TRANSFORMING INDIA'S COMMERCIAL REAL ESTATE

ANNUAL REPORT FY2022-23

Contents

Key Highlights FY2022-23

45.0 msf*
Portfolio

₹34,195 mn
Revenue from operations
↑ 15% YoY

5.1 msf
Total lease-up

₹27,663 mn
Net operating income
↑ 11% YoY

86%
Occupancy

₹20,579 mn
Distributions

100%
Payout for 16 quarters

17%
Re-leasing spreads over 2.0 msf

*Includes completed, under-construction and proposed future development | As of March 31, 2023

Awards and Certifications

Received 5-star rating by GRESB for our entire operational and development portfolio.

5-star BSC rating for our operational portfolio and won 9 Swords of Honour.

Recognised as the world's largest 'USGBC LEED Platinum-Certified' office portfolio (v4.1 O+M).

Awarded WELL Gold certification for 18 buildings.

Won eight titles including the 'Best Operational Office Portfolio' at the Property Guru Asia Property Awards 2022.

Embassy Manyata Business Park, Bengaluru

Introduction and Overview

Embassy Manyata Business Park, Bengaluru

India's First Listed REIT

Embassy REIT is India's first publicly listed REIT. As Asia's largest office REIT by area, Embassy REIT owns and operates a 45.0 msf of nine infrastructure-like office parks and four city-centre office buildings in India's best-performing office markets of Bengaluru, Mumbai, Pune, and the National Capital Region.

Embassy REIT's portfolio comprises 34.3 msf in completed operating area and is home to 230 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.

Embassy Manyata Business Park, Bengaluru

Quick facts

13	7.9 msf	230	1,614*	240,000
Grade-A office parks and city-centre office buildings	Ongoing development	Blue-chip occupiers	Hotel keys	Occupiers' employees

*Includes completed, under construction and proposed future development

Blackstone

Blackstone is a leading global alternative investment firm that invests on behalf of pension funds, large institutions and individuals. As of March 2023, Blackstone managed US$ 991 bn in total assets.

EMBASSY

Embassy Group is a leading Indian real estate developer. Embassy has completed over 66 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

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

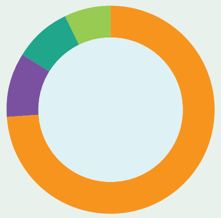
Backed by world-class sponsors with leading footprints in commercial real estate in India and globally

World-class tenant base with strong credit covenants

Highly experienced management with 20 years of experience across leasing, asset management, operations and capital markets

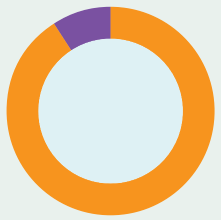
Portfolio

Our differentiated office portfolio serves as essential infrastructure for multinational corporations



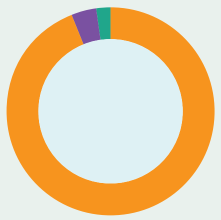
GROSS ASSET VALUE (GAV) BY GEOGRAPHY

- **75%** Bengaluru
- **9%** Pune
- **10%** Mumbai
- **6%** NCR



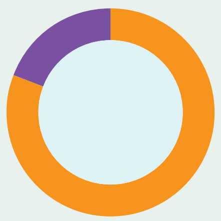
MARKET VALUE BY CONSTRUCTION STATUS

- **88%** Completed
- **12%** Under construction



MARKET VALUE BY ASSET TYPE

- **93%** Commercial properties
- **5%** Hospitality
- **2%** Others



OCCUPIER BASE

- **82%** International
- **18%** Domestic

Embassy TechVillage, Bengaluru

Four Years Of Leading India's Commercial Real Estate Transformation

Dear Unitholders,

I am delighted to present Embassy REIT's FY2023 Annual Report to you.

2023 marks the fourth anniversary of Embassy REIT's listing. If I look back, the business has accomplished a great deal since those early days in 2019. We have grown our portfolio from 33 msf at inception to an industry-leading 45 msf today. We leased a total of 11.4 msf across 257 deals and expanded our occupier base by a third to 230 corporates.

We delivered 3.4 msf of new office space and launched 7.9 msf new developments, including the first grade A office redevelopment at scale. We acquired a world-class business park in ETV totaling 9.1 msf and raised over ₹36 bn equity through India's first QIP by a REIT. We refinanced around ₹143 bn debt reducing our interest cost by around 204 bps and we were the first to access long-term debt from NBFCs and insurers in the Indian REIT context. We also launched our industry leading ESG framework and net zero 2040 commitment. And finally, we enhanced our NOI by 76% to ₹28 bn, delivered close to one billion dollars in distributions and expanded our investor base by 20 times to over 80,000 today.

Jitendra Virwani
Chairman


Embassy TechVillage, Bengaluru

Embassy REIT has a simple mantra: to deliver offices of the future to its tenants, helping create an ecosystem that fosters innovation, collaboration and growth. As demonstrated by the FY2023 results, the company delivered yet another year of strong business performance despite a challenging environment and has all the building blocks in place for future growth.

We did all of this while enduring an election cycle, a global pandemic that has threatened the future of office worldwide, and the current geopolitical and macroeconomic volatility that continues to roil economies and markets worldwide.

As a new India emerges, led by its rising relevance geopolitically, in global product and service value chains serviced by global corporates, and the aspirations of an expanding middle-class, I increasingly see high-quality workplaces playing critical roles in hosting the talent to fuel this growth.

India's thriving commercial real estate sector continues to grow, driven by sustained global tech investments. As seekers of international quality office spaces and given their higher propensity to pay, global captives continue to invest in talent and workplace to factor for increased offshoring. This is resulting in a continued positive shift in our occupier mix, especially in our Bengaluru portfolio, with banks and financial services captives leading this trend. Captives contributed around 70% of our FY2023 new and pre-leasing and now account for over 55% of our annual rents. Corporates from sectors such as retail, insurance and healthcare, all of which rely on technology and are increasingly embracing digital footprints, are also setting up and scaling their India captive centres. While these occupiers initially start in India with a smaller footprint, they have the potential to expand rapidly.

Embassy REIT has a simple mantra: to deliver offices of the future to its tenants, helping create an ecosystem that fosters innovation, collaboration and growth. As demonstrated by the FY2023 results, the Company delivered yet another year of strong business performance despite a challenging environment and has all the building blocks in place for future growth.

In April, we announced the appointment of Aravind Maiya as Chief Executive Officer of Embassy REIT. Aravind played a pivotal role in the growth of Embassy REIT since its listing as the Chief Financial Officer and was instrumental in driving its success. I am delighted to welcome Aravind back – under his leadership, we look forward to taking Embassy REIT to greater heights. I would also like to thank Vikaash Khdloya for his contribution to the success of Embassy REIT and are grateful for his stewardship over the last few years, particularly during the two years of the pandemic.

As I close, I would like to take this opportunity to thank all our employees for their continued commitment and focus on delivering a solid business performance in a challenging environment. Finally, I would like to extend my sincere thanks to all our valued unitholders, occupiers, business partners and other stakeholders for their unwavering support.

Creating Long-term Value For Stakeholders

Dear Unitholders,

I am delighted to rejoin Embassy REIT to lead its next phase of growth. We have ambitious aspirations, and I am excited about the potential that lies ahead. Our business is in excellent shape, and we recently completed our fourth year since listing, continuing our strong business performance with our highest ever leasing of 5.1 msf across a record 100 deals.

Our business strategy is centered on creating long-term, total return value to our over 80,000 unitholders. This strategy is supported by four key pillars.

Aum

Aravind Maiya
Chief Executive Officer Designate

Embassy TechVillage, Bengaluru

Highlights of the Year | FY2023

Business

- Leased 5.1 msf across 100 deals at 16% spreads, surpassing annual leasing guidance
- Added 44 new occupiers across sectors like insurance, healthcare, retail, and cybersecurity; increased occupier base to 230 marquee corporates
- Awarded global recognition by leading ESG institutions – GRESB, USGBC LEED, British Safety Council and WELL/ IWBI[1]

Financial

- Grew Net Operating Income (NOI) by 11% YoY to ₹28 bn
- Delivered distributions of ₹21 bn or ₹21.71 per unit, marking the 16th consecutive quarter of 100% payout
- Refinanced ₹53 bn debt at 101 bps positive spreads, maintained best-in-class balance sheet with low 28% leverage, attractive 7.2% debt cost and AAA/Stable credit ratings

Growth

- Launched 2.3 msf new development in Bengaluru, including first-of-its-kind 1.2 msf redevelopment project at Embassy Manyata
- Acquired 1.4 msf Embassy Business Hub in North Bengaluru for ₹3.4 bn, NOI and NAV accretive tuck-in acquisition financed with attractive 8.1% debt
- Accelerated active development to 7.9 msf at committed capital investment of ₹40 bn, expected to add ₹9 bn to NOI upon stabilisation

[1] Target to achieve 75% renewable energy usage across our properties by FY2025

Embassy Manyata Business Park, Bengaluru

As we look forward, we have a clear strategy to further solidify our business and execute accretive growth to cater to the continued offshoring demand for India's talent and thereby office needs.

Leasing – Our Key Business Driver

India continues to be the world's preferred offshoring destination, attracting global businesses looking for skilled talent and low costs. NASSCOM's recent industry report outlined that just last year around 100 new captive centres were set up in India, with 66 of them by new entrants, and 500 more are expected over the next three years. Given our high-quality product and total business ecosystem offering, we remain well-positioned to capture this ongoing offshoring demand While we are mindful of the macro concerns and expect demand for large deals to revive in the second half of this year, we continue to see healthy momentum for small-to-mid-sized deals ranging between 30-70k sf. Our contractual rent escalations and significant mark-to-market rent opportunity continue to be embedded growth drivers in our business.

Focused New Development Growth

Our total development pipeline of 7.9 msf is integral to driving our company's growth over the next 5 years. Over 90% of this is in Bengaluru, India's most attractive office market in terms of both occupier demand and development economics. With a total committed capex of ₹40 bn, these projects are expected to add approximately ₹9 bn annual NOI upon stabilisation at highly attractive yields.

A fifth of our development pipeline has already been pre-committed to leading global companies such as JP Morgan, ANZ Bank and Philips. In addition, we have around 1.0 msf of advanced deal pipeline from banks and other tech captives specialising in cloud infrastructure and enterprise solutions.

A word about our hotels. We launched 619 key dual-branded Hilton hotels at Embassy Manyata early last year and we achieved break-even levels within the very first month. We see our hospitality business as a key ancillary service and are continuing to invest in it with the development of our new 518 key dual-branded Hilton hotels at Embassy Tech Village.

Portfolio Expansion Through Inorganic Growth

We recently announced the NAV-accretive acquisition of Embassy Business Hub in North Bengaluru, increasing our total portfolio to 45 msf. This high-quality, well-connected, wellness-oriented business park expanded our dominant presence and office offerings in our core market, Bengaluru.

Our acquisition strategy is based on our clearly defined criteria of high-quality, large-scale business parks located in the right micro-markets of the top Indian cities. Our AAA/ Stable rated fortress balance sheet, with low 28% leverage and over ₹100 bn debt headroom, positions us well to finance our growth initiatives. We continue to look for accretive acquisition opportunities and are closely tracking the financing markets.

Strong ESG Focus

Our ESG leadership remains a key business differentiator for us and a driver of premium rents. We continue to make progress on our FY2025 ESG targets as well as our broader net zero 2040 goal. We have committed ₹3 bn of ESG investments for our 3-year roadmap and will continue to identify additional strategic opportunities. In addition to our existing 100 MW solar power plant supplying green energy to our Bengaluru properties, we commissioned the first phase of our 20 MW pan-India rooftop solar project and announced plans to explore doubling our current renewable energy capacity by installing new solar plants across Bengaluru and NCR.

On the regulatory side, the government and regulators have been very supportive of the REIT product, and they continue to improve the framework around management, operations, financing and taxation of this emerging asset class. The recent amendment to the Finance Bill brought in much needed clarity on taxation of 'repayment of capital' component of a REIT's distributions. The resultant clear, stable, and tax-efficient framework enhances the post-tax distribution yields, and we are confident that REITs will continue to attract domestic and foreign capital. With wider understanding of the total return story of the REIT product combined with our consistent 16 quarters of delivering on our business, we have now distributed close to a bn dollars since listing.

As we look forward, we have a clear strategy to further solidify our business and execute accretive growth to cater to the continued offshoring demand for India's talent and thereby office needs. As long-term asset owners, we continue to enhance the scale, quality and reach of our properties as well as our occupier base, which shall undoubtedly deliver value across business, market and economic cycles. We have an excellent team of over 110 very talented professionals who are committed to execute this strategy and I look forward to working again with this wonderful team to create long-term value for all our stakeholders.

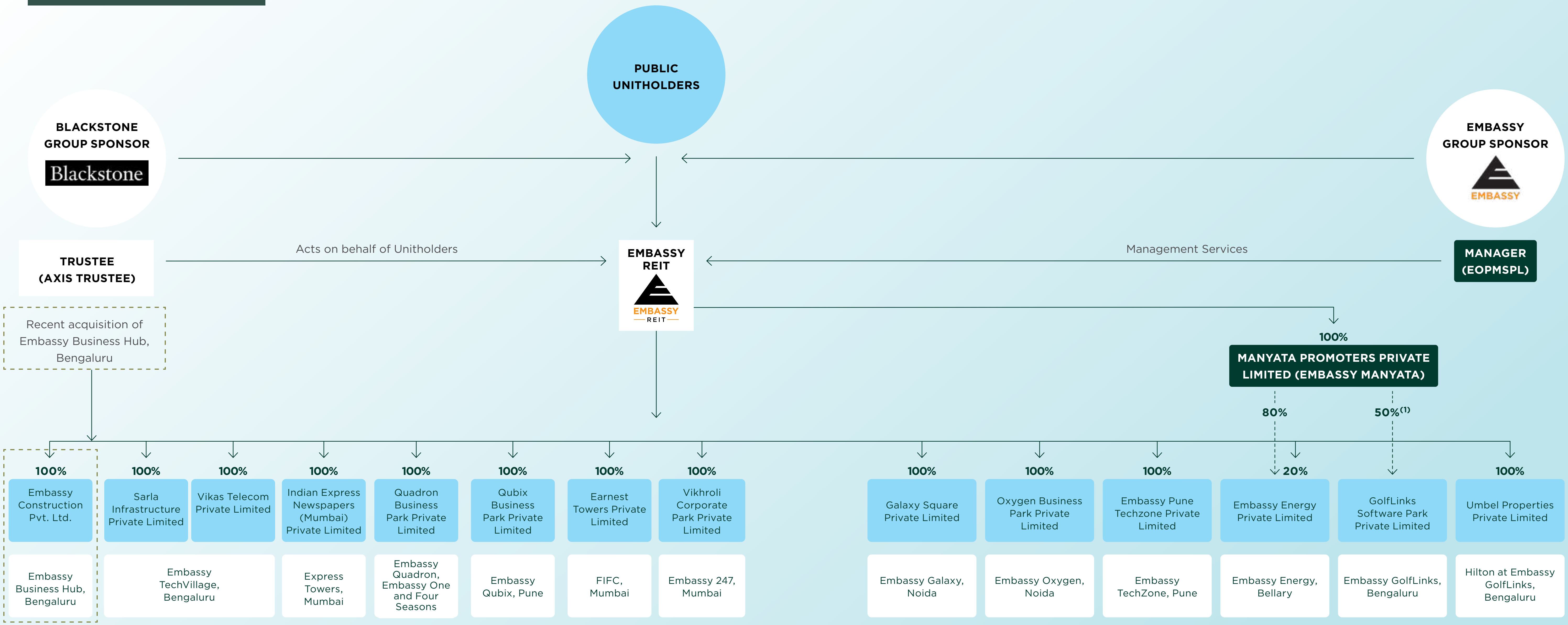
A Best-in-class Structure With The Strongest Safeguards For Unitholders

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.

Embassy REIT was established 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 and amended on September 11, 2018.

Embassy REIT Structure



Notes: [1]Balance 50% owned by JV partner
[2]The 100% owned entities are held jointly with nominee shareholders for the Embassy REIT

Providing Best Office Solutions To Leading Global 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 comes from technology occupiers, and 47% gross of rentals are from Fortune 500 companies.

Category-wise occupiers

47%
Fortune 500® companies

US$300 bn+
Avg. Market cap of top 10 tenants*

AA+
International Credit Ratings of our occupiers**

82%
Multinational Occupiers

*Excludes ANSR

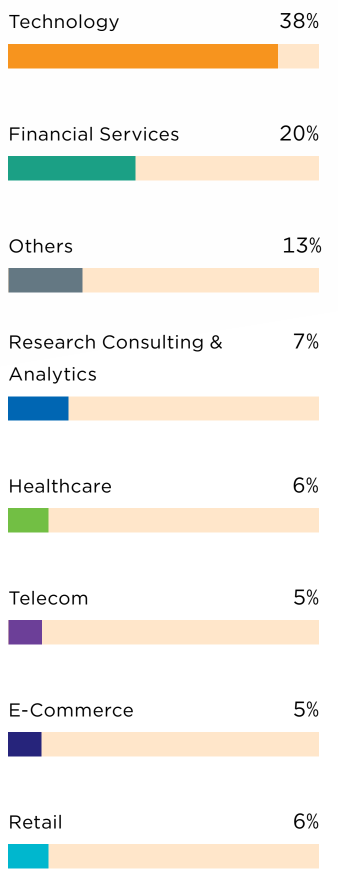
**Represents average ratings of our top 10 occupiers


Embassy GolfLinks Business Park, Bengaluru

Contribution from Top 10 occupiers at 37% (vs 42% at the time of listing), with no single occupier contributing over 7%*

Top 10 occupiers	Sector	% of rentals
JP Morgan	Financial Services	6.7
Global Technology and Consulting Major	Technology	6.5
Cognizant	Technology	5.9
NTT Data	Technology	3.5
Wells Fargo	Financial Services	3.2
Flipkart (a Walmart company)	E-commerce	2.9
ANSR	Consulting	2.8
American Retail Major	Retail	1.9
Google India	Technology	1.7
Cisco Systems	Technology	1.6
Total		**37%**

Industry diversification(1)



* March 31, 2023

Notes: Actual legal entity names of occupiers may differ

(1) Represents industry diversification percentages based on Embassy REIT's share of gross rentals

Located In India's Best Performing Office Markets

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

Embassy Manyata Business Park, Bengaluru

Market Fundamentals

- Despite global macro volatility and recessionary environment in developed economies, India office demand remains resilient
  - India remains an attractive cost-effective destination with strong long-term fundamentals
  - 100 new GCC centres[1] set up in India in CY2022 including 66 new global corporates
- Robust recovery in office leasing activity with gross absorption
  - LTM absorption 22% higher (54 msf vs 44 msf in previous period)

Source: NASSCOM, Priming for a NO NORMAL future, echnology Sector in India, Feb'23

City-wise Performance (Apr'22 - Mar'23)

City	Supply	Demand	Vacancy
Bengaluru	12.3	17.1	11%
Pune	5	5.6	22%
Mumbai	3.4	8	24%
NCR	9	9	30%
Embassy REIT Markets	**29.7**	**39.7**	**20%**
Chennai	2.6	5.8	18%
Hyderabad	13.2	7.2	23%
Kolkata	0.6	1.3	33%
Other Markets	**16.5**	**14.4**	**22%**
Grand Total	**46.2**	**54**	**21%**

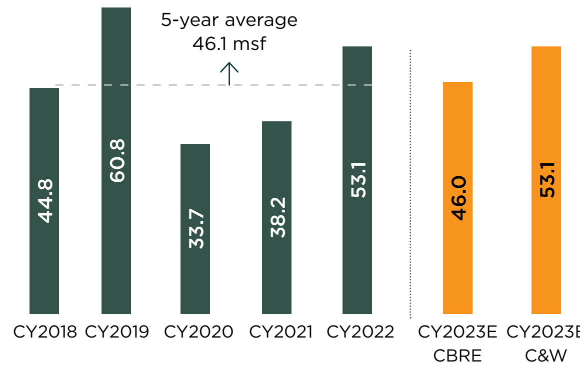
Source: CBRE, Embassy REIT

Demand and Supply Outlook

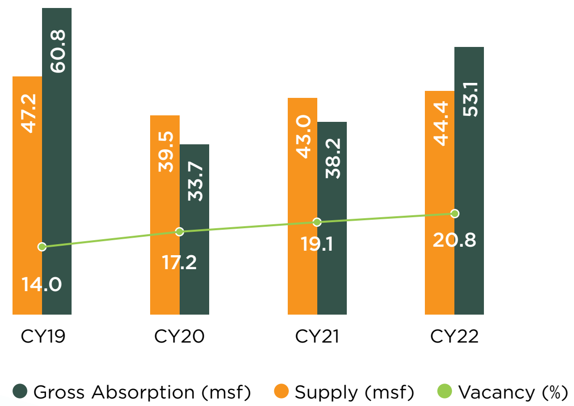
Long-term fundamentals of India office remain robust, with global captives driving demand. Supply continues to remain constrained with only 23% comparable and competing supply

- Increased focus on costs and efficiencies by global corporates likely to accelerate off-shoring megatrend further, disproportionately to the benefit of institutional landlords like Embassy REIT

Demand Outlook

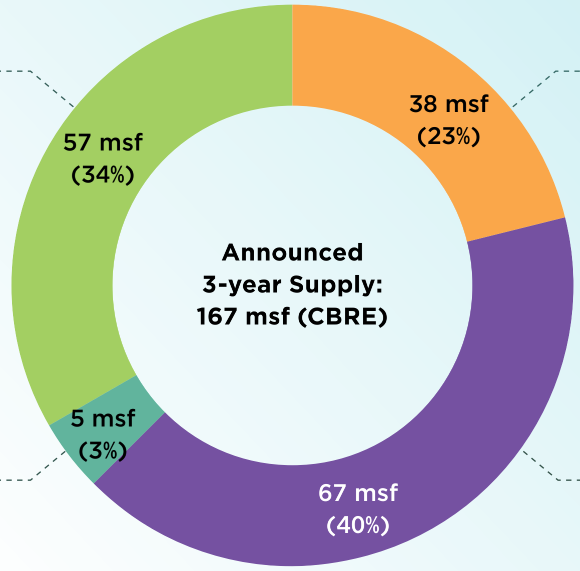


Annual Demand and Supply Trends (msf)



Source: CBRE, Embassy REIT

Supply Outlook



Source: CBRE, Embassy REIT

Embassy GolfLinks Business Park, Bengaluru

Creating Value. Maximising Growth.

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

Our strategy

Embassy REIT aims to maximize the total return for Unitholders by targeting growth in distributions and in NAV per Unit.

The operating and investment strategies we intend to execute to achieve this goal include:

(1) Capitalizing on our Portfolio's embedded organic growth and new development opportunities by:

- Lease-up vacant space
- Delivering 'on-campus' development

(2) Disciplined acquisition strategy with strong balance sheet including:

- Right of First Offer ('ROFO') assets to drive growth
- Third Party acquisitions with focus on long-term growth

(3) Proactive asset management to drive value through:

- Proactive Property Management
- Focus on Occupier Retention
- Adherence to world class ESG standards

(4) Industry Leading Corporate Governance

- 50% of Directors are Independent
- 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 in pursuing opportunities which enhance Unitholder value.

Embassy TechVillage backland ROFO[(1)(2)]
(Bengaluru, up to 4.2 msf)

Embassy Splendid TechZone ROFO[(1)]
(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

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

Notes:

(1) There can be no assurance that Embassy REIT will enter into any definitive arrangements for any of the acquisition deals in pipeline

(2) 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

(3) Embassy REIT has 30.0 msf of ROFO opportunity from Embassy Sponsor In addition, Embassy REIT has secured ROFO from Embassy Sponsor for Embassy Business Hub - Phase 3 (approx 46 acres), adjacent to recently acquired Phase 1 and Phase 2 developments

Performance and Business Review

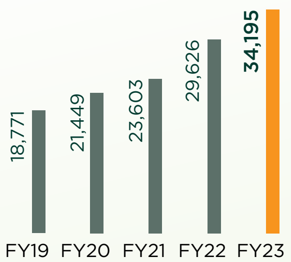
Embassy TechVillage, Bengaluru

Delivering a stable performance

We delivered another resilient performance and growth in a period of uncertainty.

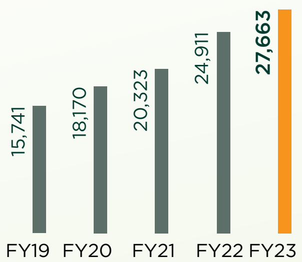
Revenue from operations
(₹ in mn)

↑ 16.2%



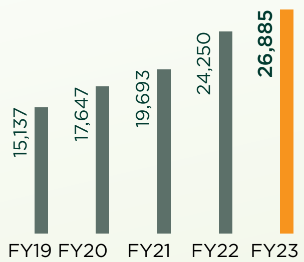
Net operating income
(₹ in mn)

↑ 15.1%



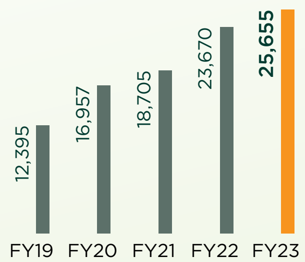
EBITDA
(₹ in mn)

↑ 15.4%



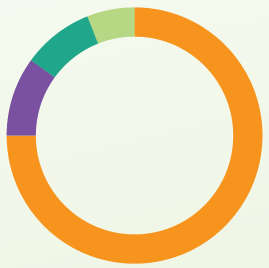
Cash flow from operations
(₹ in mn)

↑ 19.9%



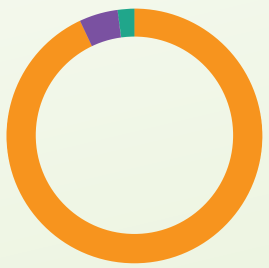
% are in CAGR

GAV Break-up by Region



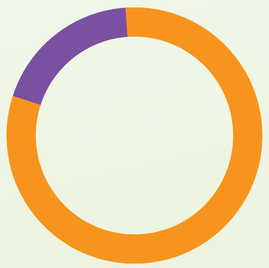
Bengaluru	75%
Mumbai	10%
Pune	9%
Noida	6%

GAV Break-up by Segment



Commercial Offices	93%
Hospitality	5%
Others	2%

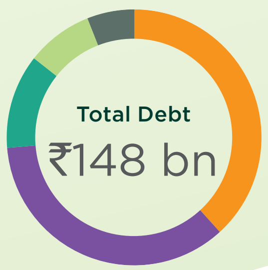
Net debt to GAV



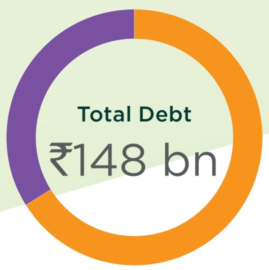
Net debt	28%

REIT Debt Composition

Fixed Interest Rate	61%
Floating Interest Rate	39%

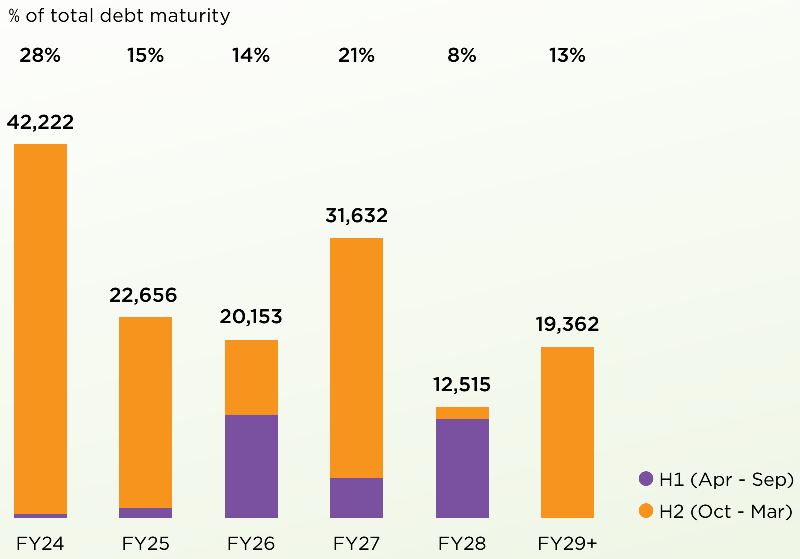


Mutual Funds	38%
Banks	36%
Insurers	12%
NBFCs	8%
Corporates	6%



REIT Level Debt	64%
SPV Level Debt	36%

Proforma principal maturity schedule
(₹ in mn)



Portfolio Valuation Update

Particulars (₹ mn)	March 31, 2023
Gross Asset Value (GAV)[1,2]	507,870
Add: Other Assets	86,732
Less: Other Liabilities	(72,240)
Less: Gross Debt	(148,055)
Net Asset Value (NAV)	**374,307**
Number of Units	947,893,743
NAV per Unit (₹)	394.88
Change Since March 31, 2022	0.2%

Particulars	March 31, 2023
Net Debt to GAV	28%
Net Debt to EBITDA[3]	4.72x
Interest Coverage Ratio	
• excluding capitalised interest	2.9x
• including capitalised interest	2.7x
Available Debt Headroom	₹104 bn

Notes:

(1) Gross Asset Value (GAV) considered per Mar'23 valuation undertaken by iVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE. Valuation exercise undertaken semi-annually.

(2) Given Embassy REIT owns 50% economic interest in GLSP, GAV includes fair value of equity investment in GLSP basis equity valuation method

(3) 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[1]

₹15 bn
Listed NCD Issuance in FY2023

7.4%
Interest cost for listed NCDs issued in FY2023

AAA/stable
Rating of listed NCDs by CRISIL

₹104 bn
Available debt headroom

[1] Includes undrawn committed facility, treasury balances, fixed deposits etc., net off cash flows earmarked for Q4 distributions

Financing

28%
Net Debt to GAV

7.2%
Avg. Debt Cost

₹53 bn
Debt refinanced or renegotiated

61%
Fixed Rate Debt

A World-class Portfolio

Portfolio summary

Property	Leasable Area (msf)/Keys/MW				WALE(2) (yrs)	Occupancy (%)	Rent (₹ psf/mth)			GAV(3)	
	Completed	Under Construction	Proposed Development	Total			In-place	Market	MTM (%)	₹ mn	% of total
Embassy Manyata	11.4	3.5	0.4	15.2	6.2	89%	72	93	29%	185,965	36%
Embassy TechVillage	7.3	2.3	0.0	9.6	9.3	97%	77	94	22%	122,224	24%
Embassy GolfLinks(1)	3.1	0.0	0.0	3.1	6.4	97%	131	155	18%	34,996	7%
Embassy One	0.3	0.0	0.0	0.3	8.4	60%	144	147	2%	4,558	1%
Embassy Business Hub	0.0	1.4	0.0	1.4	-	-	-	67	0%	3,751	1%
Bengaluru Sub-total	**22.0**	**7.2**	**0.4**	**29.6**	**7.3**	**92%**	**82**	**103**	**25%**	**351,494**	**68%**
Express Towers	0.5	0.0	0.0	0.5	4.0	83%	283	275	(3%)	18,252	4%
Embassy 247	1.2	0.0	0.0	1.2	3.1	93%	111	112	1%	18,684	4%
FIFC	0.4	0.0	0.0	0.4	3.4	91%	296	280	(5%)	13,941	3%
Mumbai Sub-total	**2.0**	**-**	**-**	**2.0**	**3.5**	**90%**	**182**	**178**	**(2%)**	**50,877**	**10%**
Embassy TechZone	3.0	0.0	2.4	5.5	4.2	65%	53	48	(10%)	22,845	4%
Embassy Quadron	1.9	0.0	0.0	1.9	5.2	50%	53	48	(9%)	13,227	3%
Embassy Qubix	1.5	0.0	0.0	1.5	5.1	90%	43	48	12%	9,718	2%
Pune Sub-total	**6.4**	**-**	**2.4**	**8.8**	**4.7**	**66%**	**50**	**48**	**(4%)**	**45,790**	**9%**
Embassy Oxygen	2.5	0.7	0.0	3.3	9.4	67%	54	48	(11%)	22,809	4%
Embassy Galaxy	1.4	0.0	0.0	1.4	4.5	96%	39	47	21%	9,526	2%
Noida Sub-total	**3.9**	**0.7**	**-**	**4.6**	**7.6**	**77%**	**47**	**48**	**1%**	**32,335**	**6%**
Subtotal (Office)	**34.3**	**7.9**	**2.8**	**45.0**	**6.6**	**86%**	**80**	**94**	**17%**	**480,496**	**93%**
Four Seasons at Embassy One	230 Keys	0.0	0.0		-	36%	-	-	-	7,939	2%
Hilton at Embassy GolfLinks	247 Keys	0.0	0.0		-	62%	-	-	-	4,762	1%
"Hilton & Hilton Garden Inn at Embassy Manyata (5 & 3 star)"	619 Keys	-	-		-	50%	-	-	-	11,667	2%
Hilton & Hilton Garden Inn at Embassy TechVillage (5 & 3 star)	-	518 Keys	-		-	NA	-	-	-	763	0%
Embassy Energy	100MW	-	-		-	NA	-	-	-	8,514	2%
Subtotal (Infrastructure Assets)	**1,096 Keys/100MW**			**1,614 Keys/100MW**						**33,645**	**7%**
Total	**34.3 msf/1,096 Keys/100MW**	**7.9 msf/518 Keys**	**2.8 msf**	**45.0 msf/1,614 Keys**						**514,141**	**100%**

Notes:

(1) Details included in the above table are for 100% stake in Embassy GolfLinks, except GAV which reflects Embassy REIT's 50% economic interest in GLSP

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

Gross Asset Value (GAV) considered per Mar'23, valuation undertaken by iVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE. Valuation exercise undertaken semi annually.

Focused Growth Investments

7.9 msf active development at highly attractive yields with over 90% concentrated in Bengaluru, India's best office market enjoying attractive development economics and strong demand.

Continued progress on the recently launched 1.2 msf redevelopment at Embassy Manyata Business Park. Highly accretive 22% yield, driven by increase in leasable area through utilisation of unused FAR.

New Project Launch at Embassy Manyata Business Park

- Block L4 – Excavation underway
- Targeting Jun'25 delivery

Perspective

Unlocking Growth Potential at Embassy Manyata Business Park

- Block D1/D2 Redevelopment – Design finalised. Demolition works underway
- Expected project delivery by December 2025. Refer video link here

Dec'25
Target Completion

~1.7x
Increase in Leasable Area

₹6 bn
Capex Planned

22%
Yield on Cost[1]

Perspective

Note: [1]Yield on Cost is a forward estimate and calculated by dividing expected stabilized NOI upon completion by the cost of construction and interest during construction and adjusted for opportunity rent loss on existing building during construction

Development in Progress [(1)]

Asset	Projects	Development Area (msf)	Development Keys	Pre-committed/ Leased Area (%)	Occupier[2]	Estimated Completion Date	Balance cost 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[3]	Front Parcel - Hilton Hotels	NA	619	NA	NA	Completed in Mar-22	201
Embassy TechZone	Hudson & Ganges Block	0.9	NA	16%	Harman, Kaiser Permanente	Completed in Oct-22	243
Sub-total		**2.0**	**619**	**63%**			**556**
Base-Build Projects (Under Construction)							
Embassy Manyata[4]	M3 Block A	1.0	NA	16%	WeWork, Esko Graphics	Jun-23	53
Embassy Oxygen	Tower 1	0.7	NA	-	-	Jun-23	507
Embassy TechVillage	Block 8	1.9	NA	29%	JP Morgan	Sep-24	6,817
Embassy Manyata[4]	M3 Block B	0.6	NA	78%[5]	ANZ[6]	Mar-25	1,992
Embassy Manyata	Block L4	0.7	NA	-	-	Jun-25	3,001
Embassy TechVillage	Hilton Hotels	NA	518	NA	NA	Dec-25	8,760
Embassy Manyata	Block D1 & D2 Redevelopment[7]	1.2	NA	-	-	Dec-25	5,816
Embassy TechVillage	Block 6[7]	0.4	NA	-	-	Dec-25	1,995
Embassy Business Hub	Phase 1 - Philips BTS	0.4	NA	93%	Philips	Sep-23	1,358
Embassy Business Hub	Phase 2	1.0	NA	-	-	Sep-27	6,062
Sub-total		**7.9**	**518**	**19%**			**36,360**
Infrastructure and Upgrade Projects[8,9]							
Embassy Manyata	Master Plan Upgrade	NA	NA	NA	NA	Completed in Dec-22	153
Embassy Manyata	Solar Rooftop	NA	NA	NA	NA	Sep-23	304
Embassy TechVillage	Central Garden	NA	NA	NA	NA	Sep-23	419
Embassy Business Hub	Food Court	NA	NA	NA	NA	Dec-23	218
Embassy TechVillage	Master Plan Upgrade	NA	NA	NA	NA	Dec-24	221
Others	NA	NA	NA	NA	NA	NA	3,906
Sub-total		**NA**	**NA**	**NA**			**5,222**
Total (Under Construction)		**7.9**	**518**	**19%**			**42,138**

1 Excludes GolfLinks as it is a portfolio investment

2 Actual legal entity name may differ

3 Hilton Garden Inn and Hilton at Embassy Manyata were launched in Mar'22 and May'22 respectively

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 ₹.8,256 mn, of which ₹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 ₹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

7 Two FAR enhancement opportunities in Bengaluru namely, 1.2 msf D1/D2 redevelopment project at Embassy Manyata and 410k sf Block 6 at Embassy TechVillage at a highly accretive 22% yield on a combined capex of 8 bn. Yield on cost is a forward estimate and calculated by dividing the expected NOI upon stabilization by the cost of construction and interest during construction

8 Over the next 3 years

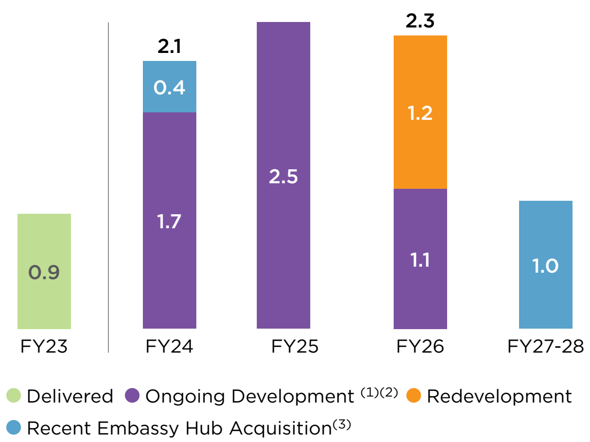
9 Includes select infrastructure and upgrade projects across the portfolio such as Solar Rooftop, Lobby upgrades, Food Court, Central Garden amongst various others

Proposed Development (as of Mar 31, 2023)

Asset	Projects	Development Area (msf)
Base-Build Projects		
Embassy Manyata	F1 Block	0.4
Embassy TechZone	Blocks 1.4,1.9 & 1.10	2.4
Total		**2.8**

- ₹40 bn total capex, ₹28 bn pending cost to be spent
- ₹9 bn incremental NOI upon stabilisation

Development pipeline[(1)]
(msf)



Commercial office update

During the year, we leased 5.1 msf across 100 deals, comprising 2.0 msf fresh leases at 17% re-leasing spreads, 1.8 sf renewals at 16% renewal spreads[3] and 1.2 msf pre-commitments


Embassy TechVillage, Bengaluru

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

(3) Embassy Business Hub comprises a total leasable area of approximately 2.1 msf upon completion of Phase 1 and Phase 2. Of this, Embassy REIT's area share of entitlement is 1.4 msf

CORPORATE SNAPSHOT

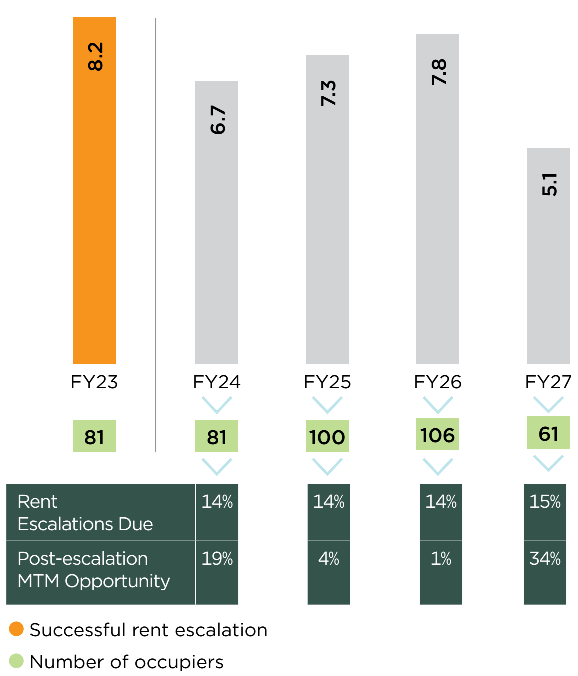
Notable Deals Signed for the year ended March 31, 2023

Quarter	Occupier[1]	Asset	City	Area ('000 sf)	Sector	Remarks
Q1	JP Morgan	Embassy TechVillage	Bengaluru	550	Financial Services	Pre Lease
Q1	Cognizant	Embassy Quadron	Pune	367	Technology	Renewal
Q1	DxC Technologies	Embassy Galaxy	Noida	345	Technology	Renewal
Q1	F5 Networks	Embassy GolfLinks	Bengaluru	50	Technology	New Lease
Q1	Rubrik	Embassy TechVillage	Bengaluru	34	Technology	New Lease
Q1	Magicbricks	Embassy Manyata	Bengaluru	32	E-Commerce	New Lease
Q1	Others	Various	Various	437	Various	Various
Sub-total				**1,815**		
Q2	ANZ	Embassy Manyata	Bengaluru	468	Financial Services	Pre Lease
Q2	Global FinTech Company	Embassy Galaxy	Noida	227	Financial Services	Renewal
Q2	Global Technology and Consulting Major	Embassy TechZone	Pune	126	Technology	Renewal
Q2	Eli Lilly	Embassy TechVillage	Bengaluru	109	Healthcare	New Lease
Q2	US Banking Major	Embassy TechVillage	Bengaluru	83	Financial Services	New Lease
Q2	Others	Various	Various	559	Various	Various
Sub-total				**1,574**		
Q3	American Retail Major	Embassy Manyata	Bengaluru	383	Retail	Renewal
Q3	American Retail Major	Embassy Manyata	Bengaluru	121	Retail	New Lease
Q3	Kaiser Permanente	Embassy TechZone	Pune	85	Healthcare	New Lease
Q3	Fidelity	Embassy Manyata	Bengaluru	61	Financial Services	New Lease
Q3	German Luxury Car Major	Embassy TechZone	Pune	49	Engineering & Manufacturing	New Lease
Q3	Others	Various	Various	265	Various	Various
Sub-total				**964**		
Q4	WeWork	Embassy Manyata	Bengaluru	138	Co Working	Pre Lease
Q4	French Aerospace Major	Embassy GolfLinks	Bengaluru	84	Engineering & Manufacturing	New Lease
Q4	Volkswagen	Embassy TechZone	Pune	43	Engineering & Manufacturing	New Lease
Q4	Tata Telecommunication	Embassy GolfLinks	Bengaluru	37	Telecom	New Lease
Q4	Epiroc Mining	Embassy Manyata	Bengaluru	37	Engineering & Manufacturing	New Lease
Q4	United Health Group	Embassy Manyata	Bengaluru	36	Healthcare	New Lease
Q4	Others	Various	Various	337	Various	Various
Sub-total				**712**		
Total				**5,064**		

[1] Actual legal entity name may differ

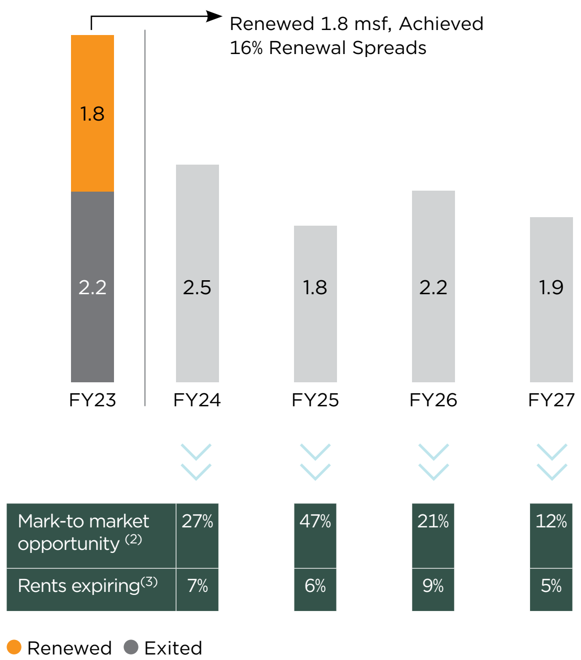
Embedded Rent Escalations of ~15% aids NOI growth

Area (msf)



27% of Leases Expire Between FY2024-27

Area Expiring (msf)



FY22-23 update

- Secured 14% rent escalations on 8.2 msf and achieved 16% spreads on 1.8 msf renewals.

