Consolidated Financial Statements

48 OPERATING SEGMENTS (CONTINUED)  
An analysis of CGU wise Segment Revenues and Segment Results is given below

For the half year ended March 31, 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	5,763.14	761.21	-	-	383.13	485.45	747.64	410.94	400.18	676.84	713.63	3,382.59	13,724.76
Hospitality Segment	-	17.53	-	156.70	-	-	-	-	-	248.71	-	-	-	422.94
Others	-	-	-	-	750.07	-	-	-	-	-	-	-	-	750.07
Total	-	5,780.67	761.21	156.70	750.07	383.13	485.45	747.64	410.94	648.89	676.84	713.63	3,382.59	14,897.77
Net Operating Income (segment results)														
Commercial Office Segment	-	4,942.10	632.09	-	-	316.33	439.70	606.14	354.19	283.36	601.24	650.12	2,956.57	11,781.84
Hospitality Segment	-	0.22	-	0.35	-	-	-	-	-	(256.1)	-	-	-	(25.04)
Others	-	-	-	-	705.89	-	-	-	-	-	-	-	-	705.89
Total	-	4,942.32	632.09	0.35	705.89	316.33	439.70	606.14	354.19	257.75	601.24	650.12	2,956.57	12,462.69

For the half year ended September 30, 2021

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	5,873.87	773.35	-	-	399.30	473.54	706.36	394.03	361.32	638.81	736.17	3,430.57	13,787.31
Hospitality Segment	-	-	-	69.88	-	-	-	-	-	116.18	-	-	-	186.06
Others	-	-	-	-	754.91	-	-	-	-	-	-	-	-	754.91
Total	-	5,873.87	773.35	69.88	754.91	399.30	473.54	706.36	394.03	477.50	638.81	736.17	3,430.57	14,728.28
Net Operating Income (segment results)														
Commercial Office Segment	-	5,020.23	680.53	-	-	345.38	426.56	571.68	329.83	249.86	561.12	673.59	3,009.98	11,868.76
Hospitality Segment	-	-	-	(34.22)	-	-	-	-	-	(76.21)	-	-	-	(110.43)
Others	-	-	-	-	690.32	-	-	-	-	-	-	-	-	690.32
Total	-	5,020.23	680.53	(34.22)	690.32	345.38	426.56	571.68	329.83	173.65	561.12	673.59	3,009.98	12,448.65

Notes  
to the Condensed Consolidated Financial Statements

48 OPERATING SEGMENTS (CONTINUED)  
An analysis of CGU wise Segment Revenues and Segment Results is given below

For the year ended March 31, 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	11,637.01	1,534.56	-	-	782.43	958.99	1,454.00	804.97	761.50	1,315.65	1,449.80	6,813.16	27,512.07
Hospitality Segment	-	17.53	-	226.58	-	-	-	-	-	364.89	-	-	-	609.00
Others	-	-	-	-	1,504.98	-	-	-	-	-	-	-	-	1,504.98
Total	-	11,654.54	1,534.56	226.58	1,504.98	782.43	958.99	1,454.00	804.97	1,126.39	1,315.65	1,449.80	6,813.16	29,626.05
Net Operating Income (segment results)														
Commercial Office Segment	-	9,962.33	1,312.62	-	-	661.71	866.26	1,177.82	684.02	533.22	1,162.36	1,323.71	5,966.55	23,650.60
Hospitality Segment	-	0.22	-	(33.87)	-	-	-	-	-	(101.82)	-	-	-	(135.47)
Others	-	-	-	-	1,396.21	-	-	-	-	-	-	-	-	1,396.21
Total	-	9,962.55	1,312.62	(33.87)	1,396.21	661.71	866.26	1,177.82	684.02	431.40	1,162.36	1,323.71	5,966.55	24,911.34



Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

49 RELATED PARTY DISCLOSURES

I. List of related parties

A. Parties to Embassy Office Parks REIT

Embassy Property Developments Private Limited – Co-Sponsor  
BRE/Mauritius Investments – Co-Sponsor  
Embassy Office Parks Management Services Private Limited – Manager  
Axis Trustee Services Limited – Trustee

BRE/Mauritius Investments – Co-Sponsor

SG Indian Holding (NQ) Co. I Pte. Limited	BREP Asia SG Oxygen Holding (NQ) Pte. Limited
BRE/Mauritius Investments II	BREP Asia HCC Holding (NQ) Pte. Limited
BREP NTPL Holding (NQ) Pte. Limited	BREP VII HCC Holding (NQ) Pte. Limited
BREP VII NTPL Holding (NQ) Pte. Limited	BREP VII SG Indian Holding (NQ) Co II Pte. Limited
BREP VII SG Oxygen Holding (NQ) Pte. Limited	BREP Asia SG Indian Holding (NQ) Co II Pte. Limited
BREP GML Holding (NQ) Pte. Limited	India Alternate Property Limited
BREP VII GML Holding (NQ) Pte. Limited	

Directors & KMPs of the Manager (Embassy Office Parks Management Services Private Limited)

Directors	KMPs
Jitendra Virwani	Michael Holland – CEO (Up to June 30, 2022)
Tuhin Parikh	Vikaash Khdloya – CEO (w.e.f. July 1, 2022)
Vivek Mehra	Aravind Maiya – CFO (Up to May 31, 2022)
Ranjan Pai	Abhishek Agrawal – Interim CFO (w.e.f. June 1, 2022)
Anuj Puri	Deepika Srivastava – Compliance Officer and Company Secretary (Up to September 29, 2022)
Punita Kumar Sinha	
Robert Christopher Heady	
Aditya Virwani	
Asheesh Mohta (alternate to Robert Christopher Heady)	

B. Joint Venture

Golflinks Software Park Private Limited

C. Other related parties with whom the transactions have taken place during the period

Dynasty Properties Private Limited	Mac Charles (India) Limited	Embassy Real Estate and Development Services Private Limited
Snap Offices Private Limited	Lounge Hospitality LLP	JV Holding Private Limited
Embassy Industrial Parks Private Limited	Embassy Projects Private Limited	VTV Infrastructure Management Private Limited
Golflinks Embassy Management Services LLP	Anarock Retail Advisors Private Limited	Golflinks Embassy Business Park Management Services LLP
Wework India Management Private Limited	BREP VII SBS Holding-NQ IV Co Ltd. (Cayman)*	Babbler Marketing Private Limited
Embassy Shelters Private Limited	BREP Asia SBS Holding-NQ Co IV Ltd. (Cayman)*	G V Properties Private Limited
FIFC Condominium	BREP Asia SG India Holding (NQ) Co I Pte. Ltd.*	Next Level Experiences LLP
Paledium Security Services LLP	BREP VII SG India Holding (NQ) Co I Pte. Ltd.*	Bangalore Paints Private Limited
Technique Control Facility Management Private Limited	Embassy Services Private Limited	
HVS Anarock Hotel ADV Services Private Limited	Embassy One Developers Private Limited	

\* together known as BREP entities.



Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

II. Related party transactions during the period/year

Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
<b>Non-convertible Debentures issued/(redeemed) to</b>							
Embassy Services Private Limited	-	-	-	-	(60.00)	-	(60.00)
<b>Property Management fees</b>							
Embassy Office Parks Management Services Private Limited	170.50	173.87	175.85	344.37	326.36	343.81	670.17
<b>REIT Management fees</b>							
Embassy Office Parks Management Services Private Limited	60.40	58.83	63.53	119.23	116.55	137.91	254.46
<b>Secondment fees</b>							
Embassy Office Parks Management Services Private Limited	0.41	0.41	0.39	0.82	0.78	0.78	1.56
<b>Trustee fees</b>							
Axis Trustee Services Limited	0.74	0.74	0.74	1.48	1.47	1.48	2.95
<b>Rental guarantee received</b>							
Embassy Property Developments Private Limited	156.38	288.34	-	444.72	-	-	-
<b>Contingent consideration paid</b>							
Embassy Property Developments Private Limited	-	350.00	-	350.00	-	-	-
<b>Investments in Debentures</b>							
Golflinks Software Park Private Limited	-	9,500.00	-	9,500.00	-	-	-
<b>Purchase of Investment Properties</b>							
Babbler Marketing Private Limited	25.09	4.66	46.97	29.75	28.78	100.80	129.58
<b>Project cost capitalised</b>							
Embassy Property Developments Private Limited	26.83	48.82	103.23	75.65	271.97	241.03	513.00
Embassy Services Private Limited	-	-	5.43	-	48.66	10.46	59.12
Technique Control Facility Management Private Limited	-	-	-	-	1.66	-	1.66
<b>Capital advances paid/(refunded)</b>							
Embassy Property Developments Private Limited	258.24	(5.59)	417.48	252.65	1,130.31	784.56	1,914.87
WeWork India Management Private Limited	39.83	-	-	39.83	-	-	-
FIFC Condominium	3.23	-	-	3.23	5.72	-	5.72
Babbler Marketing Private Limited	-	12.41	-	12.41	-	25.77	25.77
<b>Common area maintenance</b>							
Embassy Services Private Limited	109.41	152.56	139.73	261.97	304.20	297.00	601.20
Golflinks Embassy Business Park Management Services LLP	-	-	4.21	-	1.67	10.02	11.69
FIFC Condominium	16.96	19.18	17.19	36.14	12.38	32.19	44.57
Paledium Security Services LLP	29.30	16.92	31.95	46.22	58.97	52.56	111.53
G V Properties Private Limited	-	-	-	-	8.35	-	8.35
Golflinks Software Park Private Limited	2.85	2.86	-	5.71	-	-	-
Wework India Management Private Limited*	0.68	0.10	-	0.78	-	-	-
Lounge Hospitality LLP	-	-	-	-	0.22	-	0.22
Technique Control Facility Management Private Limited	189.10	157.00	169.34	346.10	348.52	333.03	681.55

\* Represents the 10% managements fee on business conducting agreement with Wework



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)							
Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
<b>Repairs and maintenance – building</b>							
Embassy Services Private Limited	0.87	-	-	0.87	22.81	-	22.81
Technique Control Facility Management Private Limited	1.49	-	-	1.49	-	0.28	0.28
Lounge Hospitality LLP	-	-	-	-	0.58	-	0.58
<b>Repairs and maintenance – plant and machinery</b>							
Embassy Services Private Limited	0.05	0.03	0.03	0.08	0.03	0.04	0.07
Paledium Security Services LLP	-	-	0.01	-	-	-	-
Babbler Marketing Private Limited	0.16	-	-	0.16	-	-	-
Technique Control Facility Management Private Limited	4.57	-	3.59	4.57	1.99	1.07	3.06
<b>Repairs and maintenance – others</b>							
Embassy Services Private Limited	0.50	-	-	0.50	-	0.05	0.05
Technique Control Facility Management Private Limited	3.16	0.12	1.09	3.28	2.73	1.21	3.94
Next Level Experiences LLP	0.17	-	-	0.17	-	-	-
Embassy Office Parks Management Services Private Limited	-	-	-	-	1.68	-	1.68
<b>Power and fuel expenses</b>							
Embassy Services Private Limited	28.23	29.50	20.57	57.73	46.02	32.65	78.67
<b>Legal and professional charges</b>							
Embassy Services Private Limited	6.23	6.05	6.16	12.28	11.48	11.90	23.38
Embassy One Developers Private Limited	-	0.80	0.99	0.80	1.40	0.99	2.39
Technique Control Facility Management Private Limited	0.04	3.08	0.07	3.12	1.22	0.07	1.29
<b>Security charges</b>							
Embassy Services Private Limited	-	-	3.64	-	(0.21)	9.66	9.45
Paledium securities LLP	7.33	7.74	-	15.07	-	-	-
<b>Trademark and license fees</b>							
Embassy Shelters Private Limited	0.36	0.35	0.36	0.71	0.71	0.71	1.42
<b>Rental and maintenance income</b>							
Wework India Management Private Limited	222.34	160.90	160.03	383.24	303.11	314.42	617.53
FIFC Condominium	1.26	1.26	1.25	2.52	2.52	2.51	5.03
Embassy Services Private Limited	1.16	1.74	1.66	2.90	2.22	3.32	5.54
Snap Offices Private Limited	11.35	11.47	11.95	22.82	21.47	22.78	44.25
<b>Income from generation of renewable energy from the tenants of</b>							
Golflinks Software Park Private Limited	66.27	87.44	59.74	153.71	142.78	122.64	265.42
<b>Revenue – Room rentals, sale of food and beverages</b>							
Jitendra Virwani	0.26	3.36	0.54	3.62	0.78	2.25	3.03
Embassy Property Developments Private Limited	0.32	5.46	0.30	5.78	4.48	0.87	5.35
Embassy Office Parks Management Services Private Limited	0.21	5.22	-	5.43	3.52	-	3.52
Embassy Services Private Limited	0.01	12.73	10.96	12.74	0.02	12.67	12.69
Embassy One Developers Private Limited	0.66	6.44	-	7.10	5.78	-	5.78
Others	0.55	2.11	0.72	2.66	-	2.29	2.29
<b>Other operating income</b>							
Embassy Property Developments Private Limited	171.60	171.60	171.60	343.20	343.20	343.20	686.40
Golflinks Software Park Private Limited	14.62	14.63	11.25	29.25	22.50	22.50	45.00
<b>Interest income</b>							
Golflinks Software Park Private Limited	96.03	91.22	-	187.25	-	-	-
Embassy Property Developments Private Limited	156.65	153.45	182.37	310.10	355.28	362.75	718.03