FY22-23 update

- 2.2 msf exits offer significant 25% MTM potential.

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

Responsible Communications With Stakeholders

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

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)

FY2022-23 highlights

40%
Total returns since listing(1)

100%
Payout Ratio

US$ 2.6 bn
Free Float Market Capitalisation(1)

15
Sell-side analysts cover Embassy REIT

20x
Increase in Unitholders since listing

80,000+
Retail Unitholders

In FY2022-23, we engaged with over

150
Investors across geographies

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) Based on closing price of ₹329.5 on 3 May 2023

Embassy TechVillage, Bengaluru

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

* Future coverage to be discussed given UBS takeover

Investor engagement calendar FY2023

Participation Date	Event Name	Qtr
May 10-13, 2022	Bank of America 2022 APAC Financial, Real Estate Equity and Credit Conference	Q1 FY23
June 07 - 9, 2022	Morgan Stanley Virtual India Summit 2022	Q1 FY23
June 23-24, 2022	Axis Capital India Real Estate Conference 2022	Q1 FY23
June 28 – 30, 2022	Kotak Institutional Equities Real Estate Forum	Q1 FY23
August 17-18, 2022	Hosted webinar for Wealth Managers	Q2 FY23
August 22, 2022	ICICI Securities' Bengaluru Corporate Days	Q2 FY23
September 2, 2022	Goldman Sachs India Real Estate Forum "Virtual"	Q2 FY23
September 13 -14, 2022	2022 Global Real Estate Conference, New York, USA, hosted by BofA Securities*	Q2 FY23
November 14-16, 2022	25th Annual CITIC CLSA India Forum 2022 in Mumbai	Q3 FY23
November 16-18, 2022	Morgan Stanley's Twenty-First Annual Asia Pacific Summit in Singapore	Q3 FY23
December 7, 2022	Edelweiss 9th Edition Emerging Ideas Conference 2022, Mumbai*	Q3 FY23
November 29-30, 2022	Custom meeting with Capital Group - organised by IIFL (Met all 3 arms of Capital Group/ 12 PMs)*	Q3 FY23
Februrary 7-09, 2023	Axis Capital India Conference	Q4 FY23
Februrary 8-10, 2023	Edelweiss (now Nuvama) India Conference 2023	Q4 FY23
February 21-22, 2023	Kotak's Chasing Growth 2023 Conference	Q4 FY23

* Meetings were attended in person

Unitholding pattern

Particulars	Units	%Holding
Sponsor & Sponsor Group		
Foreign Body a. BRE/ Mauritius Investments - Sponsor (Body Corporate) b. Sponsor Group (Bodies Corporate)	22,35,97,193.00	23.59
Indian Body Corporate - Embassy Property Developments Private Limited	7,28,64,279.00	7.69
Sub-total Sponsors	**29,64,61,472.00**	**31.28**
Institutional		
AIF	5,22,03,261.00	5.51
FPI	30,31,90,789.00	31.99
Insurance Companies	3,40,22,817.00	3.59
Mutual Funds	7,55,22,996.00	7.97
Pension / Provident Fund	7,53,097.00	0.08
Sub-total Institutions	**46,56,92,960.00**	**49.13**
Non Institutional		
Clearing Members	47,475.00	0.01
Body Corporates	3,43,98,643.00	3.63
Individuals	14,28,57,463.00	15.07
NBFC	22,69,538.00	0.24
NRI	42,50,528.00	0.45
Trust	19,15,664.00	0.2
Sub-total Non-Institutional	**18,57,39,311.00**	**19.6**
Total Units Outstanding	**94,78,93,743.00**	**100**

Note: Data as on March 31, 2023

Trading snapshot

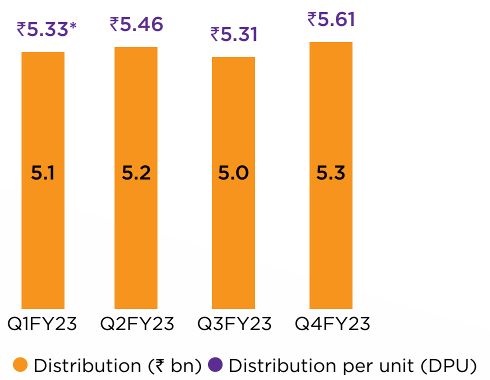
Particulars	March 31, 2023	
Units Outstanding	**947,893,743**	**947,893,743**
Unit Price Performance (₹)	**NSE**	**BSE**
Opening Price: April 1, 2022	371.00	369.15
Closing Price: March 31, 2023	312.17	312.25
52-Weeks-High (₹ per unit)	404.99	404.95
52-Weeks-Low (₹ per unit)	301.00	301.05
Market Capitalisation (₹ bn)		
March 31, 2023	295.90	295.98
Trading Volume for FY 2023		
Units (mn)	270.92	71.58
₹ bn	94.07	25.43
Average Daily Trading Volume (ADTV) for FY2023		
Units	1,088,025	287,484
₹ mn	377.80	102.13

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

Delivering on distributions

₹21 bn in FY23
₹78 bn distributions paid since listing

₹21.7
DPU in FY23



Active debt management

₹41 bn
Debt raised or during FY23

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

Beyond Total Business Ecosystem

ESG focus at Embassy REIT

Embassy REIT is focused on providing best-in-class wellness and sustainability-oriented workspaces to our 230 marquee occupier base. Over the years, we have initiated numerous programmes focusing on the environment, social and wellness aspects and have adopted a best-in-class governance structure since our listing. In the past couple of years, we have moved beyond driving ad-hoc sustainability programmes and have adopted a holistic Environmental, Social and Governance ('ESG') framework focused around 3 key pillars of Resilient Planet, Revitalised Communities and Responsible Business.

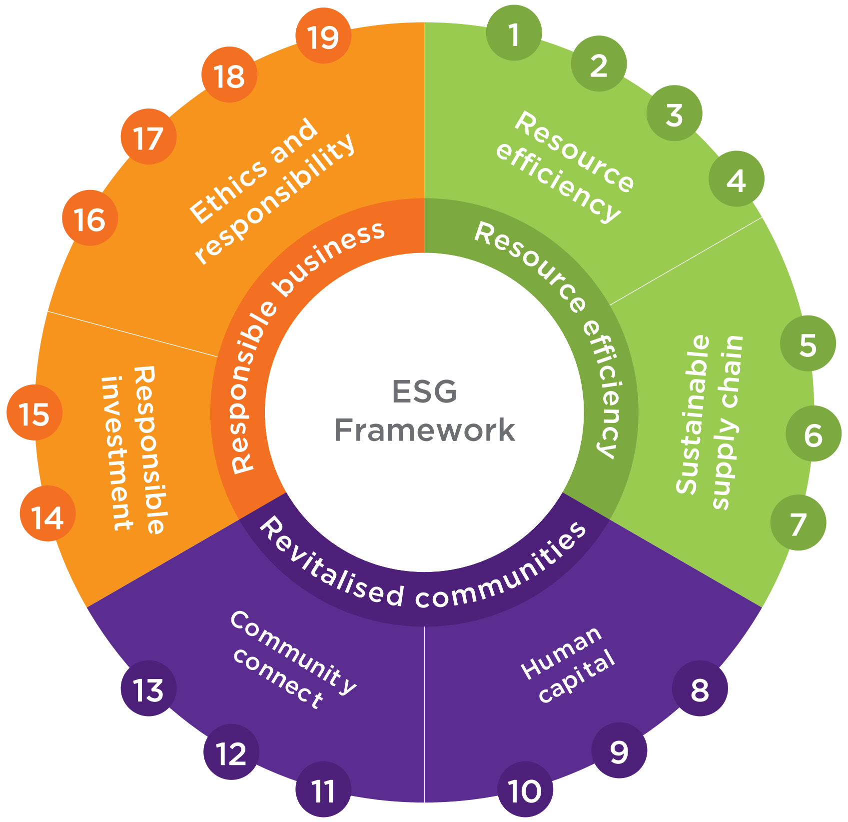
We have been at the forefront of catalysing positive change and have ingrained sustainability into our very core and across all of our business functions. We have committed ₹300 crores of ESG investments for our 3-year roadmap and we continue to identify additional strategic opportunities. Our sheer scale and on-ground partnerships help us collaborate across the value chain and create 'network effects', which further amplify our combined environmental and social contributions.

We believe that our ability to develop and maintain sustainable and energy-efficient buildings is a clear competitive advantage in a market increasingly focused on high-quality sustainable workspaces. We continue to take a leadership position and remain at the forefront of the sustainability arena in the Indian real estate sector.

Embassy TechVillage, Bengaluru

Our ESG Strategy and Framework

Our ESG strategy focuses on evolving and implementing sustainable interventions that contribute 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 comprises 3 pillars - Resilient Planet, Revitalised Communities and Responsible Business – supported by 6 focus areas wherein we have set clear targets and roadmap for the next 3 years.



Resource efficiency
01. Energy and Emissions
02. Water Stewardship
03. Waste Management
04. Biodiversity

Sustainable supply chain
05. ESG Performance of Suppliers
06. Local Sourcing
07. Certified Materials

Human capital
08. Employment Practices and Engagement
09. Training and Development
10. Health, Safety and Well-being

Community connect
11. Corporate Social Responsibility (CSR)
12. Corporate Connect
13. Customer Centricity

Responsible investment
14. Sustainable Finance
15. Asset Acquisition and Site Selection

Ethics and responsibility
16. Disclosures
17. Corporate Governance
18. Regulatory Compliance
19. Risk Management


Embassy TechVillage, Bengaluru

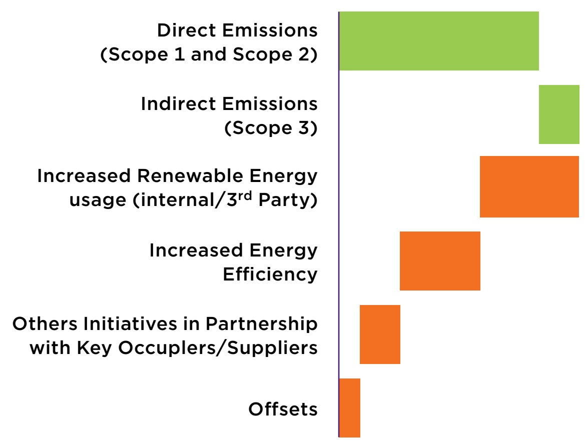
Pathway to Net Zero

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

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

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 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 across our properties.

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.

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.

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.

Sustainable Supply Chain

ESG Performance of Suppliers

We work with 700+ suppliers and contractors who are critical to our success and capabilities to meet our commitments to our stakeholders. We track, monitor and undertake initiatives to improve 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.

Local Sourcing

Localising supply chains presents a significant opportunity to enhance the socio-economic well-being of communities near our operations, while also reducing our environmental footprint. We have defined a 1,000 kms radius around our respective sites to evaluate the availability of local materials. To increase our share of local sourcing, we have developed a 'Local Sourcing Data Tracker' and incorporated 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.

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 CO2 emissions, this is one of Asia's largest solar rooftop projects. With an estimated ₹100 crores capex and 30%+ IRR, we have already secured green financing at sub-6% for this project. In Mar'23, we commissioned the first phase of this project, totaling 11 MW and we are targeting to finish the project in the next few months. 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.

Apart from our existing 100 MW solar plant and the ongoing 20 MW solar rooftop project, we are exploring to more than double our current renewable energy capacity by installing new solar plants across Bengaluru and NCR.

Embassy REIT Certified For The World's Largest 'USGBC LEED Platinum v4.1 O+M' Office Portfolio

In December 2022, Embassy REIT achieved the distinction of operating and maintaining the world's largest 'USGBC LEED Platinum v4.1 O+M' certified office portfolio by Green Business Certification Inc. ('GBCI'). Embassy REIT received this certification for all 77 operational buildings spread across 12 office parks in Bengaluru, Mumbai, Pune and NCR. The largest office REIT in Asia by area, Embassy REIT achieved this LEED Platinum certification for all of its operational properties, indicating adherence to the highest operational standards for sustainability.

Gopalakrishnan Padmanabhan, Managing Director, Southeast Asia & Middle East of GBCI India, said,

"Embassy REIT is a noteworthy example of how businesses can be successful and profitable, while also caring for people and the environment. We commend Embassy REIT for its inspiring sustainability and energy efficiency efforts at its properties in Bengaluru, Mumbai, Pune, and NCR. We are confident that this will encourage many companies across industries and sectors to adopt green initiatives."

GBCI is India's leading authority on sustainability in building design, construction, and operations and is a part of the U.S. Green Building Council ('USGBC'), which provides independent oversight of professional credentialing and project certification under the Leadership in Energy and Environmental Design ('LEED') green building rating system.

Environment: Performance Highlights

Energy and Emissions

Renewable energy consumption share

Target	FY2023 Progress
75% by FY2025	52%

USGBC LEED certified portfolio (% of operational area)

Target	FY2023 Progress
100%	100%

FY2024 key planned initiatives

- Complete the 20 MW rooftop solar project
- Evaluate installing new solar plants across Bengaluru and NCR
- Energy audit for the portfolio to identify opportunities for energy efficiencies and savings
- Maintain USGBC LEED Platinum O+M certification for the portfolio

Water Stewardship

Water consumption reduction across operational portfolio

Target	FY2023 Progress
7% by FY2025	37%[1]

FY2024 key planned initiatives

- Water audit for the portfolio to identify opportunities for water efficiencies and savings

Waste

Organic Waste Converter (OWC) capacity increase

Target	FY2023 Progress
25% by FY2025	4%

FY2024 key planned initiatives

- Upgrade the capacity of existing OWCs
- Re-align waste programme target to align with 'zero to landfill' goal

Biodiversity

Improve biodiversity in our properties

FY2023 Progress

- Butterfly parks created across multiple properties
- Biophilic designs and native greens incorporated in two development projects

FY2024 key planned initiatives

- Develop biophilic designs and promote native greens in all ongoing constructions
- Continue to support local flora fauna by promoting native plants and herbs within our operational properties

ESG performance of suppliers

Adherence to 'Supplier Code of Conduct'

Target	FY2023 Progress
100%	100%

FY2024 key planned initiatives

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

Local Sourcing

Local sourcing share

Target	FY2023 Progress
70% by FY2025	92%[2]

FY2024 key planned initiatives

- Continue evaluation and adoption of local vendors for sourcing materials

Certified materials

Increase usage of certified and eco-labeled materials

FY2023 Progress

- Created database for certified building materials

FY2024 key planned initiatives

- Identify more certified materials to be included in our database

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

[1] Lower water consumption noted during FY2023 given current physical occupancy in our properties

[2] Local sourcing is defined as sourcing of materials for our new developments within 1,000 kms radius of respective sites. Target revised upwards from 30% by FY2025 to 70% annually.

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

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. As of FY2023 year-end, 24% of our workforce were women. We also conduct a third party independent survey annually to understand and improve the employee engagement levels in the organisation.

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.

Health, Safety and Well-being

We are focused on providing 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. Our complete 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 3-year programme with the British Safety Council and a 5-year WELL programme with the International WELL Building Institute (IWBI).

Community Connect

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. A dedicated CSR committee oversees our Corporate Social Responsibility initiatives, and our endeavours comply with Section 135 of the Companies Act, 2013.

Some of our key projects include:

EDUCATION

We have adopted around 15 government schools, 50 tribal schools and 8 Anganwadis, which we support with multi-year projects to enable sustained support for student development through holistic and innovative learning programmes. In FY2023, over 9,000 students benefitted through our education CSR projects implemented along with our NGO partners Colours of Life, Friends of Tribal Society and Lila Poonawalla Foundation.

HEALTH AND HYGIENE

During FY2023, around 41,500 students benefitted through our healthcare CSR projects, implemented along with our NGO partner Bengaluru North Round Table and in partnership with our corporate occupiers such as Oracle, Cerner, Swiss Re, Fractal Analytics and Silicon Valley Bank.

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. Further, we have undertaken rejuvenation of the Thimmasandra and Thanisandra lakes in North Bengaluru and are undertaking civil works, planting saplings and conducting clean-up drives as part of the restoration project.

SUSTAINABLE INFRASTRUCTURE

During FY2023, we completed several school infrastructure projects such as building new classrooms and school toilets, along with our corporate partners such as Yahoo and Swiss Re, implemented along with our NGO partner Bengaluru North Round Table.

SPORTS

To promote sports on both national and international levels, we are contributing to train over 270 athletes for Asian Games, Olympics and Paralympics, along with our implementing partners International Horse Agency and Olympic Gold Quest. We also provide 15 government schools with a holistic sports programme year-round.

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 education, 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 70+ projects till date in partnership with 40+ corporates.

Embassy REIT's Education programme won the 'CSR Project of the Year Award' at the Corporate Social Responsibility Conference and Awards 2023, held by UBS Forums for supporting underprivileged children holistically, from Anganwadi to undergraduate college.

Customer Centricity

We believe that corporate occupier engagement and satisfaction is 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 sense of culture. We have created an ESG occupier forum with participation from our key occupiers, and we hold periodic 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 utilities management data as well as declaring a common statement of intent to jointly work towards our ESG goals.

REIT's flagship annual event themed 'In it together, for a better tomorrow' held in Mar'23 witnessed active participation by over 200 occupiers and strategic partners

EcoHub, An Integrated Waste Management Centre in Bengaluru

Embassy REIT has partnered with the Bettahalasuru Panchayat to build a Dry Waste Collection Centre ('DWCC') benefiting 10 villages and 4,075 waste generators, under EcoGram, our flagship Environment initiative. Initiated in 2016, EcoGram is our sustainable CSR project in partnership with The Anonymous Indian Charitable Trust, which aims to create an ecologically-sound replicable model Gram Panchayat to propagate sustainable waste, water and soil management.

The EcoGram project has benefited over 4,000 households and bulk waste generators across Bettahalasuru Gram Panchayat. We have invested around ₹3 crores over the last 6 years towards decentralised solid waste collection projects. Recognising the in-depth work carried out by us and TAICT, the Panchayat signed a Memorandum of Understanding ('MoU') with us to build an integrated DWCC in 2-acres of land dedicated to waste management.

Before EcoGram, waste management within the Panchayat was practically unknown and littering was rampant. Garbage from approximately 2,500 households, which totaled around 53 tons of mixed waste per month, was being dumped or burnt, leading to air, water and soil pollution. Due to the awareness efforts carried out by TAICT, the Panchayat has reached a segregation level of around 85% for households and 92% for bulk generators. Through EcoGram, 1,288 metric tons of wet and dry waste has been collected and processed till date.

This project has become a benchmark in creating a sustainable model that can act as a blueprint for other parts of the city and the nation.

Embassy REIT's flagship environmental project, EcoGram, won the 9th National CSR Times Award

Embassy REIT Held 'Pedal For The Planet' Cyclothon in Bengaluru

In September 2022, Embassy REIT launched 'Pedal for the Planet', a one of its kind cycling event at Embassy Manyata, Bengaluru. Aimed at promoting cleaner, greener ways of commuting and living, this flagship cycling event witnessed over 1000 avid cyclists from across Bengaluru pedaling their way for the cause of the environment, including many Embassy REIT office park users. Located in the heart of North Bengaluru and spread over 120 acres, Embassy Manyata is one of India's largest office parks with over 15 msf total area.

Embassy Pedal for the Planet featured six competition categories, including a 40-km pro-elite ride open to men and women above the age of 16 to encourage participation from professional athletes. There was also a 25-km amateur ride open to men and women over the age of 14, a 15-km fun ride open to all over the age of 13 and a 1-km fun ride open to children under the age of 12.

Embassy REIT donated all funds raised at the event to non-profit causes for the upliftment of underprivileged children and transformation of community schools into institutes of excellence.

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

During FY2023, Embassy REIT achieved a Five-Star rating in the Occupational Health and Safety review conducted by British Safety Council. Embassy REIT initiated this review as a best practice, and the result demonstrates its continued commitment towards health and safety management systems to support its occupiers and their employees across its operational portfolio. All of the REIT's properties spread across 96 buildings, 12 properties and 4 cities underwent a comprehensive, quantified and robust evaluation of occupational health, safety, and well-being policies, processes and practices. The review measured performance against key health and safety management best practice indicators and a detailed review of over sixty component elements.

In addition, nine of Embassy REIT's properties were awarded the prestigious British Safety Council Sword of Honour for upholding the highest standards of Occupational Health and Safety.

Mike Robinson, CEO British Safety Council, said,

"Embassy REIT's office parks represent one of the leading commercial real estate portfolio in India to have achieved a five-star rating. The award is an outstanding achievement and is reflective of a proactive organisation which is committed to continual improvement in its health and safety arrangements and managing risks to workers' health, safety and well-being."

Social: Performance Highlights

Employee practices and engagement

Females as % of total new hires

Target	FY2023 Progress
25%[1] by FY2023	24%

FY2024 Key Planned Initiatives

- Track diversity related KRAs of hiring managers
- Implement 2023 Employee Engagement survey recommendations

CSR

Positively impact communities around all our properties

FY2023 Progress

- ₹127 mn CSR spend, positively impacting over 55,000 direct beneficiaries

FY2024 Key Planned Initiatives

- Undertake pan-India CSR projects across education, health, environment, infrastructure and sports as per the annual CSR plan

Training & development

Average training hours per employee

Target	FY2023 Progress
16 hours[2]	26 hours

FY2024 Key Planned Initiatives

- Implement training sessions as per annual development plan

Corporate connect

Occupiers engaged under 'Corporate Connect'

Target	FY2023 Progress
10%	14%

FY2024 Key Planned Initiatives

- Completion of the government school in Thanisandra in partnership with ANZ

Health, safety and well-being

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

Target	FY2023 Progress
100%	100%

FY2024 Key Planned Initiatives

- Maintain 5-star BSC certified operational portfolio
- Maintain or improve WELL portfolio score

Customer centricity

'Green leases' signed during the period

Target	FY2023 Progress
70%	96%

FY2024 Key Planned Initiatives

- Engage with occupiers periodically on sustainability initiatives through newsletters, events and one-on-one conversations
- Implement 2023 C-SAT survey recommendations
- Restart the Energise occupier engagement programme in our properties

Note: Targets set against baseline of FY2020 actuals for the portfolio (including Embassy TechVillage acquisition)
1 Target changed from 'females as 50% of new hires' to 'females as 25% of overall workforce' to ensure that our diversity programme focus also includes reducing female employee attrition. We will continue to evaluate performance against the new target and undertake suitable revisions in the future. With respect to the old target of 'females as 50% of new hires', 41% of FY2023 new hires were women.
2 Target revised upwards from 13.5 hours to 16 hours based on the new annual development plan rolled-out for the employees

Responsible Business

We are focused on creating and adopting a best-in-class governance and risk management framework to serve the interest of all our stakeholders.

Embassy TechVillage, Bengaluru

Ethics and Responsibility

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. Our green loan book was recognised recently with 'Asset Triple A Country Award for Sustainable Finance'.

Asset Acquisition and Site Selection

We are committed to ensure 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 would be 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 asset under the purview of our net zero commitment within 5 years post the completion of the acquisition.

Responsible Investments

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, last year, we 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 and plan to initiate summary TCFD disclosures in our FY2023 ESG report.

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.

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 mphasises 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
- Whistleblower 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 and Anti-Bribery and Corruption Policy
- Prevention of Sexual Harassment Policy
- Environment, Social and Governance Policy

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 by creating a three-year ESG road map, overseeing all ongoing and proposed ESG initiatives, analysing current and emerging ESG trends that may have an impact on the business, operations, performance, stakeholders 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

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 and on a quarterly basis. Any non-compliance with regard to environmental, social and governance related laws and requirements is reported to the Board.

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 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.

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 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.

Governance: Performance Highlights

Sustainable finance

Cumulative green/sustainable finance portfolio

Target	FY2023 Progress
₹35 bn by FY2025	₹34.8 bn

FY2024 Key Planned Initiatives

- Continue engagement with financial institutions and agencies to seek opportunities to expand our 'Green loan' book

Corporate governance

Adopt and follow best-in-class governance framework

FY2023 Progress

Quarterly ESG updates provided to the Board

FY2024 Key Planned Initiatives

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

Asset Acquisition and Site Selection

ESG due diligence for acquisitions

Target	FY2023 Progress
100%	ESG due diligence completed[1]

FY2024 Key Planned Initiatives

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

Regulatory compliance

Compliance with all SEBI regulations within prescribed timelines

FY2023 Progress

- Zero incidents of non-compliance

FY2024 Key Planned Initiatives

- Continue adherence to SEBI regulations

Disclosures

TCFD compliant annual report

Target	FY2023 Progress
100% by FY2025	Summary TCFD disclosure planned for FY2023 ESG report

FY2024 Key Planned Initiatives

- Further disclose TCFD metrics in FY2024 reporting, with an aim for full TCFD alignment by FY2025
- Continue participation and score improvement in GRESB, S&P CSA, FTSE Russell, CDP Climate Change benchmarks

Risk management

Continuous monitoring and mitigation of key risks

FY2023 Progress

- TCFD risk assessment and financial impact analysis conducted, and mitigation strategies developed

FY2024 Key Planned Initiatives

- Implement mitigation plans for the key identified risks
- Initiate property-wise detailed risk assessment
- Develop 3-5 year roadmap based on the outcomes of the TCFD assessment conducted in FY2023

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

1 ESG due diligence undertaken for recently acquired Embassy Business Hub, Bengaluru in Mar'23

ESG Memberships, Certifications and Awards

Building Certifications

- LEED
- WELL GOLD 2023
- BRITISH SAFETY COUNCIL Sword of Honour 2022 Winner
- BRITISH SAFETY COUNCIL Five Star Occupational Health and Safety Audit 2020

ESG Benchmarks

- GRESB 2022
- FTSE4Good
- S&P Global
- CDP

Awards

- Featuring The Asia Pacific Best of the Breeds REITs AWARDS™
- GOLDEN PEACOCK AWARDS WINNER Occupational Health & Safety 2022
- CLIMATE BONDS STANDARD CERTIFIED
- 2022 WINNER ASIA PROPERTY AWARDS

Embassy Manyata Business Park, Bengaluru

Key ESG metrics

	ASPECT	UNITS	FY2023	FY2022	FY2021
RESILIENT PLANET	**Energy and Emissions**				
	Contribution of renewable energy in portfolio	%	52	55	51
	Renewable power consumption (wheeled and rooftop)	GJ	787,490	681,986	570,595
	Reduction in emissions through solar power consumption	tCO_2e	177,185	149,658	131,554
	Water				
	Water withdrawal	KL	1,795,682	1,026,720	1,027,659
	Water recycled (% of withdrawal)	KL	975,338 (54%)	549,032 (53%)	492,774 (48%)
	Waste				
	Waste generated - Hazardous waste (Oil)	KL	46	51	59
	Waste generated - Hazardous waste	Tons	30	27	22
	Waste generated - Non-hazardous waste	Tons	2,807	595	613
	Waste generated - Other waste	Tons	74	58	58
REVITALISED COMMUNITIES	**Human Capital**				
	Employees trained	Nos.	124	120	82
	Average training hours per employee	Hours	26	13	9
	Corporate Occupiers[1]				
	Green leases signed during the period	%	96	86	NA
	Green leases signed during the period	msf	1.9	0.8	NA
	CSR and Corporate Connect				
	Total CSR spend	₹mn	127	112	94
	Corporate Partners	Nos.	54	20	23
	Education support - Students benefitted	Nos.	9,042	18,757	15,580
	Health and hygiene - Students impacted	Nos.	41,482	25,889	3,740
	Community health - Free and subsidised treatments provided	Nos.	9,833	2,845	2,773
	Environment - Waste recycled	MT	158	125	110

RESPONSIBLE BUSINESS				
Certification	GRESB	FTSE Russell	S&P Global	CDP
Current Score	5-Star (2022)	3.2 (2022)	53 (2022)	B (2022)
Previous Score	4-Star (2021)[2]	2.8 (2021)	44 (2021)	NA (2021)

(1) For FY2022, data is considered from Q3 FY2022 onwards

(2) Reflects Embassy REIT's performance in GRESB 2021 Real Estate Assessment for Standing Investments

Board of Directors

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 30 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. 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.

His exposure to diverse cultures and experiences translates to a hands-on and problem-solving approach in his work. He is focused on growing 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 M

Mr. Tuhin Parikh

Non-executive Director

Mr. Tuhin Parikh holds a bachelor's degree in Commerce from University of Mumbai 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

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
- Risk Management Committee
- Investment Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Debenture Committee
- Securities Committee

Board of Directors

C C M M M

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

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 Shri 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, 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 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 M

Mr. Anuj Puri

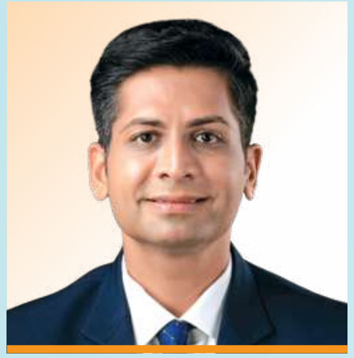
Independent Director

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, Homexchange Limited and Mahindra Lifespace Developers Limited.

C Chairperson
M Member

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

Senior Management



M M

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 20 years of industry experience, with over 15 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. He has also been awarded '40 under 40 Business Leader by CNBC and ICAI'.

M M

Mr. Aravind Maiya**

Chief Executive Officer Designate

Mr. Aravind Maiya holds a bachelor's degree in Commerce from Bengaluru University, and is an associate member of the Institute of Chartered Accountants of India. He has over 21 years of experience in the field of Finance, Audit, Consulting, Risk Management and Compliance. Prior to joining the Manager to Embassy REIT, he was associated with BSR & Associates LLP between 2001 to 2019, wherein his last held position was, Partner – Assurance and Audit Services. He specialised in the real estate sector with specific focus on commercial real estate related work during his long stint with BSR. He was also involved in various assignments for the firm, including several capital market transactions, assurance services for several listed companies, leading large audit and assurance assignments as well as strategic initiatives for BSR during his tenure.

M

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 JP Morgan. 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.

*Chief Executive Officer until June 30, 2023
**Chief Executive Officer with effect from July 1, 2023

M M

Mr. Abhishek Agrawal

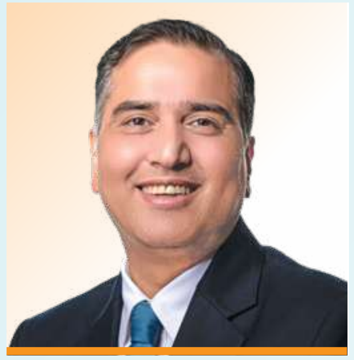
Interim Chief Financial Officer

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 and 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 member of The Institute of Chartered Accountants of India. He has held the positions of 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 vast 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.



Mr. Raghu Sapra

Head - 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.

Management Committee   Debenture Committee

Senior Management

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.

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. Abhishek Agarwal

Head - Investor Relations

Mr. Abhishek Agarwal holds a Bachelor's degree in engineering from IIT-BHU (Varanasi) and is a post graduate in Business Administration from IIM Kozhikode. He has over 14 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.

Mr. Donnie Dominic George

General Counsel

Mr. Donnie Dominic George is a Law graduate from Gujarat National Law University and has more than 13 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.

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.

Ms. Mansi Bahl

Human Resources Manager

Ms. Mansi Bahl holds a postgraduate diploma in Human Resource Management from Amity Business School. She has over 16 years of experience in HR Operations, Learning and Development, Talent Acquisition and Performance Management System. Prior to joining Embassy Office Parks REIT, she worked with KCT Bros (Coal Sales) Ltd. and DLF in the real estate industry.

Ms. Vinitha Menon

Company Secretary and Compliance Officer

Ms. Vinitha Menon is a qualified Company Secretary and has a bachelor's degree in Commerce. She has 13 years of experience in handling statutory and compliance functions in listed and private companies across industries like warehousing & logistics, industrial gases manufacturing, real estate & ITES. She brings experience in company secretarial matters, arbitration, and interfacing with regulatory bodies & government authorities. She joins us from ANSR Source India Private Limited and prior to this she has been part of the secretarial teams of Snowman Logistics Limited, Praxair India Private Limited and Sobha Limited. She was part of the core team that successfully concluded the IPO of Snowman Logistics Limited.

Our people
(as on March 31, 2023)

CEO's Office
Manish Kumar Manu
Simhachalam Ashwini
Vikaash Khdloya

Acquisitions
Rahul Chhajer
Ray Vargis Kallimel
Ritwik Bhattacharjee

Administration
Prabhulinga H

Commercial Leasing
Abhilash V K
Dennis Joseph Valanatt
Dimpy Ajay Vyshampayan
Keerthana C P
Mamta Chand
Molahalli Amit Vikram Shetty
Prashant Rawat
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
Nidhi Chauhan
Rushikesh Jayawant Bhosale

Counsel and compliance
Lavanya Kumar
Apoorva Ravi
Bindu C C
Donnie Dominic George
Gautham Nambiar
Namitha S Kutnikar
Vinitha Aravind Menon
Yalavarti Srimukha

Finance and Accounts
Abhishek Agrawal
Arun M S
Ashwath Kumar. S
Chandrahas K Purohit
Channabasavaiah T
D L Ramalinge Gowda
Deviprasad C Raykar
Hemant Prakash Gawde
Kamlesh Motiyani
Kapil Rameshchandra Agrawal
Kirthi Ravidas Shenoy
M N Manjunath
Mahadeva D N
Mandar Vijay Inamdar
Manish Khandelwal
Mittal Kunal Janshali
Nandan R
Nilesh Girdharilal Marshiya
Prabhata Kumar Mishra
Sachinkumar
Magundappa Bevinamarad
Saritha Prabhakar
Savitha Babu
Shantanu Devidas Sawargaonkar
Sujith M
Sunil Kumar H
Sunil Kumar L
Sunny Ahuja

Hospitality Business
Angad Pahwa
Pawan Kumar Singh
Raghu Sapra

Human Resources
Divya Gupta Pohare
Mansi Bahl

Information Technology
Anil Dattu Patil
S N Bibin

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

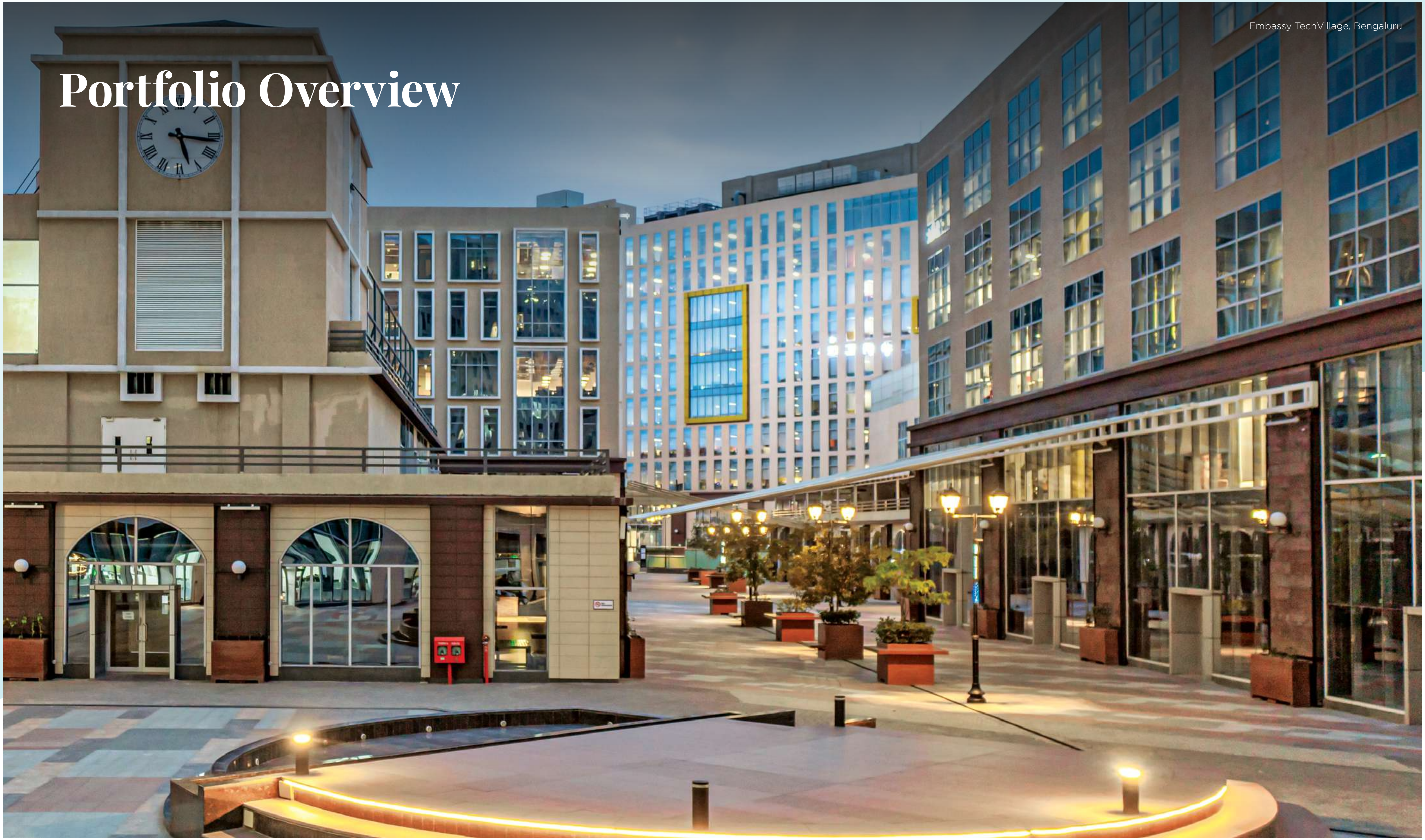
Projects and Capex
Anindya Chowdhury
Naveen R
Pramod S R
Pranam Battepati
Rajendran Subramaniam
Sudhakar Saridevi
V Sachin Govind
Walmik Harishchandra Shelke

Taxation
Crisstina John Joseph
Lata Vishnoi
Nikita Shah
Samarth Jain
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 March 31, 2023

Portfolio Overview



Embassy TechVillage, Bengaluru

Embassy TechVillage, Bengaluru

Embassy TechVillage is a large-scale, best-in-class integrated office park situated on the Outer Ring Road in Bengaluru. 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	2.3 msf Development area	9.6 msf Leasable area
44 Occupiers	97.0% Occupancy	₹122,987 mn Market value

On-campus developments

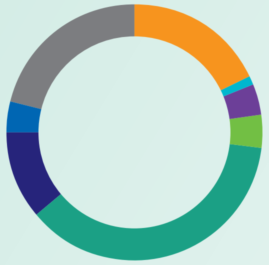
Block 8
Targeting Sep'24 delivery.


Current status

Hilton Hotels at ETV
Excavation works in progress Targeting Dec'25 deliveries.


Perspective

Occupier mix (%)



All data as on March 31, 2023

Embassy Manyata Business Park, Bengaluru

Embassy Manyata Business Park 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 msf Completed area	3.9 msf Development area	15.2 msf Leasable area
89% Occupancy	51 Occupiers	₹185,965 mn Market value

On-campus developments

M3 Parcel
With leasable area of 1.6 msf, Blocks M3 A & B will be a next generation 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 Bengaluru.

M3 Block A
- OC expected by July'23

M3 Block B
- Design finalised
- Superstructure works underway Awaiting acquisition of transferable development rights and building approvals

Block D1/D2 Redevelopment
- Design finalised. Demolition works underway Targeting Dec'25 delivery

Block L4
- Excavation work commenced Targeting Jun'25 delivery

Occupier mix (%)

- 35% Technology
- 16% Retail
- 10% Telecom
- 9% Healthcare
- 13% Financial Services
- 5% Engineering & Manufacturing
- 9% Research, Consulting & Analytics
- 3% Others

Embassy GolfLinks, Bengaluru

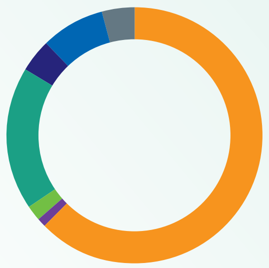
Located in the heart of Bengaluru, Embassy GolfLinks is one of India's most recognised and awarded business parks.

Key statistics

3.1 msf Completed area	97% Occupancy
27 Occupiers	₹34,996 mn[1] Market value

[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 (%)



- 62% Technology
- 1% Telecom
- 2% Healthcare
- 18% Financial Services
- 4% Engineering & Manufacturing
- 8% Research, Consulting & Analytics
- 5% Others

All data as on March 31, 2023

Embassy One, Bengaluru

Embassy One is strategically located on the main road entering Bengaluru 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

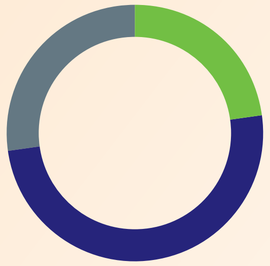
0.3 msf
Leasable area

7
Occupiers

60%
Occupancy

₹4,558 mn
Market value

Occupier mix (%)



All data as on March 31, 2023

Embassy Business Hub, Bengaluru

Embassy Business Hub, a 59-acre campus-style business park, is situated in the high visibility growth corridor of North Bengaluru and is close to both the airport and Embassy REIT's 15.2 msf flagship property Embassy Manyata Business Park.

Key statistics

1.4 msf
Leasable Area

93%
Committed Occupancy[(1)]

20 mins
from Bengaluru Airport

₹3,751 mn
Market value

On-campus developments


Actual picture

Phase 1 (0.4 msf)

Phase 1 of Embassy Business Hub comprises 0.4 msf of leasable area of which 93% is already pre-committed to Philips, thereby providing stable cash flow visibility with embedded rent growth


Perspective

Phase 2 (1 msf, Active Development)

Phase 2 of Embassy Business Hub comprises 1.0 msf of leasable area and is currently in early stages of development, thereby providing further growth potential at an attractive 12% yield

All data as on March 31, 2023

(1) - 371k sf / 93% Built to Suit for Philips with remaining ~30k sf / 7% as growth option


Perspective

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

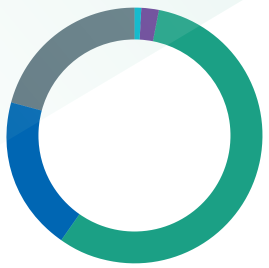
0.5 msf
Leasable area

26
Occupiers

83%
Occupancy

₹18,252 mn
Market value

Occupier mix (%)



- 1% Retail
- 2% Telecom
- 55% Financial Services
- 19% Research, Consulting & Analytics
- 23% Others

All data as on March 31, 2023

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

93%
Occupancy

26
Occupiers

₹18,684 mn
Market value

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 (%)

All data as on March 31, 2023

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

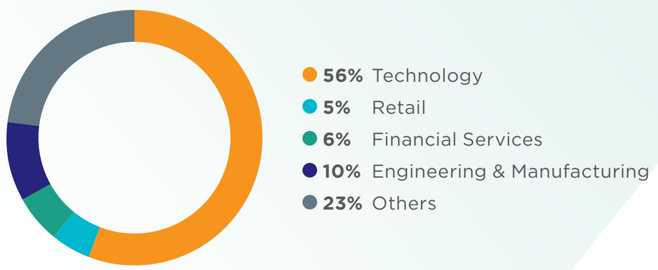
0.4 msf
Leasable area

8
Occupiers

91%
Occupancy

₹13,941 mn
Market value

Occupier mix (%)



All data as on March 31, 2023

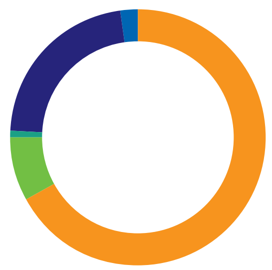
Embassy TechZone, Pune

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

3.0 msf Completed area	2.4 msf Development area
5.5 msf Leasable area	65% Occupancy
18 Occupiers	₹22,845 mn Market value

Occupier mix (%)



- 67% Technology
- 8% Healthcare
- 1% Financial Services
- 22% Engineering & Manufacturing
- 2% Research, Consulting & Analytics

All data as on March 31, 2023

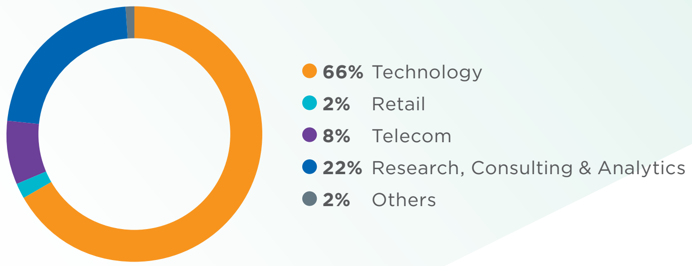
Embassy Quadron, Pune

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

1.9 msf Completed area	50% Occupancy
7 Occupiers	₹13,227 mn Market value

Occupier mix (%)



All data as on March 31, 2023

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

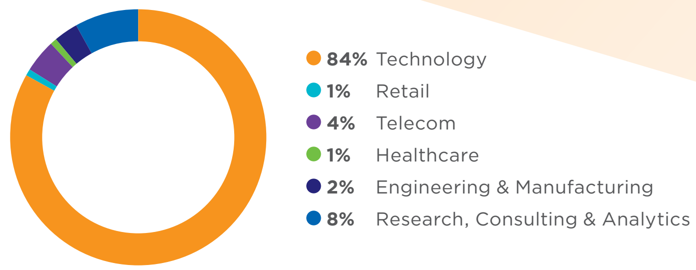
1.5 msf
Completed area

90%
Occupancy

20
Occupiers

₹9,718 mn
Market value

Occupier mix (%)



All data as on March 31, 2023

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

2.5 msf Completed area	0.7 msf Development area	3.3 msf Leasable area
7 Occupiers	67% Occupancy	₹22,809 mn Market value

On-campus developments

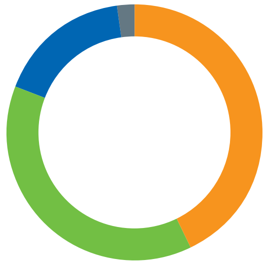
Tower 1, 0.7 msf: At Embassy Oxygen, we are building 0.7 msf of commercial office space. This project will have an efficient floor plan that will entail a central core area with an all-round glass façade, maximising day light entry.