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)							
Particulars	For the quarter ended September 30, 2022	For the quarter ended June 30, 2022	For the quarter ended September 30, 2021	For the half year ended September 30, 2022	For the half year ended March 31, 2022	For the half year ended September 30, 2021	For the year ended March 31, 2022
<b>Security deposits received</b>							
Wework India Management Private Limited	-	85.19	-	85.19	-	-	-
<b>Redemption of investment in debentures</b>							
Golflinks Software Parks Private Limited	450.00	150.00	-	600.00	-	-	-
<b>Reimbursement of expenses (received)/paid</b>							
Embassy Services Private Limited	-	-	-	-	0.71	-	0.71
FIFC Condominium	-	-	-	-	(3.09)	-	(3.09)
Embassy One Developers Private Limited	0.80	-	5.21	0.80	(9.05)	3.34	(5.71)
Golflinks Software Parks Private Limited	-	(3.04)	-	(3.04)	-	-	-
Technique Control Facility Management Private Limited	0.24	0.05	-	0.29	-	-	-
Embassy Office Parks Management Services Private Limited	-	-	17.07	-	11.73	18.14	29.87
<b>Marketing and advertising expenses</b>							
Next Level Experiences LLP	10.85	-	-	10.85	-	-	-
<b>Miscellaneous expenses</b>							
Embassy Services Private Limited	0.14	0.28	0.53	0.42	0.99	0.53	1.52
Technique Control Facility Management Private Limited	-	-	0.66	-	0.03	0.66	0.69
Embassy Office Parks Management Services Private Limited	-	-	-	-	1.26	-	1.26
Paledium Security Services LLP	-	-	-	-	0.13	-	0.13
Lounge Hospitality LLP	2.50	2.50	2.50	5.00	5.00	5.00	10.00
<b>III. Related party balances</b>							
Particulars	As at September 30, 2022	As at March 31, 2022					
<b>Other non-current assets – capital advance</b>							
Embassy Shelters Private Limited	206.35	206.35					
Embassy Property Developments Private Limited	2.93	17.38					
Wework India Management Private Limited	39.83	-					
FIFC Condominium	3.23	-					
Bangalore Paints Private Limited	11.68	-					
<b>Other non-current assets – advance paid for co-development of property, including development rights on land</b>							
Embassy Property Developments Private Limited (refer note 54)	16,030.55	15,777.90					
<b>Receivable towards rental support</b>							
Embassy Property Developments Private Limited	174.77	-					
<b>Investment in Debentures</b>							
Golflinks Software Park Private Limited	8,900.00	-					
<b>Trade receivables</b>							
Embassy Property Developments Private Limited	176.12	518.80					
Wework India Management Private Limited	23.05	-					
Golflinks Embassy Business Park Management Services LLP	1.78	1.76					
Embassy One Developers Private Limited	2.24	-					
Embassy Office Parks Management Service Private Limited	1.30	1.14					
Others	1.58	1.66					
<b>Unbilled revenue</b>							
Golflinks Software Park Private Limited	27.95	35.10					



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

Particulars	As at September 30, 2022	As at March 31, 2022
<b>Other current financial assets – other receivables from related party</b>		
Embassy Property Developments Private Limited	250.69	618.40
Embassy One Developers Private Limited	3.00	2.57
Golfinks Software Park Private Limited	3.60	-
<b>Other current assets – Advance for supply of goods and rendering of services</b>		
FIFC Condominium	7.66	0.68
Embassy Office Park Management Services Private Limited	48.10	-
Technique Control Facility Management Private Limited	15.31	-
Embassy Services Private Limited	27.03	73.75
Paledium Security Services LLP	4.53	-
<b>Trade payables</b>		
Embassy Services Private Limited	31.58	33.21
VTV Infrastructure Management Private Limited	4.03	-
Technique Control Facility Management Private Limited	1.83	29.82
Embassy Real Estate and Development Services Private Limited	5.30	5.30
Others	22.34	37.80
<b>Current liabilities – Capital creditors for purchase of fixed assets</b>		
Embassy Property Developments Private Limited	38.68	331.44
Embassy Services Private Limited	4.62	39.56
Bangalore Paints Private Ltd.	5.24	-
Babbler Marketing Private Limited	12.09	34.17
FIFC Condominium	-	3.44
Others	-	1.63
<b>Other current financial liabilities</b>		
Embassy Services Private Limited	17.37	20.75
Technique Control Facility Management Private Limited	88.01	74.22
Embassy Office Parks Management Services Private Limited	63.03	61.59
Paledium Security Services LLP	25.73	18.91
Embassy One Developers Private Limited	-	0.25
Lounge Hospitality LLP	5.00	-
Babbler Marketing Private Limited	0.16	-
FIFC Condominium	1.52	0.74
Wework India Management Private Limited	7.23	-
VTV Infrastructure Management Private Limited	-	1.61
<b>Other current financial liabilities – Security deposits</b>		
Golfinks Software Parks Private Limited	80.00	80.00
<b>Contingent consideration payable</b>		
Embassy Property Developments Private Limited	-	350.00
<b>Lease deposits</b>		
Wework India Management Private Limited*	197.82	112.64
Snap Offices Private Limited	4.82	4.82

\* Of the above, MPPL has provided a guarantee of ₹179.46 million to a tenant (sub-lessee) of Wework India Management Private Limited (Wework), for the security deposits paid by the sub-lessee to Wework. This guarantee has been provided based on the specific request of the sub-lessee and is backed by an independent bank guarantee received by MPPL for a similar amount and duration on behalf of Wework.



# Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

## 50 DETAILS OF UTILISATION OF PROCEEDS OF ISSUE OF EMBASSY REIT SERIES V NCD 2021 AS ON SEPTEMBER 30, 2022 ARE AS FOLLOWS:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation up to March 31, 2022	Unutilised amount as at March 31, 2022	Actual utilisation up to September 30, 2022	Unutilised amount as at September 30, 2022
Refinancing of the Existing Series I NCD Debt	30,845.00	30,845.00	-	-	-
General purposes including issue expenses	155.00	129.26	25.74	25.74	-
<b>Total</b>	<b>31,000.00</b>	<b>30,974.26</b>	<b>25.74</b>	<b>25.74</b>	<b>-</b>

## 51 DETAILS OF UTILISATION OF PROCEEDS OF ISSUE OF EMBASSY REIT SERIES VI NCD 2022 AS ON SEPTEMBER 30, 2022 ARE AS FOLLOWS:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation up to September 30, 2022	Unutilised amount as at September 30, 2022
Subscription to the Golfinks Debentures	9,500.00	9,500.00	-
General purposes including issue expenses	500.00	500.00	-
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>-</b>

## 52 DETAILS OF UTILISATION OF PROCEEDS OF ISSUE OF VTPL SERIES I NCD 2022 AS ON SEPTEMBER 30, 2022 ARE AS FOLLOWS:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation up to September 30, 2022	Unutilised amount as at September 30, 2022
Towards part refinancing of the outstanding portion of the existing loan at the SPV	4,950.00	4,950.00	-
<b>Total</b>	<b>4,950.00</b>	<b>4,950.00</b>	<b>-</b>

## 53 DISTRIBUTIONS

The Board of Directors of the Manager to the Trust, in their meeting held on October 20, 2022, have declared distribution to Unitholders of ₹5.46 per unit which aggregates to ₹5,175.50 Million for the quarter ended September 30, 2022. The distribution of ₹5.46 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.20 per unit in the form of dividend and the balance ₹2.40 per unit in the form of amortisation of SPV debt.

Along with distribution of ₹5,052.27 Million/₹5.33 per unit for the quarter ended June 30, 2022, the cumulative distribution for the half year ended September 30, 2022 aggregates to ₹ 10,227.77 Million/₹10.79 per unit.

## 54 ADVANCE PAID FOR CO-DEVELOPMENT OF PROPERTY, INCLUDING DEVELOPMENT RIGHTS OF LAND (M3 BLOCK A & B) Block A

Manyata Promoters Private Limited ('MPPL') and Embassy Property Developments Private Limited ('EPDPL') entered into a co-development agreement on 8 March 2017 whereby EPDPL shall develop 1 msf M3 Block A warm shell building to be handed over to MPPL by agreed delivery date for a total consideration of ₹8,256 Million, of which ₹7,918.96 Million has already

been paid as of September 30, 2022 and balance is to be disbursed linked to achievement of construction milestones. EPDPL was originally obligated to obtain Occupancy Certificate (OC) for the buildings by December 2019. In case of any delay in obtaining the OC beyond the agreed delivery date, EPDPL is obligated to pay a rental compensation of ₹57 Million per month of delay to MPPL. As of date, the bare shell building is under development and the estimated date of completion and obtaining occupancy certificate is now December 2022.

The carrying cost in the consolidated financial statements of the above advance is ₹11,392.25 Million as at September 30, 2022 which includes one-time fair valuation gain on purchase price allocation on acquisition by the REIT.

As per terms of this co-development agreement, consideration is contingent on pre-defined Net Operating Income achieved and therefore consideration will be trued up/down accordingly upon project completion. As at September 30, 2022, MPPL has a receivable of ₹171.60 Million from EPDPL towards receipt of compensation for Block A pertaining to quarter ended September 30, 2022. During the quarter ended September 30, 2022, based on the confirmation



Notes

to the Condensed Consolidated Financial Statements

(all amounts in ₹ Million unless otherwise stated)

and payment plan received from EPDPL for settling the aforesaid receivable balance, after due consideration of the contractual dues to EPDPL by the Group, the Group has considered the amount as recoverable.

Block B

During the financial year ended March 31, 2020, to consolidate the M3 land parcel within Embassy Manyata campus, MPPL and EPDPL entered into another co-development agreement whereby EPDPL shall develop 0.6 msf M3 Block B warm shell building to be handed over to MPPL by agreed delivery date for a total consideration of ₹7,367 Million, of which ₹4,638.30 Million has already been paid as of September 30, 2022 (March 31, 2022: ₹4,519.66 Million) and balance is to be disbursed linked to achievement of development milestones. Furthermore, as per the co-development agreement, during the period of construction, EPDPL is obligated to pay interest to MPPL on the amount of the Development Consideration disbursed by MPPL to EPDPL. As of date, the acquisition of necessary transferable development rights and building approvals are yet to be received and are currently being pursued by EPDPL. In the interim, site works have been initiated and are underway and the revised estimated date of completion and obtaining occupancy certificate is now March 2025. Basis EPDPL's representation, the Group is confident of timely completion of the property under development after obtaining pending regulatory approvals.

As per terms of this co-development agreement, consideration is contingent on pre-defined Net Operating Income achieved and therefore consideration will be trued up/down accordingly upon project completion. As at September 30, 2022, MPPL has a receivable of ₹250.69 Million from EPDPL towards receipt of interest for Block B pertaining to the half year ended September 30, 2022. During the quarter ended September 30, 2022, based on the confirmation and payment plan received from EPDPL for settling the aforesaid receivable balance, after due consideration of the contractual dues to EPDPL by the Group, the Group has considered the amount as recoverable.

55 A search under Section 132 of the Income Tax Act was conducted on June 1, 2022 on EOPMSPL, Embassy REIT, and certain SPV's namely VTPL, EOVL, SIPL, EEPL. Pursuant to the communication received from the income tax authorities by the Trust, requisite information has been provided to the authorities. As on the date of the financial statements, the Group has not received any demand or show cause notice from the income tax authorities pursuant to such search proceedings.