Current status

Perspective

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

Occupier mix (%)



- 43% Technology
- 38% Healthcare
- 17% Research, Consulting & Analytics
- 2% Others

All data as on March 31, 2023

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

1.4 msf
Completed area

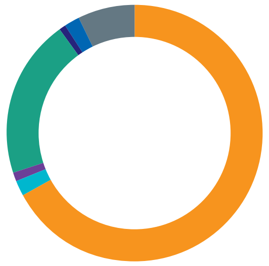
1.4 msf
Leasable area

16
Occupiers

96%
Occupancy

₹9,526 mn
Market value

Occupier mix (%)



- 67% Technology
- 2% Retail
- 1% Telecom
- 20% Financial Services
- 1% Engineering & Manufacturing
- 2% Research, Consulting & Analytics
- 7% Others

All data as on March 31, 2023

Hilton Embassy GolfLinks, Bengaluru

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
62% Occupancy	₹4,762 mn Market value

5-Star Business
Hotel category

[1] Occupancy is for year ended March 31, 2023

All data as on March 31, 2023

Four Seasons Bengaluru, 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

230
Number of hotel keys

3.58 acres
Site area

36%
Occupancy [1]

₹7,939 mn
Market value

2019
Year of commencement

5-Star Luxury
Hotel category

[1] Occupancy is for year ended March 31, 2023

All data as on March 31, 2023

Hilton Hotels Embassy Manyata, Bengaluru

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

50%
Occupancy

₹11,667 mn
Market value

Over 100 ksf
Retail and Convention Centre

[1]Occupancy is for year ended March 31, 2023

All data as on March 31, 2023

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 mn units per annum, and offsets up to 200 mn kg of CO_2 annually.

Key statistics

2018
Year of commencement

460 acres
Site area

215 mn units
Annual capacity

₹8,514 mn
Market value

100 MW
Capacity

Statutory Reports and Financial Statements

Embassy TechVillage, Bengaluru

Management Discussion and Analysis

The discussion and analysis of our financial condition and results of operations that follow are based on Audited Consolidated Financial Statements of Embassy REIT and the REIT assets/SPVs (together known as the Group) for the year ended March 31, 2023 ('FY23') prepared in accordance with Indian Accounting Standards (Ind AS) and applicable REIT regulations, which include the comparative numbers for the year ended March 31, 2022 ('FY22'). The financial information included herein is being presented to provide a general overview of the Group's performance for the financial year ended March 31, 2023 as compared against the financial year ended March 31, 2022 based on certain key financial metrics for general information purposes only and does not purport to present a comprehensive representation of the financial performance of the Group for these periods.

Embassy One, Bengaluru

Executive Overview

Embassy REIT is India's first publicly listed REIT. We own, operate, and invest in high-quality real estate and related assets that generate rental income from our occupiers. We generate 47% of gross rents from Fortune 500 corporations. As a REIT, we are mandated by SEBI to pay atleast 90% of our Net Distributable Cash Flows as distributions to our Unitholders.

Embassy REIT comprises 34.3 msf of completed leasable area and 7.9 msf of under construction area. With the future potential development area of another 2.8 msf the total leasable area adds up to 45.0 msf as on March 31, 2023. The commercial office portfolio is spread across nine infrastructure like office parks (42.7 msf) and four prime city-center office buildings (2.3 msf) in Bengaluru, Mumbai, Pune and the National Capital Region (NCR).

The portfolio is home to 230 blue chip corporate occupiers and comprises 96 buildings with strategic amenities, including four completed hotels, two under-construction hotels, and a 100 MW solar park that supplies renewable energy to park occupiers.

Our competitive strengths include the following:

- Best-in-class office properties that are complemented by high-quality infrastructure
- Diversified, high-quality, multinational occupier base
- Simple business with embedded growth levers
- Assets strategically located in the top-performing markets with high barriers to entry
- Highly experienced management team
- Backing by renowned sponsors who bring global expertise and local knowledge to our operations
- Our focus on sustainability while executing our business

230
Blue chip corporate occupiers

100 MW
Solar park supplying renewable energy to park occupiers

The Embassy REIT, the Trustee, the REIT assets and the Manager make no representation, express or implied, as to the suitability or appropriateness of this comparative information to any investor or to any other person.

Some of the information contained in the following discussion(s), including information with respect to our plans and strategies, may contain forward-looking statements based on the currently held beliefs, opinions and assumptions. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Embassy REIT or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, including the impact of COVID-19 on us, our occupiers and the Indian and global economies, users are cautioned not to place undue reliance on these forward-looking statements. The Manager is not obligated to update these forward-looking statements to reflect future events or developments or the impact of events, which cannot currently be ascertained, such as COVID-19. In addition to statements which are forward-looking by reason of context, the words may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue and similar expressions identify forward-looking statements. Please refer the disclaimer section at the end of the Annual Report for a discussion of the risks and uncertainties related to those statements. You should read this discussion in conjunction with our Audited Consolidated Financial Statements that we have included in this Annual Report and the accompanying notes to accounts.

Our strategy

- Maximise NOI, distribution and NAV per unit through leasing, on-campus developments and acquisitions
- Proactive asset management to drive value with strong corporate governance

Leasing & Lease Management

- Grow NOI by leasing vacant spaces
- Manage lease expiries and capture mark-to-market upside
- Experienced on-ground teams & hands-on approach to leasing
- Best-in-class occupier engagement

On-campus Development

- Deliver 10.7 msf[(1)] on-campus development
- Proactive pre-leasing to de-risk new development
- Select infrastructure ancillary projects (hotels, flyovers etc.) to increase entry barriers
- Provide total business ecosystem'

Acquisitions

- Capitalise on fragmented office market and undertake value accretive acquisitions
- Pan-India acquisition potential from 3rd parties
- 30.0[(2)] msf of ROFO opportunity from Embassy Sponsor and up to 4.2 msf of ROFO opportunity from others

Capital Management

- Build leverage selectively
- Use strong balance sheet to drive accretive growth through disciplined acquisitions
- Quarterly distributions with minimum 90% of NDCF to be distributed
- Low expenses and fees enhancing Unitholders' value

Note:

(1) Includes U/C of 7.9 msf and proposed future development of 2.8 msf

(2) In addition to 30.0 msf, secured ROFO from Embassy Sponsor for Embassy Business Hub - Phase 3 (approx 46 acres), adjacent to recently acquired Phase 1 and Phase 2 developments

We aim to maximise the total return for Unitholders by targeting growth in NOI, distributions and NAV per Unit. To achieve this objective, we execute business and growth strategies that capitalise on our portfolio's embedded organic growth levers, deliver new on-campus developments, undertake value-accretive acquisitions, prudently manage our capital, and balance sheet, and pay distributions to the Unitholders.

Current business environment

Even amidst a highly volatile global macro environment, India continues to attract more and more global companies to set up and grow their offshore captive centres. Morgan Stanley, in its recently published report 'Why This is India's Decade', has highlighted offshoring as one of the key "megatrends" which will continue to fuel India's growth. The dual drivers for this phenomenon are structural, namely India's abundant STEM talent and the cost efficiency offered by India's gateway cities, relative to more expensive and less scalable markets globally. As we have highlighted previously, these global captives continue to pursue premium-quality wellness-focused properties, to attract and retain talent and to grow their presence in India.

CY2022 was a resurgent year for India office with total absorption of around 55 msf, which is closer to pre-pandemic highs. While globally there may be an increased caution around office demand, the long-term fundamentals of India office remain strong. Apart from banks and financial services captives which continue to drive demand, many other major companies from diverse sectors such as global retailers, insurers and healthcare majors are now setting up their India offices. Increased focus on costs and efficiencies by global corporates is likely to further accelerate this India offshoring trend, disproportionately to the benefit of institutional landlords like us. Captives now account for over 55% of our annual rents and led by these captives, the physical occupancy in our properties stood at around 50% in the end of April 2023, vs 20% a year ago.

At Embassy REIT, our conviction in the India office opportunity remains strong as ever, especially for institutionally managed Grade A properties. Our view is corroborated by NASSCOM's recent industry report which outlined that just last year around 100 new captive centres were set up in India and 500 more are planned over the next three years.

On the other hand, the supply of quality office stock continues to consolidate towards fewer and larger institutional quality landlords who are well-funded to invest in sustainable growth. A combination of cost inflation and rising interest rates is likely to increase the replacement value of properties, thereby impacting supply and driving rent growth in the medium-term.

On the regulatory side, the government and regulators have been very supportive of the REIT product, and continue to improve the framework around their management, operations, financing and taxation. While the industry awaits further progress on SEZ denotification, the recent amendment to the Finance Bill brought in much needed clarity on taxation of 'repayment of capital' component of a REIT's distributions. The resultant clear, stable, and tax-efficient framework enhances the post-tax distribution yields, and we are confident that REITs will continue to attract domestic and foreign capital. The recent launch of a REIT/InvIT index by NSE further helps raise awareness as well as liquidity for our 'total return product'.

ESG also has accelerated in acceptance, as occupiers and investors continue to put considerable emphasis on wellness and sustainability. In that context, companies have increased their focus, benchmarking and investments into being ESG compliant.

The resilience of our business has been clearly demonstrated despite the global macro challenges. During FY2023, we leased 5.1 msf across a record 100 deals, including 2 msf new leases at 17% mark-to-market, and added 44 new occupiers. We activated 2.3 msf new on-campus developments at highly accretive yields and announced an NAV-accretive tuck-in acquisition in North Bengaluru. We generated healthy 11% Net Operating Income ('NOI') growth, exceeding our guidance by 2.3%. Moreover, despite the rising interest rates, we delivered on our distribution guidance with ₹21.71 Distribution per Unit ('DPU'), marking our 16th consecutive quarter of 100% payout.

In addition to delivering on our guidance set out in April 2022, we have now completed four full years since listing, two of which have been substantially impacted by the pandemic. In this period, we have delivered over ₹78 Bn or close to a Bn dollars in distributions and expanded our investor base by around 20 times to over 80k. We leased a total of 11.4 msf, delivered 3.4 msf of new office space and launched 7.9 msf new developments.

Perspective, Parcel 8, Embassy TechVillage, Bengaluru

Business performance for FY2023 and forward outlook

We recently completed our fourth year since listing, continuing our strong business performance and accelerating our growth investments. During FY2023, we leased 5.1 msf across a record 100 deals, including 2 msf new leases at 17% mark-to-market, and added 44 new occupiers. We activated 2.3 msf new on-campus developments at highly accretive yields and announced an NAV-accretive tuck-in acquisition in North Bengaluru. We generated healthy 11% Net Operating Income ('NOI') growth, exceeding our guidance by 2.3%. Moreover, despite the rising interest rates, we delivered on our distribution guidance with ₹21.71 Distribution per Unit ('DPU'), marking our 16th consecutive quarter of 100% payout, taking our overall distributions since listing to over ₹78 Bn. On the balance sheet front, we refinanced ₹53 Bn debt at 101 bps positive spreads, maintained low 28% leverage and a competitive 7.2% debt cost.

On the ESG front, we hosted our flagship 'ESG Occupier Connect' event themed 'In it together, for a better tomorrow' where we collaborated with over 200 of our occupiers on sustainability strategies. In addition, we commissioned the first phase of our 20 MW solar rooftop project and announced plans to explore doubling of our captive renewable solar capacity. Our industry leading ESG programme received several global recognitions during the year from GRESB, USGBC LEED, British Safety Council and the 'WELL at scale' certification from IWBI. We continue to progress on our FY2025 targets as well as our broader net zero 2040 goal and our ESG leadership remains a key business differentiator and a driver of premium rents.

Key highlights

Business Highlights

- Leased 5.1 msf across 100 deals at 16% spreads, surpassing annual leasing guidance of 5 msf
- Added 44 new high-growth occupiers across sectors like insurance, healthcare, retail, renewables, cloud, and cybersecurity and increased occupier base to over 230 marquee corporates
- Awarded global recognition for portfolio by leading ESG benchmarking and certification agencies - GRESB, USGBC LEED, British Safety Council and WELL/ IWBI

Financial Highlights

- Grew Net Operating Income by 11% YoY to ₹27,663 Mn
- Delivered distributions of ₹20,579 Mn or ₹21.71 per unit, marking the 16th consecutive quarter of 100% payout
- Refinanced ₹53 Bn debt at 101 bps positive spreads, maintained best-in-class balance sheet with low 28% leverage, attractive 7.2% debt cost and AAA/Stable credit ratings

Growth Highlights

- Delivered 3.4 msf of new office space and launched 7.9 msf new developments new development in Bengaluru at attractive yields, including first-of-its-kind 1.2 msf redevelopment project at Embassy Manyata
- Acquired 1.4 msf Embassy Business Hub, a campus-style business park in North Bengaluru, for ₹3,348 Mn. NOI and NAV accretive deal with attractive 8.1% financing
- Accelerated active development to 7.9 msf, expected to deliver stabilized yields on committed capital investment of ₹40 Bn

Outlook for FY2024

- The global macro-environment is facing recessionary headwinds, driven by hardening interest rates across geographies as Central banks try to rein-in inflation. Hence, after a couple of years of continued hiring which resulted in growing their headcounts by 40-100% in many cases, corporates have responded by focusing on costs and efficiency. Depending on the kind of business model, some have reduced headcounts in tranches, while others have resorted to corporate housekeeping for all cost-heads. However, the digitalisation agenda for corporates continues to occupy centre stage in boardrooms across the world, and especially in the developed economies which are facing growth headwinds. In such an environment, India's cost advantage for both talent and real-estate get accentuated. The secular trend of global corporates offshoring more functions to India is expected to continue, and a global supply-chain realignment is also supportive of India's move up in the world's value-chain.
- Attrition has reduced sharply as bargaining-power shifts from employees to corporates, and COVID concerns have tapered off substantially and economic engines are normalising. While hybrid working is here to stay, IPC reports (CBRE, 2023 India Market Outlook) suggest <8% of employees are working fully remotely. Back-to-office momentum continues to build as corporate leaders have expressed the importance of physical offices in inculcating culture, driving collaboration and learning, and improving efficiency and data security. This is expected to re-establish the link between hiring and leasing and provide significant headway for growth from historical hiring over the COVID period slowly heading back to the office.
- Unlike global markets which are facing headwinds due to global uncertainty, India's office market demand remains robust from a structural standpoint even though there might be a near-term slowdown in deal signings due to heightened caution in capex decision-making by global corporates. IPCs expect corporates to resume decision-making in the second half of FY2024. Flight-to-quality trends will continue to intensify, and ESG-compliant spaces will continue to see focused attention from global corporates as they look to cater to their ESG-priorities in tandem with attracting and retaining high-quality talent. Inflation is also making incremental supply more expensive. As a result, rental growth is likely to continue, especially in select micro-markets in key cities.

Our portfolio strategy

Operations: Amidst a short-term caution for larger deals, we have seen encouraging leasing momentum and a positive churn in our portfolio, including entry of new high growth occupiers, especially in Bengaluru and that too at premium to market rents. However, SEZ notified spaces constitute a significant portion of our existing vacancy and upcoming expiries. Hence, the timing of backfill remains dependent on anticipated regulatory amendment around denotification including flexibility of usage of these SEZ spaces, an issue which impacts the industry as a whole. It is important to note that the in-place rents on these leases are significantly below market, providing around 50% significant embedded growth opportunity for us. Further, we are confident of achieving all of our contracted escalations scheduled for FY24 – a 14% increase on 6.7 msf across 78 occupiers. Our hotel business has rebounded quite well with FY2023 EBITDA being more than double of our guidance, and we expect the ramp-up to continue in FY2024.

Development: On new deliveries, we expect to complete 2.1 msf developments over this fiscal year. While these projects are at attractive double-digit yields, the incremental interest expense on the currently capitalized construction debt will impact our distributions in the short-term, till these buildings are stabilized.

Financing: Interest rates have risen by 250 bps over the last 12 to 15 months. Our annual interest cost is dependent on the trajectory of the market rate movement. Apart from the upcoming refinance of our ₹41 Bn listed bonds in Oct'23 and Feb'24 respectively, our floating debt will eventually reprice post the negotiated fixed rate period. Given our access to various debt capital pools across mutual funds, insurers, FPIs, banks and NBFCs, we are well-placed to refinance and secure best-in-class industry rates

Our strategy continues focus on to further solidifying our business and striving for accretive growth to cater to the continued offshoring demand for India's talent and thereby office needs. As long-term asset owners, we continue to enhance the scale, quality and reach of our properties as well as our occupier base, which shall undoubtedly deliver value across business, market and economic cycles. We have an excellent team of over 110 very talented individuals who are committed to execute this strategy and are driven by our ultimate goal of maximising value for our Unitholders.

Factors affecting our financial condition and results of operations

Our financial performance and results of operations are affected by several factors. The important ones in our view are listed here:

Commercial real estate market: We depend on the performance of the commercial real estate market in the cities where our office parks and commercial offices are located. The commercial real estate market in these cities, in turn, depends upon various factors such as economic and other market conditions, demographic trends, employment levels, availability of financing, prevailing interest rates, competition, bargaining power of occupiers, operating costs, government regulations and policies, and market sentiment.

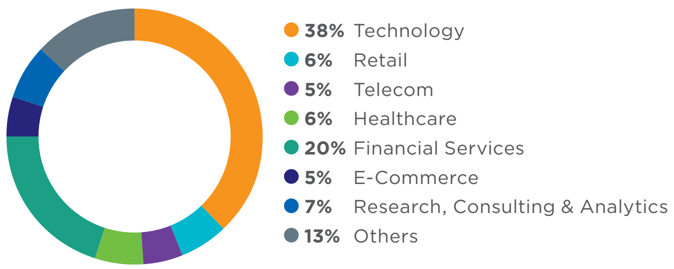
Our office parks and office buildings are in the key markets of Bengaluru, Mumbai, Pune and Noida. Within these cities, our business significantly depends on the performance of the submarkets where our portfolio assets are located. Most of these micro-markets have historically exhibited strong market dynamics with robust absorption and balanced infusion of new office supply resulting in rent stability/growth and low vacancy on an average, even during the tough periods of the pandemic.

Our portfolio assets are strategically located within their respective markets, which allows us to attract, retain and grow key occupiers within our office parks and commercial office buildings.

Industry of occupiers: Our business also depends on the performance of the industry sectors of our occupiers. Sectors such as technology, banking, financial services, insurance, engineering, and manufacturing drive commercial leasing activity in India. Additionally, new sectors such as healthcare. retail, research and analytics and consulting have also emerged as key drivers of office real estate demand, as domestic and multinational companies in these sectors have been increasingly expanding or setting-up operations in India.


Embassy Qubix, Pune

Occupier from various industry sectors (%)



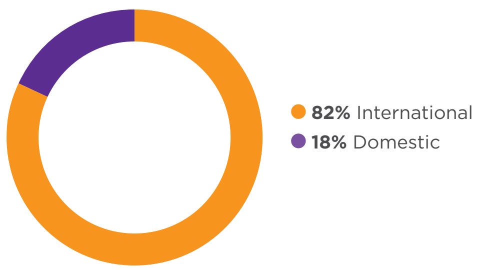
Our tenant base is highly diverse with technology sector clients contributing to 38% our gross rentals followed by financial services at 20% as of March 31, 2023. We believe that the domination of technology and banking and financial services sector as key occupiers of space in India's commercial office segment will continue to significantly influence the results of our operations.

We derive 82% of Gross Annualised Rental Obligations from multinational corporation as at March 31, 2023.

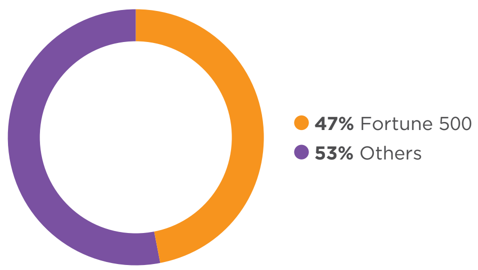
The global and other factors impacting businesses of these types of corporations may affect their ability to service contracted lease agreements.

The global and other factors impacting businesses of these types of corporations may affect their ability to service contracted lease agreements.

Gross annualised rental obligations among corporations (%)



Gross annualised rental obligations according to type of companies (%)



Occupancy rates: The success of our business depends on our ability to maintain high occupancy across the portfolio. On a total portfolio basis, our occupancy as of March 31, 2023 was at 86% as against 87% as of March 31, 2022. Occupancy rates largely depend on the attractiveness of the markets and submarkets in which the portfolio assets are located, rents relative to competing properties, the supply of and demand for comparable properties, the facilities and amenities offered, the ability to minimise the intervals between lease expiries (or terminations) and our ability to foray into new leases (including pre-leases for under-construction properties or properties where leases are expiring).

We believe that our strategically located assets in attractive submarkets allow us to maintain high levels of occupancy. Further, we believe that replicating large infrastructure like business parks such as ours is difficult given land acquisition complexities and long development timelines in India. We believe that we enjoy greater credibility with our occupiers because of our reputation, scale of operations and the amenities and infrastructure that we provide, which generally allows our assets to be viewed as premium properties in core office markets, thereby enhancing the portfolio's appeal to occupiers, which has resulted in high occupancy rates.

Lease expiries: We typically enter long-term leases with our occupiers, which provide us a steady source of rental income. The tenure of leases for our office parks are typically nine to fifteen years (assuming successive renewals at our occupiers' option), with a three to five-year initial commitment period, and contractual escalations of 15% every three years. For our city-center office buildings, the lease tenure is typically five to nine years with a three to five-year initial commitment period and contractual escalations of 15% every three years.

We endeavour to foster and maintain strong relationships with our occupiers. We maintain regular communication with the corporate real estate heads of our occupiers through a dedicated customer relationship management programme, which ensures we anticipate and cater to tenant needs. Further, across our portfolio assets, we have implemented various energy efficiency and sustainability initiatives, which help attract occupiers. However, in cases where occupiers do not renew leases or terminate leases earlier than expected, it generally takes some time to find new occupiers which can lead to periods where we have vacant areas within the portfolio assets that do not generate facility rentals.

Rental rates: Our rental income primarily comprises facility rentals and income from maintenance services that we provide to our occupiers at the portfolio assets. Accordingly, our revenue from operations is directly affected by the lease rental rates of the portfolio assets, which are in turn affected by various factors like prevailing economic, income and demographic conditions in the submarket, prevailing rental levels in the submarket, amenities and facilities provided, property maintenance, government policies and competition

Embassy Quadron, Pune

Escalations: Our existing lease agreements typically have built-in rent escalations, which has led to growth in our revenues in prior years and we expect it will help us generate stable and predictable growth in our revenue from operations. Our leases typically have contractual escalations in the range of 10% to 15% every three to five years. Besides, due to the tenure of our existing leases and growth in the market rents of our portfolio, our average in- place rents are significantly below current market rents. We believe that this presents us with a rental growth opportunity by re-leasing the same space at higher market rentals, given the demand for office real estate in respective submarkets coupled with our low vacancy levels. This allows us to be well positioned to capitalise on our Grade A office portfolio by realising the embedded rental growth within our office parks.

Development timeline and costs: As of March 31, 2023, we had 7.9 msf of under construction area and 2.8 msf of proposed development area. The timely development of our pipeline is expected to positively impact our financial performance. We typically commence construction based on our pre-leasing arrangements and an assessment of upcoming supply and recent absorption trends, as well as various other micro and macro factors impacting the demand for our assets.

We also construct office space on a built-to-suit basis, considering the specific requirements of our occupiers. This enhances our ability to develop and maintain long-term relationships with our occupiers. An example of built-to-suit project is the 1.1 msf area we have delivered in December 2021 for JP Morgan at Embassy TechVillage in Bengaluru and also the 0.4 msf area that is currently under construction for Philips at our recently acquired property Embassy Business Hub in Bengaluru. The timeline for development will vary depending on factors such as size, complexity, and occupier specifications.

Construction progress depends on various factors, including business plans, the availability of finance, labour and raw materials, the receipt of regulatory clearances, access to utilities such as electricity and water, the operating and financial condition of the construction companies we use in our business, and other contingencies such as adverse weather conditions. While industry construction costs have increased due to rise in costs of input materials led by global factors, our nimble design and robust procurement strategy, centralised procurement team and long-term relation with key vendors enables us to optimise the construction cost.

We capitalise our construction and borrowing costs with respect to our under-construction properties and capitalise brokerage costs with respect to our investment properties. These costs are depreciated based on the straight-line method over their estimated useful lives. When construction is completed, borrowing costs are charged to our statement of profit and loss as finance costs, causing an increase in expenses.

Cost of financing: Our finance costs primarily comprise interest expense on our non-convertible debentures and borrowings from banks and financial institutions. Our ability to obtain financing, as well as the cost of such financing, affects our business. Though we believe we can obtain funding at competitive interest rates as evidenced basis the fund raising done by us during FY23, the cost of financing is material for us, as we require significant capital to develop our projects and the expected increase in interest rates might affect our distributable surplus.

Government regulations and policies including taxes and duties: The real estate sector in India is highly regulated and there are several laws and regulations that apply to our business. Regulations applicable to our business include those related to land acquisition, funding sources, the ratio of built-up area to land area, land usage, the suitability of building sites, road access, necessary community facilities, open spaces or green cover, water supply, sewage disposal systems, electricity supply, environmental clearances, and size of the project. We also keep abreast of the evolving SEBI REIT regulations which oversee the setup, operations and governance of REITs in India. We strive to maintain compliance with these regulations and incur various costs in the process, including fees to consultants, property tax and other taxes and duties.

In addition, some of our portfolio assets are located on land notified as part of SEZs. The leasing traction for these SEZ areas has been impacted by the uncertainty around amendments to the SEZ rules or introduction of the proposed DESH bill as a separate framework, an issue affecting the whole industry. An enabling regulatory framework around, among other things, denotification and flexibility of usage of existing SEZs is expected to boost demand for such spaces and further drive leasing traction.

Hilton Garden Inn, Bengaluru

Competition: We operate in competitive markets for the acquisition, ownership, and leasing of commercial real estate. We compete for occupiers with numerous real estate owners and operators who own properties like our own in these markets. Among the factors influencing leasing competition are location, rental rates, building quality and levels of services provided to occupiers.

Competition from other developers in India may adversely affect our ability to sell or lease our projects, and continued development by other market participants could result in saturation of the real estate market, which could adversely impact our revenues from commercial operations.

Increasing competition could result in price and supply volatility which could materially and adversely affect our operations and cause our business to suffer.

Future acquisitions: We intend to selectively acquire commercial real estate assets that meet our investment criteria, from either the Sponsors or third parties. Each new acquisition that we complete may materially affect our overall results of operations and financial position. In addition, our acquisition strategy may require a significant amount of working capital and long-term funding. Our ability to acquire properties will depend on our ability to secure financing on commercially viable terms, which will in part be affected by the prevailing interest rates or the price of our units at the time of acquisition.

Operating and maintenance expenses: Our operating and maintenance expenses primarily consist of repair and maintenance (of buildings, common areas, machinery, and others), power and fuel expenses. property management fees and expenses related to housekeeping and security services. Factors which impact our ability to control these operating expenses include (but are not limited to) asset occupancy levels, fuel prices, general cost inflation, periodic renovation, refurbishment, and other costs related to re-leasing.

For the portfolio assets we provide Common Area Maintenance (CAM) services to our occupiers. We derive income from these maintenance services that include a margin on the expenses incurred for providing such services.

Cost increases because of any of the foregoing may adversely affect our profitability, margins, and cash flows. Circumstances such as a decline in market rent or pre-term lease cancellation may cause revenue to decrease, although the expenses of owning and operating a property may not decline in line with the decrease in revenue. While certain expenses may vary with occupancy, operating and maintenance expenses such as those relating to general maintenance, housekeeping and security services may not decline even if a property is not fully occupied.

Basis of preparation of consolidated financial statements

The Consolidated Financial Statements of the Group comprises the Consolidated Balance Sheet and the Consolidated Statement of Net Assets at fair value as at March 31, 2023, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Unitholders' Equity, the Statement of Net Distributable Cashflows of Embassy REIT and each of the REIT assets, the Consolidated Statement of Total Returns at fair value and a summary of significant accounting policies and other explanatory information for the year ended March 31, 2023. The Consolidated Financial Statements were approved for issue in accordance with resolution passed by the Board of Directors of the Manager on behalf of the Embassy REIT on April 27, 2023.

The Consolidated Financial Statements have been prepared in accordance with the requirements of the Securities and Exchange Board of India (SEBI) (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (REIT regulations); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, to the extent not inconsistent with the REIT regulations. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

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

i. Reference to the Conceptual Framework – Amendments to Ind AS 103
ii. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16
iii. Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

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

There were certain amendments to standards and interpretations which are applicable for the first time for the year ended March 31, 2023, but either the same are not relevant or do not have an impact on the consolidated financial statements of the Group.

Further, the Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023:

i. Ind AS 1, Presentation of Financial Statements
ii. Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors
iii. Deferred tax related to leases and decommissioning, restoration and similar liabilities

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Summary of significant judgements and estimates used in the preparation of the Consolidated Financial Statements

Use of judgement and estimates: The preparation of 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 Consolidated Financial Statements is included in the following notes:

i. Business combinations
ii. Impairment of goodwill and intangible assets with infinite useful life
iii. Classification of lease arrangements as finance lease or operating lease
iv. Classification of assets as investment property or as property, plant and equipment
v. Significant judgement 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
vi. Judgements in preparing Consolidated Financial Statements
vii. Classification of Unitholders' funds
viii. Significant judgements is involved in the allocation of cost of acquisition to the identifiable assets and liabilities based on their relative fair values at the date of acquisition in case of acquisition that does not represent a business combination.

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment during the year ended March 31, 2023 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.

ii. **Useful lives of Investment Property and Property, Plant and Equipment**

iii. **Valuation of financial instruments**

iv. **Recognition of deferred tax asset on carried forward losses and recognition of minimum alternate tax credit:** The availability of future taxable profit against which tax losses carried forward can be used. 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.

Analysis of consolidated statement of profit and loss

(₹ in Mn)

Particulars	FY 2023	As % of Revenue	FY 2022	As % of Revenue
Revenue from operations	34,195.43	100%	29,626.05	100%
Interest income	1,123.37	3%	899.81	3%
Other income	317.87	1%	369.46	1%
Total income	**35,636.67**		**30,895.32**	
Expenses				
Cost of materials consumed	390.22	1%	84.53	0%
Employee benefits expense	590.08	2%	228.59	1%
Operating and maintenance expenses	968.22	3%	585.64	2%
Repairs and maintenance	3,028.11	9%	2,657.67	9%
Valuation expenses	10.62	0%	11.56	0%
Audit fees	54.33	0%	53.81	0%
Insurance expenses	180.34	1%	149.49	1%
Investment management fees	934.89	3%	924.63	3%
Trustee fees	2.95	0%	2.95	0%
Legal and professional fees	524.73	2%	408.46	1%
Other expenses	2,067.19	6%	1,537.82	5%
Total expenses	**8,751.68**	**26%**	**6,645.15**	**22%**
Earnings before finance costs, depreciation, amortisation and tax	**26,844.99**	**79%**	**24,250.17**	**82%**
Finance costs (net)	9,760.63	29%	8,285.28	28%
Depreciation expense	9,164.92	27%	5,996.08	20%
Amortisation expense	2,119.24	6%	1,968.55	7%
Profit before share of profit of equity accounted investee and tax	**5,840.20**	**17%**	**8,000.26**	**27%**
Share of profit after tax of equity accounted investee	777.50	2%	962.14	3%
Profit before tax	**6,617.70**	**19%**	**8,962.40**	**30%**
Tax expense	1,558.12	5%	78.55	0%
Profit for the year	**5,059.58**	**15%**	**8,883.85**	**30%**
Other comprehensive income	3.51	0%	0.83	0%
Total comprehensive income	**5,063.09**	**15%**	**8,884.68**	**30%**

Revenue from operations

(₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Facility rentals	23,798.00	22,162.32	1,635.68	7%
Income from finance lease	217.58	183.83	33.75	18%
Room rentals	1,808.82	288.37	1,520.45	527%
Revenue from contracts with customers				
Maintenance services	4,394.56	4,429.19	(34.63)	(1%)
Sale of food and beverages	1,424.31	281.99	1,142.32	405%
Income from generation of renewable energy	1,612.10	1,504.98	107.12	7%
Other operating income:				
- Hospitality	160.42	38.34	122.08	318%
- Others	779.64	737.03	42.61	6%
Total revenue from operations	**34,195.43**	**29,626.05**	**4,569.38**	**15%**

Our revenue from operations comprises the following sources:

Facility rentals

Revenue from facility rentals comprises the base rental from our properties, car parking income, fit-out rentals and other rentals as below:

- **Base rentals:** Base rentals comprises rental income earned from the leasing of our assets.
- **Car parking income:** Car parking income comprises revenue earned from the operations of parking facilities located at our properties; and
- **Fit-out rentals:** For some of our occupiers, we provide customised alterations and enhancements as per the occupiers' requirements (as opposed to warm shell premises that contain only minimally furnished interiors). For such properties, we recover the value of the fit-outs provided through fit-out rentals, to the extent such leases are classified as operating lease as per accounting requirements.
- Facility rentals for the portfolio increased by ₹1,635.68 Mn or 7% from ₹22,162.32 Mn in FY22 to ₹23,798.00 Mn in FY23. A summary of movement is captured in the below table:

Facility rental portfolio

(₹ in Mn)

Particulars	Amount	% of total movement
Facility rentals for the year ended March 31, 2022	22,162.32	
Add:		
Increase in contracted revenue	1,701.31	7.7%
Lease up, vacancy and Mark-to-Market (MTM)	(100.31)	(0.5%)
Others	34.68	0.2%
Facility rentals for the year ended March 31, 2023	**23,798.00**	**7.4%**

Facility rentals increased primarily due to:

- **Contracted revenue:** Contracted lease escalation on 97 lease contracts.
- **Lease up, vacancy and MTM:** Lease up across Embassy Manyata, Embassy Tech village, Embassy Galaxy and renewals spread across all the parks worth of ₹1,338.92 Mn off set by reduction in facility rentals to the extent of ₹1,439.23 Mn due to Occupier exits during the year, resulting in net decrease in revenue by ₹100.31 million

Income from finance lease

- Income from finance leases comprise income from fit-out rentals where such leases are classified as finance leases. Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer to the lessee
- Income from finance lease increased from ₹183.83 Mn in FY22 to ₹217.58 Mn in FY23 due to new fit-out rental contracts with occupiers.

Revenue from room rentals and sale of food and beverages

- Revenue from room rentals and sale of food and beverages comprises revenue generated from our operating hotels viz. Hilton at Embassy Golflinks, Hilton Garden Inn (HGI) and Hilton Inn (HI) at Embassy Manyata and Four Seasons at Embassy One.
- During the year, the hospitality segment witnessed significant improvement in business as compared with FY22 due to launch of new hotels (HGI and HI at Embassy Manyata) and resumption of domestic travel resulting in an increase of revenue from room rentals by ₹1,520.45 Mn or a significant increase of 527% from ₹288.37 Mn in FY22 to ₹1,808.82 Mn in FY23.
- The segment also witnessed corresponding increase in sale of food and beverages by ₹1,142.32 Mn or 405%, from ₹281.99 Mn in FY22 to ₹1,424.31 Mn in FY23.

Key Performance Indicators for our hotels

(₹ in Mn)

	Financial year ended[1]							
	Hilton at Embassy GolfLinks		Four Seasons at Embassy One		Hilton at Embassy Manyata		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Keys	247	247	230	230	619	353	1,096	830
Occupancy	62%	29%	36%	23%	50%	23%	50%	26%
Rooms Available	90,155	90,155	83,950	83,950	2,17,955	10,943	3,92,060	1,85,048
Rooms Sold	56,015	26,528	29,843	19,482	1,08,756	2,551	1,94,614	48,561
ADR (₹)	10,285	5,105	13,619	7,551	7,964	4,302	9,499	6,044
RevPAR (₹)	6,390	NM	4,841	NM	NM	NM	4,715	NM
Total Revenue (₹mn)	846	227	920	365	1,628	18	3,394	609
NOI (₹ Mn)	359	(34)	192	(102)	600	0.2	1,151	(135)
NOI Margin	42%	NM	21%	NM	37%	NM	34%	NM
EBITDA (₹ Mn)	319	(35)	157	(115)	506	0.2	982	(150)

(1) Includes HGI (353 Keys) and HI (266 Keys). HGI was launched in Mar'22 and HI was launched in May'22. The figures above include data since launch till Mar'23.

Hilton, Embassy GolfLinks, Bengaluru

Maintenance services

Income from maintenance services consists of the revenue received from our occupiers for the Common Area Maintenance (CAM) services provided across our commercial office portfolio. Income from maintenance services is generally a function of our maintenance expenses at the portfolio assets, with a change in maintenance expenses resulting in a corresponding change in maintenance service income, along with the impact of lease up/exits at our properties.

Income from maintenance services for the portfolio decreased marginally by ₹34.63 Mn or 0.78 % from ₹4,429.19 Mn in FY22 to ₹4,394.56 Mn in FY23, primarily due to occupier exits.

Income from generation of renewable energy

The 100 MW solar park at Embassy Energy is located at Bellary district of Karnataka and helps reduce an estimated 200 Mn kgs of carbon footprint by providing green energy to our occupiers. The solar generation from the segment increased by 8 Mn units to 185 Mn units (FY22: 177 Mn), a marginal increase of 4% from the FY22 levels. This has led to an increase in revenue by ₹107.12 Mn from ₹1,504.98 Mn in FY22 to ₹1,612.10 Mn in FY23.

Solar power generation

Particulars	FY 2023	FY 2022
Capacity (MW)	100	100
Solar units generated (Mn units)	185	177
Solar units consumed (Mn units)	185	176
Average blended tariff (₹per unit)	**8.7**	**8.5**

Other operating income

Other operating income primarily includes revenue from ancillary operating departments at our Hospitality segment as well as the rental compensation receivable from Embassy Property Developments Private Limited (EPDPL) in relation to M3 Block A. Other operating income increased by ₹164.69 Mn or 21% from ₹775.37 Mn in FY22 to ₹940.06 Mn in FY23 primarily due to increase in hospitality operations during the current year.

Property-wise revenue from operations

We have provided a property-wise/ asset-wise break up of our revenue from operations for FY23 vis-à-vis FY22.

Asset-wise revenue from operation

(₹ in Mn)

			FY 2023		FY 2022	
Asset SPV	Name of the property	Location	Revenue	As % of total revenue	Revenue	As % of total revenue
MPPL	Hotel and Office at Embassy Manyata	Bengaluru	13,288.26	39%	11,654.54	39%
ETV Assets	Embassy TechVillage	Bengaluru	8,134.59	24%	6,813.16	23%
QBPL	Hotel, Retail and Office at Embassy One and Embassy Quadron	Bengaluru	1,781.79	5%	1,126.39	4%
IENMPL	Express Towers	Mumbai	1,297.32	4%	1,449.80	5%
VCPPL	Embassy 247	Mumbai	1,453.47	4%	1,315.65	4%
ETPL	FIFC	Mumbai	1,163.67	4%	958.99	3%
EPTPL	Embassy TechZone	Pune	1,497.10	4%	1,534.56	5%
QBPPL	Embassy Qubix	Pune	807.46	2%	804.97	3%
OBPPL	Embassy Oxygen	Noida	1,569.43	5%	1,454.00	5%
GSPL	Embassy Galaxy	Noida	744.03	2%	782.43	3%
UPPL	Hilton - Embassy Golflinks	Bengaluru	846.20	2%	226.58	1%
EEPL	Embassy Energy	Bellary	1,612.10	5%	1,504.98	5%
Total			**34,195.43**	**100%**	**29,626.05**	**100%**

Interest income

Interest income includes interest on (i) debentures, (ii) fixed deposits with banks, (iii) security deposits, (iv) other statutory deposits, (v) income-tax refunds and (vi) others. Interest income increased by ₹223.56 Mn or 25% from ₹899.81 Mn for FY22 to ₹1,123.37 Mn for FY 23.

The increase in interest income is majorly on account of interest on investment in debentures. During the current year, the Group had invested in debentures of its investment entity, Embassy Golflinks, for acquisition of certain real estate and CAM business at Embassy Golflinks Business Park with a view to consolidate Embassy Golflinks' existing holdings.

Other income

The details of other income as per the Consolidated Financial Statements is set forth in the below table:

Other income (₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Liabilities no longer required written back	11.97	128.84	(116.87)	(91%)
Profit on sale of mutual funds	143.79	140.82	2.97	2%
Net gain on disposal of Property, Plant and Equipment/ Investment Properties	4.58	-	4.58	NA
Miscellaneous	157.53	99.80	57.73	58%
Total	**317.87**	**369.46**	**(51.59)**	**(14%)**

The decrease in total other income is mainly on account of one time write back of liabilities no longer required in FY22. Increase in Miscellaneous income during the current year is majorly due to receipt of insurance claims and scrap sales.

Expenses

The Consolidated Financial Statements include expenses as set forth in the below table:

Expenses (₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Cost of materials consumed	390.22	84.53	305.69	362%
Employee benefits expense	590.08	228.59	361.49	158%
Operating and maintenance expenses	968.22	585.64	382.58	65%
Repairs and maintenance	3,028.11	2,657.67	370.44	14%
Valuation expenses	10.62	11.56	(0.94)	(8%)
Audit fees	54.33	53.81	0.52	1%
Insurance expenses	180.34	149.49	30.85	21%
Investment management fees	934.89	924.63	10.26	1%
Trustee fees	2.95	2.95	-	-
Legal and professional fees	524.73	408.46	116.27	28%
Other expenses	2,067.19	1,537.82	529.37	34%
Total expenses	**8,751.68**	**6,645.15**	**2,106.53**	**32%**

Our expenses comprises the following:

Cost of materials consumed

Cost of materials consumed includes direct material cost of our four operating hotels, i.e. Hilton at Embassy Golflinks, HGI and HI at Embassy Manyata and the Four Seasons at Embassy One ('Hospitality operations') primarily towards the provision of food and beverage services to the guests at these hotels.

Cost of materials consumed increased by ₹305.69 Mn or 362% from ₹84.53 Mn for FY22 to ₹390.22 Mn for FY23 in line with increase in revenue from hospitality operations. The average occupancy for the year was 62% (FY22: 29%), 50% (FY22: 23%) and 36% (FY22: 23%) at Hilton Hotel at Embassy Golflinks, HGI and HI at Embassy Manyata and Four Seasons Hotel at Embassy One, respectively.

Employee benefits expense

Employee benefits expense primarily includes salaries and wages, contribution to provident and other funds and staff welfare expenses in relation to our Hospitality operations. Improvement in hospitality operations and launch of new hotels (HGI and HI at Embassy Manyata) led to an increase in the manpower cost by ₹361.49 Mn or 158% from ₹228.59 Mn for FY22 to ₹590.08 Mn for FY23.

Operating and maintenance expenses

Operating and maintenance expenses include power and fuel expenses and operating consumables in relation to our Common Area Maintenance operations.

Operating and maintenance expenses increased by ₹382.58 Mn or 65% from ₹585.64 Mn for FY22 to ₹968.22 Mn for FY23 majorly due to increase in consumables and power and fuel cost mainly on account of improvement in hospitality segment operations and increase in footfall at our office parks.

Repairs and maintenance

Repairs and maintenance expense include repairs towards common area maintenance, buildings, machinery, and others.

There is an increase in expenses by ₹370.44 Mn i.e. 14% from ₹2,657.67 Mn for FY22 to ₹3,028.11 Mn for FY23 primarily due to increase in business activities in parks, increased operations in our Hospitality segment and operating cost of new blocks.

Insurance

Insurance expenses increased by ₹30.85 Mn or 21% from ₹149.49 Mn for FY22 to ₹180.34 Mn for FY23. The increase is mainly due to insurance charge on the newly delivered hotels at Embassy Manyata and office blocks.

Investment management fees

This includes the property management fees and REIT management fees.

Property management fees: This represents the fees earned by the Manager to the REIT pursuant to the investment management agreement.

The Manager earns property management fees computed at 3% per annum of facility rentals collected by the relevant property with respect to operations, maintenance, administration, and management of the Holdco or the SPVs, as applicable. The fees have been determined to meet the ongoing costs of the Manager to undertake the services provided to the Embassy REIT and REIT assets. Property management fees marginally increased by ₹25.25 Mn or 4% from ₹670.17 Mn for FY22 to ₹695.42 Mn for FY23 in line with increase in revenue from facility rentals.

REIT management fees: This represents fees earned by the Manager to the REIT pursuant to the investment management agreement between the REIT and Manager. REIT management fees is computed at 1% of the REIT distributions. The fees have been determined for undertaking management of the REIT and its investments. REIT management fees for FY23 amounts to ₹239.47 Mn vis-à-vis ₹254.46 Mn for FY22, which is in line with the distributions for respective years.

Legal and professional fees

Legal and professional fees represent amounts paid to consultants for their services in relation to legal and compliance advisory, accounting and taxation advisory and internal audit. Legal and professional fees have increased by ₹116.27 Mn or 28% from ₹408.46 Mn for FY22 to ₹524.73 Mn for FY23 due to non-recurring expenses incurred towards consulting and advisory services.

Other expenses

Other expenses mainly include the following:

Other expenses (₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Property tax (net)	1,115.04	1,025.21	89.83	9%
Rates and taxes	81.36	92.94	(11.58)	(12%)
Corporate Social Responsibility (CSR) expenses	126.55	111.52	15.03	13%
Marketing and advertising expenses	271.45	111.04	160.41	144%
Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	7.86	15.71	(7.85)	(50%)
Brokerage and commission	81.52	28.98	52.54	181%
Other direct and indirect expenses	383.41	152.42	230.99	152%
Total other expenses	**2,067.19**	**1,537.82**	**529.37**	**34%**

Property tax

Property tax increased by ₹89.83 Mn or 9% from ₹1,025.21 Mn for FY22 to ₹1,115.04 Mn for FY23 mainly due to capitalisation of Hudson & Ganges Block at Embassy Techzone, Block 9 of ETV and Hospitality segment.

Rates and taxes

Rates and taxes decreased by ₹11.58 Mn or 12% from ₹92.94 Mn for FY22 to ₹81.36 Mn for FY23 due to non-recurring charges incurred in FY22.

Marketing and advertisement expenses

Marketing and advertisement expenses has increased by ₹160.41 Mn or 144% from ₹111.04 Mn for FY22 to ₹271.45 Mn for FY23 due to launch of Hotel Hilton Inn in Embassy Manyata and increase in operations in hospitality segment.

Brokerage and commission

Brokerage and commission represent the marketing and brokerage expenses for Hospitality segment. The expense for FY23 amounts to ₹81.52 Mn vis-à-vis ₹28.98 Mn for FY22, mainly due to increase in Hospitality operations during current year.

Other direct and indirect expenses

Other direct and indirect expenses majorly include management fees paid by hotels and travel and conveyance. Other direct and indirect expenses increased by ₹230.99 Mn or 152% from ₹152.42 Mn for FY22 to ₹383.41 Mn for FY23 due to increase in the hotel operations during the year.

Earnings before finance costs, depreciation, amortisation and tax (EBITDA)

Our EBITDA for FY23 was ₹26,884.99 Mn, an increase of ₹2,634.82 Mn or 11%, compared to ₹24,250.17 Mn for FY22 primarily driven by the increase in Revenue from Operations, partially offset by increased hotel operating expenses corresponding to the ramp-up in our hotel business. The EBITDA margins stood at 79% and continue to be best-in-class.

Finance costs

The Consolidated Financial Statements include finance costs as set forth in the below table:

Finance costs (₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Interest expenses				
- on borrowings from banks and financial institutions	3,245.17	1,847.98	1,397.19	76%
- on lease deposits	474.56	546.24	(71.68)	(13%)
- on lease liabilities	34.84	33.77	1.07	3%
- on non-convertible debentures	6,006.06	3,831.21	2,174.85	57%
Premium on redemption of debentures (Embassy REIT Series I)	-	2,026.08	(2,026.08)	(100%)
Total finance costs	**9,760.63**	**8,285.28**	**1,475.35**	**18%**

We capitalise our finance costs in relation to our under-construction properties. When construction is completed, the finance cost is charged to our statement of profit and loss, causing an increase in our finance costs.

The increase in finance cost is mainly on account of:

- increase in interest expense due to our new deliveries namely HGI and HI Hotel, ETV Block 9 and Hudson and Ganges block;
- increase in interest rates. Our average interest rates had increased from 6.72% to 7.21%;
- increase in borrowings for financing acquisition of certain real estate and CAM business at Embassy Golflinks and base build and other infrastructure developments at other parks.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by ₹3,319.53 Mn or 42% from ₹7,964.63 Mn for FY22 to ₹11,284.16 Mn for FY23 primarily due to full year impact of depreciation of HGI and HI Hotel at Embassy Manyata, ETV Block 9 and Hudson and Ganges block at Embassy TechZone and accelerated depreciation of D1 and D2 blocks at Embassy Manyata on account of redevelopment project undertaken to transform two of the earliest buildings comprising 400k sf leasable area with over 170% mark-to-market opportunity.

Profit before share of profit of equity accounted investee and tax

As a result of the foregoing, we recorded ₹5,840.20 Mn as profit before share of profit of equity accounted investee and tax for FY23 vis-à vis ₹8,000.26 Mn in FY22, a decrease of ₹2,160.06 Mn or 27%.

Share of profit after tax of equity accounted investee

The share of profit after tax in Embassy Golflinks, our investment entity, an equity accounted investee, for FY23 was ₹777.50 Mn as compared with ₹962.14 Mn for FY22. The decrease of ₹184.64 Mn or 19% in the share of profit from Embassy Golflinks is primarily due to higher finance cost, depreciation and tax expense in FY23.

Profit before tax

As a result of the foregoing, we recorded a profit before tax of ₹6,617.70 Mn for FY23, as compared to a profit before tax of ₹8,962.40 Mn for FY22, an increase of ₹2,344.70 Mn or 26%.

Tax expense

The portfolio of assets which we own are housed in 14 SPVs, which have different tax considerations including SEZ benefits, available MAT credit, etc. and accordingly will have varying current tax percentages. On a blended basis, our current taxes for FY23 works out to ~4% of our revenue from operations as compared with ~6% for FY22 at the Consolidated Group level.

The Consolidated Financial Statements include tax expenses as set forth in the below table:

Tax expense (₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Current tax	1,527.66	1,670.00	(142.34)	(9%)
Deferred tax charge/ (credit)	30.46	(1,591.45)	1,621.91	102%
Total tax expenses	**1,558.12**	**78.55**	**1,479.57**	**1,884%**

Total tax expenses increased by ₹1,479.57 Mn from ₹78.55 Mn for FY22 to ₹1,558.12 Mn for FY23.

Current tax expense has decreased by ₹142.34 Mn or 9% from ₹1,670.00 Mn for FY22 to ₹1,527.66 Mn for FY 23 mainly on account of tax shield on D1 and D2 block's accelerated depreciation.

Deferred tax has increased by ₹1,621.91 Mn or 102% from ₹1,591.45 Mn credit during FY22 to ₹30.46 Mn charge for FY23. The movement is primarily due to benefit obtained from the collapse of ETV structure in FY 22 whereby deferred tax assets were created on unabsorbed depreciation and business losses as the realisation of such tax assets had become reasonably certain.

Profit for the year

As a result of the foregoing, our profit for FY23 was ₹5,059.58 Mn as compared with ₹8,883.85 Mn for FY22, a decrease of ₹3,824.27 Mn or 43%.

Non-GAAP Measures

Net Operating Income ('NOI')

Based on the 'management approach' as specified in Ind AS 108, our Chief Operating Decision Maker (CODM) evaluates our performance and allocates resources based on an analysis of various performance indicators by operating segments.

We use NOI internally as a performance measure and believe it provides useful information to investors regarding our financial condition and results of operations because it offers a direct measure of the operating results of our business segments. However, NOI does not have a standardised meaning, nor is it a recognised measure under Ind AS or International Financial Reporting Standards ('IFRS') and may not be comparable with measures with similar names presented by other companies/ real estate investment trusts. NOI should not be considered by itself or as a substitute for comparable measures under Ind AS or IFRS or other measures of operating performance, liquidity or ability to pay dividends. We define NOI for each of our segments 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 include (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 include (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, 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.

The table below gives the computation of our NOI and a reconciliation up to EBITDA:

(₹ in Mn)

Particulars	FY 2023	FY 2022	Variance	Variance %
Revenue from operations	34,195.43	29,626.05	4,569.38	15%
Property taxes and insurance	(1,295.38)	(1,174.70)	(120.68)	10%
Direct operating expenses	(5,237.25)	(3,540.01)	(1,697.24)	48%
Net operating income	**27,662.80**	**24,911.34**	**2,751.46**	**11%**
Other income	1,441.24	1,269.27	171.97	14%
Property management fees	(934.89)	(924.63)	(10.26)	1%
Indirect operating expenses	(1,284.16)	(1,005.81)	(278.35)	28%
EBITDA	**26,884.99**	**24,250.17**	**2,634.82**	**11%**

Segment-level profitability

(₹ in Mn)

Particulars	Commercial offices		Hospitality		Other segment	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Revenue from operations	29,189.78	27,512.07	3,393.55	609.00	1,612.10	1,504.98
Net operating income	25,029.30	23,650.60	1,150.94	(135.47)	1,482.56	1,396.21
NOI margin (%)	**86%**	**86%**	**34%**	**(22%)**	**92%**	**93%**

NOI margins

Our NOI margin for FY23 was 81% as compared with 84% for FY22, primarily due to to increase in share of hospitality segment in segment mix which have lower margins. NOI margin for commercial offices segment has remained same at 86% for FY23 and FY22. Our hospitality segment reported a positive NOI of 1,150.94 vis-à-vis negative NOI of ₹135.47 Mn for FY22 due to ramp up of the sector post the impact of the COVID-19 pandemic. Our NOI margin from other segment is in line for both years.

EBITDA

We use Earnings Before Finance costs, Depreciation, Amortisation and Tax, excluding share of profit of equity accounted investee (EBITDA) internally as a performance measure. We believe it provides useful information to investors regarding our financial condition and results of operations because it offers a direct measure of the operating results of our business segments. Other companies may use different methodologies for calculating EBITDA and accordingly, our presentation of the same may not be comparable to other companies.

EBITDA does not have a standardised meaning, nor is it a recognised measure under Ind AS and may not be comparable with measures among similar names presented by other companies. EBITDA should not be considered by itself or as a substitute for comparable measures under Ind AS or other measures of operating performance, liquidity or ability to pay dividends. Our EBITDA may not be comparable to the EBITDA or other similarly titled measures of other companies/ REITs as not all companies/ REITs use the same definition of EBITDA or other similarly titled measures. Accordingly, there can be no assurance that our basis for computing this non-GAAP measure is comparable with that of other companies/ REITs.

We believe that the comparable Ind AS metric to our EBITDA is profit for the year, and a reconciliation between these two is provided here:

(₹ in Mn)

Particulars	FY 2023	FY 2022
Profit for the year	**5,059.58**	**8,883.85**
Add: Tax expense	1,558.12	78.55
Profit before tax	**6,617.70**	**8,962.40**
Less: Share of profit after tax of equity accounted investee	(777.50)	(962.14)
Add: Depreciation expense	9,164.92	5,996.08
Add: Amortisation expense	2,119.24	1,968.55
Add: Finance costs	9,760.63	8,285.28
Earnings before finance costs, depreciation, amortisation and tax	**26,884.99**	**24,250.17**

Net Asset Value (NAV) and Valuation of Portfolio

We use NAV internally as a performance measure and believe it provides useful information to investors regarding our financial condition. The computation of NAV is as prescribed under the REIT regulations.

This computation takes into account the Gross Asset Value (GAV) as arrived at by our independent external property valuers appointed under Regulation 21 of REIT regulations, along with the recorded book values of other assets as well as all other liabilities recorded in the financial statements to arrive at the NAV. Our Statement of Net Assets at Fair Value as of the dates indicated, at a consolidated level, along with the NAV per unit is set forth here:

Statement of Net Assets at Fair Value

(₹ in Mn)

Particulars	FY 2023	FY 2022	Variance %
Gross asset value (GAV)	514,141.14	493,674.00	4%
Other assets	80,460.68	73,518.96	9%
Other liabilities	(220,294.35)	(193,819.45)	(14%)
NAV	**374,307.47**	**373,373.51**	**0.2%**
NAV per unit	**394.88**	**393.90**	

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, carried out our property valuation and valued the GAV of our portfolio at ₹514,141.14 Mn with ~93% of value from core commercial office segment and with over 75% of value from Bengaluru, underpinning Embassy REIT's asset quality as of March 31, 2023.

Embassy Manyata, Bengaluru

Asset-wise GAV, along with the key assumptions used in the valuation are provided here:

	Leasable Area (msf)/Keys/MW			Valuation Assumptions[1,2]				GAV[1,2] as of Mar-23 (₹ Mn)		
Asset	Completed	Proposed/ U/C	Total	Discount Rate Completed	Discount Rate U/C	Cap Rate/ EBITDA Multiple	Rent/ ADR/Tariff Rate	Completed	Proposed/ U/C	Total
Commercial Assets										
Embassy Manyata	11.4	3.9	15.2	11.70%	13.00%	8.00%	93	153,317	32,648	185,965
Embassy TechVillage	7.3	2.3	9.6	11.70%	13.00%	8.00%	94	103,628	18,596	122,224
Embassy GolfLinks[2]	3.1	-	3.1	11.70%	NA	8.00%	155	34,996	-	34,996
Embassy One	0.3	-	0.3	11.70%	NA	7.50%	147	4,558	-	4,558
Embassy Business Hub	0.0	1.4	1.4	11.70%	13.00%	8.00%	67	-	3,751	3,751
Express Towers	0.5	-	0.5	11.70%	NA	7.50%	275	18,252	-	18,252
Embassy 247	1.2	-	1.2	11.70%	NA	8.00%	112	18,684	-	18,684
FIFC	0.4	-	0.4	11.70%	NA	7.75%	280	13,941	-	13,941
Embassy TechZone	3.0	2.4	5.5	11.70%	13.00%	8.25%	48	20,037	2,808	22,845
Embassy Quadron	1.9	-	1.9	11.70%	NA	8.25%	48	13,227	-	13,227
Embassy Qubix	1.5	-	1.5	11.70%	NA	8.25%	48	9,718	-	9,718
Embassy Oxygen	2.5	0.7	3.3	11.70%	13.00%	8.25%	48	19,301	3,508	22,809
Embassy Galaxy	1.4	-	1.4	11.70%	NA	8.25%	47	9,526	-	9,526
Sub-Total (Commercial Offices)	**34.3**	**10.7**	**45.0**					**419,185**	**61,311**	**480,496**
Hospitality Asset										
Hilton at Embassy GolfLinks	247 Keys	-	247 Keys	12.38%	-	14.0x	9,250	4,762	-	4,762
Four Seasons at Embassy One	230 Keys	-	230 Keys	12.38%	-	14.0x	11,500	7,939	-	7,939
Hilton and Hilton Garden Inn at Embassy Manyata	619 Keys	-	619 Keys	12.38%	-	14.0x	5 Star - 9,000 3 Star - 6,000	11,667	-	11,667
Hilton and Hilton Garden Inn at Embassy TechVillage	-	518 Keys	518 Keys	-	13.60%	14.0x	5 Star - 8,500 3 Star - 6,000	-	763	763
Sub-Total (Hospitality)	**1,096 Keys**	**518 Keys**	**1,614 Keys**					**24,368**	**763**	**25,131**
Others[3]										
Embassy Energy	100MW	-	100MW	11.70%	-	NA	8.5	8,514	-	8,514
Sub-Total (Others)	**100MW**	**-**	**100MW**					**8,514**	**-**	**8,514**
Total	**34.3 msf/1,096 Keys/100MW**	**10.7 msf/518 Keys**	**45.0 msf/1,614 Keys/100MW**					**452,067**	**62,074**	**514,141**
% Split								**88%**	**12%**	**100%**

1 Gross Asset Value (GAV) considered per Mar'23 valuation undertaken by iVAS Partners, represented by Mr. Manish Gupta, in conjunction with value assessment services undertaken by CBRE. Valuation exercise undertaken semi-annually

2 Details include 50% Embassy GolfLinks except leasable area. Embassy REIT owns 50% economic interest in Embassy GolfLinks and accounts for only the proportionate profits of Embassy GolfLinks basis the equity method

3 Comprises of Solar Park located at Bellary district, Karnataka

Valuation Technique and Frequency

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 and is reviewed regularly by management with reference to independent property valuations and market conditions existing at half yearly basis.

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.

Liquidity and Capital Resources

Overview

Our liquidity position of ₹8 bn which includes cash equivalents as well as undrawn committed facilities and lower Net debt to GAV of 28% clears our pathways towards accelerating growth.

Financial resources

As of March 31, 2023, we had cash and cash equivalents, along with liquid investments of ₹8,173.48 Mn (March 31, 2022: ₹5,884.49 Mn).

This table depicts a selected summary of our statement of cash flows for the periods indicated:

Cash flows

(₹ in Mn)

Particulars	FY 2023	FY 2022
Cash generated from operating activities	25,655.10	23,669.74
Net cash flow used in investing activities	(16,696.43)	(11,820.24)
Net cash flow used in financing activities	(8,689.52)	(15,139.79)
Net increase/ (decrease) in cash and cash equivalents	**269.15**	**(3,290.29)**
Cash and cash equivalents at the beginning of the year	5,884.49	9,174.78
Cash and cash equivalents acquired due to asset acquisition	2,019.84	-
Cash and cash equivalents at the end of the year	**8,173.48**	**5,884.49**

Cash generated from operating activities

Net cash generated from operating activities for FY23 is ₹25,655.10 Mn. Profit before share of profit of equity accounted investee and tax of ₹5,840.20 Mn was adjusted for financing and investing activities as well as other non-cash items and movement in working capital by a net amount of ₹19,814.90 Mn to arrive at operating cash flow of ₹25,655.10 Mn. The operating cash flow recorded an increase of 8% vis-à-vis ₹23,669.74 Mn for FY22. The increase is in line with growth in net operating income and EBITDA of 11% in FY23.

Net cash flow used in investing activities

We continued our focus on organic growth during the year resulting in a net cash flow used in investing activities of ₹16,696.43 Mn. This includes ₹10,920.56 Mn deployed primarily towards under construction blocks which include Block 8 at Embassy TechVillage, M3 Block A and B at Embassy Manyata, Tower 1 at Embassy Oxygen, as well as construction of Hudson and Ganges blocks at Embassy TechZone, capex spends towards various infrastructure and upgrade projects across our Parks including solar projects and the Master Plan Upgrades at multiple assets.

Further, we have acquired a new SPV, ECPL, for a net consideration of ₹64.66 Mn and invested in debentures of our investment entity for acquisition of certain real estate and CAM business (March 31, 2023: ₹8,157.82 Mn). This was partially offset by cash inflows due to redemption of treasury surplus which were invested in mutual funds and dividend income received from our investment entity.

Net cash flow used in financing activities

During FY23, we had net cash used in financing activities of ₹8,689.52 Mn as compared to ₹15,139.79 Mn in FY22. During FY23, we primarily raised borrowings of ₹41,686.27 Mn and repaid debt of ₹20,246.20 Mn; paid ₹9,862.11 Mn as interest on our borrowing as well as distributed ₹20,247.13 Mn in the form of distributions to Unitholders resulting in a net cash used in financing activities of ₹8,689.52 Mn. During FY22, we had net cash flow used in financing activities of ₹15,139.79 Mn primarily due to repayment of Series I NCD.

Distributions

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to the Unitholders not less than 90% 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 aforesaid NDCF 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 SPVs/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. Repayment of short-term construction debt given to SPVs, debt 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 the purpose of distributions.

The Board of Directors of the Manager of Embassy REIT have declared a cumulative distribution of ₹21 Bn or ₹21.71 per unit for FY23 which is in-line with our guidance, despite considerable rate hike in the market.

Borrowings

During the year, we refinanced ₹53 Bn bank debt with a 101 bps lower cost debt. We were able to refinance at attractive terms due to our robust balance sheet and our AAA/Stable rating.

As a result of the above and earlier refinancing, 61% of our total ₹148 Bn debt now carries a fixed rate with an average maturity of 1.8 years and an additional 39% carries a fixed rate for next 5 months.

Debt analysis

This table presents a breakdown of borrowings as at March 31, 2023 and the corresponding ratios:

(₹ in Mn)

Description	Rating	Fixed/ Floating	Total Facility	Balance Facility	Out-standing Principal	Amor-tised Cost	Interest Rate	Maturity Date	Principal Repayment Schedule FY24	FY25	FY26	FY27	FY28	FY29 & Beyond	Total
At REIT															
Embassy Office Parks REIT Series II NCD	CRISIL AAA/Stable	Fixed	15,000	-	15,000	14,962	6.97%	Oct-23[1]	15,000	-	-	-	-	-	15,000
Embassy Office Parks REIT Series III NCD	CRISIL AAA/Stable	Fixed	26,000	-	26,000	25,911	6.40%	Feb-24[2]	26,000	-	-	-	-	-	26,000
Embassy Office Parks REIT Series IV NCD	CRISIL AAA/Stable	Fixed	3,000	-	3,000	2,981	6.80%	Sep-26[3]	-	-	-	3,000	-	-	3,000
Embassy Office Parks REIT Series V NCD (Tranche A)	CRISIL AAA/Stable	Fixed	20,000	-	20,000	19,929	6.25%	Oct-24[4]	-	20,000	-	-	-	-	20,000
Embassy Office Parks REIT Series V NCD (Tranche B)	CRISIL AAA/Stable	Fixed	11,000	-	11,000	10,947	7.05%	Oct-26[5]	-	-	-	11,000	-	-	11,000
Embassy Office Parks REIT Series VI NCD	CRISIL AAA/Stable	Fixed	10,000	-	10,000	9,957	7.35%	Apr-27[6]	-	-	-	-	10,000	-	10,000
Term Loan	-	Floating	10,000	-	10,000	9,971	7.99%	Feb-35	-	-	-	75	937	8,989	10,000
Sub-total (A)			**95,000**	**-**	**95,000**	**94,658**	**6.81%**		**41,000**	**20,000**	**-**	**14,075**	**10,937**	**8,989**	**95,000**
At SPV															
Term Loan (Embassy Manyata)	CARE AAA/Stable	Floating	15,500	-	15,500	15,466	7.84%	Oct-26	-	-	-	15,500	-	-	15,500
Term Loan (Embassy Manyata)	CRISIL AAA/Stable	Floating	6,750	250	6,310	6,280	7.72%	May-33	-	-	269	602	708	4,731	6,310
Construction Finance (Embassy Manyata)	CRISIL AAA/Stable	Floating	5,500	555	4,945	4,917	7.95%	May-31	25	49	198	396	791	3,486	4,945
Term Loan (Embassy Manyata)	CRISIL AAA/Stable	Floating	4,500	2,040	2,394	2,385	8.15%	Dec-37	-	42	54	62	79	2,156	2,394
VTPL Series I NCD (Green Bond)	CRISIL AAA/ Stable	Fixed	4,950	-	4,950	4,941	7.65%	Aug-25[7]	-	-	4,950	-	-	-	4,950
Term Loan (Embassy TechVillage)	CARE AAA/Stable	Floating	7,212	950	6,262	6,238	8.27%	Oct-25	-	-	6,262	-	-	-	6,262
Term Loan (Embassy TechVillage)	CARE AAA/Stable	Floating	4,330	109	4,175	4,172	8.06%	Oct-25	12	42	4,121	-	-	-	4,175
Term Loan (Embassy Oxygen)	CARE AAA/Stable	Floating	2,000	-	1,899	1,899	8.45%	Aug-24	851	1,048	-	-	-	-	1,899
Term Loan (Embassy Business Hub)	Rating Awaited	Floating	2,250	1,000	1,250	1,244	8.30%	Mar-25	-	1,250	-	-	-	-	1,250
Overdraft Facility (Various)	CARE AAA/Stable	Floating	4,000	3	3,997	3,997	7.99%	Jul-25	225	225	2,550	997	-	-	3,997
Others[8]	-	-	109	-	109	109	NM	Various	109	-	-	-	-	-	109
Sub-Total (B)			**57,101**	**4,907**	**51,792**	**51,648**	**7.95%**		**1,222**	**2,656**	**18,404**	**17,557**	**1,579**	**10,373**	**51,792**
Gross Debt as on 01-Apr-23			**152,101**	**4,907**	**146,792**	**146,306**	**7.21%**		**42,222**	**22,656**	**18,404**	**31,632**	**12,515**	**19,362**	**146,792**
Debt as on March 31, 2023:[9]															
Term Loan (Embassy Business Hub)	-	Floating	1,850	101	1,749	1,749	9.95%	Feb-26	-	-	1,749	-	-	-	1,749
Total (A+B)			**153,951**	**5,008**	**148,541**	**148,055**	**7.25%**		**42,222**	**22,656**	**20,153**	**31,632**	**12,515**	**19,362**	**148,541**

[1] Embassy REIT has option to redeem all or part of the debentures on a pro-rata basis at any time on a specified call option date (between Mar 23 to Sep 23) subject to terms of the Debenture Trust Deed
[2] Embassy REIT has option to redeem all or part of the debentures on a pro-rata basis at any time on a specified call option date (between Jun'23 to Jan24) subject to terms of the Debenture Trust Deed
[3] Embassy REIT has option to redeem all or part of the debentures on a pro-rata basis at any time on a specified call option date (between Mar 26 to Aug 26) subject to terms of the Debenture Trust Deed
[4] Embassy REIT has option to redeem all or part of the debentures on a pro-rata basis at any time on a specified call option date (between Apr 24 to Jul24) subject to terms of the Debenture Trust Deed
[5] Embassy REIT has option to redeem all or part of the debentures on a pro-rata basis at any time on a specified call option date (between Apr 26 to Jul26) subject to terms of the Debenture Trust Deed
[6] Embassy REIT has option to redeem all or part of the debentures on a pro-rata basis on a specified call option date (Oct'26) subject to terms of the Debenture Trust Deed
[7] VTPL has option to redeem all or part of the debentures on a pro-rata basis at any time on a specified call option date (Apr'25 to Jun'25) subject to terms of the Debenture Trust Deed
[8] Others includes vehicle loans and other liabilities
[9] Repaid on March 31, 2023 with value date of 01-Apr-23

Key leverage metrics

Our key leverage metrics are:

Leasing & Lease Management

(₹ in Mn)

Particulars	FY 2023	FY 2022
Net debt to TEV (%)	33	25
Net debt to GAV (%)	28	24
Net debt to EBITDA	4.72x	4.46x
Interest coverage ratio		
- excluding capitalised interest	2.9x	3.1x
- including capitalised interest	2.7x	2.7x
Available debt headroom (₹in Bn)	104	120

We continue to maintain a strong liquidity position of ₹8 Bn and a low leverage of 28% Net Debt to Gross Asset Value (GAV). Considering our AAA credit rating, additional proforma headroom of ₹104 Bn and our ability to raise debt at competitive rates, we are in a strong position to pursue growth through on-campus development and accretive acquisitions.

Capital expenditures and capital investments

Historical capital expenditure

Capital expenditure comprises additions during the year to property, plant and equipment, capital-work-in progress, investment property and investment property under development.

During FY23 we have incurred capital expenditure of ₹10,920.56 Mn primarily towards construction of 7.9 msf of under construction blocks which include Block 8 at Embassy TechVillage, M3 Block A and B at Embassy Manyata, Tower 1 at Embassy Oxygen, as well as construction of Hudson and Ganges blocks at Embassy TechZone, capex spends towards various infrastructure and upgrade projects across our Parks including solar projects and the Master Plan Upgrades at various assets.

Planned capital expenditure

This table presents the development status and balance costs to be spent for development projects in progress as at March 31, 2023.

Development in Progress as at March 31, 2023

Asset	Projects	Development Area (msf)	Development Keys	Pre committed/ Leased Area (%)	Occupier[2]	Estimated Completion Date	Balance cost 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[3]	Front Parcel - Hilton Hotels	NA	619	NA	NA	Completed in Mar-22	201
Embassy TechZone	Hudson & Ganges Block	0.9	NA	16%	Harman, Kaiser Permanente	Completed in Oct-22	243
Sub-Total		**2.0**	**619**	**63%**			**556**
Base-Build Projects (Under Construction)							
Embassy Manyata[4]	M3 Block A	1.0	NA	16%	WeWork, Esko Graphics	Jun-23	53
Embassy Oxygen	Tower 1	0.7	NA	-	-	Jun-23	507
Embassy TechVillage	Block 8	1.9	NA	29%	JP Morgan	Sep-24	6,817
Embassy Manyata[4]	M3 Block B	0.6	NA	78%[5]	ANZ[6]	Mar-25	1,992
Embassy Manyata	Block L4	0.7	NA	-	-	Jun-25	3,001
Embassy TechVillage	Hilton Hotels	NA	518	NA	NA	Dec-25	8,760
Embassy Manyata	Block D1 & D2 Redevelopment[7]	1.2	NA	-	-	Dec-25	5,816
Embassy TechVillage	Block 6[7]	0.4	NA	-	-	Dec-25	1,995
Embassy Business Hub	Phase 1- Philips BTS	0.4	NA	93%	Philips	Sep-23	1,358
Embassy Business Hub	Phase 2	1.0	NA	-	-	Sep-27	6,062
Sub-Total		**7.9**	**518**	**19%**			**36,360**
Infrastructure and Upgrade Projects[8,9]							
Embassy Manyata	Master Plan Upgrade	NA	NA	NA	NA	Completed in Dec-22	153
Various	Solar Rooftop	NA	NA	NA	NA	Sep-23	304
Embassy TechVillage	Central Garden	NA	NA	NA	NA	Sep-23	419
Embassy Business Hub	Food Court	NA	NA	NA	NA	Dec-23	218
Embassy TechVillage	Master Plan Upgrade	NA	NA	NA	NA	Dec-24	221
Others	Various	NA	NA	NA	NA	Various	3,906
Sub-Total		**NA**	**NA**	**NA**			**5,222**
Total (Under Construction)		**7.9**	**518**	**19%**			**42,138**

Acquisitions

With a strong focus on organic growth, we seek inorganic growth opportunities to further the interests of our investors. Recently, we announced tuck-in acquisition of Embassy Business Hub, a campus-style business park for a total consideration of ₹3.4 Bn. Situated in high visibility growth corridor of North Bengaluru and its proximity to both the airport and to REIT's flagship Embassy Manyata property, Embassy Business Hub cements the REIT's dominant presence in North Bengaluru, a micro-market that continues to witness an influx of global captives. Of the 1.4 msf acquired, 0.4 msf is nearing completion and 93% pre-committed to Philips, providing stable cash flow visibility, and the balance 1 msf is in early stages of development. Additionally, we secured a Right of First Offer for future phases of this property, totaling 46 acres, which further extends REIT's growth options.

Off-balance sheet arrangements and contingent liabilities

We do not have any material off-balance sheet arrangements. The table below sets forth our contingent liabilities as of March 31, 2023:

Off-balance sheet arrangements and contingent liabilities

(₹ in Mn)

Particulars	FY 2023	FY 2022
Claims not acknowledged as debt in respect of Income Tax matters	252.94	351.31
Claims not acknowledged as debt in respect of Indirect Tax matters	772.09	772.09
Claims not acknowledged as debt in respect of Property Tax matters	3,418.89	3,418.89

Risk Management

We are the owner of a high-quality office portfolio in India that serves as essential corporate infrastructure to multinational tenants and has significant embedded growth prospects. The growth of domestic companies has resulted in robust demand for commercial office space and strong growth across India's major office markets. We are highly dependent on the prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Further, the real estate sector in India including REITs is heavily regulated. We are also subject to environmental, health and safety regulations in the ordinary course of our business. These and many other factors might affect our business, results of operations or financial condition. We are committed to maintaining our strong corporate governance standards and have a robust risk management framework in place to address risks that arise from the economic, operational, social and environmental ecosystems that we operate in.

The Board of Directors of the Manager of Embassy Office Parks Group has overall responsibility for the establishment and oversight of the Embassy Office Parks Group's risk management framework. The Embassy Office Parks Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors of the Managers of Embassy Office Parks Group oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Internal financial control systems

Embassy REIT has a strong internal financial control system to manage its operations, financial reporting, and compliance requirements. The Manager has clearly defined roles and responsibilities for all managerial positions. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. All business parameters are regularly monitored, and effective steps are taken to control them.

Embassy REIT has appointed one of the Big4 firms to conduct internal audit of its activities. The internal audit plan is reviewed each year and is approved by the audit committee. The internal audit is focused on review of internal controls and operational risk in the business of Embassy REIT.

Embassy REIT takes a proactive approach to risk management, making it an integral part of our business – both strategically and operationally. Our objective is optimisation of opportunities within the known and agreed risk appetite levels set by our Board. We take measured risks in a prudent manner for justifiable business reasons. Our ERM framework encompasses all our risks such as strategic, operational, and compliance risks. Appropriate risk indicators are used to identify these risks proactively. A robust internal control system and an effective, independent review and audit process underpin our ERM Framework. While management is responsible for the design and implementation of effective internal controls using a risk-based approach, external consultant reviews such design and implementation to provide reasonable assurance on the adequacy and effectiveness of the risk management and internal control systems.

The Audit Committee and the Board of Directors periodically reviews the adequacy and effectiveness of internal financial control systems and suggests improvements to further strengthen them. The internal financial control systems are adequate and operating effectively as at March 31, 2023. The effectiveness of the internal control over financial reporting for each of the SPVs as at March 31, 2023 has been attested by the respective statutory auditors of SPVs who expressed an unqualified opinion on the effectiveness of each SPV's internal control over financial reporting as of March 31, 2023.

Embassy TechVillage, Bengaluru

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 IND000000494 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 year ended March 31, 2023, 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 62-65 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 Heady.

   Mr. Jitendra Virwani, non-executive director, is the 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. Six Board Meetings were held during the year ended March 31, 2023 i.e. on April 28, 2022, July 21, 2022, September 22, 2022, October 20, 2022, January 25, 2023 and March 28, 2023. The necessary quorum was present physically and through Audio-Visual Electronic Communication means in all the six 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 four resolutions through circulation during the year ended March 31, 2023, i.e. on May 16, 2022, November 09, 2022 & March 22, 2023 covering matters which were subsequently noted by the Board in their meetings held on July 21, 2022, January 25, 2023 and March 28, 2023 and inter-alia, approved the following

   On May 16, 2022, the Board 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.

   On November 09, 2022, the Board approved:

   (i) the half-yearly report of Embassy Office Parks REIT ("**Embassy REIT**") for the period ended September 30, 2022.

   On March 22, 2023, the Board approved:

   (i) Embassy Office Parks REIT ("**Embassy REIT**") to act as a Promoter and Subscriber to the Memorandum of Association and Articles of Association of a proposed entity to be newly incorporated along with ancillary and incidental matters.

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 year ended March 31, 2023	Whether attended the Annual Meeting of the Unitholders held on June 13, 2022
Mr. Anuj Puri	Independent Director Non-Executive Director	6	Yes
Mr. Vivek Mehra	Independent Director Non-Executive Director	6	Yes
Dr. Ranjan Pai	Independent Director Non-Executive Director	5	Yes
Dr. Punita Kumar-Sinha	Independent Director Non-Executive Director	6	Yes
Mr. Jitendra Virwani	Non-Independent Non-Executive Director	5	Yes
Mr. Aditya Virwani	Non-Independent Non-Executive Director	6	Yes
Mr. Tuhin Parikh	Non-Independent Non-Executive Director	3	No
Mr. Robert Christopher Heady	Non-Independent Non-Executive Director	4	Yes
Mr. Asheesh Mohta*	Non-Independent Non-Executive Director	2	NA

*Alternate director to Mr. Robert Christopher Heady

I. The Manager held its Board and Committee meetings, for the quarter and year ended March 31, 2022, half-year ended September 30, 2022, and quarter ended December 31, 2022 through Audio-Visual Electronic Communication. The Board and Committee Meetings, for the quarter ended June 30, 2022, were held physically and also through Audio-Visual Electronic Communication. The fourth Annual Meeting of Unitholders of Embassy REIT held on June 13, 2022, was also held physically and also through Audio-Visual Electronic Communication.

II. As on March 31, 2023, 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

Committees Constituted by the Board

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

Committee	Composition	
Audit Committee	**Name**	**Category**
	Mr. Vivek Mehra – Chairperson	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	**Name**	**Category**
	Dr. Ranjan Pai – Chairperson	Independent Non-Executive Director
	Mr. Vivek Mehra	Independent Non-Executive Director
	Mr. Anuj Puri	Independent Non-Executive Director
Stakeholders' Relationship Committee	**Name**	**Category**
	Dr. Punita Kumar-Sinha – Chairperson	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	**Name**	**Category**
	Dr. Ranjan Pai – Chairperson	Independent Non-Executive Director
	Mr. Aditya Virwani	Non-Independent Non-Executive Director
	Mr. Tuhin Parikh	Non-Independent Non-Executive Director
Risk Management Committee	**Name**	**Category**
	Mr. Vivek Mehra – Chairperson	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	

Committee	Composition	
Investment Committee	**Name**	**Category**
	Mr. Anuj Puri – Chairperson	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	**Name**	**Category**
	Mr. Tuhin Parikh	Non-Executive Director
	Mr. Aditya Virwani	Non-Executive Director
	Mr. Vikaash Khdloya	Chief Executive Officer - Until June 30, 2023
	Mr. Aravind Maiya	Chief Executive Officer Designate - With effect from April 28, 2023
	Mr. Abhishek Agrawal	Interim Chief Financial Officer
Securities Committee	**Name**	**Category**
	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	**Name**	**Category**
	Mr. Vikaash Khdloya	Chief Executive Officer – Until June 30, 2023
	Mr. Aravind Maiya	Chief Executive Officer Designate – With effect from April 28, 2023
	Mr. Abhishek Agrawal	Interim Chief Financial Officer
	Mr. Ritwik Bhattacharjee	Chief Investment Officer

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. The Committee reports to the Management Committee and the Chairperson of the ESG Committee is responsible to provide the ESG update to the Board every quarter.

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 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;

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 ₹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 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;

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 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 is set out below:

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 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 Embassy REIT, 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. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

p. 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. 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. Coordinating 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 is set out below:

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 is set out below:

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.

Debenture Committee - Terms of Reference

The terms of reference of the Debenture Committee is set out below:

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 is set out below:

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 ₹ 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);

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	6	3	1	2
Date of meetings	April 27, 2022;	April 27, 2022;	January 25, 2023	April 28, 2022
	July 20, 2022 reconvened	October 20, 2022;		October 20, 2022
	on July 21,2022;	January 24, 2023		
	September 22, 2022;			
	October 20, 2022;			
	January 24, 2023;			
	March 28, 2023			
		No. of Meetings Attended		
Name of Member				
Vivek Mehra	6	3	1	NA
Anuj Puri	6	3	NA	NA
Dr. Punita Kumar-Sinha	6	3	1	NA
Jitendra Virwani	5	3	NA	NA
Dr. Ranjan Pai	5	2	NA	1
Tuhin Parikh	NA	NA	NA	1
Aditya Virwani	NA	NA	1	2
Robert Christopher Heady	4	1	0	NA
Asheesh Mohta*	1	1	1	NA

Name of the Committee	Nomination and Remuneration Committee ("NRC")	Debenture Committee ("DC")	Investment Committee ("IC")
No. of meetings held	4	2	4
Date of meetings	April 27, 2022;	April 5,2022	July 20, 2022
	June 16, 2022;	January 19, 2023	October 20, 2022
	September 22, 2022		January 24, 2023
	January 24, 2023		March 28, 2023
		No. of meetings attended	
Name of Member			
Vivek Mehra	4	NA	NA
Anuj Puri	NA	NA	4
Dr. Punita Kumar-Sinha	NA	NA	NA
Jitendra Virwani	4	NA	4
Dr. Ranjan Pai	3	NA	4
Tuhin Parikh	NA	2	2
Aditya Virwani	NA	2	NA
Robert Christopher Heady	NA	NA	NA
Asheesh Mohta*	NA	NA	NA
Vikaash Khdloya	NA	2	NA
Aravind Maiya**	NA	1	NA
Abhishek Agrawal***	NA	1	NA

*Alternate director to Mr. Robert Christopher Heady

** Resigned as the Chief Financial Officer with effect from May 31, 2022

*** Appointed as the Interim Chief Financial Officer with effect from June 1, 2022

During the 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/44/70/447074ee-38f4-42ed-b9c9-fd6bdd3aa940/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/22/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	https://eopwebsvr.blob.core.windows.net/media/filer_public/7d/5c/7d5cb0ce-3a84-4bb7-92bb-2a4a69000df3/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/15/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/81/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/44/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
Policy on Related Party Transactions	https://eopwebsvr.blob.core.windows.net/media/filer_public/92/3a/923a72c3-56fb-49f0-94a0-aef28cc1ba41/related_party_transactions.pdf
Document Archival Policy	https://eopwebsvr.blob.core.windows.net/media/filer_public/7c/fb/7cfbc992-f278-4b1d-808e-74fca07c051e/embassy_reit_-_document_archival_policy.pdf

As a part of the overall governance framework, the Board of Directors reviews all the policies, including ESG polices, 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	https://www.embassyofficeparks.com/esg/environment-policies/
Social	https://www.embassyofficeparks.com/esg/environment-policies/
Governance	https://www.embassyofficeparks.com/esg/environment-policies/

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

Unitholders

The number of Unitholders of the Embassy REIT as on March 31, 2023 was 77,178. The detailed category wise break-down of the composition of the Unitholders as on March 31, 2023 is given below:

Cate-gory	Category of Unit holder	No. of Units Held	As a % of Total Out- standing 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	72,864,279	7.69	-	-	72,864,279	100.00
	Sub- Total (A) (1)	**72,864,279**	**7.69**	**-**	**-**	**72,864,279**	**100.00**

Cate- gory	Category of Unit holder	No. of Units Held	As a % of Total Out- standing 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
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			170,987,069	100.00
	Sub- Total (A) (2)	**223,597,193**	**23.59**	**-**	**-**	**223,597,193**	**100.00**
	Total unit holding of Sponsor & Sponsor Group (A) = (A)(1) + (A)(2)	**296,461,472**	**31.28**	**-**	**-**	**296,461,472**	**100.00**

Cate- gory	Category of Unit holder	No. of Units Held	As a % of Total Outstanding Units
1.	**Institutions**		
a.	Mutual Funds	75,522,996	7.97
b.	Financial Institutions/Banks	0	0
c.	Central/State Govt.	0	0
d.	Venture Capital Funds	0	0
e.	Insurance Companies	34,022,817	3.59
f.	Provident/ pension funds	753,097	0.08
g.	Foreign Portfolio Investors	303,190,789	31.99
h.	Foreign Venture Capital Investors	0	0
i.	Any Other:- Alternative Investment Fund	52,203,261	5.51
	Sub- Total (B) (1)	**465,692,960**	**49.13**
2.	**Non-Institutions**		
a.	Central Government/State Governments(s)/President of India	0	0.00
b.	Individuals*	142,857,463	15.07
c.	NBFCs registered with RBI	2,269,538	0.24
d.	Any Other (specify):		
i.	Trusts	1,915,664	0.20
ii.	Non-Resident Indians	4,250,528	0.45
iii.	Clearing Members	47,475	0.005
iv.	Body Corporates	34,398,643	3.63
	Sub- Total (B) (2)	**185,739,311**	**19.59**
	Total Public Unit holding (B) = (B)(1)+(B)(2)	**651,432,271**	**68.72**
	Total Units Outstanding (C) = (A) + (B)	**947,893,743**	**100.00**

Meetings of the Unitholders

During the year ended March 31, 2023, 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 and approved at the fourth annual meeting of the Unitholders:

i. 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 March 31, 2022 together with the report of the Statutory Auditors thereon, and the report on performance of Embassy REIT; and

ii. 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 March 31, 2022.