56 The Board of Directors of the Manager through a resolution by circulation dated January 23, 2021 approved the Scheme of Arrangement ("the Scheme") involving EOVL and VTPL. The Scheme provides for the merger/amalgamation of EOVL into VTPL (on a going concern basis). The Scheme has been approved by National Company Law Tribunal (NCLT), Bengaluru Bench on February 17, 2022. The Company has filed the necessary forms with Registrar of Companies (RoC). Upon the Scheme becoming effective, with effect from the Appointed Date, VTPL has become a 100% directly-held SPV of Embassy Office Parks REIT, holding Embassy Tech Village.

The consideration paid by VTPL to give effect to the Scheme to Embassy REIT is as follows:

- VTPL has issued and allotted 1 fully paid-up ordinary share of face value of ₹10 each for every 3.72 class A equity shares of face value of ₹10 each, fully paid-up held in EOVL.
- VTPL has issued and allotted 1 fully paid-up ordinary share of face value of ₹10 each for every 3.14 ordinary equity shares of face value of ₹10 each, fully paid-up held in EOVL.

There is no impact to consolidated financial statements of the Group due to the above scheme of merger.

57 The figures for the half year ended March 31, 2022 are the derived figures between the audited figures in respect of the year ended March 31, 2022 and the published year-to-date figures up to period ended September 30, 2021, which were subject to limited review.

As per our report of even date attached

for **S R Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm's registration number: 101049W/E300004

per **Adarsh Ranka**  
Partner  
Membership number: 209567

Place: Bengaluru  
Date: October 20, 2022

for and on behalf of the Board of Directors of  
**Embassy Office Parks Management Services Private Limited**  
(as Manager to Embassy Office Parks REIT)

**Jitendra Virwani**  
Director  
DIN: 00027674

Place: Bengaluru  
Date: October 20, 2022

**Tuhin Parikh**  
Director  
DIN: 00544890

Place: Mumbai  
Date: October 20, 2022



FINAL VALUATION REPORT

Embassy Office Parks Management Services Private Limited in its capacity as manager of The Embassy Office Parks REIT

EMBASSY MANYATA, BENGALURU  
EMBASSY TECHVILLAGE, BENGALURU  
EXPRESS TOWERS, MUMBAI  
EMBASSY 247, MUMBAI  
FIRST INTERNATIONAL FINANCE CENTRE (FIFC), MUMBAI  
EMBASSY TECHZONE, PUNE  
EMBASSY QUADRON, PUNE  
EMBASSY QUBIX, PUNE  
EMBASSY OXYGEN, NOIDA  
EMBASSY GALAXY, NOIDA  
EMBASSY GOLFLINKS, BENGALURU  
EMBASSY ONE, BENGALURU  
HILTON AT EMBASSY GOLFLINKS, BENGALURU  
EMBASSY ENERGY, BELLARY DISTRICT, KARNATAKA

DATE OF VALUATION: SEPTEMBER 30, 2022

DATE OF REPORT: OCTOBER 18, 2022

Value Assessment  
Service

Valuer under SEBI (REIT)  
Regulations, 2014





1 Instruction

iVAS Partners, represented by Mr. Manish Gupta, has been instructed by **Embassy Office Parks Management Services Private Limited** (the **‘Client’**, the **‘Instructing Party’**) in its capacity as **Manager of The Embassy Office Parks REIT (Embassy REIT)** to reward upon the Market Value (MV) of properties comprising of commercial office real estate assets located across Bengaluru, Pune, Mumbai and Noida as well as affiliated facilities including a solar park, retail spaces and hotels (together herein referred as subject properties across the report).

CBRE has been instructed by the Client to be the ‘Value Assessment Service Provider’ for providing market intelligence to the ‘Valuer’ (iVAS Partners, represented by Mr. Manish Gupta) and forecasting cash flows from the respective assets. The Valuer has utilized the market intelligence provided by CBRE and independently reviewed the cash flows to arrive at the Market Value of the respective assets as per the SEBI (REIT) regulations 2014. iVAS Partners (represented by Mr. Manish Gupta) and CBRE are collectively referred to as the Consultants for the purpose of this report.

The details of the subject properties under the purview of this valuation exercise are tabulated below:

Development Name	Location
Embassy Manyata	Bengaluru
Embassy TechVillage	Bengaluru
Express Towers	Mumbai
Embassy 247	Mumbai
First International Finance Centre	Mumbai
Embassy TechZone	Pune
Embassy Quadron	Pune
Embassy Qubix	Pune
Embassy Oxygen	Noida
Embassy Galaxy	Noida
Embassy GolfLinks	Bengaluru
Embassy One	Bengaluru
Hilton at Embassy GolfLinks	Bengaluru
Embassy Energy	Bellary District, Karnataka

1.1 Purpose

The Valuer understands that the valuation is required by the Client for financial and investor reporting purposes to comply with the requirements of Regulation 21 of the SEBI (REIT) Regulations, 2014.

1.2 Reliant Party

Reliant parties to this report shall mean Embassy Office Parks Management Services Private Limited (EOPMSPL), the Embassy Office Parks REIT (“Embassy REIT”) and their Unit Holders and Axis Trustee Services Limited (the Trustee for the Embassy REIT) for the purpose (of the valuation) as highlighted in this report. The auditors and advisors would be extended reliance by the ‘Consultants’ but would extend no liability to the auditors and advisors.

The valuation will be prepared strictly and only for the use of the Reliant Party and for the Purpose specifically stated. The instructing party would make all reliant parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

1.3 Limitation of Liability

- The ‘Consultants’ provide the Services exercising due care and skill, but the ‘Consultants’ do not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the properties. Further, the ‘Consultants’ shall not accept liability for any errors, misstatements, omissions in the Report caused due to false, misleading or incomplete information or documentation provided to the ‘Consultants’ by the Instructing Party.
- The Consultants’ maximum aggregate liability for claims arising out of or in connection with the Valuation Report, under this contract shall not exceed Indian Rupees 30 Mn.

- In the event that any of the Sponsor, Manager, Trustee, Embassy REIT in connection with the report be subject to any claim (“Claim Parties”) in connection with, arising out of or attributable to the Valuation Report, the Claim Parties will be entitled to require the ‘Consultants’ to be a necessary party/ respondent to such claim and the ‘Consultants’ shall not object to their inclusion as a necessary party/ respondent. If the ‘Consultants’ do not co-operate to be named as a necessary party/ respondent to such claims or co-operate in providing adequate/ successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the ‘Consultants’ in this regard and the Consultants’ liability shall extend to the value of the claims, losses, penalties, costs and liabilities incurred by the Claim Parties.
- The Consultants will neither be responsible for any legal due diligence, title search, zoning check, development permissions and physical measurements nor undertake any verification/ validation of the zoning regulations/ development controls etc.

1.4 Capability of Valuer and Value Assessment Service Provider

**Valuer under SEBI (REIT) Regulations, 2014: iVAS Partners, represented by Mr. Manish Gupta**

iVAS Partners, represented by Mr. Manish Gupta (Valuer Registration Number: IBBI/RV-E/02/2020/112) delivers reliable and independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Manish Gupta, Partner at iVAS Partners, is a Registered Architect with Council of Architecture (COA) and a member of the Royal Institute of Chartered Surveyors (MRICS) and Institution of Valuers (IOV), with over 12 years of experience in the real estate industry. Manish is a seasoned professional with experience in providing real estate valuation services to a wide spectrum of clients including financial institutions, private equity funds, developers, NBFCs, corporate houses, banks, resolution professionals, landowners, etc.

He has worked on variety of valuation, consulting and technical due-diligence assignments for various purposes including investment related due diligence, mortgage/collateral appraisals, financial reporting, listing purposes, IBC led requirements, etc. across a range of asset classes such as residential projects, integrated township developments, hospitality assets, commercial (office and retail) projects, industrial developments, warehousing parks, educational projects, healthcare developments, etc. for both national as well as international clients.

**Value Assessment Service Provider: CBRE South Asia Pvt. Ltd.**

CBRE Advisory Services India is an integral part of CBRE Global Valuation & Advisory Services team. The Global VAS team comprises of over 1,500 professionals across approximately 280 offices globally and India Advisory Services team comprises of more than 280 professionals.

CBRE Advisory Services India have completed over 100,000 valuation and advisory assignments across varied asset classes spread across 20 states and 300+ cities. CBRE provides quality valuation, risk advisory and consulting services across a range of property types including residential, hospitality, retail, commercial, institutional, Special Economic Zone (SEZ), industrial, etc. CBRE derives global best practices while maintaining the complexities of Indian real estate markets and are ideally positioned to help solve any valuation related real estate challenge, ranging from single asset valuations to valuation of multi-market and multi-property portfolios.

Our dedicated and experienced professionals provide quality services from 9 offices across India (Delhi, Mumbai, Bengaluru, Chennai, Kolkata, Gurgaon, Hyderabad, Pune, and Ahmedabad). Our professionals have a varied qualification base such as Royal Institute of Chartered Surveyors (RICS) or IOV certified valuation professionals, master planners, Architects, MBA, CA, CFA, etc. and this entire multi-faceted experience helps us in achieving our commitment to provide the highest level of professional expertise to our clients.

CBRE Advisory Services India team has substantial experience with several institutional clients including financial institutions, real estate funds, private equity funds, developers, corporates, banks, NBFCs, etc.



1.5 Disclosures

The Consultants hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by Mr. Manish Gupta (hereinafter referred to as the Valuer), is eligible to be appointed as a valuer in terms of Regulation 2(1)(zz) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014
- Neither CBRE nor iVAS Partners (represented by Mr. Manish Gupta - Partner, iVAS Partners) are an associate of the instructing party
- Mr. Manish Gupta, Partner, iVAS Partners (the Valuer) has a minimum of five years of experience in the valuation of real estate
- The Valuer has not been involved with the acquisition or disposal of the subject property in the last twelve months, other than such cases where the valuer was engaged by the Embassy REIT for such acquisition or disposal
- The Valuer has adequate and robust internal controls to ensure the integrity of the valuation reports
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to property valuation at all times
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014
- The Valuer and any of its employees/ consultants involved in valuation of the REIT assets are not invested in units of the REIT or in the assets being valued till the time such person is designated as valuer of such REIT and not less than 6 months after ceasing to be valuer of the REIT
- The Valuer has conducted the valuation of the REIT assets with transparency and fairness and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation
- The Valuer has discharged its duties towards the Embassy REIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment
- The Valuer shall not accept remuneration, in any form, for performing a valuation of the REIT assets from any person other than the Embassy REIT or its authorized representatives.
- The Valuer shall before accepting any assignment from any related party to the Embassy REIT, shall disclose to the Embassy REIT, any direct or indirect consideration which the valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the Embassy REIT, any pending business transactions, contracts under negotiation and other arrangements with the Instructing Party or any other party whom the Embassy REIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the property
- The Valuer shall not make false, misleading or exaggerated claims in order to secure assignments
- The Valuer shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the Embassy REIT
- The valuer has valued the subject property based on the valuation standards as specified under sub-regulation 10 of regulation 21 of SEBI (REIT) Regulations 2014.
- The valuation undertaken by the Valuer abides by international valuation standards
- The Valuer is competent to undertake the valuation of the subject property. Further the Valuer has independently undertaken the valuation and the report is prepared on a fair and unbiased basis
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by King & Partridge, Shardul Amarchand Mangaldas & Co, Cyril Amarchand Mangaldas, Little & Company, Jayashree Sridhar and Law Shield (hereinafter collectively referred to as 'Legal Counsels')

1.6 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

Valuation Subject to Change:	The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future
Our Investigations:	The Consultants are not engaged to carry out all possible investigations in relation to the subject properties. Where in our report the Consultants identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Consultants recommend as necessary prior to reliance. The Consultants are not liable for any loss occasioned by a decision not to conduct further investigations
Assumptions:	Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The reliant parties accept that the valuation contains certain specific assumptions and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation
Information Supplied by Others:	The valuations are based on the information provided by the Instructing Party (Embassy Office Parks Management Services Private Limited). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Consultants', this information is believed to be reliable but the 'Consultants' can accept no responsibility if this should prove not to be so. However, please note that wherever we have relied on information from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context
Future Matters:	To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Consultants' at the date of this document. The 'Consultants' do not warrant that such statements are accurate or correct
Map and Plans:	Any sketch, plan or map in this report is included to assist reader while visualizing the properties and assume no responsibility in connection with such matters
Site Details:	Based on title due-diligence information provided by the Client, the Valuer understands that the subject properties are free from any encroachments and are available as on the date of the valuation
Property Title:	For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the properties and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the subject properties may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.
Environmental Conditions:	The Valuer has assumed that the subject properties are not contaminated and are not adversely affected by any existing or proposed environmental law and any processes which are carried out on the properties are regulated by environmental legislation and are properly licensed by the appropriate authorities
Town Planning:	The current zoning of the subject properties has been adopted on the basis of review of various documents (title deeds) provided by the Instructing Party and the current land use maps for the subject region. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the subject properties adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.
Area:	Various areas related to the properties considered for the purpose of this valuation exercise are based on the rent rolls/ Architect certificate provided by the Instructing Party. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise
Condition & Repair:	In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the property; the property is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the property and comments made in the property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts
Not a Structural Survey:	The Valuer states that this is a valuation report and not a structural survey
Legal:	Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the subject property.
Others:	Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain The actual market price achieved may be higher or lower than our estimate of value depending upon the circumstances of the transaction, nature of the business, etc. The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion may not necessarily be the price at which actual transaction takes place We have assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences



We draw your attention to the fact that a combination of global inflationary pressures (leading to higher interest rates) and the recent geopolitical events has heightened the potential for greater volatility in property markets over the short-to-medium term. Reader is advised to keep this in purview while reading the valuation report.