Investor Complaints

Details of investor complaints received and redressed during the year ended March 31, 2023 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 complaints during the quarter ended December 31, 2022	Number of complaints during the quarter ended March 31, 2023
Number of investor complaints pending at the beginning of the quarter	Nil	Nil	Nil	Nil
Number of investor complaints received during the quarter	Nil	Nil	Nil	Nil
Number of investor complaints disposed off during the quarter	Nil	Nil	Nil	Nil
Number of investor complaints pending at the end of the quarter	Nil	Nil	Nil	Nil

Company Secretary and Compliance Officer

***Ms. Vinitha Menon**

Royal Oaks, Embassy Golf Links Business Park, Off Intermediate Ring Road, Bengaluru, Karnataka – 560071.

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

Ms. Namitha Kutnikar was appointed as the Interim Compliance Officer of Embassy REIT with effect from September 30, 2022, to hold office until the appointment of a new Company Secretary and Compliance Officer.

Thereafter, Ms. Vinitha Menon was appointed as the Company Secretary and Compliance Officer of Embassy REIT with effect from January 26, 2023. With the appointment of Ms. Vinitha Menon as the Company Secretary and Compliance Officer of Embassy REIT, the tenure of office held by Ms. Namitha Kutnikar as the Interim Compliance Officer ceased, with effect from the close of business hours on January 25, 2023.

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 - 560001 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 – 560071 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 - 400020 has been appointed as the Secretarial Auditor of Embassy REIT for the Financial Year 2022–23.

Ms. Rupal D. Jhaveri, as the Secretarial Auditor conducted the Secretarial Audit of Embassy REIT for the Financial Year 2022-23 and the secretarial compliance report is annexed to this report (Annexure 1). There are no qualifications, observations or adverse remarks mentioned in the said Report.

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.

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, Tower B, Plot No. 31-32, Financial District, Nanakramguda, Hyderabad, Telangana, India. PIN - 500032.

Telephone : +91 40 79615205

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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 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 year ended March 31, 2023 on the BSE and NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr-22	389	371	8,43,030	390	372	1,06,55,861
May-22	394	370	3,43,079	395	370	98,35,973
Jun-22	405	367	6,69,240	405	367	1,46,55,967
Jul-22	380	363	4,13,862	380	363	74,38,748
Aug-22	376	361	4,10,16,344	376	361	2,44,98,224
Sep-22	366	346	2,51,51,102	366	346	11,79,13,802
Oct-22	349	342	3,10,996	349	342	1,07,84,498
Nov-22	345	344	5,32,491	344	326	2,33,39,734
Dec-22	320	336	3,46,412	354	336	96,17,134
Jan-23	345	328	2,25,659	345	328	61,56,012
Feb-23	320	302	11,62,485	320	302	1,90,95,812
Mar-23	323	301	5,68,931	323	299	5,95,46,958

Transfer of Units:

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

Statutory Disclosures

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 pages 14-15 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 45 msf as of March 31, 2023. For further details on the properties please refer to pages 74-107 of this report. Embassy REIT was listed on the BSE and NSE on April 1, 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 year ended on March 31, 2023 on Commercial offices, Development and Hospitality are set forth on pages 24 - 35 respectively. The NAV of Embassy REIT as on March 31, 2023 was ₹394.88 per Unit, as represented on page 247. With respect to trading price, kindly refer to page 154 of this report.

b. Summary of the audited standalone and consolidated financial statements for the year

Please refer to pages 182-341 of this report.

2. Management discussion and analysis by the directors of the manager on activities of the REIT during the year, forecasts and future course of action

Please refer to pages 110-137 of this report.

3. 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 74-107 of this report.

b. Location of the properties

Please refer to pages 74-99 of this report.

c. Area of the properties

Please refer to pages 74-99 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/ Holdco as per the value of the lease are tabled below (in alphabetical order):

Name of the Asset SPV / Holdco	Full 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 Pvt. Ltd.
	Accelya Kale Solutions Limited
	DHL Logistics Private Limited
	ICICI Lombard General Insurance Company Limited
	Gallagher Service Center LLP
	Kent Engineering India Private Limited
	Future Retail Limited
	Radius Corporate Solutions India Pvt. Ltd.
Embassy One-Four Seasons	Illumina India Biotechnology Private Limited
	Belden India Private Limited
	Hyundai Motors India Pvt. Ltd.
	The State of the Netherlands
	Lohia Corp Limited
	Korea trade-Investment promotion agency
	Wework India management Pvt. Ltd.

Name of the Asset SPV / Holdco	Full name of the Tenant
Indian Express Newspapers (Mumbai) Private Limited	DBS Bank India Limited
	Shardul Amarchand Mangaldas & Co.
	Blackstone Advisors India
	The Indian Hotels Company Limited
	Warburg Pincus India Private Limited
	Enam Holdings Private Limited
	McKinsey & Company Inc.
	Jefferies India Pvt. Ltd.
	Bain Capital Advisors (India) Pvt. Ltd.
	NVP Ventures Capital India Private Limited
Earnest Towers Private Limited	Google India Private Limited
	Executive Centre India Pvt. Ltd.
	Oracle India Private Limited
	Pernod Ricard India Private Limited
	Sony Music Entertainment India Pvt. Ltd..
	ICICI Securities Primary Dealership Limited
	Integrow Asset Management Private Limited
	Mirah Hospitality and Gourmet Solutions Pvt. Ltd.
	Massive Restaurants Private Limited (Masala Library)
	Impresario Entertainment and Hospitality Pvt. Ltd. (Smoke House Deli)
Galaxy Square Private Limited	DXC Technology India Pvt. Ltd.
	Tata Consultancy Services Limited
	Fiserv India Private Limited
	Qualitest India Private Limited
	Pragmatic Play India Private Limited
	Ingenico International India Private Limited
	Simpliwork Offices Private Limited
	Avaada Clean Project Private Limited
	TMF Services India Pvt. Ltd.
	Wow Vision India Private Limited

Name of the Asset SPV / Holdco	Full name of the Tenant
Oxygen Business Park Private Limited	NTT Data Information Processing Services Private Limited
	Optum Global Solutions (India) Private Limited
	Metlife Global Operations Support Center Pvt. Ltd.
	Global Logic India Private Limited
	ExlService.com (India) Private Limited
	Sapient Consulting Private Limited
	Ingenuity Gaming Private Limited
	Jubilant Foodworks Limited
	Vodafone Idea Limited
	Bharti Airtel Limited
Quadron Business Park Private Limited	Cognizant Technology Solutions India Private Limited
	E-CLERX Services Private Limited
	Telstra Global Business Services LLP
	Human Business Intellegence Technology Solutions Private Limited
	Luxoft India LLP
	Teledyne Lecroy India Trading Private Limited
	Vodafone Idea Limited
	Storybook Ventures Private Limited
	Glow Energy
	EIT Services India Private Limited
Qubix Business Park Private Limited	Accenture services Private Limited
	L & T Infotech Limited
	Persistent systems & solutions Limited
	Tata Technologies Limited
	Sciformix Technologies Private Limited
	Aker Powergas Subsea Private Limited
	HCL Technologies Limited
	Crisil Limited
	NCSI Technologies (India) Private Limited
	Searce Logistics Analytics LLP

Name of the Asset SPV / Holdco	Full name of the Tenant
Manyata Promoters Private Limited	Cognizant Technology Solutions India Private Limited
	IBM India Private Limited
	ANSR Global Corporation Private Limited
	Target corporation India Private Limited
	Lowe's Services India Pvt. Ltd.
	Nokia Solutions and Networks India Pvt. Ltd.
	CBS Services Private Limited
	Cerner HealthCare Sollutions Private Limited
	Alcatel-Lucent India Limited
	Legato Health Technologies LLP
Embassy Pune Techzone Private Limited	IBM India Private Limited
	HCL Technologies Limited
	Infosys BPM Limited
	Mercedes Benz Research and Development
	Nice Interactive Solutions India Private Limited
	Volkswagen services India Private Limited
	Access Healthcare Services Pvt. Ltd.
	Rockwell automation India Pvt. Ltd.
	Flextronics Technologies (India) Private Limited
	Aditi Technologies Private Limited
Embassy TechVillage	JP Morgan Services India Private Limited
	Wells Fargo Bank NA
	Flipkart Internet Private Limited
	Cisco Systems (India) Private Limited
	Bundl Technologies Private Limited
	Eli lilly Services India Private Limited
	Quest Global Engineering Services Private Limited
	Mathwork India Private Limited
	Telstra Global Business Services LLP
	Great West Global Business Services India Private Limited
Embassy Business Hub	Philips Innovation Campus

Additionally, for the top 10 tenants of Embassy REIT, please refer to pages 17 of this report.

For the lease maturity profile of each Asset SPV, please refer to pages 26-27 of this report.

e. Details of under-construction properties, if any, etc.

Please refer to page 32-33 of this report.

4. Brief summary of the full valuation report as at the end of the year

Please refer to pages 342-380 of this report.

5. Details of changes during the 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 full valuation reports) and NAV

Please refer to page 353 of this report for Gross Asset Valuation and pages 193 and 247 for standalone and consolidated NAV respectively.

c. Letting of assets, occupancy, lease maturity, key tenants, etc.

Please refer to pages 34 of this report with respect to the new leases for the financial year ended March 31, 2023. The occupancy of Embassy REIT as of March 31, 2023 was 86% The WALE of Embassy REIT is set out at page 26-27. The current list of key tenants is set out at page 17 of this Report.

d. Borrowings/ repayment of borrowings (standalone and consolidated)

Please refer to pages 214-220 of this report with respect to borrowings on a standalone basis as on March 31, 2023 and pages 290-303 of this report with respect to borrowings on a consolidated basis, as on March 31, 2023.

Please refer to pages 214-220 of this report with respect to repayment of borrowings on a standalone basis and pages 290-303 of this report with respect to repayment of borrowings on a consolidated basis. On a standalone basis as on March 31, 2023, the repayment of borrowings including redemption premium 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 year ended March 31, 2023. 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 repledged 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.

On March 03, 2023, the Embassy Sponsor sold 4,26,20,523 Units on-market on the stock exchange platform (the **"Trade"**) and released the encumbrance on their Units prior to such Trade. The Embassy Sponsor held an aggregate of 11,54,84,802 units, aggregating to 12.18% of the total outstanding Units of the Embassy REIT prior to the Trade. Post the Trade, the Embassy Sponsor holds 7,28,64,279 units, aggregating to 7.69 % 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 year

The Board of Directors at their Meeting held on March 28, 2023, approved the acquisition of Embassy Business Hub, a commercial real estate project in Bengaluru, India, which is expected to comprise a total leasable area of approximately 2.1 million sq. ft. in the commercial towers upon completion (**"Embassy Business Hub, Bengaluru"**) (of which ECPL will be entitled to exclusive ownership rights over approximately 1.4 million sq. ft. of leasable area including the right to provide common area maintenance services and common infrastructure services), by Embassy REIT, through the acquisition of 100% of the equity share capital of Embassy Construction Private Limited (**"ECPL"**) from JV Holding Private Limited and Mr. Jitendra Virwani, being affiliates of Embassy Property Developments Private Limited (a sponsor of Embassy REIT).

The acquisition was completed on March 31, 2023.

6. Update on development of under-construction properties, if any

Please refer to page 32-33 of this report.

7. Details of outstanding borrowings and deferred payments of Embassy 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 year

Please refer to page 134 and pages 214-220 for standalone and pages 290-303 for consolidated of this report.

8. Debt maturity profile over each of the next 5 years and debt covenants, if any

Please refer debt maturity profile on page 134 and for debt covenants refer pages 214-220 for standalone and pages 290-303 for consolidated of this report.

9. The total operating expenses of the REIT, including all fees and charges paid to the manager and any other parties, if any during the year

Please refer to pages 222-223 and pages 305-307 of this report.

10. Past performance of Embassy 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 financial year, the highest and lowest unit price and the average daily volume traded during the financial year

Particulars	March 31, 2023		March 31, 2022		31-Mar-21		31-Mar-20	
Units Outstanding	94,78,93,743	94,78,93,743	947,893,743	947,893,743	947,893,743	947,893,743	771,665,343	771,665,343
Unit Price Performance (₹)	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE
Opening Price: April 1, 2022	371.00	369.15	325.4	325	351.00	350.2	308.00	300.00
Closing Price: March 31, 2023	312.17	312.25	371.75	371.72	325.45	325.43	350.74	351.51
52-Weeks-High (₹ per unit)	404.99	404.95	389.98	390.07	397.40	397.7	512.00	518.00
52-Weeks-Low (₹ per unit)	301.00	301.05	304.57	304.89	318.65	318.51	301.35	300.00
Market Capitalisation (₹ billion)								
March 31, 2023	295.90	295.98	352.38	352.35	308.49	308.47	270.65	271.25
Trading Volume for FY 2023								
Units (Million)	270.92	71.58	190.3	90.53	142.29	119.93	98.54	15.03
₹ Billion	94.07	25.43	66.63	31.7	49.75	40.79	38.28	5.94
Average Daily Trading Volume (ADTV) for FY2023								
Units	10,88,025	2,87,484	7,67,321	365,036	5,71,461	4,81,639	398,951	60,856
₹ million	377.80	102.13	268.66	127.83	199.79	163.81	154.99	24.06
Distribution per unit	21.71			21.76	21.48		24.39	
Distribution Yield	6.95%			5.85%	6.60%		6.95%	

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.

11. Related party transactions

a. Refer to pages 325-330 of this report which contains details of all related party transactions entered into by the Embassy REIT and its Asset SPVs during the financial year ended March 31, 2023 (excluding transactions between Embassy REIT and its Asset SPVs which are eliminated on consolidation).

b. Refer to pages 224-229 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 company and its Asset SPVs.

12. Details of fund-raising during the financial year ended March 31, 2023

Embassy REIT Series VI NCD of ₹10,000 million

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 1 million per debenture, aggregating to ₹10,000 million on a private placement basis as per the terms and conditions as mentioned in the Information Memorandum for the said issue.

Embassy REIT Term Loan of ₹10,000 million

Embassy REIT had availed a term loan of ₹10,000 million with a Flexi Loan sub-limit of ₹2,500 million from Bajaj Housing Finance Limited on January 31, 2023, as per the terms and conditions of the sanction letter dated January 24, 2023 and the corporate rupee loan facility agreement dated January 28, 2023 for the said transaction.

13. Brief details of material and price sensitive information

Not applicable

14. Brief details of material litigations and regulatory actions which are pending against Embassy REIT, sponsor(s), manager or any of their associates and sponsor group(s) and the trustee, if any, as at the end of the 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. 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 title litigations pertaining to the Portfolio as of March 31, 2023:

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 betterment charges under protest vide letter dated March 30, 2022. 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. The City Civil 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. Another respondent has also filed a miscellaneous petition before the City Civil Court on September 3, 2020 and the matter is currently pending.

d. A third-party suit was filed against MPPL and other defendants on September 24, 2020 before the Prl. 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 plaint filed by the third party and the matter is currently pending. MPPL's application to reject the plaint has been dismissed and MPPL has filed an appeal before the High Court and the matter is yet to be listed.

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 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 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. The City Civil Court had passed orders rejecting the plaint on January 1, 2023.

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 City Civil Court vide order dated December 15, 2022 dismissed the impleading application field by MPPL. against which an appeal has been filed by MPPL. The original suit and the appeal are 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. 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. 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. The land parcels in this matter do not form part of Embassy Manyata. The matter is currently pending.

r. An original suit was filed by third parties in 2022 before the City Civil Judge, Bangalore in relation to land parcels admeasuring 31 guntas situated at Rachenahalli Village K.R. Puram, Hobli, Bangalore, East Taluk, Bangalore. The plaintiff claims that the land parcels are joint family properties and has sought inter-alia (i) for a separate possession of the 1/9th share of the suit schedule properties and (ii) declaration that the sale deeds executed are not binding on the plaintiff. The matter is currently pending.

s. An original suit was filed by third parties in 2022 before the City Civil Judge, Bangalore in relation to land parcels admeasuring 2 acre 27 guntas situated at Nagavara Village K.R. Puram, Hobli, Bangalore, East Taluk, Bangalore. The plaintiffs' claim that the land parcels were acquired through a partition deed and have sought inter-alia (i) for a partition and separate possession of the 4/6th share of the suit schedule and (ii) a declaration that certain sale deeds executed are not binding upon plaintiff's share. 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 GoI'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.

D. Embassy Golflinks

a. 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. The matter is currently pending.

b. 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.

c. 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 and set aside the 2014 order passed by the High Court of Karnataka. Further, the High Court ordered that the interim stay shall continue till disposal of the writ petition. 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. The Survey was conducted on November 22, 2022 in the presence of the representatives of the relevant parties and the joint survey report has been submitted before the High Court of Karnataka and circulated to the relevant parties. However, the Estate Officer has submitted before the High Court of Karnataka that the report has not been received. The matter is currently pending.

d. 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 one of the respondent. The matter is currently pending.

e. 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. Additionally, the Plaintiff has filed a final decree proceedings before the Court Additional of City Civil Judge pursuant to the order dated September 23, 2017. The High Court has notified that the final decree proceedings shall go on, however no final decree proceedings shall be drawn up.

f. 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.

g. 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. The Court passed orders on July 1, 2022 restraining Embassy Golflinks from alienating or creating any charge over the land parcel.

h. Certain third parties have filed a suit in 2003 before the City Civil Court, Bengaluru in respect of a property admeasuring 1 acre and 36 guntas, forming part of Embassy Golflinks. and has sought inter-alia (i) for separate possession (ii) declaration that the sale deeds executed are not binding upon plaintiff' and (iii) issue injunction. The suit was partly decreed by the Court on September 23, 2021, where the it was held that the plaintiff was not entitled to possession over the land parcel forming part of Embasys GolfLinks. The plaintiff being aggrieved by the Judgement dated September 23, 2021, has challenged the same before the High Court in an appeal. The matter is pending.

G. Embassy Tech Village

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.

e. Certain third parties have filed an original suit against Vikas Telecom Limited (currently known as VTPL) in 2004 before the City Civil Court, Bengaluru in respect of a property admeasuring 49 guntas, forming part of Embassy Tech Village and has sought inter-alia (i) 1/5th share in the land parcel and (ii) for separate possession. The suit was dismissed on November 29, 2011. The plaintiff being aggrieved by the Judgement preferred an appeal against the dismissal before the High Court of Karnataka in 2012. The matter is pending.

f. Certain third parties have filed an original suit in 2018 before the City Civil Court, Bengaluru in respect of a property admeasuring 34 and 1/2 guntas. The plaintiff is seeking permanent injunction against VTPL from interfering with the peaceful possession and enjoyment of the land parcels by the plaintiff. However, it is to be noted that this land parcel does not form part of Embassy Tech Village. The matter is currently pending.

H. Embassy Business Hub

a. Certain third parties have filed an original suit against ECPL in 2019 before the Senior Civil Judge Court, Bengaluru in respect of property admeasuring 2 acres 05 guntas forming part of Embassy Business Hub and have sought inter-alia (i) declaration, division and separate possession of the plaintiff's share and (ii)) declaration that the sale of the land parcel is not binding on the plaintiff. The matter is currently pending.

b. Certain third parties have filed an original suit in 2023 before the Senior Civil Judge Court, Bengaluru in respect of property admeasuring 5.5 guntas forming part of Embassy Business Hub and has sought inter-alia (i) partition and separate possession of 1/4th share in the land parcel and (ii) issue an injunction against ECPL from alienating, encumbering or creating a charge on the property. 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 ₹ (341.9543) million (being 1% of the consolidated income as of March 31, 2023) 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 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 March 31, 2023. Further, there is no litigation against Embassy REIT as of March 31, 2023.

A. MPPL

(a) Regulatory Proceedings

i. The Director, SEZ Section, GoI 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.

ii. MPPL has received a demand note dated October 13, 2022 from the Bangalore Water Supply and Sewerage Board (**"BWSSB"**) for a payment of total charges amounting to ₹2,15,00,256 in relation to issuance of a no-objection certificate for a proposed project commercial building. MPPL filed a writ petition before the High Court of Karnataka against the State of Karnataka, Bangalore Water Supply and Sewerage Board and others challenging, the demand notice issued against MPPL and seeking inter-alia, (i) quash the demand notice dated October 13, 2022; and (ii) issuance of no-objection certificate to MPPL. Pursuant to an order dated November 21, 2022, the High Court of Karnataka granted an ad-interim stay on the demand notice dated October 13, 2022, in relation to certain charges and instructed MPPL to pay the remaining sum of monies to BWSSB. Accordingly, MPPL has made the requisite payment hereunder and received the NOC from BWSSB. The matter is currently pending.

B. EEPL

Regulatory Proceedings

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.

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. The National Company Law Appellate Tribunal, Chennai had dismissed the Appeal filed by the third party sub-contractor, vide order dated June 16, 2023.

Criminal Proceedings

(a) First Information Report ("**FIR**") for an offence under various sections of the Indian Penal Code, 1860 was registered by Deonar Police Station against representatives of EEPL and another person pursuant to a complaint filed by a representative of Sterling Wilson Renewable Energy Private Limited ("**SWREL**") (formerly known as the Sterling Wilson Private Limited) being the third-party contractor under the Section II B (a) above. The complaint filed by SWREL alleges that EEPL has not made balance payments amounting to ₹ 131 crores (inclusive of interest). In response, EEPL and its representatives have filed a Criminal Writ Petition before the High Court of Bombay against the State of Maharashtra and the representative of SWREL have requested (i) quashing and setting aside of the FIR and subsequent transfer to the Economic Offence Wing, Mumbai and (ii) stay on further proceedings under the FIR and the subsequent transfer to the Economic Offence Wing.

(b). In relation to Embassy Energy, ISPL has identified 465.8 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 landowners for 465.8 acres of land. Applications for approval under Section 109 have been made for 465.5 acres of land. EEPL has executed sale deeds in respect of 424.4 acres of land. Of the 424.4 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 in1990 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, GoI 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 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 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 have submitted oral and written arguments. The matter is pending.

F. Embassy Construction Private Limited

Regulatory Proceedings

a. Embassy Construction Private Limited ("ECPL") received a demand note dated June 16, 2020 from the Bangalore Water Supply and Sewerage Board for a payment of total charges amounting to ₹23.42 million in relation to issuance of a no-objection certificate for a proposed project commercial building on land situated at Venkatala Village, Yelahanka Hobli, Bangalore North Taluk, Bangalore. ECPL 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 Administration Fees & Scrutiny Fees amounting to ₹3.2 million and directed BWSSB post receipt of such fee and the said demand notice will be subject to outcome of the Writ Petition. The aforesaid ₹3.2 million was paid on December 15, 2020 to BWSSB and the NOC in relation to same has been received. The matter is currently pending.

b. ECPL received a demand notice dated July 16, 2021 from BBMP towards ground rent and other charges for the purposes of issuing the modified plan sanction for Embassy Business Hub. 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 an interim stay against the ground rent, license fee, betterment charges, security deposit, cess on labour charges, 5% service charges under the demand notice dated July 16, 2021 and has directed ECPL to pay the balance demand amount under the demand notice. Further, the High Court of Karnataka has also indicated that the in the event the writ petition fails, ECPL will be liable to pay the entire demand raised under the demand notice dated July 16, 2021 i.e. ₹ 65.67 million. ECPL has paid the requisite fee of ₹22.36 million on October 21, 2021 to BBMP as per the order dated August 27, 2021 and has received the modified plan sanction.

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 ₹533.8 million (being 5% of the total consolidated revenue of Embassy Sponsor for the Financial Year 2023) 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 March 31, 2023

Criminal Litigation

(i) 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 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 the 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 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. ₹ 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.

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 ₹533.8 million (being 5% of the total consolidated revenue of Embassy Sponsor for the Financial Year 2023) 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 March 31, 2023.

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 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 Judgement 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 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 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) Udhyaman Investments Private Limited 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.

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 March 31, 2023 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 9.65 million (being 5% of the income of the Blackstone Sponsor for the calendar year ended December 31, 2022) pending against them.

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

As of March 31, 2023 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 2022-2023 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, EOVPL, 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 March 31, 2023, the Trustee does not have any regulatory actions, criminal matters, or material civil/commercial litigation, i.e. in excess of ₹12.32 million (Indian ₹ Twelve Point Three Two Million Only) being 5% of the income of the profit after tax of the Trustee for the Financial Year 2022- 2023) pending against it.

VIII. Taxation Proceedings**

Details of all direct tax, indirect tax and property tax matters against the Relevant Parties as of March 31, 2023 are as follows:

Nature of case	Number of cases	Amount involved (in ₹ million)
Embassy REIT (Asset SPVs and Investment Entity)		
Direct Tax	25	252.94
Indirect Tax	16	772.09
Property Tax	4	3,418.9
Embassy Sponsor – EPDPL		
Direct Tax	10	186.75
Indirect Tax	1	122.88
Property Tax	Nil	Nil
Key Persons (Board of Directors) of the Embassy Sponsor		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Blackstone Sponsor		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Key Persons (Board of Directors) of the Blackstone Sponsor		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Manager – EOPMSPL		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Blackstone Sponsor Group		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Associates of the Manager*		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Associates of the Embassy Sponsor		
Direct Tax	49	498.2
Indirect Tax	39	750.98
Property Tax	Nil	Nil
Associates of the Blackstone Sponsor#		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil

* Excludes Associates of the Sponsors

\# Excludes the Blackstone Sponsor Group

15. 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 recognised 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, 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.
19. We have entered into material related party transactions, the terms of which may be unfavourable 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 may invest in under construction real estate projects which may be adversely affected by delay in completion 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 judgements.
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. Trusts like Embassy REIT may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
2. 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.
3. 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.
4. Unitholders are unable to request for the redemption of their Units.
5. The Units may experience price and volume fluctuations and there may not be an active or liquid market for the Units.
6. There can be no assurance on the trading price of the Units and the price of the Units may decline.
7. 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 portion 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.
8. Our rights and the rights of the Unitholders to recover claims against the Manager or the Trustee are limited.
9. NAV per Unit may be diluted if further issues are priced below the current NAV per Unit.
10. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Manager and us.
11. The ability of the public Unitholders to remove the Trustee or the Manager may be limited because of the conditions under the REIT Regulations.

16. Information of the contact person of Embassy REIT

Ms. Vinitha Menon

Company Secretary and 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

17. 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.

18. Auditor's report

Please refer to pages 182-187 and 236-241 of this report.

Annexure-I

Secretarial Compliance Report of Embassy Office Parks REIT

For the year ended 31st March, 2023

[Pursuant to Regulation 26D of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014

I have examined:

(a) all the documents and records made available to us and explanation provided by **Embassy Office Parks Management Services Private Limited** ("the Manager"), acting as Manager to **Embassy Office Parks REIT** ("the listed entity");

(b) the filings/ submissions made by the Manager to the stock exchanges;

(c) website of the listed entity;

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended **31st March, 2023 ("Review Period")** in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 (**"SEBI Act"**) and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 (**"SCRA"**), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (**"SEBI"**);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to Embassy REIT and Manager during the audit period)

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not Applicable to Embassy REIT and Manager during the audit period);

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to Embassy REIT and Manager during the Audit Period);

(e) Securities and Exchange Board of India (Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to Embassy REIT and Manager during the Audit Period);

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not Applicable to Embassy REIT and Manager during the Audit Period);

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014

(j) Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014

(k) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003

(l) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

and circulars/ guidelines issued thereunder and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity acting through the Manager has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matter specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines/ including specific clause)	Regulation/ Circular No.	Deviations	Actions taken by	Type of Action
1	NIL	NIL	NA	NA	NA

Details of Violation	Fine Amount	Observations/ remarks of the Practicing Company Secretary, if any	Management Responses	Remarks
NA	NA	NA	NA	NA

(b) The reporting of actions by the listed entity to comply with the observations made in previous report does not arise during the review period.

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines/ including specific clause)	Regulation/ Circular No.	Deviations	Actions taken by	Type of Action
1	NA	NA	NA	NA	NA

Details of Violation	Fine Amount	Observations/ remarks of the Practicing Company Secretary, if any	Management Responses	Remarks
NA	NA	NA	NA	NA

Place: Mumbai
Date: April 25, 2023

Rupal Dhiren Jhaveri
FCS No: 5441
Certificate of Practice No. 4225
UDIN: F005441E000191693
Peer Review Certificate No.: PR1139/2021

This report is to be read with Detailed Annexure for Additional Affirmations of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

Detailed Annexure for Additional Affirmations

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations/ Remarks by PCS
(a)	The compliances of **Embassy Office Parks Management Services Private Limited** ("the Manager"), acting as Manager to **Embassy Office Parks REIT** ("the listed entity") is in accordance with the applicable Secretarial Standards (SS) issued by Institute of Company Secretaries India (ICSI);	Yes	-
(b)	• All policies under SEBI Regulations are adopted with the approval of the Board of Directors of the listed entity; • All the policies are in conformity with the SEBI Regulations and have been reviewed and timely updated as per the regulations/ circulars/ guidelines issued by SEBI.	Yes	-
(c)	• The listed entity is maintaining a functional website; • Timely dissemination of the documents/ information is made under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes	-
(d)	None of the Directors of the Manager are disqualified under Section 164 of the Companies Act, 2013.	Yes	-
(e)	• Identification of material subsidiary companies • Requirements with respect to disclosure of material as well as other subsidiaries	NA	The listed entity is a REIT and has Special Purpose Vehicles ('SPVs'). In the opinion of the Management there are no material subsidiaries of the listed entity as Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 do not prescribe the concept of 'material subsidiaries'
(f)	The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015;	Yes	-

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations/ Remarks by PCS
(g)	The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations;	Yes	-
(h)	• The listed entity has obtained prior approval of Audit Committee for all Related party transactions; • In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit committee.	NA	The listed entity is a REIT and this point is not applicable pursuant to the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014
(i)	The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder- Not Applicable as the Units of REIT do not attract the provisions of Regulation 30 of SEBI LODR Regulations, 2015.	Yes	-
(j)	The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015;	Yes	-
(k)	No Actions have been taken against the listed entity/ its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	-
(l)	No additional non-compliance is observed for all SEBI regulations/circulars/guidance notes etc.	Yes	-

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations/ Remarks by PCS
1.	**Compliances with the following conditions while appointing/ re-appointing an auditor:**		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	No auditor has been appointed/ re-appointed for the period under review.
2.	**Other conditions relating to resignation of statutory auditor:**		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non- cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the Company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	There is no resignation of the auditor during the period under review.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in **Annexure- A** in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	There is no resignation of the auditor during the period under review.

Rupal Dhiren Jhaveri
FCS No: 5441
Certificate of Practice No. 4225
UDIN: F005441E000191693
Peer Review Certificate No.: PR1139/2021

Place: Mumbai
Date: April 25, 2023

Independent Auditor's Report

To the Unitholders' of Embassy Office Parks REIT

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Embassy Office Parks REIT (hereinafter referred to as "the REIT"), comprising of the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Unitholders' equity for the year then ended and the Statement of Net Assets at fair value as at March 31, 2023 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows of the REIT for the year then ended and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations, of the state of affairs of the REIT as at March 31, 2023, its profit including other comprehensive income, its cash flows, its statement of changes in Unitholders' equity for the year ended on that date, its net assets at fair value as at March 31, 2023, its total returns at fair value and the Net Distributable Cash Flows of the REIT for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the REIT in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional Judgement, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Assessing impairment of Investments and loans made by the REIT in subsidiaries and joint venture entity (as described in note 2.2 (c), 3, 4 and 7 of the standalone Ind AS financial statements)	
As at March 31, 2023, the carrying values of REIT's investment in subsidiaries and joint venture entity amounted to ₹246,260.89 million. Further the REIT has granted loans to its subsidiaries amounting to ₹93,860.84 million. Management reviews regularly whether there are any indicators of impairment of such investments/ loans by reference to the requirements under Ind AS. Management performs its impairment assessment by comparing the carrying value of these investments/ loans made to their recoverable amount to determine whether an impairment needs to be recognised. For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. Significant judgements are required to determine the key assumptions used in determination of value in use. Considering the impairment assessment involves significant assumptions and judgement, we regard this as a key audit matter.	Our audit procedures included, among others, the following: - We assessed the REIT's valuation methodology applied in determining the recoverable amount. - We involved valuation specialists to: (a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data. (b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer. (c) Discussed changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable. - We compared the recoverable amount of the investment to the carrying value in books as at March 31, 2023. - As regards loans granted, we obtained and considered management evaluation of recoverability of loans and advances granted to its subsidiaries and joint venture entity. - We read/assessed the disclosures in the standalone Ind AS financial statements for compliance with the relevant accounting standards requirements.

Key audit matters	How our audit addressed the key audit matter
Classification of Unitholders' funds as equity (as described in note 10(a) of the standalone Ind AS financial statements)	
The REIT is required to distribute to its Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the Unitholders' funds contains a contractual obligation of the REIT to pay cash distributions to its Unitholders. The Unitholders' funds could have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/141/2016 dated December 26, 2016 and No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("SEBI Circulars") 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. Based on the above, the classification of Unitholders' funds as equity involved considerable management judgement. Accordingly, it is considered as a key audit matter.	Our audit procedures included evaluating the requirements for classification of financial liability and equity under Ind AS 32 and evaluating the provisions of SEBI Circulars for classification/ presentation of Unitholders' funds in the standalone Ind AS financial statements of the REIT. We assessed the disclosures in the standalone Ind AS financial statements for compliance with the relevant requirements of REIT regulations.

Independent Auditor's Report

Key audit matters	How our audit addressed the key audit matter
Computation and disclosures of Net Assets and Total Returns at Fair Value (as described in note 2.2(c) and in Statement of Net assets at fair value and Statement of total returns at fair value of the standalone Ind AS financial statements)	
As per the provisions of REIT Regulations, the REIT is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The determination of fair value involves judgement due to inherent uncertainty in the underlying assumptions and it is highly sensitive to changes in some of the inputs used e.g. the discounting rate (WACC), capitalisation rates, rental growth rates etc. Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	Our audit procedures include, among others, the following- - Read the requirements of SEBI REIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. - Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values. - Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation. - We involved valuation specialists to: (a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data. (b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer. (c) Discussed changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable. - Tested the arithmetical accuracy of computation in the Statement of Net Assets and Total Returns at Fair Value. - Read/Assessed the disclosures in the standalone Ind AS financial statements for compliance with the relevant requirements of REIT Regulations.

Key audit matters	How our audit addressed the key audit matter
Related party transactions and disclosures (as described in note 26 of the standalone Ind AS financial statements)	
The REIT has undertaken transactions with its related parties in the normal course of business. These include making new or additional investments; lending of loans to SPVs, interest and dividend income on such loans/ investments, fees for services provided by related parties to REIT etc as disclosed in Note 26 of the standalone Ind AS financial statements. We identified the recording of all possible related party transactions and its disclosure as set out in respective notes to the standalone Ind AS financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2023 and regulatory compliance thereon.	Our audit procedures included, among others, the following: - Obtained, read and assessed the REIT's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with REIT regulations. - We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents for appropriate authorisation and approval for such transactions. - We read minutes of Unitholder meetings, Board and its relevant committee meetings and minutes of meetings of those charged with governance of the Manager in connection with transactions with related parties effected during the year and REIT's assessment of related party transactions being in the ordinary course of business at arm's length and in accordance with the REIT regulations. - Assessed and tested the disclosures made in accordance with the requirements of Ind AS and REIT regulations.

Other Information

The Management of Embassy Office Parks Management Services Private Limited ("the Manager"), acting in its capacity as the manager of Embassy Office Parks REIT is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Management of the Manager ('the Management') is responsible for the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position as at March 31, 2023, financial performance including other comprehensive income, cash flows, statement of changes in Unitholders' equity for the year ended March 31, 2023, its net assets at fair value as at March 31, 2023, its total returns at fair value and the net distributable cash flows of the REIT for the year ended March 31, 2023, in accordance with the requirements of the REIT regulations; Indian Accounting Standards as defined 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. This responsibility also includes the design, implementation

Independent Auditor's Report

and maintenance of adequate controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Management is also responsible for overseeing the financial reporting process of the REIT.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the REIT to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the REIT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by the REIT Regulations, we report that:

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

(b) The Balance Sheet and the Statement of Profit and Loss including the Statement of Other Comprehensive Income dealt with by this Report are in agreement with the books of account of the REIT; and

(c) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), to the extent not inconsistent with REIT regulations.

for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership number: 209567
UDIN: 23209567BGXVYF8769
Place: Bengaluru, India
Date: April 27, 2023

Standalone Balance Sheet

(all amounts in ₹ million unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Financial assets			
- Investments	3	246,260.89	239,333.52
- Loans	4	92,756.54	86,410.72
Other non-current assets	5	-	1.47
Total non-current assets		**339,017.43**	**325,745.71**
Current assets			
Financial assets			
- Cash and cash equivalents	6	5,280.15	5,200.47
- Loans	7	1,104.30	2,080.00
- Other financial assets	8	39.93	6.51
Other current assets	9	97.38	50.95
Total current assets		**6,521.76**	**7,337.93**
Total assets		**345,539.19**	**333,083.64**
EQUITY AND LIABILITIES			
Equity			
Unit capital	10	288,262.11	288,262.11
Other equity	11	(37,689.45)	(30,233.92)
Total equity		**250,572.66**	**258,028.19**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	12	53,784.79	74,491.33
Total non-current liabilities		**53,784.79**	**74,491.33**
Current liabilities			
Financial liabilities			
- Borrowings	13	40,873.02	-
- Trade payables	14		
- total outstanding dues of micro and small enterprises		7.41	0.59
- total outstanding dues of creditors other than micro and small enterprises		0.35	8.22
- Other financial liabilities		190.44	463.90
Other current liabilities		108.70	88.61
Liabilities for current tax (net)		1.82	2.80
Total current liabilities		**41,181.74**	**564.12**
Total equity and liabilities		**345,539.19**	**333,083.64**
Significant accounting policies	2		

The accompanying notes referred to above are an integral part of 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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Standalone Statement of Profit and Loss

(all amounts in ₹ million unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME AND GAINS			
Dividend		9,707.00	9,475.00
Interest	18	10,841.61	11,579.53
Other income	19	71.25	81.52
Total Income		**20,619.86**	**21,136.05**
EXPENSES			
Valuation expenses		10.62	11.56
Audit fees	23	4.70	4.85
Investment management fees	37	239.47	254.46
Trustee fees		2.95	2.95
Legal and professional fees		162.54	57.11
Other expenses	20	66.76	42.57
Total Expenses		**487.04**	**373.50**
Earnings before finance costs, impairment loss and tax		**20,132.82**	**20,762.55**
Finance costs	21	6,017.63	6,462.30
Impairment loss	3	1,295.12	857.48
Profit before tax		**12,820.07**	**13,442.77**
Tax expense:	22		
Current tax		28.59	45.35
		28.59	45.35
Profit for the year		**12,791.48**	**13,397.42**
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		-	-
Total comprehensive income for the year		**12,791.48**	**13,397.42**
Earning per unit			
Basic		13.49	14.13
Diluted		13.49	14.13
Significant accounting policies	2		

The accompanying notes referred to above are an integral part of these 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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Standalone Statement of Cash Flows

(all amounts in ₹ million unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	12,820.07	13,442.77
Adjustments to reconcile profit before tax to net cash flows:		
Interest income	(10,841.61)	(11,579.53)
Dividend	(9,707.00)	(9,475.00)
Profit on sale of investments	(71.25)	(75.97)
Impairment loss	1,295.12	857.48
Liabilities no longer required written back	-	(5.55)
Finance costs	6,017.63	6,462.30
Operating cash flow before working capital changes	**(487.04)**	**(373.50)**
Changes in:		
Other current assets and non-current assets	(44.96)	(45.76)
Other current and non-current liabilities	20.09	62.01
Other current financial liabilities	98.42	2.51
Other financial assets	(33.42)	(6.51)
Trade payables	(1.05)	6.21
Cash used in operations	**(447.96)**	**(355.05)**
Income taxes paid, net	(29.57)	(46.25)
Net cash used in operating activities	**(477.53)**	**(401.30)**
Cash flow from investing activities		
Loans given to subsidiaries	(21,166.42)	(10,232.51)
Loans repaid by subsidiaries	17,562.42	27,743.31
Investment in subsidiary (refer note 40)	(64.66)	-
Investment in debentures issued by joint venture	(9,500.00)	-
Contingent consideration paid	(350.00)	-
Redemption of debentures issued by joint venture	1,342.17	-
Interest received	9,075.49	7,600.48
Dividend received	9,707.00	9,475.00
Redemption/(Investments) in mutual funds, (net)	71.25	75.97
Net cash generated from investing activities	**6,677.25**	**34,662.25**

Standalone Statement of Cash Flows

(all amounts in ₹ million unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from financing activities		
Expenses incurred towards issue of units	-	(17.72)
Proceeds of borrowings from financial institutions (net of issue expenses)	9,971.69	-
Proceeds from Issue of Non-convertible debentures (net of issue expenses)	9,925.80	33,771.77
Redemption of Non-convertible debentures (including redemption premium)	-	(45,302.84)
Distribution to unitholders	(20,246.43)	(20,947.51)
Interest paid	(5,771.10)	(3,735.44)
Net cash used in financing activities	**(6,120.04)**	**(36,231.74)**
Net increase/(decrease) in cash and cash equivalents	**79.68**	**(1,970.79)**
Cash and cash equivalents at the beginning of the year	5,200.47	7,171.26
Cash and cash equivalents at the end of the year	**5,280.15**	**5,200.47**
Cash and cash equivalents comprise:		
Balances with banks		
- in current accounts	5,276.63	5,197.53
- in escrow accounts	3.52	2.94
Cash and Cash equivalents at the end of the year (refer note 6)	**5,280.15**	**5,200.47**
Significant accounting policies (refer note 2)		

The accompanying notes referred to above are an integral part of these 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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Standalone 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 1 April 2021	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at March 31, 2022	**947.90**	**288,262.11**
Balance as at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at March 31, 2023	**947.90**	**288,262.11**

B. Other equity

Particulars	Reserves and Surplus Retained Earnings
Balance as at 1 April 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 1 April 2022	**(30,233.92)**
Add : Total comprehensive income for the year ended March 31, 2023	12,791.48
Less: Distribution to Unitholders during the year ended March 31, 2023 * ^^	(20,247.01)
Balance as at March 31, 2023	**(37,689.45)**

* 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 debt 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 year ended March 31, 2023 does not include the distribution relating to the quarter ended March 31, 2023, 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

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
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Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

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

S. No	Particulars	Unit of measurement	As at March 31, 2023		As at March 31, 2022	
			Book value	Fair value	Book value	Fair value
A	Assets	₹ in million	345,539.19	454,854.32	333,083.64	435,060.15
B	Liabilities	₹ in million	94,966.53	94,966.53	75,055.45	75,055.45
C	Net Assets (A-B)	₹ in million	**250,572.66**	**359,887.79**	**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)	₹	**264.35**	**379.67**	**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 March 31, 2023 and as at March 31, 2022 along with book values of other assets and liabilities accounted in the respective SPV financial statements as at March 31, 2023 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 March 31, 2023	As at March 31, 2022
Fair value of investments in SPVs	441,279.03	429,800.75
Add: Other assets	13,575.29	5,259.40
Less: Liabilities	(94,966.53)	(75,055.45)
Net Assets	**359,887.79**	**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 Consolidated financial statements.

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

S. No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	Total comprehensive income	12,791.48	13,397.42
B	Add : Income of SPV's and changes in fair value not recognised in total comprehensive income of Standalone financial statements	(4,966.34)	7,265.24
C (A+B)	**Total Return**	**7,825.14**	**20,662.66**

Note : ECPL was acquired on March 31, 2023 and accordingly the statement of total returns at fair value does not include any difference in fair values of investment properties under development for the year ended March 31, 2023.