You should note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how market participants respond to current events.

**Other Assumptions:** Please note that all the factual information such as tenants’ leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the subject properties is based on the appropriate relevant documents provided by the Client and the same has been adopted for the purpose of this valuation exercise. While we have reviewed a few lease deeds on a sample basis, the Consultants do not take any responsibility towards authenticity of the rent rolls provided by the Client. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 2.5. All measurements, areas and ages quoted in our report are approximate

We are not advisors with respect to legal tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets’ claim to title of assets has been made for the purpose of this Report and the SPVs’ claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature

Kindly note that we have undertaken a quarterly assessment of cash flows for the purpose of the valuations

2 Valuation Approach & Methodology

2.1 Scope of Valuation

The valuation exercise is aimed at the assessment of the Market Value (MV) of the subject property. In considering the value of the property, the Valuer has considered the guidelines laid out in the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors (RICS).

2.2 Basis of Valuation

The valuations have been conducted in accordance with the RICS Valuation – Global Standards 2020 (Red Book Global Incorporating the IVSC International Valuation Standards issued in November 2019, effective from 31 January 2020) and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and would be aimed at assessing the Market Value of subject properties.

As per the Valuation and Guidance Notes issued by the Royal Institution of Chartered Surveyors (RICS) the market value is defined as:

***‘The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion’.***

2.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the subject properties. Market Value is derived through the following Methodologies:



2.3.1 Direct Comparison Approach

In **‘Direct Comparison Approach’**, the subject property is compared to similar properties that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on property specific attributes to reflect the underlying value of the property.

2.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

**A. Direct Capitalization Method**

Direct capitalization involves capitalizing a ‘normalized’ single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.



**B. Discounted Cash Flow Method**

Using this valuation method, future cash flows from the property are forecasted using precisely stated assumptions. This method allows for the explicit modelling of income associated with the property. These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate. A variation of the Discounted Cash Flow Method is illustrated below:

**B.1. Discounted Cash Flow Method using Rental Reversion**

The market practice in most commercial/ IT developments involves contracting tenants in the form of pre-commitments at sub-market rentals to increase attractiveness of the property to prospective tenants – typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rentals for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/ above market leases on the valuation of the subject property.

**2.4 Approach and Methodology Adopted**

A large number of leases at the subject properties were executed at rentals prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rentals, future growth plans, etc.) at a particular point in time, negotiated rentals may tend to move away from the prevalent market rents over a period of time. It has also been witnessed that the market rents for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the property under review.

Considering the objective of this exercise and the nature of asset involved, the value of the office component in the subject properties has been assessed through the Discounted Cash Flow Method using Rental Reversion and the value of the Solar Park and hotel component at the respective properties have been valued using Discounted Cash Flow Method. Further, the following steps have been adopted as part of the valuation for the respective subject properties (assets).

**Asset-specific Review:**

1. As the first step to the valuation of the asset, the rent rolls (and the corresponding lease deeds on a sample basis) were reviewed to identify tenancy characteristics for the asset. As part of the rent roll review, top 10 tenants have been reviewed from their lease terms perspective. For anchor tenants, discounts on marginal rent or additional lease-up timeframe have been adopted upon lease reversion.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset

**Micro-market Review:**

1. A detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the respective properties vis-à-vis their surrounding sub-market, etc. Further, a primary and secondary research exercise has been carried out in the catchment areas for the respective assets to ascertain the transaction activity of commercial, retail and hospitality developments. This has been achieved through interactions with various market players such as developers, real estate brokers, key office tenants, hospitality occupiers, etc. Peers to the assets were identified in terms of potential competition (both completed and under-construction/planned assets), comparable recent lease transactions witnessed in the micro-market were analysed along with the historical leasing and re-leasing history within the asset over the last 2 – 3 years. This was undertaken to assess the applicable market rent (applicable rental for the micro-market where the asset is located) and applicable marginal rental (the Consultants' view on rental for the asset – used for leasing vacant spaces as well as upon releasing).
2. The Consultants also analysed the historical leasing within the asset for anchor tenants to identify the discount that is extended to such tenants at the time of fresh leasing or lease renewals. Every lease deed of large anchor tenant were analysed and applicable discount to marginal rental was estimated for individual leases. For other tenants occupying relatively large space within the properties, the Valuer assumed the leases to revert to marginal rentals (duly escalated from the date of valuation) post expiry of the lease, factoring appropriate re-leasing time.

**Cash Flow Projections:**

1. The cash flows for the operational and under-construction/proposed area were projected separately to arrive at their respective value conclusion.

2. The Valuer has utilized the EBITDA to arrive at the value of the subject properties. The following steps were undertaken to arrive at the value for operational and under-construction/proposed area respectively.

The Valuer has projected future cash flows from the property based on existing lease terms for the operational area till the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier. Post which, the lease terms have been aligned with marginal rentals. For vacant area and under-construction/proposed area, the Valuer has projected the marginal rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11<sup>th</sup> year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

For each lease, the following steps have been undertaken to assess the rental over a 10-year time horizon:

- a. **Step 1:** Project the rentals for identified tenancies up to the period of lease expiry, lock-in expiry, first escalation, second escalation, etc. whichever is applicable. In the event of vacant/ to be leased spaces, market-led rentals to be adopted with suitable lease-up time
  - b. **Step 2:** Generating a marginal rental stream for identified tenancies for the time period similar to the cash flows drawn in the aforementioned step
  - c. **Step 3:** In the event the escalated contracted rental is above the marginal rent (viz. by 10% for Bengaluru/ Mumbai assets & 15% for Pune/ Noida assets), the contracted terms are discarded, and the terms are reverted to market. In the event the escalated contracted rent is below the marginal rent by the threshold highlighted above, the contracted terms are adopted going forward until the next lease review/ renewal. Intent of this step is to project the rental for respective leases until lease expiry as well as post expiry
  - d. **Step 4:** Computing the monthly income based on rentals projected as part of Step 3 and translating the same to a quarterly income (for the next 10 years and 11th year – considered for calculation of terminal value)
3. Adjustments for other revenues and recurring operational expenses, fit-out income (if any – projected till first term expiry and discounted to present day – the same has been considered below the NOI and does not get capitalized) and vacancy provision have been adopted in-line with prevalent market dynamics. In addition, appropriate rent-free periods have been adopted during lease roll-overs to factor potential rent free terms as well as outflows towards brokerage. For all assets, the Valuer has looked at the operational revenues and expenses of the respective assets to understand the recurring, non-recurring, recoverable and non-recoverable expenses and accordingly modelled the common area maintenance income and operational expenses for the asset.
  4. The net income on quarterly basis have been projected over the next 10 years and the 1 year forward NOI (for 11<sup>th</sup> year) as of end of year 10 has been capitalized to assess the terminal value of the development. The quarterly net income over the next 10 years along with the terminal value during the end of year 10 have been discounted at a suitable discount rate to arrive at the net present value of the asset through this approach.
  5. For the hospitality component, future cash flows from the property, were projected based on our assessment of ARR and Occupancy. Adjustments for other revenues and recurring operational expenses, have been adopted in-line with prevalent market dynamics. The net income on quarterly basis have been projected over the next 10 years and the 1 year forward EBITDA (for 11<sup>th</sup> year) as of end of year 10 has been capitalized to assess the terminal value of the development. The quarterly net income over the next 10 years along with the terminal value during the end of year 10 have been discounted at a suitable discount rate to arrive at the net present value of the asset.



2.5 Information Sources for Valuation

Property related information referred to for the valuation exercise has been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, the Valuer has independently revalidated the information by reviewing the originals as provided by the Client.

2.6 Scope of Services for Value Assessment Service Provider

CBRE has been engaged by the Instructing Party to provide value assessment services and accordingly, would be responsible for the below scope as part of this exercise.

- Provide market intelligence to the Valuer on the following aspects:
  - Economic and Investment Overview
  - India Real Estate Overview
    - IT/ ITES Industry Dynamics
    - Key Office Markets
    - Outlook
  - For cities housing Embassy REIT Assets
    - Key Office Markets
    - General market practices
    - Demand Supply for Key Office Markets & Rental Trends
    - Outlook
- Review rent roll and forecast cash flows from the respective assets for the Valuer to independently review and work towards assessing the valuation of each Asset

Official Signatory for Value Assessment Service Provider:



**Name:** Vamshi KK Nakirekanti | MRICS | FIE | FIV | CEng (India)  
**Designation:** Senior Executive Director, Head – Valuation and Advisory Services, India & South East Asia  
**Firm:** CBRE South Asia Pvt Ltd



3 Nature of the Interest of the Embassy REIT

The table below highlights the nature of interest of the Embassy REIT:

Property	Interest Valued	Interest Embassy REIT holds	Remainder of term in case of Leasehold (approx.)
Embassy Manyata, Bengaluru	Freehold <sup>1</sup>	100.0%	NA
Embassy TechVillage, Bengaluru	Freehold <sup>2</sup>	100.0%	NA
Express Towers, Mumbai	Freehold	100.0%	NA
Embassy 247, Mumbai	Freehold	100.0%	NA
First International Financial Center, Mumbai	Leasehold	100.0%	66 Years
Embassy TechZone, Pune	Leasehold	100.0%	78 Years
Embassy Quadron, Pune	Leasehold	100.0%	78 Years
Embassy Qubix, Pune	Freehold	100.0%	NA
Embassy Oxygen, Noida	Leasehold	100.0%	75 Years
Embassy Galaxy, Noida	Leasehold	100.0%	73 Years
Embassy GolfLinks, Bengaluru	Freehold	50.0%	NA
Embassy One, Bengaluru	Freehold	100.0%	NA
Hilton at GolfLinks, Bengaluru	Freehold	100.0%	NA
Embassy Energy, Bellary District, Karnataka	Freehold	100.0%	NA

<sup>1</sup> Excluding the M3 block which is being developed on a leasehold land parcel (6.6 Acres)

<sup>2</sup> Total land area under the ownership of Vikas Telecom Private Limited (“VTPL”) is 80.1 acres and under Sarla Infrastructure Private Limited (“SIPL”), is 4.0 acres. Further, it is understood that out of total land area of 80.1 acres under the ownership of VTPL, 4.0 acres is leased to SIPL. Additionally, approx. 1.9 acres out of the total land extent is leasehold



4 Value Summary

The following table highlights the summary of the market value of each property which is a part of the said Embassy REIT portfolio as on September 30, 2022:

Property	Asset Type	Leasable Area	Market Value (INR Mn)		
			Completed	Under construction (UC) / Proposed	Total
Embassy Manyata, Bengaluru	Mixed-use (Office (IT/ ITeS SEZ <sup>3</sup> / Non-SEZ), Hotel, Retail, Convention Centre)	Completed office – 11.4 msf Proposed/ UC <sup>4</sup> office – 3.9 msf Hotel (5 star) - 266 keys Hotel (3 star) - 353 keys	166,003	31,133	197,137
Embassy TechVillage, Bengaluru	Mixed-use (Office (IT/ ITeS SEZ/ Non-SEZ), Hotel, Retail, Convention Centre)	Completed office – 7.3 msf Proposed/ UC office – 1.9 msf UC Hotel (5 star) - 311 keys UC Hotel (3 star) - 207 keys	104,510	15,269	119,779
Express Towers, Mumbai	Office (Non-SEZ)	Completed office - 0.5 msf	17,888	-	17,888
Embassy 247, Mumbai	Office (Non-SEZ)	Completed office - 1.2 msf	18,502	-	18,502
First International Financial Centre, Mumbai	Office (Non-SEZ)	Completed office - 0.4 msf	14,212	-	14,212
Embassy TechZone, Pune	Office (IT/ ITeS SEZ)	Completed office – 2.2 msf Proposed/ UC office – 3.3 msf	15,321	7,191	22,512
Embassy Quadron, Pune	Office (IT/ ITeS SEZ)	Completed office - 1.9 msf	12,903	-	12,903
Embassy Qubix, Pune	Office (IT/ ITeS SEZ)	Completed office - 1.5 msf	9,910	-	9,910
Embassy Oxygen, Noida	Office (IT/ ITeS SEZ)	Completed office - 2.5 msf Proposed/ UC office - 0.7 msf	21,073	3,616	24,689
Embassy Galaxy, Noida	Office (Non-SEZ)	Completed office - 1.4 msf	9,476	-	9,476
Embassy One, Bengaluru	Mixed-use (Office (Non-SEZ), Hotel, Retail)	Office & Retail - 0.3 msf Hotel (5 star) - 230 Keys	13,227	-	13,227
Hilton at Embassy GolfLinks, Bengaluru	Hotel	Hotel (5 star) - 247 Keys	4,701	-	4,701
Embassy Energy, Bellary District, Karnataka	Solar Park	Installed capacity of 130 MW DC (100 MW AC)	8,686	-	8,686
Total – 100% owned assets					473,623
Embassy GolfLinks, Bengaluru	Office (Non-SEZ)	Completed office – 3.1 msf	34,792	-	34,792 <sup>5</sup>
Total			451,205	57,210	508,414

Assumptions, Disclaimers, Limitations & Qualifications

This summary valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the parties as mentioned in Section 1.2 of this summary report.

Prepared by: iVAS Partners, represented by Mr. Manish Gupta

Official Signatory:

  
**Name:** Mr. Manish Gupta  
**Designation:** Partner, iVAS Partners  
**Valuer Registration Number:** IBBI/RV-E/02/2020/112

<sup>3</sup> SEZ – Special Economic Zone

<sup>4</sup> UC –under construction

<sup>5</sup> Indicative of Embassy REIT's economic interest in the asset, viz. 50%



5 Assets

5.1 Embassy Manyata

**Property Name:** Embassy Manyata is a commercial office development located along Outer Ring Road, Nagavara, Bengaluru, Karnataka

**Property Address:** Nagavara Village, Kasaba Hobli, Bengaluru North Taluk, Bengaluru District and Rachenahalli and Thanisandra Villages, Krishnarajapuram Hobli, Bengaluru East Taluk, Bengaluru District, Karnataka.

**Land Area:** Based on review of the title report (for Manyata Promoters Pvt Ltd and M3 Block respectively), the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 121.8 acres.

**Brief Description:** The subject property is the second largest commercial office asset in India (in terms of scale), largest in Bengaluru and is a landmark in North Bengaluru. The property is accessible through the Nagavara Outer Ring Road emanating from Hebbal. Further, the subject development is strategically located in proximity to micro-markets of Thanisandra & Hennur Road which are amongst the fastest developing vectors in North Bengaluru.

The subject property is located in close proximity to the Nagavara Outer Ring Road, which connects the subject location to prominent locations such as Yeshwanthpur, KR Puram, Whitefield, Sarjapur Outer Ring Road, Old Madras Road, etc. Further, it is located at a distance of 1-2 km from Nagavara Junction, 3-4 km from Hebbal Junction, 7-8 km from Yelahanka Junction, 11-14 km from MG Road (CBD) and 29-31 km from Kempegowda International Airport

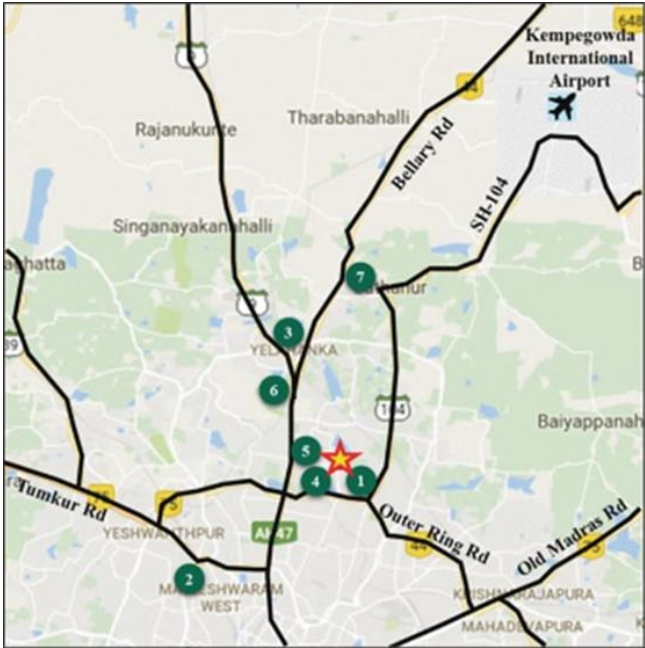
**Statement of Assets (sf):** Based on review of various documents (such as rent roll, lease deeds, Architect's Certificate, etc.), the subject property is an operational office asset with approximately 11.4 msf of completed leasable area out of which occupancy is approximately 88% as on the date of valuation. Table below highlights the leasable area for individual blocks that form part of the subject development:

Particular	Area (Msf)	Occupancy (%)
Completed Blocks	11.4	88%
Under Construction Blocks	3.5	NA
Proposed Blocks	0.4	NA
<b>Total – Office/Retail</b>	<b>15.2</b>	
Hotel (Including convention center) ~ Completed	619 keys (Hotel – 0.7 Convention – 0.06)	NA

Source: Architect certificates, rent roll, lease deeds; Note – office & retail refers to leasable area while hotel & convention refers to developable area



Location Map



#	Key Office Developments
	★ Embassy Manyata
1	MFAR Manyata Tech Park
2	Brigade Gateway (WTC)
3	RMZ Galleria
4	Karle Town Centre
5	Kirloskar Business Park
6	NCC Urban Windsor
7	Hinduja Ecopolis

Key Assumptions

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete	INR Mn	14,675 <sup>6</sup>
Proposed project completion timelines (all blocks)	Quarter, Year	FY 2029
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2024
In-place rent	INR psf/mth	69
Marginal rent – IT office component	INR psf/mth	93
Marginal rent – non-IT office component	INR psf/mth	107
Marginal rent – Retail component	INR psf/mth	95
Parking rent (Effective)	INR / bay/mth	3,750
ARR – 5-star hotel	INR / room / day	8,500
Stabilized Occupancy – 5-star hotel	%	72%
ARR – 3-star hotel	INR / room / day	6,000
Stabilized Occupancy – 3-star hotel	%	72%
Other financial assumptions		
Cap rate – commercial components	%	8.0%
		7.14%
Cap rate – hotel components	%	(viz. an EV-EBITDA multiple of 14)
WACC rate (Completed hotel)	%	12.38%

Market Value: **INR 197,137 Mn**

5.2 Embassy TechVillage

Property Name:	‘Embassy TechVillage’ is a commercial office development with ancillary retail and hospitality component located along Sarjapur Outer Ring Road, Devarabeesanahalli, Bengaluru, Karnataka
Property Address:	Devarabeesanahalli Village & Kariammana Agrahara Village, Varthur Hobli, Bengaluru East Taluk, Bengaluru, Karnataka
Land Area:	Based on information provided by the Client (viz. title report), the Valuer understands that the total land area of the larger land parcel admeasures approx. 103.4 acres and the land area under the purview of this exercise admeasures approx. 84.1 acres. Total land area under the ownership of Vikas Telecom Private Limited (“VTPL”) is 80.1 acres and under Sarla Infrastructure Private Limited (“SIPL”), is 4.0 acres. Further, it is understood that out of total land area of 80.1 acres under the ownership of VTPL, 4.0 acres is leased to SIPL and same is considered for the purpose of this valuation exercise.
Brief Description:	The subject property “Embassy TechVillage” is an office park located in Bengaluru comprising of commercial development, consisting of approximately 7.3 million square feet (msf) of completed office area, approximately 1.9 msf of under-construction area and 518 proposed hotel keys along with the associated business of common area maintenance services.

The subject property is located along the Sarjapur Outer Ring Road (ORR), which is a prominent arterial road in the city. It is the south-eastern portion of the concentric outer ring road. Sarjapur Outer Ring Road has emerged as one of the most prominent commercial office hubs of Bengaluru, on account of the premium quality of commercial office spaces and connectivity to other established micro-markets across the city. Some of the prominent commercial developments along Sarjapur-ORR include Embassy TechVillage (subject property), RMZ Ecospace, RMZ Ecoworld, Prestige Tech Park, Cessna Business Park, etc.

The subject property is located at a distance of 4-5 km from Marathahalli junction, 5-6 km from Sarjapur road-ORR interchange, 9-10 km from Koramangala & K R Puram Junction, 13-14 km from MG Road (CBD) and 43-44 km from Kempegowda International Airport.

Statement of Assets (sf):	Based on review of various documents (such as architect certificate, rent roll, lease deeds, etc.), the subject property is an operational office asset with approximately 7.3 msf of completed leasable area with an occupancy of approximately 98% as on the date of valuation. Table below highlights the leasable area break-up for the subject development commensurate to the interest valued in Embassy TechVillage:
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Particular	Area (msf)	Occupancy (%)
Completed Blocks	7.3	98%
Under Construction Blocks	1.9	NA
<b>Total – Office/Retail</b>	<b>9.2</b>	
Hotel (Including convention centre) ~ Under Construction	518 keys (Hotel and Convention Centre: 0.8 msf)	NA

Source: Architect certificates, rent roll, lease deeds; Note – office & retail refers to leasable area while hotel & convention refers to developable area

<sup>6</sup> Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works



Location Map



Key Assumptions

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete	INR mn	16,426 <sup>7</sup>
Proposed project completion timelines (all blocks)	Quarter, Year	FY 2026
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2023
In-place rent	INR psf/mth	77
Marginal rent – IT office component	INR psf/mth	94
Marginal rent – Retail component	INR psf/mth	95
Parking rent (Effective)	INR / bay/mth	4,500
ARR – 5-star hotel	INR / room / day	8,500
Stabilized Occupancy – 5-star hotel	%	73%
ARR – 3-star hotel	INR / room / day	6,000
Stabilized Occupancy – 3-star hotel	%	73%
Other financial assumptions		
Cap rate – commercial components	%	8.0%
Cap rate – hotel components	%	7.14% (viz. an EV-EBITDA multiple of 14)
WACC rate (operational)	%	11.7%
WACC rate (under-construction/proposed)	%	13.0%
WACC rate (under-construction hotel)	%	13.6%

Market Value: **INR 119,779 Mn**

<sup>7</sup> Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works

5.3 Express Towers

Property Name:

‘Express Towers’ is an operational office asset located along Barrister Rajni Patel Marg, Nariman Point, Mumbai

Property Address:

Barrister Rajni Patel Marg, Nariman Point, Mumbai

Land Area:

Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 1.5 acres

Brief Description:

The subject property ‘Express Towers’ is an office asset situated in Nariman Point. The subject property is located opposite to the Oberoi Trident hotel. The G+25 floor storey structure was constructed in the late 1960s and has been refurbished in the past few years. Nariman Point is located at the southernmost tip of the Mumbai City, at a distance of approximately 1 – 2 km from the Churchgate Railway Station; approximately 25 – 28 km from the Domestic / International City Airport.