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: April 27, 2023

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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

S. No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Cash flows received from SPVs/Holdcos and Investment Entity in the form of:		
	• Interest	9,074.45	7,577.28
	• Dividends (net of applicable taxes)	9,707.00	9,475.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	8,288.69	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	72.29	99.17
5	Less: Any other expense at the Trust level, and not captured herein (excluding acquisition related costs)	(66.76)	(77.14)
6	Less: Any fees, including but not limited to:		
	• Trustee fees	(2.95)	(2.95)
	• REIT Management Fees (to the extent not paid in Units)	(239.47)	(254.46)
	• Valuer fees	(10.62)	(11.56)
	• Legal and professional fees	(164.18)	(58.98)
	• Trademark license fees	(1.42)	(1.42)
	• Secondment fees	(1.64)	(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	(6,017.63)	(3,820.29)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the Trust level	(29.57)	(46.25)
	Net Distributable Cash Flows	**20,608.19**	**20,638.19**

Notes: The Board of Directors of the Manager to the Trust, in their meeting held on April 27, 2023, have declared distribution to Unitholders of ₹5.61 per unit which aggregates to ₹5,317.68 million for the quarter ended March 31, 2023. The distribution of ₹5.61 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.81 per unit in the form of dividend and the balance ₹1.94 per unit in the form of repayment of debt. Along with distribution of ₹15,261.09 million/ ₹16.10 per unit for the nine months ended 31 December 2022, the cumulative distribution for the year ended March 31, 2023 aggregates to ₹20,578.77 million/ ₹21.71 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

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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

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, Bangalore, 560071, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to a Trust Deed dated 30 March 2017 as amended on 11 September 2018. The Embassy REIT was registered with SEBI on 3 August 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 21 August 2018, SEBI took on record the 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 1 April 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%

Name of the SPV/Subsidiary	Activities	Shareholding (in percentage)
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%
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% upto 1 April 2021, refer note 39) EOVPL : Nil (60% upto 1 April 2021, refer note 39)
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%
Embassy Construction Private Limited ('ECPL')	Development and leasing of office space and related interiors and maintenance of such assets (Embassy Hub Business Park), located in Bengaluru.	Embassy Office Parks REIT : 100% (w.e.f : March 31, 2023, refer note 40)

* 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 SPV/Subsidiary	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 Standalone financial statements

The Standalone financial statements of the Trust comprises the Standalone Balance Sheet and Statement of Net Assets at fair value as at March 31, 2023, the Standalone Statement of Profit and Loss, including other comprehensive income, the Standalone Statement of Cash Flow, the Statement of Net Distributable Cashflows, the Standalone Statement of Changes in Unitholder's Equity, Statement of Total Returns at fair value and a summary of significant accounting policies and other explanatory information for the year ended March 31, 2023. The 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 April 27, 2023.

The 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 thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations"); Indian Accounting Standards 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 10(a) (i) on classification of Unitholders fund. The Standalone financial statements are presented in Indian ₹ in Millions, except when otherwise indicated.

Statement of compliance to Ind-AS

These Standalone financial statements for the year ended March 31, 2023 are the separate financial statements of the Embassy Office Parks REIT and have been prepared in accordance with Indian Accounting Standards 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. There were several new and amendments to standards and interpretations which are applicable for the first time for the year ended March 31, 2023, but either not relevant or do not have an impact on the Standalone financial statements of the Trust. The Trust has

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Reference to the Conceptual Framework - Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

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

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 year ended March 31, 2023, 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 Standalone financial statements are presented in Indian ₹, which is the Embassy Office Parks REIT functional currency and the currency of the primary economic environment in which the Embassy Office Parks REIT operates. All financial information presented in Indian ₹ has been rounded off to nearest million except unit and per unit data.

b) Basis of measurement

The 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 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 Standalone financial statements is included in the following notes:

i) Classification of lease arrangements as finance lease or operating lease – Note 2.2 (m)

ii) Classification of Unitholders' funds – Note 10 (a)

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

i) Valuation of financial instruments – Refer Note 2.2 (h)

ii) 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).

iii) 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.

iv) Fair valuation and disclosures 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).

d) Current versus non-current classification

The Embassy Office Parks REIT presents assets and liabilities in the 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 cash equivalents. The Embassy Office Parks REIT has identified twelve months as its operating cycle.

The Trust has net current liabilities of ₹34,659.98 million as at March 31, 2023 mainly due to the maturity of Embassy REIT Series II NCD 2020 - Tranche A & Tranche B, in October 2023 and Embassy REIT Series III NCD 2021 in February 2024. Based on the Trust's liquidity position including undrawn borrowing facilities as well as a low leverage of 28 % net debt to Gross Asset Value, the Trust will be able to refinance its borrowings and meet its current obligations as and when they fall due.

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

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

are not based on observable market data (unobservable inputs)

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.

g) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Embassy Office Parks REIT'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 Standalone Statement of Profit and Loss of the 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
- 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
- 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:

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- 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.

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.

Financial liabilities

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.

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iv) Offsetting

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.

i) 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 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.

j) Impairment of financial assets

Financial assets

The Embassy Office Parks REIT recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVTOCI-debt investments

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.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer
- a breach of contract such as a default or being past due for 180 days or more
- 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
- 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 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:
- 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.

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.

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. The Embassy Office Parks REIT considers a financial asset to be default when:

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- 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
- 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 REIT and the cash flows that the Embassy Office Parks REIT 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 FVTOCI, the loss allowance is charged to profit and loss account and is recognised in OCI.

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 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 pertain 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 other receivables.

k) Embedded derivatives

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.

l) 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 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.

m) Leases

Embassy Office Parks REIT 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 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 Standalone statement of profit and loss.

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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 REIT. 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.

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 statement of profit and loss.

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.

Embassy Office Parks REIT 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. 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.

ii. ***Assets held under leases***

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.

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.

n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. This *inter alia* involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when recovery of the consideration is probable and the amount of revenue can be measured reliably.

Recognition of dividend income, interest income

Dividend income is recognised in profit or loss on the date on which 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.

o) Investments in subsidiaries and joint ventures

The Trust accounts for its investments in subsidiaries and joint ventures at cost less accumulated impairment losses (if any) in its Standalone financial statements. Investments accounted for at cost are accounted for in accordance with Ind AS 105, Non-current Assets

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Held for Sale and Discontinued Operations, when they are classified as held for sale.

p) Borrowing costs

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

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

q) Taxation

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.

(i) *Current tax:*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by 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 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.

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 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.

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.

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.

r) Provisions and contingencies

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.

If the effect of the time value of money is material, provisions are discounted.

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 Investment 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 Embassy Office Parks REIT operates only in India, 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 year. 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.

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

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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 08 July 2021 and is effective from 1 April 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 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.

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.

aa) Recent Pronouncements

New and amended standards

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

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 31, 2023 to amend the following Ind AS which are effective from 01 April 2023.

IndAS 1, Presentation of Financial Statements

An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors

Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. An entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information. An entity may need to change an accounting estimate if changes occur in the circumstances on which the accounting estimate was based or as a result of new information, new developments or more experience. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error.

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3 Non-current investments

	Particulars	As at March 31, 2023	As at March 31, 2022
a)	Trade, unquoted investments in subsidiaries (at cost) (refer note below and note 26)		
	- 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)	(4,014.06)	(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)
		11,835.55	**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: 185,604,589) 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
	- 65,15,036 (March 31, 2022: 65,15,036) Class A equity shares of Vikas Telecom Private Limited of ₹10 each, fully paid up (refer note 39)	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
	- 733,800 (March 31, 2022: Nil) equity shares of Embassy Construction Private Limited of ₹10 each, fully paid up (refer note (d) below and note 40)	64.66	-
		238,103.06	**239,333.52**
	Aggregate amount of impairment recognised	**5,428.17**	**4,133.05**
b)	**Trade, unquoted, measured at amortised cost**		
	Investment in debentures of GLSP (Joint venture entity) (refer note (e) below)		
	- 9,500 (March 31, 2022: Nil) 8.15% debentures of ₹1 million each (refer note (e) below and note 26)	8,157.83	-
		246,260.89	**239,333.52**

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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. Impairment loss for year ended March 31, 2023 amounts to ₹1,295.12 million (year ended March 31, 2022: ₹857.48 million). As at March 31, 2023, an amount of ₹5,428.17 million (March 31, 2022: ₹4,133.05 million) has been provided as impairment on investment in subsidiaries namely Quadron Business Park Private Limited, Umbel Properties 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 economic conditions that existed during the respective periods.

(b) Pursuant to the National Company Law Tribunal, Mumbai (NCLT), order dated 24 August 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 26).

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

Particulars	Amount
Number of equity shares cancelled	30,970,800
Consideration per equity share (in ₹)	50.00
Total consideration payable to Trust on capital reduction (in ₹ million)	**1,548.54**

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 23 January 2021 approved the Scheme of Arrangement ("the Scheme") involving EOVPL and VTPL. The Scheme provides for the merger/amalgamation of EOVPL into VTPL (on a going concern basis). The Scheme has been approved by Bengaluru Bench of National Company Law Tribunal (NCLT) on 17 February 2022, The Company has 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 continues to hold the same economic interest through equity shareholding both before and after the composite scheme of arrangement, the Trust's investments in EOVPL are derecognised and the carrying amount of such investments is recognised as cost of shares issued by VTPL to the Trust upon such merger during the year ended March 31, 2022.

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

Name of Subsidiary	As at March 31, 2023	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 39)	100.00%	100.00%
Sarla Infrastructure Private Limited	100.00%	100.00%
Embassy Construction Private Limited (refer note 40)	**100.00%**	-

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(e) Investment in debentures of joint venture entity

1. 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.
2. Interest Rate : 8.15% p.a.
3. **Security:** The debentures are secured by first ranking exclusive security interest over identified land and building of Embassy Golflinks Business Park.
4. **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.

4 Non-current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loan to subsidiaries (refer note 26)	92,756.54	86,410.72
	92,756.54	**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 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepayments	-	1.47
	-	**1.47**

6 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- in current accounts *	5,276.63	5,197.53
- in escrow accounts		
- Balances with banks for unclaimed distributions	3.52	2.94
	5,280.15	**5,200.47**

* Balance in current accounts includes cheques on hand received from SPV's in respect of interest/principal repayments of loans and towards other receivables as at March 31, 2023 amounting to ₹599.29 million (March 31, 2022 : ₹536.97 million).

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7 Current loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good Loan to subsidiaries (refer note 26)	1,104.30	2,080.00
	1,104.30	**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).

8 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Other receivables		
- from related party (refer note 26)	39.93	6.51
	39.93	**6.51**

9 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Balances with government authorities	27.62	19.05
Prepayments	69.76	31.90
	97.38	**50.95**

10 Unit capital

Particulars	Units (No in million)	Amount
As at 1 April 2021	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at March 31, 2022	**947.90**	**288,262.11**
As at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at March 31, 2023	**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 ₹.

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 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the Unitholders funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 26 December 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 March 31, 2023		As at March 31, 2022	
	No of Units	% holding	No of Units	% holding
Embassy Property Developments Private Limited	72,864,279	7.69%	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) Unit holding of sponsor group :

Name of the Unitholder	Units held by sponsor group				% Change during the year ended March 31, 2023
	No. of units as at March 31, 2023	% of total units as at March 31, 2023	No. of units as at 1 April 2022	% of total units as at 1 April 2022	
Embassy Property Developments Private Limited	72,864,279	7.69%	115,484,802	12.18%	(4.49%)
Embassy Property Developments Private Limited	223,597,193	23.59%	300,597,191	31.71%	(8.12%)
BRE/Mauritius Investments (Co sponsor including co-sponsor group) (refer note 26)					

11 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings *	(37,689.45)	(30,233.92)
	(37,689.45)	**(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 year, the profit after tax is transferred from the statement of profit and loss to the retained earnings account.

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12 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
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 and note 13)		
- Embassy REIT Series II NCD 2020 - Tranche A	-	7,428.80
- Embassy REIT Series II NCD 2020 - Tranche B	-	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 and note 13)	-	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)	2,981.13	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	19,929.07	19,883.54
- Embassy REIT Series V NCD 2021 - Series B	10,946.82	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)	9,956.75	-
Term Loan		
- from financial institution, net of issue expenses at amortised cost (refer note J below)	9,971.02	-
	53,784.79	**74,491.33**

Note:

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 17 September 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):

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 9 October 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.
5. These debentures are due for maturity on 09 October 2023, hence have been disclosed under short term borrowings as at March 31, 2023 (refer note 13).
6. The Trust has maintained security cover of 2.5 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 8 September 2020.

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 a coupon rate of 6.40% p.a. payable quarterly.

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

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 February 15, 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.
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

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debenture holders prior to the relevant call option date, subject to certain agreed minimum aggregate nominal value of debentures being redeemed.

5. These debentures are due for maturity on February 15, 2024, hence have been disclosed under short term borrowings as at March 31, 2023 (refer note 13).

6. The Trust has maintained security cover of 2.37 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 13 January 2021.

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 a coupon rate of 6.80% p.a. payable quarterly.

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

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 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.
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.
5. The Trust has maintained security cover of 5.21 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated September 3, 2021.

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 20 October 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.
4. A first ranking *pari passu* charge by way of hypothecation created by MPPL including identified bank accounts and receivables.
5. A corporate guarantee issued by MPPL.

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 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.
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."
5. The Trust has maintained security cover of 2.49 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated October 18,2021.

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 20 October 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.
4. A first ranking *pari passu* charge by way of hypothecation created by MPPL including identified bank accounts and receivables.
5. A corporate guarantee issued by MPPL.

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 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 (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

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agreed minimum aggregate nominal value of debentures being redeemed.

5. The Trust has maintained security cover of 2.62 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated October 18,2021.

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 07 April 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/ cashflows 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.

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 60 months from Date of Allotment at par on 05 April 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.
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.
5. The Trust has maintained security cover of 3.91 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated March 31, 2022.

G. Disclosure required under SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 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 (Tranche A and B)	Secured	-	March 31, 2023	9 October 2023	30 June 2023
Embassy REIT Series III NCD 2021	Secured	-	March 31, 2023	February 15, 2024	30 June 2023
Embassy REIT Series IV NCD 2021	Secured	-	March 31, 2023	7 September 2026	30 June 2023
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	March 31, 2023	October 18,2024	30 June 2023
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	March 31, 2023	October 18,2026	30 June 2023
Embassy REIT Series VI NCD 2022	Secured	-	March 31, 2023	5 April 2027	30 June 2023

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

2. 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 March 31, 2023	As at March 31, 2022
Asset cover ratio (refer a below)	18.41%	15.09%
Debt-equity ratio (refer b below)	0.38	0.29
Debt-service coverage ratio (refer c below)	3.35	3.21
Interest-service coverage ratio (refer d below)	3.35	3.21
Net worth (refer e below)	250,572.66	258,028.19

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

a) 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

b) Debt equity ratio * = Total borrowings of the Trust/ Unitholders' Equity

c) 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]

d) 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)

e) Net worth = Unit capital + Other equity

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

Unitholder's Equity = Unit Capital + Other equity

I. Disclosure required under SEBI circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, updated as on 13 April 2022

Particulars	Details
Name of the Real Estate Investment Trust ("REIT")	Embassy Office Parks REIT
CIN	NA
Outstanding borrowing of Real Estate Investment Trust ("REIT") as on March 31, 2023 (in ₹)	₹95,000 million
Highest credit rating during the previous FY along with name of the Credit Rating Agency	AAA / Stable - CRISIL Ratings Limited
Name of stock exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

Particulars	Details
3-year block period	2021-22 (T-1) 2022-23 (T) 2023-24 (T+2)
Incremental borrowing done in FY (T) (a)	₹20,000 million
Mandatory borrowing to be done through debt securities in FY (T) (b) = (25% of a)	₹5,000 million
Actual borrowing done through debt securities in FY (T) (c)	₹10,000 million
Shortfall in the borrowing through debt securities, if any, for FY (T-1) carried forward to FY (T) (d)	Nil
Quantum of (d), which has been met from (c) (e)	Nil
Shortfall, if any, in the mandatory borrowing through debt securities for FY(T) [after adjusting for any shortfall in borrowing for FY (T-1) which was carried forward to FY (T)] [(f)= (b)-[(c)-(e)]	Nil

Notes
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(all amounts in ₹ million unless otherwise stated)

Details of penalty to be paid, if any, in respect to previous block (all figures in ₹ crore):

Particulars	Details
2-year Block period: 2021-22 (T-1), 2022-23 (T)	Nil
Amount of fine to be paid for the block, if applicable Fine = 0.2% of [(d)-(e)]	Nil

J. Lender 1 [balance as at March 31, 2023, including current maturities of long-term debt: ₹9,971.02 million (March 31, 2022: Nil)]

1. Exclusive charge by way of mortgage created on the constructed buildings and related parcels identified as Block IT 3, Block IT 4, Block IT 5 and Block IT 6, having aggregate leasable area of 996,655 sq ft and underlying land situated at Embassy Qubix, Pune.
2. Exclusive charge by way of mortgage created on the constructed buildings and related parcels identified as Tower A, Tower B and Tower C, having aggregate leasable area of 1,186,149 sq ft and underlying land situated at Embassy 247, Mumbai.
3. Exclusive charge by way of hypothecation created by QBPPL and VCPPL over identified bank accounts and receivables.
4. A corporate guarantee issued by each of QBPPL and VCPPL.

Repayment and interest terms

Particulars	As at March 31, 2023	As at March 31, 2022
Repayable in 144 monthly instalments from the date of drawdown, with moratorium till 02 February 2027. The loan carries an interest rate of Repo Rate plus applicable spread, currently 7.99% p.a.	7,471.02	-
** Flexi term loan availed as sublimit of Term Loan - Repayable in 144 monthly instalments from the date of drawdown, with moratorium till 02 February 2027. The loan carries an interest rate of Repo Rate plus applicable spread, currently 7.99% p.a.	2,500.00	-

**The Trust uses this Flexi term loan to park temporary excess funds and utilizes such temporary excess funds as and when needed and therefore it is not considered as loan repayment or drawdown for the purpose of NDCF computation.

13 Short term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
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) *		
- Embassy REIT Series II NCD 2020 - Tranche A	7,475.46	-
- Embassy REIT Series II NCD 2020 - Tranche B	7,486.99	-
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) **	25,910.57	-
	40,873.02	**-**

* These debentures are due for maturity on 09 October 2023, hence have been disclosed under short term borrowings (refer note 12 (A)).

** These debentures are due for maturity on February 15, 2024, hence have been disclosed under short term borrowings (refer note 12 (B)).

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

14 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payable		
- Total outstanding dues to micro and small enterprises (refer note (ii) below)	7.41	0.59
- Total outstanding dues other than micro and small enterprises		
- to related party (refer note 26)	0.23	-
- to others	0.12	8.22
	7.76	**8.81**

Notes:

(i) All the trade payables are current in nature. The Trust's exposure to currency and liquidity risks related to trade payables and trade payables ageing are disclosed in note 27.

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

Particulars	As at March 31, 2023	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;	7.41	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 year;	-	-
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 March 31, 2023	As at March 31, 2022
Unclaimed distribution	3.52	2.94
Contingent consideration (refer note 26)	-	350.00
Other liabilities		
- to related party (refer note 26)	60.87	56.73
- to others	126.05	54.23
	190.44	**463.90**

16 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	43.72	23.63
Other liabilities	64.98	64.98
	108.70	**88.61**

17 Liabilities for current tax (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income-tax, net of advance tax	1.82	2.80
	1.82	**2.80**

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

18 Interest income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income		
- on fixed deposits	1.04	23.20
- on debentures (refer note 26)	727.29	-
- on loan to subsidiaries (refer note 26)	10,113.28	11,556.33
	10,841.61	**11,579.53**

19 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on sale of investments	71.25	75.97
Liabilities no longer required written back	-	5.55
	71.25	**81.52**

20 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	35.51	27.63
Marketing and advertisement expenses	29.50	12.39
Insurance expenses	0.55	0.56
Bank charges	0.15	0.33
Miscellaneous expenses	1.05	1.66
	66.76	**42.57**

21 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on term loan from financials institutions	104.20	-
Interest expense on Non-Convertible debentures	5,912.78	3,937.95
Accrual of premium on redemption of debentures (Embassy REIT Series I NCD)	-	2,523.94
Other borrowing costs (refer note 26)	0.65	0.41
	6,017.63	**6,462.30**

22 Tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	28.59	45.35
	28.59	**45.35**

Reconciliation of tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	**12,820.07**	**13,442.77**
Domestic tax rate	**42.74%**	**42.74%**
Tax using the Trust's domestic tax rate	5,479.81	5,745.98
Effect of exempt incomes	(8,782.85)	(8,989.63)
Effect of non-deductible expenses	3,333.94	3,288.42
Others	(2.31)	0.59
Tax expense	**28.59**	**45.35**

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to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

23 Auditor's remuneration

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
- statutory audit	2.50	2.50
- limited review	1.50	1.50
Reimbursement of expenses (including goods and services tax)	0.70	0.85
	4.70	**4.85**

24 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to Unitholders by the weighted average number of units outstanding during the year. Diluted EPU amounts are calculated by dividing the profit attributable to unitholders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax for calculating basic and diluted EPU (₹ in million)	12,791.48	13,397.42
Weighted average number of Units (No. in million)	947.90	947.90
Earnings Per Unit		
- Basic (₹ /unit)	13.49	14.13
- Diluted (₹/unit) *	13.49	14.13

* The Trust does not have any outstanding dilutive potential instruments.

25 Commitments and contingencies

a. Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Claims not acknowledged as debt in respect of income tax matters *	15.66	-

Note:

* The Trust was assessed u/s. 143(3) of the Income Tax Act, 1961 for the AY 2021-22. Disallowance was made on account of denial of expenses claimed u/s 35D of the Act. Aggrieved by the assessment order, the Trust has also filed an appeal before CIT(A) for the disallowance made under Section 35D of the Act. Further, due to calculation error u/s143(3) order, demand of ₹15.66 million was raised. Accordingly, the rectification application was filed u/s 154 of the Act. The Trust has therefore, disclosed ₹15.66 million (March 31, 2022: Nil) as contingent liability.

b. Statement of capital and other commitments

i) There are no capital commitments as at March 31, 2023 and March 31, 2022.

ii) 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.

iii) A search under Section 132 of the Income Tax Act was conducted on 1 June 2022 on EOPMSPL, the Trust, and certain SPV's namely VTPL, EOVPL, SIPL, EEPL. During the year, the Trust has received reassessment notice u/s 148 of the Income Tax Act for AY 2019-20. As on the date of the financial statements, the Trust has not received any demand notice.

Notes
to the Standalone Financial Statements

26 Related party disclosures

I. List of related parties as at 31 March 2023

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 Ramdas Pai
Anuj Puri
Punita Kumar Sinha
Robert Christopher Heady
Aditya Virwani
Asheesh Mohta (alternate to Robert Christopher Heady)

Key management personnel
Michael Holland - CEO (upto 30 June 2022)
Vikaash Khdloya - CEO (w.e.f: 1 July 2022)
Aravind Maiya - CFO (upto 31 May 2022)
Abhishek Agrawal - Interim CFO (w.e.f: 1 June 2022)
Deepika Srivastava - Compliance Officer and Company Secretary (upto 29 September 2022)
Vinitha Menon - Compliance Officer and Company Secretary (w.e.f: 26 January 2023)

(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
Embassy Construction Private Limited (w.e.f: March 31, 2023)

(ii) Joint Venture
Golflinks Software Park Private Limited

B. Other related parties with whom the transactions have taken place during the year

Embassy Shelters Private Limited
Next Level Experiences LLP
JV Holdings Private Limited
Jitendra Virwani

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

26 Related party disclosures

C. Transactions during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Unsecured loans given to		
Quadron Business Park Private Limited	315.00	55.00
Embassy Pune Techzone Private Limited	3,365.00	450.00
Manyata Promoters Private Limited	4,343.15	390.00
Qubix Business Park Private Limited	55.00	45.00
Oxygen Business Park Private Limited	385.00	165.00
Earnest Towers Private Limited	40.00	400.00
Vikhroli Corporate Park Private Limited	79.80	20.00
Galaxy Square Private Limited	165.00	20.00
Umbel Properties Private Limited	80.00	63.50
Indian Express Newspapers (Mumbai) Private Limited	100.00	40.00
Embassy Energy Private Limited	-	40.00
Sarla Infrastructure Private Limited	3,170.00	3,000.20
Embassy Construction Private Limited	2,500.00	-
Vikas Telecom Private Limited	1,192.50	-
Long-term loan pursuant to capital reduction (refer note 3 (b))		
Earnest Towers Private Limited	-	1,548.54
Short term construction loan given		
Manyata Promoters Private Limited	2,705.00	4,538.81
Oxygen Business Park Private Limited	380.00	100.00
Quadron Business Park Private Limited	-	300.00
Vikas Telecom Private Limited	1,790.97	95.00
Vikhroli Corporate Park Private Limited	250.00	-
Embassy Pune Techzone Private Limited	250.00	510.00
Investment in debentures		
Golfinks Software Park Private Limited	9,500.00	-
Redemption of investment in debentures		
Golfinks Software Park Private Limited	1,342.17	-
Unsecured loans repaid by		
Embassy Pune Techzone Private Limited	620.49	283.64
Manyata Promoters Private Limited	-	15,084.18
Qubix Business Park Private Limited	365.21	252.24
Oxygen Business Park Private Limited	500.01	218.27
Earnest Towers Private Limited	251.46	337.78
Vikhroli Corporate Park Private Limited	239.00	285.60
Galaxy Square Private Limited	239.99	345.61
Indian Express Newspapers (Mumbai) Private Limited	179.54	201.26
Embassy Energy Private Limited	608.18	609.63
Sarla Infrastructure Private Limited	562.92	716.68
Vikas Telecom Private Limited	4,373.95	4,366.46
Short term construction loan repaid by		
Manyata Promoters Private Limited	3,190.00	3,813.81
Oxygen Business Park Private Limited	374.88	-
Quadron Business Park Private Limited	300.00	-
Embassy Pune Techzone Private Limited	445.82	1,030.00
Earnest Towers Private Limited **	840.00	-

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(all amounts in ₹ million unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Vikhroli Corporate Park Private Limited	250.00	-
Vikas Telecom Private Limited#	4,220.97	198.15
Secondment fees		
Embassy Office Parks Management Services Private Limited	1.64	1.56
Investment management fees		
Embassy Office Parks Management Services Private Limited	239.47	254.46
Trademark license fees		
Embassy Shelters Private Limited	1.42	1.42
Trustee fee expenses		
Axis Trustee Services Limited	2.95	2.95

** Includes repayment of long-term loan converted to short term loan during the year ended March 31, 2023 of ₹840 million (March 31, 2022 : Nil).

#Includes repayment of long-term loan converted to short term loan during the year ended March 31, 2023 of ₹2,430 million (March 31, 2022 : ₹103.15 million).

Transactions during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest received on debentures		
Golflinks Software Park Private Limited	727.29	-
Dividend Received		
Indian Express Newspapers (Mumbai) Private Limited	352.00	450.00
Embassy Pune Techzone Private Limited	-	175.00
Earnest Towers Private Limited	505.00	330.00
Vikhroli Corporate Park Private Limited	600.00	330.00
Manyata Promoters Private Limited	8,250.00	8,190.00
Interest income		
Quadron Business Park Private Limited	1,575.35	1,583.53
Embassy Pune Techzone Private Limited	631.77	682.04
Manyata Promoters Private Limited	1,891.84	2,794.28
Qubix Business Park Private Limited	284.06	313.91
Oxygen Business Park Private Limited	879.07	906.38
Earnest Towers Private Limited	185.93	132.19
Vikhroli Corporate Park Private Limited	477.47	498.76
Galaxy Square Private Limited	209.54	229.21
Umbel Properties Private Limited	233.03	224.72
Indian Express Newspapers (Mumbai) Private Limited	361.96	374.37
Embassy Energy Private Limited	634.98	716.61
Sarla Infrastructure Private Limited	516.87	332.36
Vikas Telecom Private Limited	2,231.41	2,767.97
Expenses incurred by related party on behalf of the Trust		
Embassy Office Parks Management Services Private Limited	-	3.50
Expenses incurred by the Trust on behalf of related party		
Vikas Telecom Private Limited	37.54	36.70
Manyata Promoters Private Limited	84.33	53.26
Others	72.36	54.13
Contingent consideration paid		
Embassy Property Developments Private Limited	350.00	-

Notes
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(all amounts in ₹ million unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Other borrowing costs (Guarantee fees)		
Qubix Business Park Private Limited	0.18	0.06
Manyata Promoters Private Limited	0.12	0.06
Sarla Infrastructure Private Limited	0.06	0.06
Vikas Telecom Private Limited	0.06	0.06
Vikhroli Corporate Park Private Limited	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
Acquisition of ECPL*		
JV Holdings Private Limited	14.44	-
Jitendra Virwani	0.63	-
Distribution paid		
BRE/ Mauritius Investments	1,376.45	1,762.66
BRE/Mauritius Investments II	542.19	725.72
BREP Asia HCC Holding (NQ) Pte Ltd	351.22	456.26
BREP Asia SG Indian Holding (NQ) Co II Pte. Ltd	325.79	422.76
BREP Asia SG Oxygen Holding (NQ) Pte. Ltd.	399.83	518.78
BREP GML Holding (NQ) Pte. Ltd.	156.07	202.56
BREP NTPL Holding (NQ) Pte. Ltd	191.00	247.87
BREP VII GML Holding (NQ) Pte. Ltd	38.97	50.59
BREP VII HCC Holding (NQ) Pte Ltd	87.31	113.56
BREP VII NTPL Holding (NQ) Pte. Ltd.	47.69	61.91
BREP VII SG Indian Holding (NQ) Co II Pte. Ltd.	81.38	105.61
BREP VII SG Oxygen Holding (NQ) Pte. Ltd	99.87	129.60
Embassy Property Development Private Limited	2,346.09	2,501.52
India Alternate Property Limited	481.40	626.84
SG Indian Holding (NQ) Co I Pte. Ltd.	1,371.23	1,779.74
Guarantee given by SPV on behalf of REIT		
Qubix Business Park Private Limited and Vikhroli Corporate Park Private Limited	10,000.00	-
Sarla Infrastructure Private Limited	-	3,000.00
Manyata Promoters Private Limited	10,000.00	31,000.00

* Refer note 40

Notes
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(all amounts in ₹ million unless otherwise stated)

26 Related party disclosures

D. Closing balances

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured loan receivable (non-current)		
Quadron Business Park Private Limited	16,222.94	15,232.22
Embassy Pune Techzone Private Limited	6,873.59	4,119.83
Manyata Promoters Private Limited	22,426.19	16,847.37
Qubix Business Park Private Limited	2,085.54	2,395.75
Oxygen Business Park Private Limited	7,010.77	7,125.78
Earnest Towers Private Limited	610.96	1,679.04
Vikhroli Corporate Park Private Limited	3,748.96	3,973.46
Galaxy Square Private Limited	1,584.18	1,659.17
Umbel Properties Private Limited	2,227.55	2,237.46
Indian Express Newspapers (Mumbai) Private Limited	2,861.67	2,941.20
Embassy Energy Private Limited	4,763.76	5,371.94
Sarla Infrastructure Private Limited	6,429.59	3,805.19
Embassy Construction Private Limited	2,500.00	-
Vikas Telecom Private Limited	13,410.84	19,022.31
Short term construction loan		
Manyata Promoters Private Limited	295.00	780.00
Oxygen Business Park Private Limited	105.12	100.00
Embassy Pune Techzone Private Limited	704.18	900.00
Quadron Business Park Private Limited	-	300.00
Investment in Debentures		
Golflinks Software Park Private Limited	8,157.83	-
Other receivables		
Earnest Towers Private Limited	1.16	-
Embassy Energy Private Limited	1.89	-
Galaxy Square Private Limited	2.96	-
Indian Express Newspapers (Mumbai) Private Limited	1.81	-
Oxygen Business Park Private Limited	3.21	-
Quadron Business Park Private Limited	1.78	-
Qubix Business Park Private Limited	0.85	-
Umbel Properties Private Limited	0.28	-
Vikhroli Corporate Park Private Limited	1.61	-
Vikas Telecom Private Limited	-	1.77
Embassy Pune TechZone Private Limited	8.97	2.13
Manyata Promoters Private Limited	15.41	2.61
Other financial liabilities		
Embassy Office Parks Management Services Private Limited	59.15	56.73
Next Level Experiences LLP	1.72	-
Trade Payables		
Vikas Telecom Private Limited	0.06	-
Vikhroli Corporate Park Private Limited	0.06	-
Embassy Shelters Private Limited	0.11	-

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in equity shares of subsidiaries		
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 *	9,675.20	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
Embassy Construction Private Limited	64.66	-
Sarla Infrastructure Private Limited	6,870.02	6,870.02
Contingent consideration payable		
Embassy Property Developments Private Limited	-	350.00
Guarantee given by SPV on behalf of REIT		
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
Qubix Business Park Private Limited and Vikhroli Corporate Park Private Limited	10,000.00	-
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 totalling ₹5,428.17 million (March 31, 2022 : ₹4,133.05 million).*

27 Financial instruments

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

Particulars	Carrying value	Fair Value	Carrying value	Fair Value
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Financial assets				
Amortised cost				
Loans	93,860.84	-	88,490.72	-
Cash and cash equivalents	5,280.15	-	5,200.47	-
Other financial assets	39.93	-	6.51	-
Total assets	**99,180.92**	**-**	**93,697.70**	**-**
Financial liabilities				
Amortised cost				
Borrowings	94,657.81	93,589.14	74,491.33	78,186.53
Other financial liabilities	190.44	-	463.90	-
Trade payables	7.76	-	8.81	-
Total liabilities	**94,856.01**	**93,589.14**	**74,964.04**	**78,186.53**

The fair value of cash and cash equivalents, trade payables, loans and other financial assets and liabilities approximate their carrying amounts.

Notes

to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

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 Standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the trust 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 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.

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended March 31, 2023 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 value of mutual funds are based on price quotations at reporting date.

ii) The fair values of other current financial assets and financial liabilities are considered to be equivalent to their carrying values.

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

c) Financial risk management

The Trust has exposure to following risks arising from financial instruments:

- Credit risk (refer note (b) below)
- Liquidity risk (refer note (c) below)
- Market risk (refer note (d) below)

a. Risk management framework

The Board of Directors of the Manager of the Trust has overall responsibility for the establishment and oversight of the Trust's risk management framework. The Trust's risk management policies are established to identify and analyse the risks faced by the Turst, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

The Board of Directors of the Manager of the Trust, monitors compliance with the Trust's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Trust. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

b. Credit risk

Credit risk is the risk of financial loss to the Trust if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Trust's receivables from loans given to its SPV's and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure.

The Trust establishes an allowance account for impairment that represents its estimate of losses in respect of its financial assets. The main component of this allowance is estimated losses that relate to specific tenants or counterparties. The allowance account is used to provide for impairment losses. Subsequently when the Trust is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Cash at bank and fixed deposits are placed with financial institutions which are regulated and have low risk.

As at the reporting date, there is no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Standalone Balance Sheet.

c. Liquidity Risk

Liquidity risk is the risk that the trust will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The trust's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the trust's reputation.

Management monitors rolling forecasts of the trust's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the trust in accordance with practice and limits set by the trust. In addition, the trust's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet those, monitoring balance sheet liquidity ratios and maintaining debt refinancing plans.

Maturities of financial liabilities

The following are the Trust's remaining contractual maturities of financial liabilities as the reporting date. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Trust may be required to pay and includes contractual interest payments and excludes the impact of netting agreements. The Trust believes that the working capital is sufficient to meet its current requirements, accordingly no liquidity risk is perceived.

Particulars	Carrying value	Contractual cash flows				
		Within 1 year	1-3 years	3-5 years	More than 5 years	Total
March 31, 2023						
Borrowings	94,657.81	45,984.51	24,112.37	26,272.85	8,988.70	105,358.43
Trade payables	7.76	7.76	-	-	-	7.76
Other financial liabilities - current	190.44	190.44	-	-	-	190.44
Total	**94,856.01**	**46,182.71**	**24,112.37**	**26,272.85**	**8,988.70**	**105,556.63**
March 31, 2022						
Borrowings	74,491.33	4,939.75	45,247.99	22,643.88	14,516.48	87,348.10
Trade payables	8.81	8.81	-	-	-	8.81
Other financial liabilities - current	463.90	463.90	-	-	-	463.90
Total	**74,964.04**	**5,412.46**	**45,247.99**	**22,643.88**	**14,516.48**	**87,820.81**

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

Following table provides detailed ageing for trade payables:

As at March 31, 2023

Particulars	Contractual cash flows						
	Unbilled dues	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises	-	-	7.41	-	-	-	7.41
(ii) Others	-	-	0.35	-	-	-	0.35
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**-**	**-**	**7.76**	**-**	**-**	**-**	**7.76**

As at March 31, 2022

Particulars	Contractual cash flows						
	Unbilled dues	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises	-	-	0.59	-	-	-	0.59
(ii) Others	-	-	8.22	-	-	-	8.22
(iii) Disputed dues - Micro, Small and Medium Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**-**	**-**	**8.81**	**-**	**-**	**-**	**8.81**

d. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices which will affect the Trust's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

i. Currency risk

The Trust operates only in India and hence does not have any exposure to currency risk.

ii. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust is not exposed to any interest rate risk since all its debts are at fixed interest rates.

iii. Price risk

Price risk if the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Trust has no material exposure to equity securities price risk and is not exposed to commodity risk. The Trust's exposure to price risk arises from investments held by the Trust in mutual funds and classified in the balance sheet as fair value through statement of profit or loss. The fair value of these investments is marked to an active market which factors the uncertainties arising out of COVID-19. The financial assets carried at fair value by the Trust are mainly investments in liquid and overnight debt mutual funds and accordingly no material volatility is expected.

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

28 Capital management

The Trust's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Trust's capital structure mainly constitutes equity in the form of unit capital and debt. The projects of SPV's are initially funded through construction financing arrangements. On completion, these loans are restructured into lease-rental discounting arrangements or debentures. The Trust's capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Trust monitors Capital using ratio of 'Net debt' to 'Gross asset value(GAV) of all SPV's. For this purpose, Net debt is defined as Long-term borrowings + Short-term borrowings. The Trust's adjusted Net debt to GAV ratio as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	March 31, 2023	March 31, 2022
Net debt	94,657.81	74,491.33
GAV	514,141.14	493,673.00
Net debt to GAV	**18.41%**	**15.09%**

29 Details of utilisation of proceeds of Institutional placement as on March 31, 2023 are as follows :

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto	Unutilised amount as at	Actual utilisation upto	Unutilised amount as at
		March 31, 2022	March 31, 2022	March 31, 2023	March 31, 2023
Funding of consideration for the acquisition of the ETV SPVs, including subscription to Class A equity shares in EOVPL, payment of consideration to the BREP Entities and the Embassy Sponsor	34,068.14	34,068.14	-	-	-
Debt funding to the ETV SPVs for partial or full repayment or pre-payment of bank/financial institution debt and settlement of certain liabilities	1,550.00	1,550.00	-	-	-
Issue expenses	750.00	750.00	-	-	-
General purposes	483.88	133.88	350.00	350.00	-
Total	**36,852.02**	**36,502.02**	**350.00**	**350.00**	**-**

30 Details of utilisation of proceeds of issue of Embassy REIT Series V NCD 2021 as at March 31, 2023 are follows :

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto	Unutilised amount as at	Actual utilisation upto	Unutilised amount as at
		March 31, 2022	March 31, 2022	March 31, 2023	March 31, 2023
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	-
Total	**31,000.00**	**30,974.26**	**25.74**	**25.74**	**-**

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

31 Details of utilisation of proceeds of issue of Embassy REIT Series VI NCD 2022 as at March 31, 2023 are follows :

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto March 31, 2023	Unutilised amount as at March 31, 2023
Subscription of GLSP Debentures	9,500.00	9,500.00	-
General purposes including issue expenses	500.00	500.00	-
Total	**10,000.00**	**10,000.00**	**-**

32 Reconciliation of movements of financial liabilities to cash flows arising from financing activities

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
Opening balance	74,491.33	83,319.10
Changes from financing cash flows		
Proceeds from Issue of Non-convertible debentures (Net of issue expenses)	9,949.36	33,771.77
Proceeds of borrowings from financial institutions (net of issue expenses)	9,971.69	-
Redemption of Non-convertible debentures (including redemption premium)	-	(45,302.84)
Interest paid	(5,771.10)	(3,735.44)
Other changes		
Accrual of interest on debentures	6,017.63	6,462.30
Unpaid issue expenses	(1.09)	(23.56)
Closing balance	**94,657.81**	**74,491.33**

33 Segment Reporting

The Trust does not have any Operating segments as at March 31, 2023 and March 31, 2022 and hence, disclosure under Ind AS 108, Operating segments has not been provided in the Standalone financial statements.

34 The Trust does not have any unhedged foreign currency exposure as at March 31, 2023 and March 31, 2022.

35 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.

36 Investment management fees

Pursuant to the Investment management agreement dated 12 June 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 year ended March 31, 2023 amounts ₹239.47 million. There are no changes during the year ended March 31, 2023 in the methodology for computation of fees paid to the Manager.

37 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 year ended March 31, 2023 amounts to ₹1.64 million. There are no changes during the year ended March 31, 2023 in the methodology for computation of secondment fees paid to the Manager.

38 The Board of Directors of the Manager through a resolution by circulation dated 23 January 2021 approved the Scheme of Arrangement ("the Scheme") involving EOVPL and VTPL. The Scheme provides for the merger/amalgamation of EOVPL into VTPL (on a going concern basis). The Scheme was approved by Bengaluru Bench of National Company Law Tribunal (NCLT) on 17 February 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.

Notes
to the Standalone Financial Statements

(all amounts in ₹ million unless otherwise stated)

The consideration paid by VTPL to give effect to the Scheme to Embassy REIT is as follows:

- 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 EOVPL.
- 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 EOVPL.

39 During the year ended March 31, 2023, The Trust entered into share purchase agreements with JV Holdings Private Limited (JVHPL) and Mr. Jitendra Virwani (together known as sellers) for acquistion of Embassy Hub Business Park. The acquisition was effected on March 31, 2023 ("Acquisition Date").

The Trust acquired 100% of the equity share capital of ECPL comprising 733,800 fully paid-up equity shares of ₹10 each from JVHPL (an holding company of EPDPL our co-sponsor) and Mr. Jitendra Virwani.

The price payable for acquisition of equity shares of ECPL is funded entirely through internal accruals of the Trust. The consideration for the aforesaid acquisition, is paid in the form of assumption and repayment of identified assets and liabilities of ECPL.

The gross purchase consideration is as follows:

Particulars	Amount (in million)
Total Purchase Consideration	64.66
Less: Other Assets	(214.81)
Less: Transaction cost	(49.59)
Add: Other Liabilities	3,547.66
Gross purchase consideration	**3,347.93**

The Trust has obtained two independent valuation reports as required by the REIT regulations for the above acquisition and the average of the two valuations amounts to ₹3,506 million. Acquisition consideration is at 4.5% discount to average of two independent valuation reports. No fees or commission is payable to the Sellers in relation to the transaction. All the material conditions and obligations for the transaction have been complied.

40 Distributions

The Board of Directors of the Manager to the Trust, in their meeting held on April 27, 2023, have declared distribution to Unitholders of ₹5.61 per unit which aggregates to ₹5,317.68 million for the quarter ended March 31, 2023. The distribution of ₹5.61 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.81 per unit in the form of dividend and the balance ₹1.94 per unit in the form of repayment of debt. Along with distribution of ₹15,261.09 million/ ₹16.10 per unit for the nine months ended 31 December 2022, the cumulative distribution for the year ended March 31, 2023 aggregates to ₹20,578.77 million/ ₹21.71 per unit.

The accompanying notes referrred to above are an intergral part of 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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Independent Auditor's Report

To the Unitholders' of Embassy Office Parks REIT

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Embassy Office Parks REIT (hereinafter referred to as "the REIT"), its subsidiaries and a joint venture (together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Unitholders' Equity for the year then ended and the consolidated Statement of Net Assets at fair value as at March 31, 2023 and the consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') of the REIT and each of its subsidiaries for the year then ended and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statement and on the other financial information of the subsidiary, the aforesaid consolidated Ind AS financial statements give the information required by the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations, of the consolidated state of affairs of the Group as at March 31, 2023, its consolidated profit including other comprehensive income, its consolidated cash flows, the consolidated statement of changes in Unitholders' equity for the year ended on that date, its consolidated net assets at fair value as at March 31, 2023, its consolidated total returns at fair value and the NDCFs of the REIT and each of its subsidiaries for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

1) We draw attention to note 46 (iv) to the consolidated 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 March 31, 2023, payable by Manyata Promoters Private Limited, 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 consolidated Ind AS financial statements.