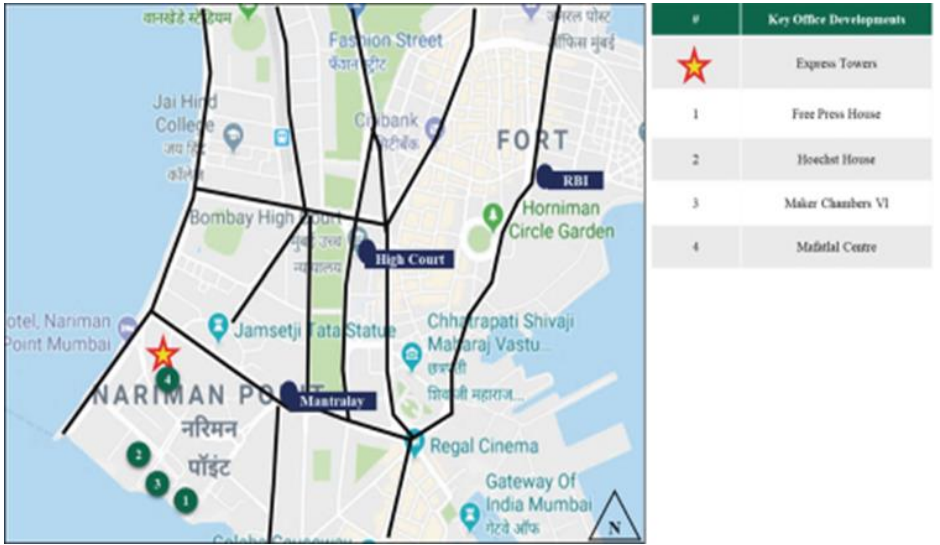
Statement of Assets (sf):

Based on review of various documents (such as rent roll, Architect’s Certificate, etc.), the subject property is an operational office asset with approximately 0.5 Msf of completed leasable area, which is approximately 81% occupied as on the date of valuation. Also, the top 2 floors viz the 24<sup>th</sup> and 25<sup>th</sup> floor are not owned by the Client. Table below highlights the leasable area details for the subject development under the ownership of the Client.

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	0.5	81%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
<b>Total</b>	<b>0.5</b>	

Source: Architect certificate, rent roll, lease deeds;

Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2024
In-place rent	INR psf/mth	281 <sup>8</sup>
Marginal Rent – Commercial office component	INR psf/mth	270
Other financial assumptions		
Cap rate – commercial components	%	7.5%
WACC rate (operational)	%	11.7%

Market Value: **INR 17,888 Mn**

<sup>8</sup> denotes the weighted average rentals for leased office/restaurant spaces



5.4 Embassy 247

Property Name:	"Embassy 247" is an operational office asset located along LBS Road, Gandhinagar, Vikhroli West, Mumbai
Property Address:	LBS Marg, Vikhroli (W), Mumbai, Maharashtra.
Land Area:	Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 7.3 acres
Brief Description:	<p>The subject property, "Embassy 247", is an operational office asset located along LBS Road in Gandhinagar, Vikhroli West, Mumbai. The development is divided in three towers viz. A, B &amp; C. The towers A &amp; C are identical to each other and have an elevation of 2 Basement + Ground + 11 upper floors. Tower B situated in between Tower A &amp; C has an elevation of 2 Basement + Ground + 14 upper floors. Based on the site visit, it is understood that all the three towers are internally connected from basement to the 3<sup>rd</sup> floor and floors 10 and 11. The entire development has a total completed leasable area of approximately 1.2 msf. The subject property is located in proximity to established residential and commercial locations within the city such as Bhandup, Kanjurmarg, Ghatkopar etc.</p> <p>The subject property is located at a distance of approximately 28-30 km from the Central Business District of Mumbai (viz. Nariman Point), approximately 11-12 km from Domestic Airport, approximately 10-12 km from the Chhatrapati Shivaji International Airport Terminal, Mumbai etc.</p>

Statement of Assets (sf):

Based on information provided by the Client, the total completed leasable area considered for the purpose of this valuation is 1.2 Msf. Table below highlights the leasable area details for the subject development:

Particular	Leasable Area (Msf)	Occupancy (%)
Completed Blocks	1.2	87%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
<b>Total</b>	<b>1.2</b>	

Source: Architect certificate, rent roll, lease deeds;

Location Map:



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2024
In-place rent	INR psf/mth	110 <sup>9</sup>
Marginal rent – Commercial office component	INR psf/mth	112 <sup>10</sup>
Marginal rent – Retail component	INR psf/mth	78
Parking rent (Effective)	INR /bay/mth	-
Other financial assumptions		
Cap rate – commercial components	%	8.0%
WACC rate (operational)	%	11.7%

Market Value:

INR 18,502 Mn

<sup>9</sup> denotes the weighted average rentals for leased office/retail and food-court spaces  
<sup>10</sup> Inclusive of car park rent



5.5 First International Finance Centre (FIFC)

**Property Name:** First International Finance Centre is a commercial office development located on Bandra Kurla Complex Road, Bandra Kurla Complex, Mumbai, Maharashtra

**Property Address:** G-Block, Bandra Kurla Complex Road, Bandra Kurla Complex, Mumbai, Maharashtra

**Land Area:** Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 1.99 Acres

**Brief Description:** The subject property, “First International Finance Centre”, is an operational office asset located along BKC Road in G Block, Bandra Kurla Complex, Mumbai. This office asset has a total leasable area of approximately 0.7 msf. The development is operated as a condominium and is co-owned by two entities i.e., a leading bank and the Client. Based on review of the title report for the subject property, the Client has an ownership of approximately 0.4 msf of the total area and the same has been considered for the purpose for this valuation exercise (this area will be considered as the subject property hereinafter). The subject property is located in proximity to locations such as Kurla, Bandra, Santacruz etc., which are considered as established residential and commercial locations within the city.

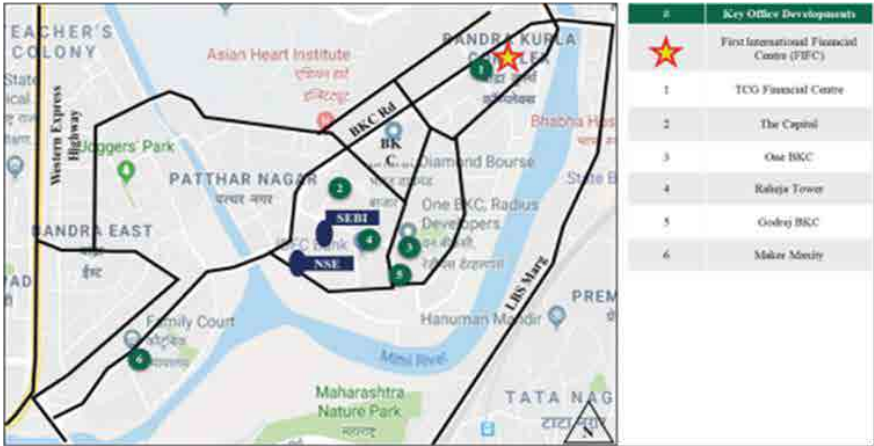
The subject property is located at a distance of approximately 20-22 km from the Central Business District of Mumbai (viz. Nariman Point), approximately 6-8 km from Domestic Airport, approximately 8-9 km from the Chhatrapati Shivaji International Airport Terminal, Mumbai etc.

**Statement of Assets (sf):** Based on review of various documents (such as rent roll, Architect’s Certificate, lease deeds, etc.), the subject property is an operational office asset with approximately 0.4 msf of completed leasable area out of which approximately 86% is leased as on the date of valuation. Table below highlights the leasable area details for the subject development:

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	0.4	86%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
<b>Total</b>	<b>0.4</b>	

Source: Architect certificate, rent roll, lease deeds.

Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2024
In-place rent	INR psf/mth	296 <sup>11</sup>
Marginal rent – Office Component	INR psf/mth	275
Marginal rent – Retail	INR psf/mth	297
Parking rent (Effective)	INR / bay/mth	-
Other financial assumptions		
Cap rate – commercial components	%	7.75%
WACC rate (operational)	%	11.7%

Market Value:

**INR 14,212 Mn**

<sup>11</sup> denotes the weighted average rentals for leased office/retail spaces



5.6 Embassy TechZone

Property Name:	'Embassy TechZone' is an operational office asset located in Phase 2, Rajiv Gandhi Infotech Park, Hinjewadi, Pune, Maharashtra
Property Address:	Plot No. 3/A and Plot No. 3/B, Rajiv Gandhi Infotech Park, Hinjewadi, Phase-II, Village Marunji, Taluka Mulshi, District Pune, Maharashtra
Land Area:	Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 67.5 acres
Brief Description:	'Embassy TechZone', has been conceptualized as an office asset spread across a total land area of approximately 67.5 acres. The property is an office asset leased to various tenants and is also well equipped with number of facilities and amenities like food court, amphitheater, intra park shuttles, gymnasium, multilevel car parking, sports ground, etc. 'Embassy TechZone' is strategically located in Hinjewadi which is a prominent technology hub of Pune city. 'Embassy TechZone' is located at a distance of approximately 5 – 6 km from National Highway 48 (Connecting Mumbai – Pune – Bengaluru), 20 – 21 km from Pune CBD (Peth areas), 20 – 21 km from Pune Railway Station and approximately 26 – 27 km from Pune International Airport.
Statement of Assets (sf):	Based on review of various documents (such as rent roll, lease deeds, Architect's Certificate, etc.), the Valuer understands that 'Embassy TechZone' is an operational office asset with approximately 2.2 msf of completed leasable area out of which occupancy is approximately 80% as on the date of valuation. Further, approximately 3.3 msf is currently under construction/ planning stage. Table below highlights the leasable area for individual blocks that form part of the subject development:

Particular	Leasable area (msf)	Occupancy (%)
Completed Blocks	2.2	80%
Under Construction/ Proposed Blocks	3.3	NA
<b>Total</b>	<b>5.5</b>	

Location Map

Source: Rent roll, lease deeds, architect certificate provided by the Client;



Key Assumptions

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete (overall)	INR Mn	11,559 <sup>12</sup>
Proposed project completion timelines	Year	FY 2029
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2026
In-place rent	INR psf/mth	52 <sup>13</sup>
Marginal rent – IT SEZ office component	INR psf/mth	48
Parking rent (Effective)	INR / bay/mth	1,500
Other financial assumptions		
Cap rate – commercial components	%	8.25%
WACC rate (operational)	%	11.7%
WACC rate (under-construction/proposed)	%	13.0%

Market Value: **INR 22,512 Mn**

<sup>12</sup> Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works

<sup>13</sup> denotes the weighted average rental for leased office/retail spaces

5.7 Embassy Quadron

Property Name:	'Embassy Quadron' is a Commercial Office Business Park located in Phase 2, Rajiv Gandhi Infotech Park, Hinjewadi, Pune, Maharashtra
Property Address:	Plot No. 28, Hinjewadi Phase II, Rajiv Gandhi Infotech Park, Pune, Maharashtra, 411057
Land Area:	Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 25.5 acres
Brief Description:	'Embassy Quadron', has been conceptualized as an IT SEZ office development leased to various domestic and multi-national IT/ ITeS tenants. The property is well equipped with number of facilities and amenities like enhanced landscapes, Q café food court, grocery stores, ATMs, indoor sports zone, gymnasium, crèche, two-wheeler and four-wheeler car parking spaces, etc. The property has been constructed in phased manner between 2008 to 2011.
	The development currently includes four operational buildings (Q1 to Q4).

Further, 'Embassy Quadron' is strategically located in Hinjewadi which is a prominent technology hub of Pune city. 'Embassy Quadron' is located at a distance of approximately 7 – 8 km from National Highway 48 (connecting Mumbai – Pune – Bengaluru), 22 – 23 km from Pune CBD (Peth areas), 22 – 23 km from Pune Railway Station and approximately 26 - 27 km from Pune International Airport.

Statement of Assets (sf): Based on review of various documents (such as rent roll, Architect's Certificate, etc.), the Valuer understands that 'Embassy Quadron' is an operational SEZ office asset with approximately 1.9 msf of completed leasable area out of which occupancy is approximately 50% as on the date of valuation. Table below highlights the leasable area for individual blocks that form part of the subject development:

Particular	Leasable area (msf)	Occupancy (%)
Completed Blocks	1.9	50%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
<b>Total</b>	<b>1.9</b>	

Source: Rent roll, lease deeds, architect certificate provided by the Client;



Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2027
In-place rent	INR psf/mth	52 <sup>14</sup>
Marginal rent – IT SEZ office component	INR psf/mth	48
Parking rent (Effective)	INR / bay/mth	1,500
Other financial assumptions		
Cap rate – commercial components	%	8.25%
WACC rate (operational)	%	11.7%

Market Value:

INR 12,903 Mn

5.8 Embassy Qubix

Property Name:	'Embassy Qubix' is a Commercial Office Business Park located in Phase 1, Rajiv Gandhi Infotech Park, Hinjewadi, Pune, Maharashtra
Property Address:	Plot No.2, Blue Ridge Township, Near Rajiv Gandhi Infotech Park – Phase I, Hinjewadi, Pune, Maharashtra 411057
Land Area:	Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 25.2 acres
Brief Description:	“Embassy Qubix”, has been conceptualized as an IT SEZ office development leased to various domestic and multi-national technology tenants. The property is well equipped with number of facilities and amenities like enhanced landscapes, Q Court Courtyard, grocery stores, ATMs, two-wheeler and four-wheeler car parking spaces, etc. The property has been constructed in phased manner between 2010 to 2012.

The development currently includes six operational buildings (IT 1 to IT 6).

Further, Embassy Qubix is strategically located in Hinjewadi which is a prominent technology hub of Pune city. Embassy Qubix is located at a distance of approximately 3 – 4 km from National Highway 48 (connecting Mumbai – Pune – Bengaluru), 18 – 19 km from Pune CBD (Peth areas), 19 – 20 km from Pune Railway Station and approximately 23 - 24 km from Pune International Airport.

Statement of Assets (sf):	Based on review of various documents (such as rent roll, Architect’s Certificate, etc.), the Valuer understands that “Embassy Qubix” is an operational SEZ office asset with approximately 1.5 msf of completed leasable area, which is 89% occupied as on the date of valuation. Table below highlights the leasable area for individual blocks that form part of the subject development:
---------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	1.5	89%
Under Construction Blocks	-	NA
Proposed Development	-	NA
<b>Total</b>	<b>1.5</b>	

Source: Rent roll, lease deeds, architect certificate;

<sup>14</sup> denotes the weighted average rental for leased office/retail spaces



Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2025
In-place rent	INR psf/mth	42 <sup>15</sup>
Marginal rent – IT SEZ office component	INR psf/mth	48
Parking rent (Effective)	INR / bay/mth	1,500
Other financial assumptions		
Cap rate – commercial components	%	8.25%
WACC rate (operational)	%	11.7%

Market Value: **INR 9,910 Mn**

5.9 Embassy Oxygen

**Property Name:** 'Embassy Oxygen' is an operational IT/ ITeS SEZ office development located at Sector 144, Noida, Uttar Pradesh

**Property Address:** Plot No. – 07, Sector 144, Noida, Uttar Pradesh, India

**Land Area:** Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 24.8 Acres

**Brief Description:** The subject property “Embassy Oxygen” is a partly operational office asset, leased to technology occupiers. The subject property is located at Sector 144, Noida in proximity to Noida – Greater Noida Expressway, which is an emerging commercial / residential vector of Noida. The property is a two-side open plot with accessibility via approximately 45m and 24m wide roads. The subject property lies in proximity to various office assets such as Candor TechSpace, Assotech Business Cresterra, Advant Navis Business Park, Stellar 135, Express Trade Towers 2, etc.

The subject property is located in close proximity to Noida – Greater Noida Expressway, which makes it easily accessible from other regions of NCR (National Capital Region) such as Delhi, Greater Noida, etc. Further, it is located at a distance of approximately 16 – 17 km from the established commercial hub of Noida viz. Sector-18, approximately 16 – 17 km from DND Flyway and approximately 38 – 39 km from Indira Gandhi International Airport, Delhi

**Statement of Assets (sf):** Based on review of various documents (such as architect certificate, rent roll, lease deeds, etc.), the subject property is an operational SEZ office asset with approximately 2.5 msf of completed leasable area, out of which occupancy is approximately 72% as on the date of valuation. Table below highlights the leasable area for operational and under construction/ proposed blocks that form part of the subject development:

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	2.5	72%
Under Construction Blocks	0.7	NA
Proposed Development	NA	NA
<b>Total</b>	<b>3.3</b>	

Source: Architect Certificate, Rent roll, lease deeds provided by the Client

<sup>15</sup> denotes the weighted average rental for leased office/retail spaces



Location Map:



Key Assumptions:

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete (overall)	INR mn	1,471 <sup>16</sup>
Proposed project completion timelines (overall)	Year	FY 2024
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2025
In-place rent	INR psf/mth	52
Marginal rent – IT SEZ office component	INR psf/mth	54
Parking rent (Effective)	INR / bay/mth	-
Other financial assumptions		
Cap rate	%	8.25%
WACC rate (operational)	%	11.7%
WACC rate (under-construction/proposed)	%	13.0%

Market Value:

INR 24,689 Mn

5.10 Embassy Galaxy

Property Name: ‘Embassy Galaxy’ is an operational IT/ ITeS office development located at Sector 62, Noida, Uttar Pradesh

Property Address: A-44 & 45, Sector 62, Noida, Uttar Pradesh, India – 201309

Land Area: Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 9.9 Acres

Brief Description: The subject property “Embassy Galaxy” is an operational office asset, leased to technology occupiers. The subject property is located at Nctor 62, Noida, which is an established commercial vector of Noida. The property is accessible by an internal road of Sector 62 (approximately 45 m wide). The subject property lies in proximity to various office assets such as 3C Green Boulevard, Stellar IT Park, Logix Cyber Park, Candor Techspace, etc.

The subject property is located in close proximity to National Highway (NH) – 24, which makes it easily accessible from other regions of NCR (National Capital Region) such as Delhi, Ghaziabad, etc. Further, it is located at a distance of approximately 9 – 10 km from the established commercial hub of Noida viz. Sector-18, approximately 10 – 11 km from DND Flyway and approximately 31 – 32 km from Indira Gandhi International Airport, Delhi

Statement of Assets (sf): Based on review of various documents (such as architect certificate, rent roll, lease deeds, etc.), the subject property is an operational office asset with approximately 1.4 msf of completed leasable area, which is approximately 92% leased as on the date of valuation. Table below highlights the leasable area details for the subject development:

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	1.4	92%
Under Construction Blocks	-	NA
Proposed Development	-	NA
<b>Total</b>	<b>1.4</b>	

Source: Architect certificate, rent roll, lease deeds provided by the Client;

Location Map:



Key Assumptions:

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2023
In-place rent	INR psf/mth	37
Marginal rent – IT office component	INR psf/mth	45
Other financial assumptions		
Cap rate	%	8.25%
WACC rate (operational)	%	11.7%

Market Value:

INR 9,476 Mn

<sup>16</sup> Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works



5.11 Embassy GolfLinks

**Property Name:** Embassy GolfLinks is an office asset located along Intermediate Ring Road, Bengaluru, Karnataka

**Property Address:** Challaghatta Village, Varthur Hobli, Mahadevapura, Bengaluru East Taluk, Bengaluru, Karnataka

**Land Area:** Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 37.1 acres.

**Brief Description:** The subject property, “Embassy GolfLinks”, is an operational office asset located along Intermediate Ring Road, Bengaluru. This office asset has a total leasable area of approximately 4.7 msf. The interest being valued corresponds to approximately 3.1 msf of office area which forms part of the economic interest of the Client. The larger development also includes an operational hotel (Hilton at Embassy GolfLinks). The immediate surroundings of the subject property comprise of large aggregates of land owned by the Defence Services of the Country Karnataka Golf Association’s operational golf course, Diamond District, DivyaSree Greens, Maruthi Infotech Park, etc. In addition, the subject property is located in proximity to locations such as Indiranagar, Koramangala etc., which are considered as established residential and commercial locations within the city.

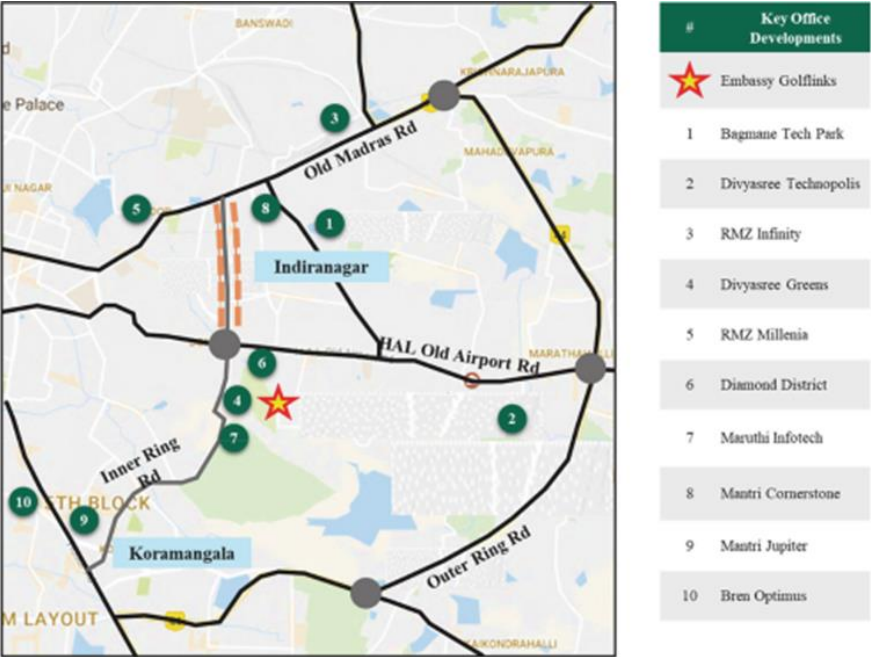
The subject property is located at a distance of approximately <1 km from the Domlur flyover, 1–2 km from Indiranagar, 2-3 km from Koramangala, 7-8 km from MG Road and approximately 43 - 45 km from Bengaluru International Airport.

**Statement of Assets (sđ):** Based on review of various documents (such as rent roll, Architect’s Certificate, etc.), the subject property is an operational office asset with approximately 3.1 msf of completed leasable area and is 99.7% occupied as on the date of valuation. Table below highlights the leasable area for subject property that form part of the subject development:

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	3.1	99.7%
Under Construction Blocks	-	NA
Proposed Development	-	NA
<b>Total</b>	<b>3.1</b>	

**Source** Rent roll, lease deeds, architect certificate provided by the Client

Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2023
In-place rent	INR psf pm	128 <sup>17</sup>
Marginal rent – office component	INR psf pm	150
Parking rent (Effective)	INR / bay/ mth	4,500
Other financial assumptions		
Cap rate – commercial components	%	8.0%
WACC rate	%	11.7%

Market Value:

**INR 69,583 Mn**

Note:

- The valuation presented is for 100% interest in the asset. However, based on inputs provided by the Client, the REIT hold 50% of the interests in the asset (viz. INR 34,792 Mn)
- The valuation presented above includes the CAM Business for the entire 4.7 msf of the Embassy GolfLinks while approximately 3.1 msf of office area forms part of the economic interest of the Client.
- The above valuation excludes valuation of Hilton at Embassy GolfLinks. The valuation of Hilton at Embassy GolfLinks is presented in section 5.13

<sup>17</sup> denotes the weighted average rental for leased office/food court spaces



5.12 Embassy One

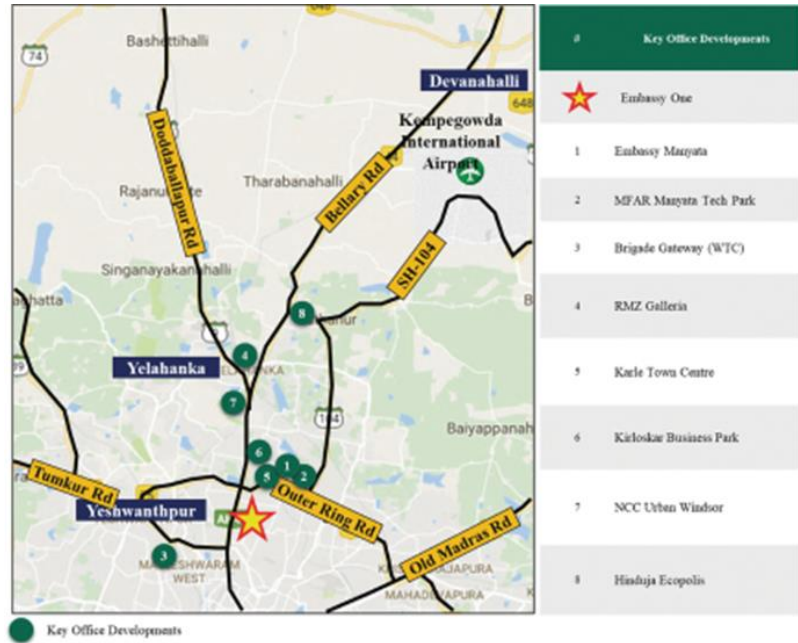
Property Name:	'Embassy One' is a premium mixed-used development (High-end office, retail and hospitality components) located along Bellary Road, Ganga Nagar, Bengaluru, Karnataka
Property Address:	Bellary Road, Ganga Nagar, Bengaluru, Karnataka
Land Area:	Based on review of the title report, the Valuer understand that the total land area of the subject property under the ownership of the Client is approximately 5.6 acres (which includes residential component). The interest being valued as part of this assessment is an undivided share of 3.2 acres (for the office, retail and hospitality components).
Brief Description:	The subject property is a premium mixed-used development comprising of commercial, retail and hospitality components. Subject property is located in a premium location in close proximity to the CBD, approximately 6-7 km from MG Road. The stretch between the CBD and Mekhri Circle is recognized as a premium residential and hospitality hub of Bengaluru. Subject location lies in close proximity to premium residential colonies of Sheshadripuram, Sadashiva Nagar, Dollars colony, Fraser Town, Jayamahal, etc., which house affluent population of businessmen community, ministers, etc. Further, the location is considered an established hub for premium hotels, housing prominent 5-star hotels such as Windsor Manor, Lalit Ashok, & Taj Westend. As per information provided by the client, the Valuer understands that 45% of total area is leased as of date of valuation.