2) We draw attention to note 59 to the consolidated Ind AS financial statements, regarding advance aggregating to ₹5,411.90 million as at March 31, 2023, paid for co-development of M3 Block B property as detailed in note 59. 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 opinion is not modified in respect to the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional Judgement, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditor of components not audited by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Assessing impairment of Goodwill, Intangible assets with indefinite useful life, Investment property and Property, plant and equipment (as described in note 2.2 (c), 6 of the consolidated Ind AS financial statements)	
Goodwill and other Intangible assets with indefinite useful life, acquired in a business combination, are significant items on the balance sheet and management performs impairment testing for such goodwill and intangible assets, annually. Further, the Group's carrying value of Investment properties is ₹291,579.80 million (including properties under construction –₹12,063.70 million) and carrying value of Property, plant and equipment is ₹29,838.94 million (including capital work in progress – ₹604.68 million) as at March 31, 2023, which is also subject to impairment testing. In performing such impairment assessments, management compared the carrying value of each of the identifiable cash generating units ("CGUs") to which goodwill and other Intangible assets with indefinite useful life 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. Similarly, for ensuring that its investment properties and property, plant and equipment are carried at no more than their recoverable amount, the recoverable amount, i.e. value in use, is determined by forecasting and discounting future cash flows. Considering the impairment assessment involves significant assumptions and judgement, we regard this as a key audit matter.	Our audit procedures, among others, included the following: - Assessed the management's valuation methodology in determining the recoverable amounts. - Evaluated management's identification of CGU's, the carrying value of each CGU and the methodology followed by management for the impairment assessment in compliance with the applicable accounting standards. - We involved valuation specialists to: (a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data. (b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer. (c) Discussed changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable. - We read/assessed the disclosures in the consolidated Ind AS financial statements for compliance with the relevant accounting standards requirements.

Independent Auditor's Report

Key audit matters	How our audit addressed the key audit matter
Classification of Unitholders' funds as equity (as described in note 20(a) of the consolidated Ind AS financial statements)	
The REIT is required to distribute to its Unitholders not less than ninety percent of its net distributable cash flows for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the REIT to pay cash distributions to its Unitholders. The Unitholders' funds could have been classified as compound financial instrument which contains both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars No. CIR/IMD/DF/141/2016 dated December 26, 2016, and No. CIR/IMD/DF/146/2016 dated December 29, 2016 ("SEBI Circulars") 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. Based on the above, the classification of Unitholders' funds as equity involved considerable management judgement. Accordingly, it is considered as a key audit matter.	Our audit procedures included evaluating the requirements for classification of financial liability and equity under Ind AS 32 and evaluating the provisions of SEBI Circulars for classification/ presentation of Unitholders' funds in the consolidated Ind AS financial statements of the REIT. We assessed the disclosures in the consolidated Ind AS financial statements for compliance with the relevant requirements of REIT regulations.

Key audit matters	How our audit addressed the key audit matter
Computation and disclosures of Net Assets and Total Returns at Fair Value (as described in note 2.2(c) and in Statement of Net assets at fair value and Statement of total returns at fair value of the consolidated Ind AS financial statements)	
As per the provisions of REIT Regulations, the REIT is required to disclose Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value which requires fair valuation of assets. For this purpose, fair value is determined by forecasting and discounting future cash flows. The determination of fair value involves judgement due to inherent uncertainty in the underlying assumptions and it is highly sensitive to changes in some of the inputs used e.g. the discounting rate (WACC), capitalisation rates, rental growth rates etc. Accordingly, the aforementioned computation and disclosures are determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.	Our audit procedures, among others, include the following: - Read the requirements of SEBI REIT regulations for disclosures relating to Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value. - Assessed the appropriateness of independent valuer's and management's valuation methodology applied in determining the fair values. - Tested controls implemented by management to determine inputs for fair valuation as well as assumptions used in the fair valuation. - We involved valuation specialists to: (a) Assess the valuation reports issued by the independent valuer engaged by the management and compared key property related data used as input with actual data. (b) Assess the key assumptions included in the cash flow forecasts by management and independent valuer. (c) Discussed changes in key drivers as compared to actual performance with management in order to evaluate whether the inputs and assumptions used in the valuation models by management and independent valuer were reasonable. - Tested the arithmetical accuracy of computation in the Statement of Net Assets and Total Returns at Fair Value. - Read/Assessed the disclosures in the consolidated financial statements for compliance with the relevant requirements of REIT Regulations.

Key audit matters	How our audit addressed the key audit matter
Related party transactions and disclosures (as described in note 49 of the consolidated Ind AS financial statements)	
The Group has undertaken transactions with its related parties in the normal course of business. These include making acquisition of property, business acquisitions, capital advances, fees for certain services provided by related parties to Group; fees for certain services provided by Group to related parties, etc.as disclosed in Note 49 of the consolidated Ind AS financial statements. We identified the recording of all possible related party transactions and its disclosure as set out in respective notes to the consolidated Ind AS financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2023 and regulatory compliance thereon.	Our audit procedures, among others, included the following: - Obtained, read and assessed the Group's policies, processes, and procedures in respect of identifying related parties, evaluation of arm's length, obtaining necessary approvals, recording and disclosure of related party transactions, including compliance of transactions and disclosures in accordance with REIT regulations. - We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents for appropriate authorisation and approval for such transactions. - We read minutes of Unitholder meetings, Board and its relevant committee meetings and minutes of meetings of those charged with governance of the Manager and SPVs in connection with transactions with related parties effected during the year and Group's assessment of related party transactions being in the ordinary course of business at arm's length and in accordance with REIT regulations. - Assessed and tested the disclosures made in accordance with the requirements of Ind AS and REIT regulations.

Other Information

The Management of Embassy Office Parks Management Services Private Limited ("the Manager"), acting in its capacity as the manager of Embassy Office Parks REIT is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

Independent Auditor's Report

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Management of the Manager ('the Management') is responsible for the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position as at March 31, 2023, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in Unitholders' equity for the year ended March 31, 2023, its consolidated net assets at fair value as at March 31, 2023, its consolidated total returns at fair value of the REIT and the net distributable cash flows of the REIT and each of its subsidiaries for the year ended March 31, 2023 in accordance with the requirements of the REIT regulations; Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making Judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Management, as aforesaid.

In preparing the consolidated Ind AS financial statements, the Board of Directors of the Manager and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Management and respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the REIT and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statement and other financial information, in respect of 1 subsidiary, whose Ind AS financial statement include total assets of ₹6,132.65 million as at March 31, 2023. The Ind AS financial statement and other financial information have been audited by other auditor, which financial statement, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the report of such other auditor.

Our opinion above on the consolidated Ind AS financial statement, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by the REIT Regulations and on the consideration of report of the other auditor on separate financial statement and the other financial information of subsidiary, we report that:

(a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements; and

(c) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015 (as amended), to the extent not inconsistent with REIT regulations.

for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Adarsh Ranka**
Partner
Membership number: 209567
UDIN: 23209567BGXVYF8769
Place: Bengaluru, India
Date: April 27, 2023

Consolidated Balance Sheet

(all amounts in ₹ million unless otherwise stated)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	29,234.26	30,235.11
Capital work-in-progress	4	604.68	324.80
Investment properties	5	279,516.10	280,522.23
Investment properties under development	8	12,063.70	6,779.98
Goodwill	6	64,045.35	64,045.35
Other intangible assets	7	11,864.35	13,978.00
Equity accounted investee	9	23,081.17	23,634.69
Financial assets			
- Investments	10	8,157.82	-
- Other financial assets	11	3,469.09	2,781.36
Deferred tax assets (net)	25	121.10	89.30
Non-current tax assets (net)	12	976.62	814.99
Other non-current assets	13	19,529.66	19,001.37
Total non-current assets		**452,663.90**	**442,207.18**
Current assets			
Inventories	14	35.89	11.09
Financial assets			
- Trade receivables	15	503.96	605.81
- Cash and cash equivalents	16A	8,173.48	5,884.49
- Other bank balances	16B	580.10	231.50
- Other financial assets	17	1,318.96	2,244.59
Current tax assets	18	-	307.19
Other current assets	19	841.38	466.94
Total current assets		**11,453.77**	**9,751.61**
Total assets		**464,117.67**	**451,958.79**
EQUITY AND LIABILITIES			
Equity			
Unit capital	20	288,262.11	288,262.11
Other equity	21	(44,579.13)	(29,395.21)
Total equity		**243,682.98**	**258,866.90**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	22	104,206.84	120,739.79
- Lease liabilities		362.47	347.98
- Other financial liabilities	23	4,163.22	3,494.61
Provisions	24	8.20	7.64
Deferred tax liabilities (net)	25	51,825.84	51,745.44
Other non-current liabilities	26	600.86	560.81
Total non-current liabilities		**161,167.43**	**176,896.27**
Current liabilities			
Financial liabilities			
- Borrowings	27	43,848.12	273.73
- Trade payables	28		
- total outstanding dues of micro and small enterprises		96.31	112.73
- total outstanding dues of creditors other than micro and small enterprises		377.38	204.38
- Other financial liabilities	29	12,970.90	14,163.26
Provisions	30	13.05	6.24
Other current liabilities	31	1,849.67	1,355.16
Current tax liabilities (net)	32	111.83	80.12
Total current liabilities		**59,267.26**	**16,195.62**
Total equity and liabilities		**464,117.67**	**451,958.79**
Significant accounting policies	2		

The accompanying notes referred to above are an integral part of these 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

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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Consolidated Statement of Profit and Loss

(all amounts in ₹ million unless otherwise stated)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME AND GAINS			
Revenue from operations	33	34,195.43	29,626.05
Interest income	34	1,123.37	899.81
Other income	35	317.87	369.46
Total Income		**35,636.67**	**30,895.32**
EXPENSES			
Cost of materials consumed	36	390.22	84.53
Employee benefits expense	37	590.08	228.59
Operating and maintenance expenses	38	968.22	585.64
Repairs and maintenance	40	3,028.11	2,657.67
Valuation expenses		10.62	11.56
Audit fees		54.33	53.81
Insurance expenses		180.34	149.49
Investment management fees	45	934.89	924.63
Trustee fees		2.95	2.95
Legal and professional fees		524.73	408.46
Other expenses	39	2,067.19	1,537.82
Total Expenses		**8,751.68**	**6,645.15**
Earnings before finance costs, depreciation, amortisation and tax		**26,884.99**	**24,250.17**
Finance costs (net)	41	9,760.63	8,285.28
Depreciation expense	42	9,164.92	5,996.08
Amortisation expense	42	2,119.24	1,968.55
Profit before share of profit of equity accounted investee and tax		**5,840.20**	**8,000.26**
Share of profit after tax of equity accounted investee		777.50	962.14
Profit before tax		**6,617.70**	**8,962.40**
Tax expense:	43		
Current tax		1,527.66	1,670.00
Deferred tax charge/ (credit)		30.46	(1,591.45)
		1,558.12	**78.55**
Profit for the year		**5,059.58**	**8,883.85**
Items of other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss			
- Gain/ (loss) on remeasurement of defined benefit liability, net of tax		3.51	0.83
Total comprehensive income attributable to Unitholders for the year		**5,063.09**	**8,884.68**
Earnings per unit	44		
Basic, attributable to the Unitholders of the Trust			
Diluted, attributable to the Unitholders of the Trust		5.34	9.37
Significant accounting policies	2	5.34	9.37

The accompanying notes referred to above are an integral part of these 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

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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Consolidated Statement of Cash Flows

(all amounts in ₹ million unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before share of profit of equity accounted investee and tax	5,840.20	8,000.26
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation expense	9,164.92	5,996.08
Amortisation expense	2,119.24	1,968.55
Assets and other balances written off	-	6.11
Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	3.28	15.71
Allowances for credit loss and bad debts written off	2.19	2.56
Liabilities no longer required written back	(11.97)	(128.84)
Profit on sale of mutual funds	(143.79)	(140.82)
Finance costs (net)	9,760.63	8,285.28
Interest income	(1,123.37)	(899.81)
Operating profit before working capital changes	**25,611.33**	**23,105.08**
Working capital adjustments		
- Inventories	(24.80)	(0.29)
- Trade receivables	147.03	(96.32)
- Other financial assets (current and non-current)	534.58	4,045.59
- Other assets (current and non-current)	(217.30)	(96.83)
- Trade payables	168.55	(77.89)
- Other financial liabilities (current and non-current)	297.90	(857.82)
- Other liabilities and provisions (current and non-current)	395.04	(635.22)
Cash generated from operating activities before taxes	**26,912.33**	**25,386.30**
Taxes paid (net)	(1,257.23)	(1,716.56)
Cash generated from operating activities	**25,655.10**	**23,669.74**
Cash flow from investing activities		
(Proceeds from)/Redemption of deposits with banks (net)	(170.86)	518.97
Redemption of mutual funds (net)	143.79	140.82
Investment in debentures	(9,500.00)	-
Repayment of investment in debentures	1,342.17	-
Payment for purchase of Investment Properties, Property, Plant and Equipment and Intangibles including Capital Work-in-progress and Investment Properties under Development	(10,920.56)	(14,009.65)
Payment of contingent consideration	(350.00)	-
Payment for acquisition of ECPL (including transaction cost of acquisition)**	(64.66)	-
Dividend received	920.00	1,400.00
Interest received	1,903.68	129.62
Net cash flow used in investing activities	**(16,696.43)**	**(11,820.24)**

Consolidated Statement of Cash Flows

(all amounts in ₹ million unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from financing activities		
Interest paid	(9,862.11)	(6,420.61)
Repayment of borrowings	(20,247.13)	(51,770.13)
Proceeds from borrowings (net of issue expenses)	41,686.27	64,036.80
Transaction costs related to issue of units	-	(17.72)
Cash used in distribution to Unitholders	(20,246.20)	(20,947.47)
Payment of lease liabilities	(20.35)	(20.66)
Net cash used in financing activities	**(8,689.52)**	**(15,139.79)**
Net increase/ (decrease) in cash and cash equivalents	**269.15**	**(3,290.29)**
Cash and cash equivalents at the beginning of the year	5,884.49	9,174.78
Cash and cash equivalents acquired due to asset acquisition (refer note 58)	2,019.84	-
Cash and cash equivalents at the end of the year	**8,173.48**	**5,884.49**
Components of cash and cash equivalents (refer note 16A)		
Cash in hand	1.99	0.74
Balances with banks		
- in current accounts	6,285.09	5,821.18
- in escrow accounts	1,841.40	54.00
- in fixed deposits	45.00	8.57
	8,173.48	**5,884.49**
Significant accounting policies (refer note 2)		

**refer note 58

The accompanying notes referred to above are an integral part of these 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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Consolidated Statement of Changes in Unitholder's Equity

(all amounts in ₹ million unless otherwise stated)

A. Unit Capital

Particulars	No in Million	Amount
Balance as on 1 April 2021	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at March 31, 2022	**947.90**	**288,262.11**
Balance as on 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at March 31, 2023	**947.90**	**288,262.11**

B. Other equity

Particulars	Reserves and Surplus	
	Retained Earnings	Debenture redemption reserve
Balance as on 1 April 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 1 April 2022	**(29,395.21)**	**-**
Add: Profit for the year ended March 31, 2023	5,059.58	-
Add: Other Comprehensive Income for the year ended March 31, 2023#	3.51	-
Less: Distribution to Unitholders during the year ended March 31, 2023*^^	(20,247.01)	-
Less: Transfer to debenture redemption reserve	(244.20)	
Add: Transfer from retained earnings	-	244.20
Balance as at March 31, 2023	**(44,823.33)**	**244.20**

* 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 debt 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 was paid subsequent to the year ended March 31, 2022.

^^ The distribution for year ended March 31, 2023 does not include the distribution relating to the quarter ended March 31, 2023, as the same will be paid subsequently.

Other comprehensive income comprises of gain/ (loss) on remeasurements of defined benefit liability (net) of ₹3.51 million for the year ended March 31, 2023 (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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

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

S. No	Particulars	Unit of measurement	As at March 31, 2023		As at March 31, 2022	
			Book value	Fair value	Book value	Fair value
A	Assets	₹ in million	464,117.67	594,601.82	451,958.79	567,192.96
B	Liabilities	₹ in million	220,434.69	220,294.35	193,091.89	193,819.45
C	Net Assets (A-B)	₹ in million	**243,682.98**	**374,307.47**	**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)	₹	**257.08**	**394.88**	**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 March 31, 2023 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 March 31, 2023 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	197,632.70	2,910.14	200,542.84	39,880.37	160,662.47	133,229.75
EPTPL	22,845.08	434.31	23,279.39	1,594.08	21,685.31	22,768.86
UPPL	4,762.18	172.61	4,934.79	432.61	4,502.18	4,199.18
EEPL	8,513.70	68.78	8,582.48	313.40	8,269.08	8,353.07
GSPL	9,525.52	107.30	9,632.82	467.68	9,165.14	5,886.05
ETPL	13,940.62	219.80	14,160.42	547.76	13,612.66	9,876.46
OBPPL	22,809.13	196.58	23,005.71	3,492.45	19,513.26	16,885.79
QBPPL	9,717.73	227.58	9,945.31	423.69	9,521.62	8,835.17

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(all amounts in ₹ million unless otherwise stated)

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
QBPL	25,723.62	887.58	26,611.20	713.06	25,898.14	21,286.69
VCPPL	18,683.64	144.87	18,828.51	969.99	17,858.52	12,627.90
IENMPL	18,251.89	119.09	18,370.98	912.04	17,458.94	14,310.71
ETV Assets	122,988.60	1,413.77	124,402.37	22,627.91	101,774.46	98,799.34
ECPL#	3,750.57	2,240.15	5,990.72	3,358.09	2,632.63	6,387.87
Trust	-	77,589.66	77,589.66	144,561.22	(66,971.56)	77,589.66
Total	**479,144.98**	**86,732.22**	**565,877.20**	**220,294.35**	**345,582.85**	**441,036.50**
Investment in GLSP **	28,724.62	-	28,724.62	-	28,724.62	23,081.17
	507,869.60	**86,732.22**	**594,601.82**	**220,294.35**	**374,307.47**	**464,117.67**

#refer note 58.

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
QBPPL	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 March 31, 2023 and March 31, 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

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(all amounts in ₹ million unless otherwise stated)

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 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.

** 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 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.

Note

(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 cashflow 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

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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Consolidated 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

S. No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	Total comprehensive income	5,063.09	8,884.68
B	Add: Changes in fair value not recognised in total comprehensive income (refer note below)	2,762.05	11,777.97
C (A+B)	**Total Return**	**7,825.14**	**20,662.65**

Note :

1. In the above statement, changes in fair value for the year ended March 31, 2023 and March 31, 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 March 31, 2023 and March 31, 2022 as compared with the values as at March 31, 2022 and March 31, 2021 net of cash spent on construction during the year. The fair values of the afore-mentioned assets as at March 31, 2023 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.
2. ECPL was acquired on March 31, 2023 and accordingly the statement of total returns at fair value does not include any difference in fair values of investment properties under development for the year ended March 31, 2023.

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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Consolidated 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

(i) Embassy Office Parks REIT- Standalone

S. No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Cash flows received from SPVs/ Holdcos and Investment Entity in the form of:		
	• Interest	9,074.45	7,577.28
	• Dividends (net of applicable taxes)	9,707.00	9,475.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	8,288.69	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	72.29	99.17
5	Less: Any other expense at the Embassy REIT level, and not captured herein (excluding acquisition related costs)	(66.76)	(77.14)
6	Less: Any fees, including but not limited to:		
	• Trustee fees	(2.95)	(2.95)
	• REIT Management fees (to the extent not paid in Units)	(239.47)	(254.46)
	• Valuer fees	(10.62)	(11.56)
	• Legal and professional fees	(164.18)	(58.98)
	• Trademark license fees	(1.42)	(1.42)
	• Secondment fees	(1.64)	(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	(6,017.63)	(3,820.29)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the standalone Embassy REIT level	(29.57)	(46.25)
	Net Distributable Cash Flows at REIT level	**20,608.19**	**20,638.19**

Notes: The Board of Directors of the Manager to the Trust, in their meeting held on April 27, 2023, have declared distribution to Unitholders of ₹5.61 per unit which aggregates to ₹5,317.68 million for the quarter ended March 31, 2023. The distribution of ₹5.61 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.81 per unit in the form of dividend and the balance ₹1.94 per unit in the form of repayment of debt. Along with distribution of ₹15,261.09 million/ ₹16.10 per unit for the nine months ended 31 December 2022, the cumulative distribution for the year ended March 31, 2023 aggregates to ₹20,578.77 million/ ₹21.71 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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

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

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

For the year ended March 31, 2023 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

S. No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	ECPL*	Total
1	Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)	0.11	2,938.62	337.07	(65.50)	535.05	139.63	315.21	(1.02)	(1,951.41)	202.47	438.80	255.75	(551.25)	-	2,593.53
	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	522.20	4,105.58	362.19	159.12	183.64	106.92	243.15	308.38	337.02	68.92	139.32	1,948.93	388.69	-	8,874.06
	• Assets written off or liabilities written back	3.42	(2.08)	-	1.78	(0.01)	-	-	-	(6.47)	-	0.44	(3.43)	-	-	(6.35)
	• Current tax charge as per Statement of Profit and Loss	25.70	534.06	83.10	-	179.96	62.66	124.14	4.11	-	67.95	130.51	64.00	222.89	-	1,499.08
	• Deferred tax	19.09	(78.36)	138.50	(21.48)	10.66	0.91	8.92	16.13	469.77	16.96	(14.80)	318.64	127.78	-	1,012.72
	• MAT adjustments	(8.25)	(320.65)	(83.10)	-	-	-	-	(4.04)	283.95	(1.60)	-	-	-	-	(133.69)
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits etc)	28.17	(55.59)	-	-	(36.66)	(10.93)	(44.18)	52.94	2.44	(4.77)	50.70	88.28	(32.57)	-	37.83
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	527.34	1,891.84	635.03	233.03	185.90	201.26	361.97	840.98	1,562.01	276.72	477.44	2,228.67	516.87	-	9,939.06
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

(all amounts in ₹ million unless otherwise stated)

S. No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	ECPL*	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.	(133.58)	748.83	(153.32)	17.11	79.10	16.18	5.32	24.70	212.45	89.66	53.55	1,015.27	564.87	-	2,540.14
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(13.17)	-	-	-	-	-	(2.15)	(2.50)	-	-	(50.80)	-	-	(68.61)
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)	266.74	(840.06)	(76.32)	(1.11)	(170.94)	(63.51)	(119.56)	(1.14)	(7.64)	(63.09)	(121.05)	134.62	(164.60)	-	(1,227.66)
	Total Adjustments (B)	1,250.83	5,970.41	906.08	388.45	431.65	313.49	579.76	1,239.91	2,851.03	450.75	716.11	5,744.18	1,623.93	-	22,466.58
	Net distributable Cash Flows at SPV Level C = (A+B)	**1,250.94**	**8,909.03**	**1,243.15**	**322.95**	**966.70**	**453.12**	**894.97**	**1,238.89**	**899.62**	**653.22**	**1,154.91**	**5,999.93**	**1,072.68**	**-**	**25,060.11**

*refer note 58

- 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.

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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016

(all amounts in ₹ million unless otherwise stated)

For the year ended March 31, 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

S. No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	ECPL*	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

(all amounts in ₹ million unless otherwise stated)

S. No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	ECPL*	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.	(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
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(13.38)	-	-	-	-	-	-	(14.39)	-	-	(106.25)	-	-	(134.02)
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)	(197.73)	(2.10)	15.38	(1,669.61)
	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	6,303.69	840.62	1,188.86	19,887.60
	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**	**7,136.64**	**(3.95)**	**1,056.80**	**24,785.47**

* 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 upto 31 December 2021 in EOVPL. NDCF for the period 1 January 2022 to March 31, 2022 of EOVPL is computed and presented in VTPL (refer note 60).

\- 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.

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: April 27, 2023

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: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

Notes
to the Consolidated Financial Statements

(all amounts in ₹ million unless otherwise stated)

1. Organisation structure

The Consolidated Financial Statements comprise 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'), Sarla Infrastructure Private Limited ('SIPL') and Embassy Construction Private Limited ('ECPL') (individually referred to as 'Special Purpose Vehicle' or 'SPV' and together referred to as 'Embassy Office Parks Group') and a Joint Venture namely Golflinks 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, Karnataka, 560071, 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 1 April 2019.

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 Bangalore 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 Bangalore.	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 Bangalore.	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 Bangalore. Development, rental and maintenance of serviced residences (Hotel Four Seasons at Embassy One), located in Bangalore.	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%
VTPL*	Development and leasing of commercial space and related interiors and maintenance of such assets "Embassy TechVillage" (ETV), located in Bangalore. w.e.f. 1 April 2021, EOVPL is merged with VTPL (refer note 60).	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 Bangalore.	Embassy Office Parks REIT: 100%
ECPL	Development and leasing of commercial space and related interiors and maintenance of such assets, located in Bangalore	Embassy Office Parks REIT: 100% (w.e.f. March 31, 2023, refer note 58)

* 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 Bangalore.	MPPL: 50% Kelachandra Holdings LLP: 50%

2. Significant accounting policies

2.1 Basis of preparation of Consolidated Financial Statements

The 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 March 31, 2023, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Unitholders' Equity, the Statement of Net Distributable Cashflows of Embassy REIT and each of the SPVs, the Consolidated Statement of Total Returns at fair value and a summary of significant accounting policies and other explanatory information for the year ended March 31, 2023.

The 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 April 27, 2023. The 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 thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated 29 December 2016 (the "REIT regulations'); Indian Accounting Standard as defined 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 Consolidated Financial Statements are presented in Indian ₹ in Millions, except when otherwise indicated.

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Statement of compliance to Ind-AS

These Consolidated Financial Statements for the year ended March 31, 2023 are the financial statements of the Embassy Office Parks Group and have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ('Ind AS'), to the extent not inconsistent with REIT regulations.

The 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. March 31, 2023.

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.

Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards. These amendments had no impact on the financial statements of the Group.

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

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

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. These amendments had no impact on the financial statements of the Group.

There were certain amendments to standards and interpretations which are applicable for the first time for the year ended March 31, 2023, but either the same are not relevant or do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Basis of Consolidation

(i) Subsidiaries

The Embassy Office Parks Group consolidates entities which it owns or controls. The 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 Consolidated Financial Statements of the Embassy Office Parks Group are stated below:

a) The Consolidated Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 – Consolidated Financial Statements, to the extent applicable.

b) Goodwill is recognised in the 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 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 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 recognize 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 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 recognize 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 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,

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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 represent a business combination, purchase consideration paid in excess of the fair value of net assets acquired 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.

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

When the acquisition of an asset or group of assets does not constitute a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the individual identified assets and liabilities acquired based upon their relative fair values and no goodwill or deferred tax is recognised.

For any identifiable asset or liability initially measured at an amount other than cost, Embassy Office Parks Group initially measures that asset or liability at the amount specified in the applicable Ind AS. Embassy Office Parks Group deduct from the cost of the group of assets the amounts allocated to these assets and liabilities, and then allocate the residual cost of acquisition to the remaining identifiable assets and liabilities based on their relative fair values at the date of acquisition.

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 Consolidated Financial Statements are presented in Indian ₹, 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 ₹ has been rounded off to nearest million except unit and per unit data.

b) Basis of measurement

The 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;
- 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.

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c) Use of Judgements and estimates

The preparation of 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 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 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 Consolidated Financial Statements - Note 2.1.

vii) Classification of Unitholders' funds - Note 20(a).

viii) Significant judgements is involved in the allocation cost of acquisition to the identifiable assets and liabilities based on their relative fair values at the date of acquisition in case of acquistion that does not represent a business combination – Note on Basis of Business Combination.

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment during the year ended March 31, 2023 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

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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).

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 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.

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.

The Group has net current liabilities of ₹47,810 million as at March 31, 2023 mainly due to the maturity of Embassy REIT Series II NCD 2020 - Tranche A and Tranche B, Non-Convertible debentures (NCD) 2020 and Embassy REIT Series III NCD 2021, Non-Convertible debentures (NCD) 2021 in October 2023 and February 2024 respectively. Based on the Group's liquidity position including undrawn borrowing facilities as well as a low leverage of 28% Net debt to Gross asset value, the Group will be able to refinance its borrowings and meet its current obligations as and when they fall due.

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

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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 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:

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

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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.

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 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.

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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 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

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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.

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 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, 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.

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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 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 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 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.

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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.

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.

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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.

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

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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 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 towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

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.

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

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person which is billed (exclusive of applicable taxes) based on guaranteed covers if actual cover is less than contracted.

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 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.

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u) Borrowing costs

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

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

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 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

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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 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.

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, amortization, 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 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 8 July 2021 and is effective from 1 April 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 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, 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.

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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.

af) Joint development accounting

Land/development rights received under joint development arrangements is measured at the fair value of the estimated construction service rendered to the landowner and the same is accounted on completion of the project. Further, non-refundable deposit amount paid by the Group under joint development arrangements is recognised as Investment property under development and on the completion of the project, the non-refundable amount is transferred as land cost to Investment Property.

ag) Recent pronouncements

New and amended standards

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

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 31, 2023 to amend the following Ind AS which are effective from 01 April 2023.

Ind AS 1, Presentation of Financial Statements

An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors

Definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'. As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. An entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information. An entity may need to change an accounting estimate if changes occur in the circumstances on which the accounting estimate was based or as a result of new information, new developments or more experience. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error."

Deferred tax related to leases and decommissioning, restoration and similar liabilities

Ind AS 12, Income Taxes, exempt an entity from recognising a deferred tax asset or liability in particular circumstances. Despite this exemption, an entity shall recognise a deferred tax asset—to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised—and a deferred tax liability for all deductible and taxable temporary differences associated with (i) right-of-use assets and lease liabilities; and (ii) decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset."

There were certain amendments to standards and interpretations which are applicable for the first time for the year ended March 31, 2023, but either the same are not relevant or do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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3 Property, plant and equipment

Reconciliation of carrying amounts for the year ended March 31, 2023

Particulars	Land-freehold (refer note i)	Buildings	Plant and machinery	Furniture and fixtures	Electrical equipment	Office equipment	Computers	Operating supplies	Vehicles	Total
Gross block										
As at 1 April 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 1 April 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 year	-	35.31	14.77	20.17	4.68	1.74	1.73	2.09	0.45	80.94
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	**8,851.84**	**12,942.74**	**7,998.55**	**1,308.27**	**1,776.11**	**46.18**	**39.18**	**268.70**	**63.16**	**33,294.73**
Accumulated depreciation and impairment										
As at 1 April 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 1 April 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 year	-	221.04	441.87	210.38	185.91	8.98	4.76	0.79	8.06	1,081.79
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	**156.94**	**1,179.69**	**1,799.09**	**482.03**	**360.28**	**25.91**	**19.77**	**11.84**	**24.92**	**4,060.47**
Carrying amount (net)										
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 March 31, 2023	**8,694.90**	**11,763.05**	**6,199.46**	**826.24**	**1,415.83**	**20.27**	**19.41**	**256.86**	**38.24**	**29,234.26**

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 March 31, 2023 includes impairment loss of ₹886.18 million (March 31, 2022: ₹886.18 million).

iii. Refer Note 6 for disclosure on impairment.

iv. Refer Note 22 for information on charge created by the Group on its property, plant and equipment.

v. Refer Note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

vi. The amount of borrowing cost capitalised during the year is ₹31.37 million (March 31, 2022: ₹433.05 million) at a capitalisation rate which is the SPV specific Weighted Average Borrowing Cost (WABC).

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4 Capital work-in-progress

Particulars	As at March 31, 2023	As at March 31, 2022
VTPL - (Hilton Hotels at ETV)**	602.16	306.53
Others	2.52	18.27
	604.68	**324.80**

**forms part of ETV assets CGU

i. Capital work-in-progress ageing schedule:

Status as at March 31, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	298.15	75.67	71.29	159.57	604.68
Projects temporarily suspended	-	-	-	-	-

Status as at March 31, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	93.94	71.29	115.89	43.68	324.80
Projects temporarily suspended	-	-	-	-	-

ii. As on March 31, 2023 and March 31, 2022, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on original approved plan.

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5 Investment properties

Reconciliation of carrying amounts for the year ended March 31, 2023

Particulars	Land-freehold	Land-leasehold (refer notes)	Buildings	Plant and machinery	Furniture and fixtures	Electrical equipment	Office equipment	Vehicle	Computer	Total
Gross block										
As at 1 April 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 1 April 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 year	-	22.02	5,199.72	864.44	172.84	831.27	1.11	-	0.70	7,092.10
Disposals	-	-	-	(14.55)	(3.58)	(5.43)	-	-	-	(23.56)
As at March 31, 2023	**126,552.98**	**28,631.57**	**122,831.55**	**16,253.32**	**2,139.87**	**5,068.56**	**66.85**	**5.31**	**12.74**	**301,562.75**
Accumulated depreciation and impairment										
As at 1 April 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 1 April 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 year (refer note 42)	-	361.11	5,257.60	1,626.93	232.92	594.96	9.38	-	0.23	8,083.13
Disposals	-	-	-	(5.23)	(1.28)	(1.95)	-	-	-	(8.46)
As at March 31, 2023	**12.80**	**1,566.79**	**12,391.06**	**5,042.81**	**1,105.31**	**1,869.72**	**48.41**	**5.31**	**4.44**	**22,046.65**
Carrying amount (net)										
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 March 31, 2023	**126,540.18**	**27,064.78**	**110,440.49**	**11,210.51**	**1,034.56**	**3,198.84**	**18.44**	**-**	**8.30**	**279,516.10**

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.

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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 12 February 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 year is ₹579.51 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 ₹27,064.78 million (March 31, 2022: ₹27,403.87 million) which is recorded under Land Leasehold. The corresponding lease liability amounting to ₹362.47 million (March 31, 2022: ₹347.98 million) is recorded as a financial liability.

xii. Accumulated depreciation as at March 31, 2023 includes impairment loss of ₹31.71 million (March 31, 2022: ₹31.71 million).

xiii. Refer Note 6 for disclosure on impairment.

xiv. Amount recognised in statement of profit and loss for investment properties:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental income	29,189.78	27,512.07
Less: Direct operating expenses arising from investment property that generated rental income during the year	(2,995.53)	(2,760.78)
Less: Direct operating expenses arising from investment property that did not generate rental income during the year	(1,164.95)	(1,100.69)
Less: Depreciation and amortisation expense (refer note 42)	(10,048.39)	(7,101.26)
Profit arising from investment properties before indirect expenses	**14,980.91**	**16,549.34**

Refer Note 22 for information on charge created by the group on its investment property.

Refer Note 46 for disclosure of contractual commitments for the acquisition of investment property.

Refer Note 51 for disclosure of assets acquired under lease.

Fair value disclosures:

Particulars	Amount
Fair value as at March 31, 2023	445,500.09
Fair value as at March 31, 2022	433,225.00

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The fair value of investment property as at March 31, 2023 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.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. 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 and lease terms, seasonality in sustaining a stable average room rent and occupancy for the hotels.

6 Goodwill [refer note 2.1 (i) (b)]

As at March 31, 2023

SPV	Goodwill as at 1 April 2022	Consideration transferred for business combination during the year	Fair value of net assets acquired under business combination during the year/ adjustments	Goodwill arising on acquisitions during the year	Impairment loss for the year	Net carrying value as at March 31, 2023
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 1 April 2021	Consideration transferred for business combination during the year	Fair value of net assets acquired under business combination during the year/ adjustments	Goodwill arising on acquisitions during the year	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.

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Impairment testing for goodwill

Goodwill acquired through business combinations has been allocated to the Cash Generating Units ('CGU') as below for impairment testing: (Each SPV has been considered to be an independent CGU except QBPL and MPPL). Goodwill pertaining to QBPL and MPPL has been further allocated to commercial CGU forming part of commercial segment and hotel CGU forming part of hospitality segment. Goodwill pertaining to ETV assets has been considered as a single CGU as all the ETV assets have a similar risk and return profile.

CGU	As at March 31, 2023			As at March 31, 2022		
	Carrying amount of the CGU prior to impairment*	Recoverable amount	Impairment Loss	Carrying amount of the CGU prior to impairment*	Recoverable amount	Impairment Loss
Commercial						
MPPL	104,794.99	177,832.99	-	110,281.07	174,899.02	-
EPTPL	19,375.49	21,685.31	-	16,998.45	19,419.27	-
ETPL	12,376.71	13,612.66	-	12,363.55	13,622.88	-
GSPL	6,611.72	9,165.14	-	6,584.40	8,934.69	-
IENMPL	16,597.74	17,458.94	-	16,574.27	17,224.12	-
OBPPL	18,754.36	19,513.26	-	18,935.96	22,580.27	-
QBPPL	8,322.71	9,521.62	-	8,565.55	9,938.06	-
QBPL - Embassy Quadron	10,786.22	13,401.19	-	11,245.89	14,161.22	-
QBPL - Embassy One	4,449.39	4,557.95	-	4,402.09	4,678.00	-
VCPPL	14,897.29	17,858.52	-	15,270.40	17,429.34	-
ETV assets	76,098.72	101,774.46	-	79,594.54	97,929.51	-
ECPL**	2,564.68	2,632.63	-	NA	NA	NA
Hospitality						
QBPL - Hotel	7,040.04	7,939.00	-	7,193.94	7,937.50	-
MPPL - Hotel	10,413.44	11,554.10	-	7,863.36	8,257.52	-
UPPL	3,468.48	4,502.18	-	3,534.28	3,963.67	-
Others						
EEPL	7,931.49	8,269.08	-	8,496.28	8,825.68	-
	324,483.47	**441,279.03**	**-**	**327,904.03**	**429,800.75**	**-**

* The carrying amount also includes carrying value of intangibles with indefinite useful life amounting to ₹3,641.88 million as at March 31, 2023 (March 31, 2022: ₹3,641.88 million). Accordingly, the disclosures given in this note also covers the impairment testing relating to intangibles with indefinite useful lives.

** Refer note 58.

During the year, management has estimated the recoverable amount of the CGUs based on a valuation 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. The fair value measurement is a level 3 measurement on the fair value hierarchy. The valuation was done in accordance with discounted cash flow method.

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As a result of the annual fair valuation, no impairment loss was recognised in the Statement of Profit and Loss during the year ended March 31, 2023 and March 31, 2022. The annual impairment test performed considers the current economic conditions and revised business plans to determine the higher of the "value in use" and the "fair value less cost to disposal" in accordance with Ind AS 36.

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

The recoverable amount was based on value in use calculation and was determined at the level of the CGUs. These calculations use cash flow projections over a defined period. Discount rate is based on the Weighted Average Cost of Capital (WACC) of the entity. In determining value in use for the CGUs, the key assumptions used are as follows:

CGU	As at March 31, 2023			As at March 31, 2022		
	Discount rate - completed projects	Discount rate - under construction projects	Capitalisation rate	Discount rate - completed projects	Discount rate - under construction projects	Capitalisation rate
Commercial						
MPPL	11.70%	13.00%	8.00%	11.70%	13.00%	8.00%
EPTPL	11.70%	13.00%	8.25%	11.70%	13.00%	8.25%
ETPL	11.70%	NA	7.75%	11.70%	NA	7.75%
GSPL	11.70%	NA	8.25%	11.70%	NA	8.25%
IENMPL	11.70%	NA	7.50%	11.70%	NA	7.50%
OBPPL	11.70%	13.00%	8.25%	11.70%	13.00%	8.25%
QBPPL	11.70%	NA	8.25%	11.70%	NA	8.25%
QBPL - Embassy Quadron	11.70%	NA	8.25%	11.70%	NA	8.25%
QBPL - Embassy One	11.70%	NA	7.50%	11.70%	NA	7.50%
VCPPL	11.70%	NA	8.00%	11.70%	NA	8.00%
ETV assets	11.70%	13.00%	8.00%	11.70%	13.00%	8.00%
ECPL*	11.70%	13.00%	8.00%	NA	NA	NA
Hospitality						
UPPL	12.38%	NA	14.0x of EBITDA	12.38%	NA	14.0x of EBITDA
QBPL - Hotel	12.38%	NA	14.0x of EBITDA	12.38%	NA	14.0x of EBITDA
MPPL - Hotel	12.38%	NA	14.0x of EBITDA	12.38%	NA	14.0x of EBITDA
ETV - Hotel	NA	13.60%	14.0x of EBITDA	NA	13.60%	14.0x of EBITDA
Others						
EEPL	11.70%	NA	NA	11.70%	NA	NA

The recoverable amount of the CGUs exceeds the carrying amount of the CGUs by ₹116,795.56 million (March 31, 2022: ₹101,896.71 million). Following change in discount rate and capitalisation rate (taken individually, assuming all other assumptions remain the same) would cause the recoverable amount of the identified CGUs to be equal to the carrying amount of the CGU.

*refer note 58

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CGU	As at March 31, 2023			As at March 31, 2022		
	Discount rate - completed projects	Discount rate - under construction projects	Capitalisation rate	Discount rate - completed projects	Discount rate - under construction projects	Capitalisation rate
Commercial						
MPPL	15.80%	17.73%	14.07%	15.85%	17.90%	14.45%
EPTPL	13.15%	14.06%	9.55%	14.62%	15.99%	9.59%
ETPL	13.25%	NA	9.55%	12.55%	NA	8.50%
GSPL	14.16%	NA	12.50%	15.06%	NA	10.00%
IENMPL	12.50%	NA	8.33%	12.29%	NA	8.10%
OBPPL	12.20%	13.65%	8.88%	13.20%	15.20%	9.00%
QBPPL	13.93%	NA	11.27%	13.22%	NA	9.50%
QBPL - Embassy Quadron	15.39%	NA	14.57%	14.83%	NA	9.70%
QBPL - Embassy One	12.04%	NA	7.82%	12.00%	NA	8.00%
VCPPL	14.66%	NA	12.24%	12.93%	NA	9.00%
ETV assets	15.09%	17.29%	13.13%	13.32%	14.50%	9.10%
ECPL*	11.70%	13.15%	8.08%	NA	NA	NA
Hospitality						
UPPL	14.79%	NA	11.57x of EBITDA	13.87%	NA	11.52x of EBITDA
QBPL - Hotel	14.17%	NA	11.05x of EBITDA	13.78%	NA	11.68x of EBITDA
MPPL - Hotel	13.89%	NA	11.46x of EBITDA	12.93%	NA	13.08x of EBITDA
ETV - Hotel	NA	13.92%	NA	NA	13.68%	NA
Others						
EEPL	12.51%	NA	NA	12.44%	NA	NA

*refer note 58

7 Other intangible assets

Reconciliation of carrying amounts for the year ended March 31, 2023

Particulars	CAM service rights	Power Purchase Agreement	Right to use trade mark	Computer software	Total
Gross Block					
As at 1 April 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 1 April 2022	**9,826.91**	**3,348.00**	**3,641.88**	**57.82**	**16,874.61**
Additions during the year	-	-	-	5.59	5.59
As at March 31, 2023	**9,826.91**	**3,348.00**	**3,641.88**	**63.41**	**16,880.20**
Accumulated amortisation					
As at 1 April 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 1 April 2022	**2,429.39**	**436.70**	**-**	**30.52**	**2,896.61**
Amortisation for the year	1,965.26	145.57	-	8.41	2,119.24
As at March 31, 2023	**4,394.65**	**582.27**	**-**	**38.93**	**5,015.85**
Carrying amount (net)					
As at March 31, 2022	**7,397.52**	**2,911.30**	**3,641.88**	**27.30**	**13,978.00**
As at March 31, 2023	**5,432.26**	**2,765.73**	**3,641.88**	**24.48**	**11,864.35**

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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 March 31, 2023	As at March 31, 2022
Base build			
VTPL	Block 8	2,363.09	933.51
EPTPL	Hudson block and Ganges block	-	2,878.05
OBPPL	Tower 1	2,868.82	1,513.82
MPPL	Block L4	434.74	-
ECPL*	Phase I	4,023.12	-
INFRASTRUCTURE AND UPGRADE PROJECTS			
MPPL	Master plan upgrades, solar and others	1,028.20	681.36
VTPL	Master plan upgrades, solar and others	561.09	4.69
EPTPL	Master plan upgrades, solar and others	313.93	646.08
GSPL	Master plan upgrades, solar and others	128.30	-
OBPPL	Building upgrades, solar and others	103.71	6.94
QBPPL	Master plan upgrades, solar and others	87.44	67.55
Multiple	Various	151.25	47.98
		12,063.70	**6,779.98**

*refer note 58 - asset acquisition

Notes:

I. Investment property under development ageing schedule:

Status as at March 31, 2023	Amount in IPUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	7,864.61	2,771.81	747.26	680.02	12,063.70
Projects temporarily suspended	-	-	-	-	-

Status as at March 31, 2022	Amount in IPUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	5,074.91	1,087.18	402.82	215.07	6,779.98
Projects temporarily suspended	-	-	-	-	-

ii. As on March 31, 2023 and March 31, 2022, there are no IPUD projects whose completion is overdue or has exceeded the cost, based on original approved plan.