The subject property's location along the initial stretch of Bellary Road further adds to the attractiveness of the development. Bellary Road connects the city center to the airport and also provides connectivity to all major hubs within Bengaluru City. Further, the subject property's proximity to the Hebbal Outer Ring Road, connects the subject location to prominent locations such as Yeshwanthpur, KR Puram, Whitefield, Sarjapur Outer ring road, Old Madras Road, etc. Further, it is located at a distance of 1-2 km from Mekhri Circle, 3-4 km from Hebbal ORR Junction, 6-7 km from MG Road, 27-28 km from Bengaluru International Airport.

Statement of Assets (sf):	Table below highlights the leasable area for individual blocks that form part of the subject development:								
	<table><tr><th>Block</th><th>No of Keys/ Leasable Area (msf)</th></tr><tr><td>Office</td><td>0.3</td></tr><tr><td>Hotel (Four Seasons at Embassy One)</td><td>230 keys</td></tr><tr><td><b>Total</b></td><td><b>230 keys / 0.3 msf</b></td></tr></table>	Block	No of Keys/ Leasable Area (msf)	Office	0.3	Hotel (Four Seasons at Embassy One)	230 keys	<b>Total</b>	<b>230 keys / 0.3 msf</b>
Block	No of Keys/ Leasable Area (msf)								
Office	0.3								
Hotel (Four Seasons at Embassy One)	230 keys								
<b>Total</b>	<b>230 keys / 0.3 msf</b>								

Source: Architect certificate provided by the Client

Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
Lease completion	Year	FY 2025
In-place rent	INR psf/mth	145
Marginal rent – Non - IT office component	INR psf/mth	147 <sup>18</sup>
Parking rent (Effective)	INR / bay/mth	-
ARR – Four Seasons at Embassy One	INR / room / day	Year 1: 10,250 Year 2: 11,500
Stabilized Occupancy – Four Seasons at Embassy One	%	72%
Other financial assumptions		
Cap rate – commercial components	%	7.5%
Cap rate – hotel components	%	7.14% (viz. an EV-EBITDA multiple of 14)
WACC rate (operational)	%	11.7%
WACC rate (hotel)	%	12.38%

Market Value: **INR 13,227 Mn**

<sup>18</sup> Inclusive of car park rent



5.13 Hilton at Embassy GolfLinks

Property Name:	Hilton at Embassy GolfLinks is an operational hospitality development as part of a larger office asset ‘Embassy GolfLinks’ located along Intermediate Ring Road, Bengaluru, Karnataka
Property Address:	Challaghatta Village, Varthur Hobli, Bengaluru East Taluk, Bengaluru, Karnataka
Land Area:	Based on review of the title report, the Valuer understands that the total land area of the subject property under the ownership of the Client is approximately 3.5 acres
Brief Description:	The subject property, Hilton at Embassy GolfLinks, is an operational hospitality development located along Intermediate Ring Road, Bengaluru. The interest being valued corresponds to a developed area of 0.4 msf of hotel with 247 keys (operational since March 2014 and operated by Hilton). The immediate surroundings of the subject property comprise of large aggregates of land owned by the Defence Services of the Country Karnataka Golf Association's operational golf course, Diamond District, DivyaSree Greens, Maruthi Infotech Park, etc. In addition, the subject property is located in proximity to locations such as Indiranagar, Koramangala etc., which are considered as established residential and commercial locations within the city. In addition to the subject property, the micro-market also comprises of other hotels such as The Leela, Taj Vivanta, Hyatt, The Paul, Ramada Encore, etc.

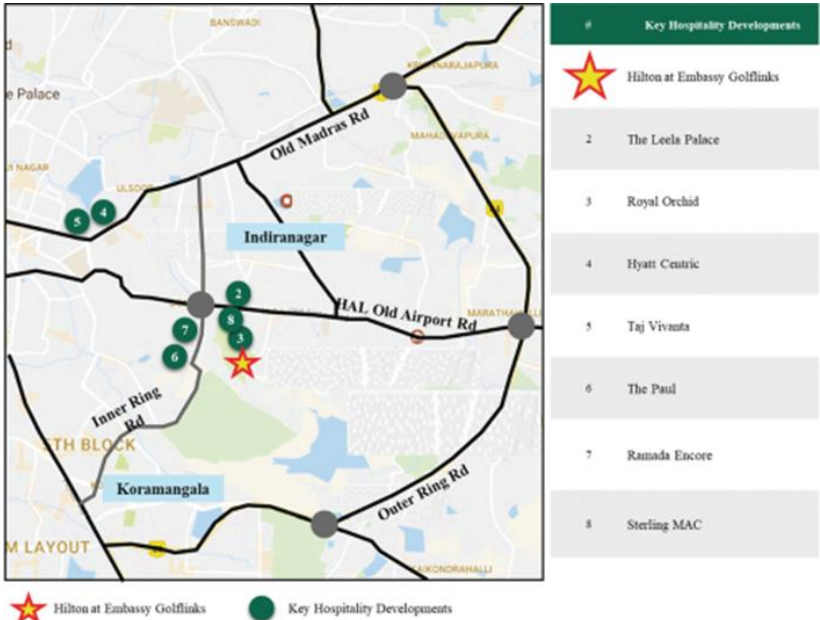
The subject property is located at a distance of approximately <1 km from the Domlur flyover, 1 – 2 km from Indiranagar, 2- 3 km from Koramangala, 7-8 km from MG Road and approximately 43 - 45 km from Bengaluru International Airport.

Statement of Assets (sf): Based on the information provided by the client, the subject property is an operational hospitality development. Table below highlights the total operational area of the subject development:

Property	No of Keys
Hotel (Hilton at Embassy GolfLinks)	247 keys (Developed area – 0.4 msf)

Source: Architect certificate provided by the Client

Location Map



Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on September 30, 2022)		
ARR – Hilton at Embassy GolfLinks	INR / room / day	Year 1: 7,500; On Stabilization (from Year 2 onwards): 9,250
Stabilized Occupancy – Hilton at Embassy GolfLinks	%	72%
Other financial assumptions		
Cap rate – hotel components	%	7.14% (viz. an EV-EBITDA multiple of 14)
WACC rate	%	12.38%

Market Value: **INR 4,701 Mn**

5.14 Embassy Energy

Property Name:	‘Embassy Energy’ is a Solar PV electricity generation facility spread across Villages Ittigi, Mooregeri and Nellukudure, Bellary District, Karnataka
Property Address:	Villages Ittigi and Mooregeri in Huvin Hadagali Taluka and Nellukudure in Hagri Bommanhalli Taluka, Bellary District, Karnataka

Land Area: The Valuer understands from the Client, title reports, site plans, letter highlighting Commercial Operations Date and site visit, that the park is spread over 465.8 Acres of which the land aggregation is in place by way of sale deed, Agreement to Sell (ATS) or General Power of Attorney (GPA), etc. The Valuer understands that currently only about 424.4 Acres is owned by the company by way of Sale Deed whereas the rest is under various stages of sale and conversion – below is a table which highlights the current status of the Land Aggregation. Further, the Valuer understands that physical possession of the land is with EEPL and/or its contractors and sub-contractors and that the solar park has been constructed on most of the land. It is assumed that the sale and conversion would be successful, and any adverse impact has not been factored in the valuation.

Particular	Area (acres)
Total extent of identified Land	465.8
Registered ATS and POA completed	465.8
Applied for approval u/s 109	465.5
Extent of land approved/recommended by DC u/s 109	464.2
Final approval received u/s 109	464.2
Sale Deed executed favouring EEPL	424.4

Brief Description: The subject property is an operational solar park under the ownership of ‘**Embassy-Energy Private Limited (EEPL)**’. The subject site is spread across three villages namely Ittigi, Mooregeri and Nellukudure in Bellary District. The subject location is situated at a distance of more than 300 km from Bengaluru City and is currently a nascent vector in terms of real estate activity. Being a peripheral location, the region is predominantly characterized by the presence of agricultural land parcels (with black cotton soil). However, a few solar parks are currently operational/ proposed at the subject location by prominent players such as Adani, ReNew, etc. The accessibility of the subject region is via State Highway – 45 (SH – 45).

On account of being accessible through the State Highway – 45 (SH – 45), the subject property enjoys good connectivity to neighbouring towns and villages. Further, it is located at a distance of approximately 3 – 4 km from the 220 KV Sub-station (Ittigi), approximately 3 – 4 km from Ittigi Village Centre, approximately 65 – 70 km from Davangere and approximately 300 – 310 km from MG Road (Bengaluru).

Based on review of power purchase agreements between EEPL and the power purchasers, the Valuer understands that the solar plant supplies electricity to the existing office parks / hotels of Embassy in Bengaluru. In lieu of the same, EEPL has already signed power purchase agreements (PPAs) for 25 years with various entities for commercial and industrial category.

Statement of Assets:

Based on review of various documents (such as project development agreement, commissioning certificates, Government Order, etc.), the solar park has an installed capacity of approximately 130 Mega Watts (MW) DC (output will be 100 MW AC), capable of generating at least 215 million Units (MU) of electricity by the end of the first 12 months from the date on which it achieves COD and subject to plant stabilization. Table below highlights the details for the subject plant:

Particular	Detail
Capacity (MW) (A)	130 MW DC (100 MW AC)
Plant Load Factor (%) (B)	16.3%
Number of hours in a day (C)	24
Days in a year (D)	365
Total units generated (kWh) (A * B * C * D) * 1000	185 million Units (MU) in kWh in Year 1

Source: Various documents/ inputs provided by the Client

As per the PPAs executed with various entities, the purchasers have agreed to purchase at least 85% of the contracted quantity (**‘minimum guaranteed offtake’**) each tariff year, commencing from the commercial operation date until the end of the term.



Key Assumptions:

Particulars	Unit	Details
Development Timelines		
COD	Date	28 <sup>th</sup> February 2018 <sup>19</sup>
Revenue assumptions (as on September 30, 2022)		
BESCOM Tariff – Commercial	INR per kWH	9.4
BESCOM Tariff – Industrial	INR per kWH	7.8
<b>Blended Tariff</b>	<b>INR per kWH</b>	<b>9.1<sup>20</sup></b>
<b>Adopted Tariff</b>	<b>INR per kWH</b>	<b>8.5</b>
Other financial assumptions		
Useful Life	Years	25 years
Cost of Equity	%	11.7%

**INR 8,686 Mn**

<sup>19</sup> 40% commenced operations on 23<sup>rd</sup> January 2018 and balance 60% on 28<sup>th</sup> February 2018

<sup>20</sup> In proportion of the distribution between commercial and industrial category consumers



### **Principal Place of Business**

Royal Oaks  
Embassy GolfLinks Business Park  
Off Intermediate Ring Road, Bangalore - 560 071. Karnataka, India  
Tel: +91 80 3322 0000 Fax: +91 80 4903 0046