9 Equity accounted investee

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in joint venture		
Golflinks Software Park Private Limited	23,081.17	23,634.69
	23,081.17	**23,634.69**
Goodwill on acquisition included as a part of carrying cost	10,449.36	10,449.36

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Particulars	As at March 31, 2023	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)	23,081.17	23,634.69

10 Non-current investments

Particulars	As at March 31, 2023	As at March 31, 2022
Trade, unquoted, measured at amortised cost		
Investment in debentures of joint venture (refer note 49) 9,500 (March 31, 2022: Nil) 8.15% debentures of face value of ₹1,000,000 each	8,157.82	-
	8,157.82	**-**

Terms:

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 6 April 2022. Outstanding as on March 31, 2023 of ₹8,157.82 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 allotement. Early redemption of debentures shall be permitted subject to availability of Net cash flows on such date.

Aggregate amount of unquoted investments	8,157.82	-
Aggregate amount of quoted investments	-	-
Investment measured at amortised cost	8,157.82	-
Investment measured at fair value through profit and loss	-	-

11 Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Bank deposits with more than 12 months maturity*	182.90	310.39
Unbilled revenue	1,024.28	784.82
Security deposits		
- others	1,028.36	889.49
Receivable under finance lease	1,233.55	796.66
	3,469.09	**2,781.36**

*Includes fixed deposits held as lien against debt taken and margin money for bank guarantee	182.90	310.39

12 Non-current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax, net of provision for tax	976.62	814.99
	976.62	**814.99**

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13 Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advance paid for co-development of property, including development rights on land (refer note 49 and 59)	17,048.83	15,777.90
Other capital advances		
- related party (refer note 49)	226.06	223.73
- others	1,425.15	2,022.43
Balances with government authorities	36.83	193.78
Paid under protest to government authorities (refer note 46)	732.26	716.30
Prepayments	60.53	67.23
	19,529.66	**19,001.37**

14 Inventories (valued at lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Stock of consumables	35.89	11.09
	35.89	**11.09**

15 Trade receivables ^

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Considered good *	503.96	605.81
Credit impaired	6.60	6.60
Less: Allowances for impairment losses	(6.60)	(6.60)
	503.96	**605.81**

*Includes trade receivables from related parties amounting to ₹180.06 million (March 31, 2022: ₹523.36 million) (refer note 49).

^ refer note 47 for ageing schedule based on requirements of Schedule III.

16A Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	1.99	0.74
Balances with banks		
- in current accounts*	6,285.09	5,821.18
- in escrow accounts		
- Balances with banks for unclaimed distributions	3.75	2.94
- Others^	1,837.65	51.06
- in fixed deposit accounts with original maturity of less than three months	45.00	8.57
	8,173.48	**5,884.49**

* Balance in current accounts includes cheques on hand as at March 31, 2023 amounting to ₹599.29 million (March 31, 2022: ₹536.97 million).

^ Includes unspent Corporate Social Responsibility (CSR) balances amounting to ₹0.03 million (March 31, 2022: ₹34.50 million) which has been deposited in separate escrow accounts. Includes ₹1,767.29 million (March 31, 2022: Nil) which has been deposited in a seperate escrow account for closure of loan in an SPV. Refer note 22(ix)

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16B Other bank balances

Particulars	As at March 31, 2023	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*	580.10	231.50
	580.10	**231.50**

*Deposit for availing letter of credit facilities 580.10 231.50

17 Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Interest accrued but not due		
- on fixed deposits	1.19	0.88
- on statutory deposits	12.24	16.10
- on others	2.01	2.01
Security deposits	0.53	0.53
Unbilled revenue (refer note 49)	581.21	431.78
Unbilled maintenance charges	278.62	238.28
Receivable under finance lease	223.78	446.94
Receivable for sale of co-developer rights	-	482.92
Other receivables		
- related parties (refer note 49)	182.56	620.97
- others	36.82	4.18
	1,318.96	**2,244.59**

18 Current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax, net of provision for tax	-	307.19
	-	**307.19**

19 Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advance for supply of goods and rendering of services		
- to related parties (refer note 49)	137.36	74.43
- to others	29.79	22.37
Balances with government authorities	462.15	180.51
Prepayments	212.08	189.63
	841.38	**466.94**

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(all amounts in ₹ million unless otherwise stated)

20 Unit capital

Unit capital	No in Million	Amount
As at 1 April 2021	**947.90**	**288,262.11**
Changes during the year	-	-
Closing balance as at March 31, 2022	**947.90**	**288,262.11**
As at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Closing balance as at March 31, 2023	**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 ₹.

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 29 December 2016 and No. CIR/IMD/DF/141/2016 dated 26 December 2016) issued under the REIT Regulations, the Unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 26 December 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 March 31, 2023		As at March 31, 2022	
	No of Units	% holding	No of Units	% holding
Embassy Property Developments Private Limited	72,864,279	7.69%	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:

Name of the Unitholder	Units held by sponsor group				% Change during the year ended March 31, 2023
	No. of units as at March 31, 2023	% of total units as at March 31, 2023	No. of units as at March 31, 2022	% of total units as at March 31, 2022	
Embassy Property Developments Private Limited	72,864,279	7.69%	115,484,802	12.18%	(4.49)%
BRE/Mauritius Investments (Co-sponsor), including co-sponsor group (refer note 49)	223,597,193	23.59%	300,597,191	31.71%	(8.12)%

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Sponsor	Units held by sponsor group				% Change during the year ended March 31, 2022
	No. of units as at March 31, 2023	% of total units as at March 31, 2023	No. of units as at March 31, 2021	% of total units as at March 31, 2021	
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 49)	300,597,191	31.71%	357,597,188	37.73%	(6.02)%

21 Other equity*

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and Surplus		
Retained earnings	(44,823.33)	(29,395.21)
Debenture redemption reserve	244.20	-
	(44,579.13)	**(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 year, the profit for the year including other comprehensive income is transferred from the Statement of Profit and Loss to the retained earnings account.

Debenture redemption reserve

VTPL has issued Non-Convertible Debentures during the current year and as per the provisions of the Companies Act, 2013, VTPL is required to create debenture redemption reserve out of the profits available for payment of dividend.

22 Non-current Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
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)		
- Embassy REIT Series II NCD 2020 - Tranche A (refer note i below)	-	7,428.80
- Embassy REIT Series II NCD 2020 - Tranche B (refer note i below)	-	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]	-	25,808.89
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]	2,981.13	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)	19,929.07	19,883.54
- Embassy REIT Series V NCD 2021 - Series B (refer note (v) below)	10,946.82	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)	9,956.75	-

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Particulars	As at March 31, 2023	As at March 31, 2022
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)	4,940.92	-
Term loans		
- from banks (refer note ix)	41,703.44	45,751.36
- from financial institutions (refer note ix)	9,971.05	-
Overdraft (refer note ix)	3,777.66	-
Unsecured		
Term loans		
- from banks (refer note ix)	-	497.10
	104,206.84	**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 17 September 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):

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 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.
2. 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.
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 9 October 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 Sep 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.

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5. These debentures are due for maturity on 09 October 2023, hence have been disclosed under short term borrowings as at 31 December 2022 (refer note 27)

   Embassy REIT has maintained security cover of 2.5 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 8 September 2020.

(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 19 January 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 and MPPL 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.

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 February 15, 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.
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.
5. These debentures are due for maturity on February 15, 2024, hence have been disclosed under short term borrowings as at March 31, 2023 (refer note 27)

Embassy REIT has maintained security cover of 2.37 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 13 January 2021.

(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 9 September 2021.

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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.

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 60 months from the Date of Allotment for the Debentures at par on 7 September 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 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.

Embassy REIT has maintained security cover of 5.21 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 3 September 2021.

(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

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 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 20 October 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 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.
4. A first ranking ***pari passu*** charge by way of hypothecation created by MPPL including identified bank accounts and receivables.
5. A corporate guarantee issued by MPPL.

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 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%

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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 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.

Embassy REIT has maintained security cover of 2.49 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated October 18,2021.

(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

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.

The debentures described above were listed on the Bombay Stock Exchange on 20 October 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.
4. A first ranking *pari passu* charge by way of hypothecation created by MPPL including identified bank accounts and receivables.
5. A corporate guarantee issued by MPPL.

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 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 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.

Embassy REIT has maintained security cover of 2.62 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated October 18,2021.

(vi) 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 07 April 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/ cashflows 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.

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 60 months from Date of Allotment at par on 05 April 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.
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 (October 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.

Embassy REIT has maintained security cover of 3.91 times as at March 31, 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated March 31, 2022.

(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 5 September 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.
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 29 August 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.

Debenture redemption reserve has been created by VTPL as at March 31, 2023 to the extent of available profits.

VTPL has maintained Security Cover of 2.08 times as at March 31, 2023, which is higher than the limit of 1.85 times stipulated in the debenture trust deed dated 29 August 2022.

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(viii) Disclosure required under SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2018/71 dated 13 April 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	-	March 31, 23	October 9, 23	30 June 23
Embassy REIT Series III NCD 2021	Secured	-	March 31, 23	February 15, 24	30 June 23
Embassy REIT Series IV NCD 2021	Secured	-	March 31, 23	September 7, 26	30 June 23
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	March 31, 23	October 18, 24	30 June 23
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	March 31, 23	October 18, 26	30 June 23
Embassy REIT Series VI NCD 2022	Secured	-	March 31, 23	April 5, 27	30 June 23
VTPL Series I NCD 2022	Secured	-	March 31, 23	29 August 25	30 June 23

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 March 31, 2023	As at March 31, 2022
Asset cover ratio (refer a below)	28.80%	24.51%
Debt - equity ratio (refer b below)	0.61	0.47
Debt - service coverage ratio (refer c below)	2.88	3.09
Interest-service coverage ratio (refer d below)	2.91	3.15
Net worth (refer e below)	243,682.98	258,866.90

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 March 31, 2023: ₹ Nil 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 Business Park, Bengaluru.
2. First ranking mortgage over 1.77 acres of Block F1 land and any future construction thereon situated at Embassy Manyata Business Park, Bengaluru.
3. Keepwell Undertaking from Embassy Office Parks REIT.

Repayment and interest terms	As at March 31, 2023	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	-	3,726.20

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The loan has been foreclosed in the month of February 2023

(b) Lender 2 [balance as at March 31, 2023: ₹6,279.76 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 Business Park, 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 Business Park, Bengaluru.
3. Exclusive charge on the Escrow Account established and maintained pursuant to Escrow Agreement of the Borrower.

Repayment and interest terms	As at March 31, 2023	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 7.72% p.a.	6,279.76	4,669.52

(c) Lender 3 [balance as at March 31, 2023: ₹753.52 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 Business Park, Bengaluru.

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Overdraft Facility repayable by way of three annual structured installments. The debt carries an interest rate of 1 Year MCLR plus applicable spread, currently 8.10% p.a.	753.52	-

The SPV uses this long-term Overdraft facility to park temporary excess funds and utilises such temporary excess funds as and when needed and therefore not considered as loan repayment or drawdown for the purpose of NDCF computation.

(d) Lender 4 [balance as at March 31, 2023: ₹4,916.87 million (March 31, 2022: ₹4,913.42 million)]

1. First ranking 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 Business Park, 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 Business Park, 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 March 31, 2023	As at March 31, 2022
Repayable in 120 monthly instalments from the date of drawdown, with moratorium till 30 September 2023. The loan carries an interest rate of 1 Year MCLR plus applicable spread, currently 7.95% p.a.	4,916.87	4,913.42

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(e) Lender 5, 6, 7 and 8 [balance as at March 31, 2023: ₹11,906.34 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.

Name of the lender	Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Lender 5	Repayable in structured monthly instalments with no moratorium, interest rate of 3M T-Bill rate + applicable spread, currently 8.25% p.a.	5,191.24	7,404.34
	Repayable as bullet payment on 29 October 2025. Each tranche carries an interest rate of 3M T-Bill rate as applicable on date of drawdown + applicable spread, average rate being 8.38% p.a	1,046.64	145.12
Lender 6*	Repayable in structured monthly instalments with no moratorium, interest rate of 3M 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 MCLR plus applicable spread, currently 7.95% p.a.	983.71	-
	** Overdraft facility availed as sublimit of Term loan - Repayable by way of a three annual installments from the date of first drawdown. The debt carries interest of 1 Year MCLR plus applicable spread, currently 8.10 % p.a.	748.50	-
	Repayable in 36 monthly instalments with Nil moratorium, from the date of drawdown. The loan carries an interest rate of 1 Year MCLR plus applicable spread, currently 8.10% p.a.	1,969.12	-
Lender 8	Repayable in 36 monthly instalments with Nil moratorium, from the date of drawdown. The loan carries an interest rate of 1 Year MCLR plus applicable spread, currently 8.10 % p.a.	1,219.39	-
	** Overdraft Facility - Repayable by way of a three annual installments from the date of first drawdown. The debt carries interest of 1 Year MCLR plus applicable spread, currently 7.95 % p.a.	747.73	-

*The loan has been foreclosed in the month of August 2022.

**The SPV uses this long-term Overdraft facility to park temporary excess funds and utilises such temporary excess funds as and when needed and therefore not considered as loan repayment or drawdown for the purpose of NDCF computation.

(f) Lender 9 [balance as at March 31, 2023: ₹1,899.05 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 March 31, 2023	As at March 31, 2022
Repayable in 4 quarterly instalments after moratorium of 4 quarters from date of drawdown. The debt carries interest of 3 Month MCLR plus applicable spread, currently 8.45 % p.a.	1,899.05	946.92

(g) Lender 10 [balance as at March 31, 2023: ₹ Nil 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")

Notes
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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 March 31, 2023	As at March 31, 2022
Repayable by way of single bullet repayment on 31 August 2023. The debt carries interest of 1 Year MCLR + applicable spread.	-	1,866.69

*The loan has been foreclosed in the month of January 2023.

(h) Lender 11 [balance as at March 31, 2023: ₹16,462.86 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 March 31, 2023	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. 25 October 2026. The debt carries interest of Repo rate + applicable spread, currently 7.85% p.a.	13,963.23	14,951.41
** Overdraft facility availed as sublimit of Term loan - Repayable by way of a single bullet repayment on 25 October 2026. The debt carries interest of Repo rate + applicable spread, currently 7.85% p.a.	997.28	-
Repayable by way of a single bullet repayment on 25 October 2026. The debt carries interest of 1 year MCLR + applicable spread, currently 7.75% p.a.	1,502.35	-

** The SPV uses this long-term Overdraft facility to park temporary excess funds and utilises such temporary excess funds as and when needed and therefore not considered as loan repayment or drawdown for the purpose of NDCF computation.

(i) Lender 12 [balance as at March 31, 2023: ₹750 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 March 31, 2023	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 MCLR plus applicable 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 MCLR plus applicable 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 MCLR plus applicable spread, currently 8.05% p.a.	250.00	-

The SPV's use these long-term Overdraft facilities to park temporary excess funds and utilises such temporary excess funds as and when needed and therefore not considered as loan repayment or drawdown for the purpose of NDCF computation.

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(j) Lender 13 [balance as at March 31, 2023: ₹ Nil million (March 31, 2022: ₹497.10 million)

Unsecured loan

Repayment and interest terms	As at March 31, 2023	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. 24 March 2026. The debt carries interest of 3 months T- Bill rate + applicable spread	-	300.39
Repayable by way of a single bullet repayment at the end of 48th month from date of first disbursement i.e. 9 February 2026. The debt carries interest of 3 months T-Bill rate + applicable spread	-	196.71

*Both these loans have been foreclosed in the month of January 2023.

(k) Lender 14 [balance as at March 31, 2023: ₹2,385.50 million (March 31, 2022: Nil)]

1. Exclusive charge by way of mortgage created on the constructed buildings and related parcels identified as Aspen (Block G4), Eucalyptus (Block H1) and Silver Fir (Block L6) having aggregate leasable area of 11,91,102 sq ft and underlying land situated at Embassy Manyata Business Park, Bengaluru.
2. Exclusive charge over current assets and receivables pertaining to buildings (Blocks G4, H1 and L6) situated at Embassy Manyata Business Park, Bengaluru

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Repayable in 180 monthly instalments from the date of drawdown, with NIL moratorium. The loan carries an interest rate of 6 month MCLR plus applicable spread, currently 8.15% p.a	2,385.50	-

(l) Lender 15 [balance as at March 31, 2023: ₹16,226.95 million (March 31, 2022: Nil)]

1. Exclusive charge by way of mortgage created on the constructed buildings and related parcels identified as Block IT 3, Block IT 4, Block IT 5 and Block IT 6, having aggregate leasable area of 996,655 sq ft and underlying land situated at Embassy Qubix, Pune.
2. Exclusive charge by way of mortgage created on the constructed buildings and related parcels identified as Tower A, Tower B and Tower C, having aggregate leasable area of 1,186,149 sq ft and underlying land situated at Embassy 247, Mumbai.
3. Exclusive charge by way of hypothecation created by QBPPL and VCPPL over identified bank accounts and receivables.
4. A corporate guarantee issued by each of QBPPL and VCPPL.

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Repayable in 144 monthly instalments from the date of drawdown, with moratorium till 02 February 2027. The loan carries an interest rate of Repo Rate plus applicable spread, currently 7.99% p.a.	7,471.05	-
** Flexi term loan availed as sublimit of Term Loan - Repayable in 144 monthly instalments from the date of drawdown, with moratorium till 02 February 2027. The loan carries an interest rate of Repo Rate plus applicable spread, currently 7.99% p.a.	2,500.00	-

**Embassy REIT uses this Flexi term loan to park temporary excess funds and utilizes such temporary excess funds as and when needed and therefore it is not considered as loan repayment or drawdown for the purpose of NDCF computation.

(m) Lender 16 [balance as at March 31, 2023: ₹1,244.10 million (March 31, 2022: Nil)]

1. Exclusive charge by way of mortgage on development rights of the Company's share admeasuring 400,657 sq ft in the project and rights on the proportionate undivided share of underlying land, situated at Embassy Business Hub, Bengaluru.
2. Exclusive charge on hypothecation of current assets and receivables pertaining to the mortgaged property situated at Embassy Business Hub, Bengaluru.
3. Keepwell Undertaking from Embassy Office Parks REIT.

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Repayable as bullet payment at the end of 24 months from first disbursement i.e. by March 2025. The loan carries an interest rate of 3M T-Bill rate plus applicable spread, currently 8.30% p.a.	1,244.10	-

(n) Lender 17 [balance as at March 31, 2023: ₹1,749.20 million (March 31, 2022: Nil)]

1. Exclusive charge by way of mortgage on development rights of the Company's share admeasuring 400,657 sq ft in the Project and rights on the proportionate undivided share of underlying land, situated at Embassy Business Hub, Bengaluru.
2. Exclusive charge by way of hypothecation of receivables; including inventory and book debts; pertaining to the mortgaged property situated at Embassy Business Hub, Bengaluru.
3. Personal Guarantee of Mr. Jitendra Virwani and Corporate Guarantee by JV Holding Private Limited.

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Repayable as bullet payment at the end of 57 months from first disbursement. The loan carries an interest rate of 1Year MCLR rate plus applicable spread.	1,749.20	-

The loan has been foreclosed in the month of April 2023, subsequent to the balance sheet date.

(x) 500 (March 31, 2022: Nil) Optionally Convertible debentures (OCD), face value of ₹100,000 each issued to EPDPL (Co-sponsors):

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
ECPL will have the option to convert the OCDs into equity shares in its sole and absolute discretion at any time after the expiry of one year from the date of receipt of the subscription amount subject to compliance with applicable law and provided that such conversion does not result in EPDPL holding more than 24.9% of the diluted equity shareholding of ECPL.	109.00	-
The OCDs are subject to early redemption on the 30th business day following December 31, 2023 at a premium of ₹118,000 per OCD in case all of the events specified in the OCD subscription document have occurred, to ECPL's satisfaction, on or prior to December 31, 2023. Embassy REIT shall have a discretionary right to acquire the ECPL OCDs for a price equivalent to the applicable redemption amount, subject to compliance with applicable law.	-	-

(xi) Changes in liabilities arising from financing activities

Repayment and interest terms	As at March 31, 2023	As at March 31, 2022
Opening financial liability	**121,361.50**	**106,557.78**
Cashflows:		
Add: Proceeds from borrowings (net off issue expenses)	41,686.27	64,036.80
Less: Repayments of borrowings	(20,247.13)	(51,770.13)
Less: Interest paid	(9,862.11)	(6,420.61)
Less: Lease liability payments	(20.35)	(20.66)
Non-cash adjustments:		
Add: Acquired under acquisition	5,602.30	-
Add: Finance cost (including capitalised interest)	9,896.95	8,978.32
Closing financial liability	**148,417.43**	**121,361.50**

(xii) There were no requirements of filing quarterly returns or statements of current assets with banks in respect of any loan.

(xiii) There is no default in repayment of principal and interest to the lenders as at March 31, 2023 and March 31, 2022.

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23 Other non-current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease deposits (refer note 49)	4,018.89	3,126.11
Capital creditors	144.33	368.50
	4,163.22	**3,494.61**

24 Non-Current Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits*		
- gratuity	8.20	7.64
	8.20	**7.64**

*refer note 50.

25 Deferred tax (refer note 52)

Deferred tax Assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (net) (refer note 52)	121.10	89.30
	121.10	**89.30**

Deferred tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Minimum Alternate Tax credit entitlement	(4,877.06)	(4,648.90)
Deferred tax liabilities (net) (refer note 52)	56,702.90	56,394.34
	51,825.84	**51,745.44**

26 Other non-current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred lease rental	600.86	541.92
Advances from customers	-	18.89
	600.86	**560.81**

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27 Short-term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Current maturities of long-term debt		
Secured		
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)		
- Embassy REIT Series II NCD 2020 - Tranche A [refer note 22(i)]	7,475.46	-
- Embassy REIT Series II NCD 2020 - Tranche B [refer note 22(i)]	7,486.99	-
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 22(i)]	25,910.57	-
Terms loans		
- from banks and financial institutions [refer note 22(ix)]	2,646.73	273.73
Overdraft [refer note 22(ix)]	219.37	-
Unsecured		
Optionally convertible debentures 500 (March 31, 2022: Nil) Optionally Convertible Debentures (OCD), face value of ₹1,000,000 each (net of issue expenses, at amortised cost) [refer note 22(x) and note 49 & 50)	109.00	-
	43,848.12	**273.73**

28 Trade payables^

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payable		
- total outstanding dues to micro and small enterprises (including related parties - refer note 49)	96.31	112.73
- total outstanding dues of creditors other than micro and small enterprises		
- to related parties (refer note 49)	112.47	68.81
- to others	264.91	135.57
	473.69	**317.11**

^ refer Note 47 for ageing schedule based on requirements of Schedule III.

29 Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits		
- related party (refer note 49)	80.00	80.00
Lease deposits (refer note 49)	8,934.96	9,292.41
Capital creditors		
- to related party (refer note 49)	130.47	410.74
- to others	2,488.74	3,100.61
Unclaimed dividend	3.75	2.94
Contingent consideration (refer note 49)	-	350.00
Other liabilities		
- to related party (refer note 49)	191.38	178.07
- to others	1,141.60	748.49
	12,970.90	**14,163.26**

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30 Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits*		
- gratuity	1.45	0.27
- compensated absences	11.60	5.97
	13.05	**6.24**

* refer note 50.

31 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Unearned income	8.41	21.52
Advances received from customers	625.20	480.06
Statutory dues	482.63	260.70
Deferred lease rentals	391.49	410.28
Other liabilities	341.94	182.60
	1,849.67	**1,355.16**

32 Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income-tax, net of advance tax	111.83	80.12
	111.83	**80.12**

33 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Facility rentals	23,798.00	22,162.32
Income from finance lease	217.58	183.83
Room rentals	1,808.82	288.37
Revenue from contracts with customers		
Maintenance services	4,394.56	4,429.19
Sale of food and beverages	1,424.31	281.99
Income from generation of renewable energy	1,612.10	1,504.98
Other operating income		
- hospitality	160.42	38.34
- others (refer note 59)	779.64	737.03
	34,195.43	**29,626.05**

Note:
Contract balances

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	503.96	605.81
Unbilled maintenance	278.62	238.28

Revenue recognised over a period of time	For the year ended March 31, 2023	For the year ended March 31, 2022
Maintenance services	4,394.56	4,429.19

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34 Interest income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- on debentures (refer note 49)	363.71	-
- on fixed deposits	23.16	61.58
- on security deposits	69.65	16.81
- on other statutory deposits	-	10.15
- on income-tax refund	19.86	19.22
- others	646.99	792.05
	1,123.37	**899.81**

35 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Liabilities no longer required written back	11.97	128.84
Profit on sale of mutual funds	143.79	140.82
Net gain on disposal of Property, Plant and Equipment/ Investment Properties	4.58	-
Miscellaneous	157.53	99.80
	317.87	**369.46**

36 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchases	415.02	84.82
Add: Decrease/ (Increase) in inventory	(24.80)	(0.29)
	390.22	**84.53**

37 Employee benefits expense*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	493.66	199.32
Contribution to provident and other funds	33.75	12.64
Staff welfare	62.67	16.63
	590.08	**228.59**

* Majorly refers to employee benefits expense of the hospitality segment.

38 Operating and maintenance expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel (net)	888.66	554.44
Operating consumables	79.56	31.20
	968.22	**585.64**

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39 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Property tax	1,115.04	1,025.21
Rates and taxes	81.36	92.94
Marketing and advertising expenses	271.45	111.04
Assets and other balances written off	-	6.11
Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	7.86	15.71
Allowances for credit loss	1.77	1.76
Bad debts written off	0.42	0.80
Brokerage and commission	81.52	28.98
Travelling and conveyance	25.48	11.14
Corporate Social Responsibility (CSR) expenditure	126.55	111.52
Miscellaneous expenses	355.74	132.61
	2,067.19	**1,537.82**

During the year ended March 31, 2022, the excess provision made of ₹82.94 million towards such stamp duty based on the final stamp duty adjudication is reversed which is disclosed under Liabilities no longer required written back (refer note 35).

40 Repairs and maintenance

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Repairs and maintenance		
- common area maintenance	2,188.68	1,921.34
- buildings	166.29	148.14
- machinery	442.07	391.22
- others	231.07	196.97
	3,028.11	**2,657.67**

41 Finance costs (net of capitalisation)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense		
- on borrowings from banks and financial institutions	3,245.17	1,847.98
- on lease deposits	474.56	546.24
- on lease liabilities	34.84	33.77
- on Non convertible debentures	6,006.06	3,831.21
Premium on redemption of debentures (Embassy REIT Series I NCD)	-	2,026.08
	9,760.63	**8,285.28**

Gross interest expense is ₹10,371.51 million (March 31, 2021: ₹9,524.56 million) and interest capitalised is ₹610.88 million (March 31, 2022: ₹1,239 million) for the year ended March 31, 2023.

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42 Depreciation and amortisation

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment	1,081.79	712.08
Depreciation of investment properties*	8,083.13	5,284.00
Amortisation of intangible assets	2,119.24	1,968.55
	11,284.16	**7,964.63**

*During the financial year ended March 31, 2023, the Group has decided to redevelop Block D1 and D2 at MPPL considering significant opportunity for increase in leasable area. Hence there is change in estimated useful life of Investment property pertaining to Block D1 and D2. Accordingly, accelerated depreciation amounting to ₹2,513 million has been charged in the statement of profit and loss for the year ended March 31, 2023 respectively.

43 Tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	1,527.66	1,670.00
Deferred tax charge/ (credit)		
Deferred tax charge/ (credit)#	259.80	(2,022.92)
Minimum Alternate Tax credit entitlement (MAT)	(229.34)	431.47
	1,558.12	**78.55**

#refer note 52

44 Earnings Per Unit (EPU)

Basic EPU amounts are calculated by dividing the profit for the year attributable to Unitholders by the weighted average number of units outstanding during the year. Diluted EPU amounts are calculated by dividing the profit attributable to Unitholders by the weighted average number of units outstanding during the 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 year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax for calculating basic and diluted EPU	5,059.58	8,883.85
Weighted average number of Units (No. in million)	947.90	947.90
Earnings Per Unit		
- Basic (₹/unit)	5.34	9.37
- Diluted (₹/unit)*	5.34	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 12 June 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 year ended March 31, 2023 amounts to ₹695.42 million (March 31, 2022: ₹670.17 million). There are no changes during the year in the methodology for computation of fees paid to Manager.

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REIT Management Fees

Pursuant to the Investment Management Agreement dated 12 June 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 year ended March 31, 2023 amounts to ₹239.47 million (March 31, 2022: ₹254.46 million). There are no changes during the year in the methodology for computation of fees paid to Manager.

Secondment fees

Pursuant to the Secondment Agreement dated 11 March 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 year ended March 31, 2023 amounts to ₹1.64 million (March 31, 2022: ₹1.56 million). There are no changes during the year in the methodology for computation of secondment fees paid to Manager.

46 Commitments and contingencies

Particulars	As at March 31, 2023	As at March 31, 2022
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for (refer note i)	11,077.26	11,070.17
Contingent liabilities		
Claims not acknowledged as debt in respect of Income Tax matters (refer note ii)	252.94	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
Others (refer notes v and vi)		

Based on Group's best estimate, information currently available and basis expert opinion obtained by the Group, no provisions have been made for above claims as at March 31, 2023. 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

Particulars	As at March 31, 2023	As at March 31, 2022
MPPL	3,115.30	4,693.92
VTPL	4,289.36	4,077.96
OBPPL	259.92	946.42
EPTPL	133.35	1,154.13
ECPL (refer note 58)	3,149.31	-
Others	130.03	197.74
	11,077.26	**11,070.17**

ii) Claims not acknowledged as debt in respect of Income Tax matters

Particulars	As at March 31, 2023	As at March 31, 2022
MPPL	199.10	308.60
QBPPL	3.76	3.76
IENMPL	9.25	9.25
VTPL	25.17	29.70
Trust	15.66	-
	252.94	**351.31**

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MPPL:

a) The SPV was assessed u/s. 143(3) of the Income Tax Act for AY 2016-17 and received assessment order dated 31 December 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 24 December 2019 with additions made u/s.14A of the Income Tax Act 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 26 July 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 30 June 2022 for which a favourable order was received dated 6 September 2022. Accordingly, the contingent liability is disclosed Nil (March 31, 2022: ₹109.50 million) as the demand was raised only on account of adjustment made u/s 115JB of Income Tax Act, 1961.

c) The SPV was assessed u/s. 143(3) of the Income Tax Act for AY 2018-19 and received assessment order dated 13 September 2021 with additions made u/s.14A of the Income Tax Act 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 million) 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 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.

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). Thereafter the 143(3) order was rectified by the assessing officer on account of mistake apparent from record and accordingly the demand was increased to ₹10 million. The SPV has provided for the same in the financial statements and therefore disclosed Nil (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. Pursuant to the CIT(A) order, the SPV has paid ₹1.87 million in the current financial year. Therefore, the SPV has disclosed Nil (March 31, 2022: ₹1.87 million) as contingent liability.

Trust:

(a) The Trust was assessed u/s. 143(3) of the Income Tax Act, 1961 for the AY 2021-22. Disallowance was made on account of denial of expenses claimed u/s 35D of the Act. Aggrieved by the assessment order, the Trust has also filed an appeal before CIT(A) for the disallowance made under Section 35D of the Act. Further, due to calculation error u/s143(3) order, demand of ₹15.66 million was raised. Accordingly, the rectification application was filed u/s 154 of the Act. The Trust has therefore, disclosed ₹15.66 million (March 31, 2022: Nil) as contingent liability.

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iii) Claims not acknowledged as debt in respect of Indirect Tax matters

Particulars	As at March 31, 2023	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 23 December 2015 with a demand to pay a sum of ₹522.04 million (including interest and penalty) from the Commissioner of Central Excise Bangalore-V Commissionerate towards incorrectly availed Cenvat credit during the period 1 April 2006 to March 31, 2012. Appeal has been filed before CESTAT dated 18 April 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 1 April 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 9 February 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 20 January 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.

(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.

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UPPL:

The SPV had received show cause notices dated 3 July 2015 for demand due to irregular cenvat credit availed for ₹23.04 million relating to period from 1 April 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 1 April 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 9 February 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

Particulars	As at March 31, 2023	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 5 October 2015 to pay a sum of ₹2,739.49 million (including penalty and interest upto 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 27 June 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 has 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 9 October 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, Bangalore ("Joint Commissioner") objecting the total survey report and property tax assessment notice arising therefrom. New demand notices dated 17 January 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 upto the date of payment as per the demand notices. The SPV submitted a letter to the Joint Commissioner dated 29 March 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 3 August 2020 on various grounds, *inter alia*, that the rates BBMP has relied on to calculate property tax in the said demand notices dated 9 October 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

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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 17 June 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 1 February 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 16 February 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 18 March 2021 and endorsement dated 17 June 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 deposited the principal payment of ₹9.08 million to BBMP vide letter dated 11 October 2022 via demand draft.

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 30 September 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:

GLSP has received show cause notice and order-in-original dated 14 August 2011 and 11 December 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 1 April 2009 to March 31, 2011. Appeal has been filed before CESTAT. As at March 31, 2023 the appeal is pending before CESTAT for hearing and accordingly the same is disclosed as a contingent liability by GLSP.

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 18 July 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 10 February 2014 wherein the court has granted leave to defend the matter subject to deposit of ₹34.42 million in the court within 12 weeks. VCPPL filed an appeal against the order dated 10 February 2014 and further obtained a stay on 7 July 2014 against the order dated 10 February 2014 till final disposal of the appeal. The matter is pending for hearing.

(b) EEPL:

i) SPV received a demand notice under the Insolvency and Bankruptcy Code, 2016 (IBC) on 28 February 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 1 March 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 18 March 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 Bangalore 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 2 January 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 16 December 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 8 March 2022 has dismissed the petition filed by the third party sub-contractor and issued order in favour of the SPV. The third -party contractor filed an appeal before the National Company Law Appellate Tribunal, Chennai. The matter is listed for hearing on 6 June 2023. The third party contractor filed a complaint before the Economic Offence Wing, Mumbai (""EOW"") against the SPV and has lodged an First Information Report against the SPV and certain other individuals claiming ₹1,350 million. The SPV has filed a Criminal Writ Petition before the High Court of Bombay against the State of Maharashtra and representative of the third party contractor praying for (i) quashing and setting aside of the FIR and investigation of the EOW and (ii) stay on further proceedings under the FIR and the EOW. The matter is listed for hearing on 8 June 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 1 April 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 14 May 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 24 May 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 13 March 2019 allowing the Writ Petition and quashed the order dated 14 May 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 13 March 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:

i) 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 30 March 2022 to BBMP.The Karnataka 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.

ii) SPV has received a demand note dated 13 October 2022 from the Bangalore Water Supply and Sewerage Board for a payment of total charges amounting to ₹24.62 million in relation to issuance of a no-objection certificate (NOC) for a proposed commercial building on land parcel. SPV 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

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12 February 2016 and the demand note issued against the SPV and seeking to, inter-alia, (i) quash the demand notice dated 13 October 2022; and (ii) issuance of NOC to the SPV. The SPV has obtained an ad-interim direction from the High Court of Karnataka on 21 November 2022 wherein the Court has granted stay of demand notice on 13 October 2022 limited to advance probable prorata charges and beneficiary charges amounting to ₹21.50 million and has further instructed the SPV to pay the prescribed fee for issuance of NOC. Pursuant to the same, the SPV has made payments on 6 December 2022 amounting to ₹0.89 million towards NOC charges and treated water charges and the NOC is received. The balance amount of ₹2.23 million towards NOC fees which have been stayed by the Hon'ble High Court of Karnataka have been shown as contingent liability.

(d) VTPL: SPV has received a demand note dated 14 August 2020 and 29 September 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, Bangalore Water Supply and Sewerage Board and others challenging inter-alia, the government order dated 12 February 2016 and the demand note issued against the SPV and seeking to, inter-alia, (i) quash the demand notice dated 14 August 2020 and 29 September 2020; and (ii) issuance of NOC to SPV. SPV has obtained an ad-interim direction from the High Court of Karnataka on 17 November 2020 wherein the court has granted stay of demand notice on 14 August 2020 and 29 September 2020 limited to advance probable prorata 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 29 December 2020 and 30 December 2020 amounting to ₹17.91 million towards NOC charges and treated water charges and the balance amount of ₹120.73 million towards advance probable prorata 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 30 December 2020 from BWSSB with respect to the above.

(e) ECPL:

i) SPV has received a demand note dated 16 June 2020 from the Bangalore Water Supply and Sewerage Board for a payment of total charges amounting to ₹23.42 million in relation to issuance of a no-objection certificate for a proposed project commercial building on land situated at Venkatala Village, Yelahanka Hobli, Bangalore North Taluk, Bangalore and SPV 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 SPV seeking to, inter-alia, (i) quash the demand notice; and (ii) issue of no-objection certificate to SPV. The High Court of Karnataka granted an ad-interim stay dated 13 November, 2020 on the demand notice issued by BWSSB in relation to certain charges and instructed SPV 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 aforesaid ₹3.2 million was paid on 15 December 2020 to BWSSB and the NOC in relation to same has been received. The matter is currently pending.

ii) SPV received a demand notice dated 16 July 2021 from BBMP towards ground rent and other charges for the purposes of issuing modified plan sanction at Embassy Business Hub owned by SPV. SPV has filed a writ petition against State of Karnataka before the High Court of Karnataka, *inter alia* to set aside the demand notice dated 16 July 2021 issued by BBMP. On 27 August 2021 the High Court of Karnataka has passed an interim stay against the ground rent, license fee, betterment charges, security deposit, cess on labour charges, 5% service charges under the demand notice dated 16 July 2021 and the balance demand to be paid by the SPV. The High Court of Karnataka has also indicated that the in the event the writ petition fails, the SPV will be liable to pay the demand raised under the demand notice dated 16 July 2021 i.e. ₹65.67 million. SPV has paid the requisite fee of ₹22.36 million on 21 October 2021 to BBMP as per the order dated 27 August 2021 and we have received the modified plan sanction.

(f) A search under Section 132 of the Income Tax Act was conducted on 1 June 2022 on EOPMSPL, Embassy REIT, and certain SPV's namely VTPL, EOVPL, SIPL, EEPL. SIPL had received a show cause notice from the income tax authorities pursuant to such search proceedings and had responded to the same on 10 January 2023. Further, REIT, SIPL, VTPL and EEPL have received reassessment notice u/s 148 of the Income Tax Act for AY 2019-20 for which the Group is in the process of filing returns u/s 148. As on the date of the financial statements, the Group has not received any demand notice.

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(g) The Group had to meet export obligations in relation EPCG credits availed during previous financial for its hotel operations, however, due to the impact of Covid 19, the Group couldn't fulfill the export obligations in certain cases. The Group has received extension for two years. The Group will have future liability if it is not able to meet these obligations or obtain further extension which is not quantifiable as at the balance sheet date. As at the balance sheet date, the Group has not received any demand towards the same.

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
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
Financial assets				
Amortised cost				
Investments	8,157.82	-	-	-
Trade receivables	503.96	-	605.81	-
Cash and cash equivalents	8,173.48	-	5,884.49	-
Other bank balances	580.10	-	231.50	-
Other financial assets	4,788.05	-	5,025.95	-
Total assets	**22,203.41**	**-**	**11,747.75**	**-**
Financial liabilities				
Amortised cost				
Borrowings (including current maturities of long-term debt) - floating rates	58,318.25	-	46,025.09	-
Borrowings (including current maturities of long-term debt) - fixed rates	89,736.71	88,559.04	74,988.43	78,186.53
Lease deposits	12,953.85	-	12,418.52	-
Trade payables	473.69	-	317.11	-
Contingent consideration	-	-	350.00	350.00
Lease liabilities	362.47	-	347.98	-
Other financial liabilities	4,180.27	-	4,889.35	-
Total liabilities	**166,025.24**	**88,559.04**	**139,336.48**	**78,536.53**

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.

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Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended March 31, 2023 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 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 cashflows 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.

C. Financial Risk Management

The Group has exposure to following risks arising from financial instruments:

- market risk
- credit risk
- liquidity risk

Risk management framework

The Board of Directors of the Manager of Embassy Office Parks Group has overall responsibility for the establishment and oversight of the Embassy Office Parks Group's risk management framework. The Embassy Office Parks Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors of the Managers of Embassy Office Parks Group oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

a. Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Group's income and its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

i. Currency risk

The foreign currency risk from financial assets and liabilities is as follows:

Particulars	As at March 31, 2023			As at March 31, 2022		
	USD	EURO	Total	USD	EURO	Total
Trade payables	37.36	-	**37.36**	25.05	-	**25.05**
Other financial liabilities	11.27	-	**11.27**	13.50	0.41	**13.90**

ii. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates.

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Exposure to interest rate risk:

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable-rate instruments:		
Financial liabilities		
Borrowings (Non-current and current)	58,318.25	46,025.09
Variable rate instruments exposed to interest rate risks	**58,318.25**	**46,025.09**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 1% (100 basis points) in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	+ 1%	- 1%	+ 1%	- 1%
Impact on the statement of profit and loss	(341.73)	341.73	(299.96)	299.96

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Hence, there is no exposure as at the reporting date to the statement of profit or loss.

b. Credit risk

Credit risk is the potential financial loss resulting from the failure of tenants or counterparties of the Group to settle its financial and contractual obligations, as and when they fall due.

The Group has an established process to evaluate the creditworthiness of its tenants and prospective tenants to minimise potential credit risk. Credit evaluations are performed by the Group before lease agreements are entered into with prospective tenants. Security in the form of bankers' guarantees or cash security deposits are obtained upon the commencement of the lease.

The Group establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific tenants or counterparties.

The allowance account is used to provide for impairment losses. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Cash at bank and fixed deposits are placed with banks and financial institutions which are regulated and have low or no risk.

As at the reporting date, there is no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the Balance Sheet.

i. Expected credit loss (ECL) assessment for customers/ tenants as at March 31, 2023 and March 31, 2022:

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers.

Based on the industry practices and the business environment in which the entity

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operates, management considers that the trade receivables are credit impaired if the payments are more than 180 days past due.

The following table provides ageing of trade receivables alongwith information about the exposure to credit risk and expected credit loss for trade receivables:

As at March 31, 2023

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	489.30	14.66	-	-	-	503.96
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	6.60	6.60
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Gross receivables	**-**	**489.30**	**14.66**	**-**	**-**	**6.60**	**510.56**
Provision amount	-	-	-	-	-	(6.60)	(6.60)
Net carrying amount	**-**	**489.30**	**14.66**	**-**	**-**	**-**	**503.96**

As at March 31, 2022

Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	20.30	291.93	291.71	0.11	-	1.76	605.81
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	6.60	6.60
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-

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Particulars	Not due	Outstanding for the following periods from due date of payments					Total
		Less than 6 months	6 months 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Gross receivables	**20.30**	**291.93**	**291.71**	**0.11**	**-**	**8.36**	**612.40**
Provision amount	-	-	-	-	-	(6.60)	(6.60)
Net carrying amount	**20.30**	**291.93**	**291.71**	**0.11**	**-**	**1.76**	**605.80**

The movement in the allowance for impairment in respect of trade receivables is as follows:-

Particulars	As at March 31, 2023	As at March 31, 2022
Amount as at 1 April	**6.60**	**56.21**
Amount written off during the year	(0.42)	(0.80)
Amount reversed during the year	(1.35)	(50.57)
Allowances for credit loss during the year	1.77	1.76
Balance as at March 31	**6.60**	**6.60**

ii. **Other financial assets: Security deposits**

Risk assessment		Year ended	Estimated gross carrying amount	Expected probability of default	ECL	Carrying amount, net of provision
Loss at 12 months ECL	Risk same since initial recognition	As at March 31, 2023	1,028.89	-	-	1,028.89
		As at March 31, 2022	890.02	-	-	890.02

iii. **Cash and bank balances**

The Group holds cash and cash equivalents of ₹8,173.48 million (March 31, 2022: ₹5,884.49 million) and fixed deposits with bank of ₹763.00 million (March 31, 2022: ₹541.89 million). The cash and cash equivalents and fixed deposits with bank are mainly held with scheduled banks which are highly regulated. The Group considers that its cash and cash equivalents and fixed deposits with bank have low credit risk based on the external credit ratings of counterparties.

iv. **Other Financial Assets**

The Group considers that its other financial assets which mainly represents unbilled revenue with its tenants have low credit risk based on its nature and other security available.

c. **Liquidity Risk**

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The Group monitors rolling forecasts of its liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out in accordance with practice and limits set by CODM. In addition, the Group's liquidity management policy involves projecting cash flows and considering the

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level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Exposure to liquidity risk

The table below details the Group's remaining contractual maturity for its non-derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Particulars	Carrying value as at March 31, 2023	Outstanding for the following periods from due date of payments				
		Within 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	148,054.96	50,708.11	43,120.24	45,920.05	19,157.79	158,906.19
Trade payables	473.69	473.69	-	-	-	473.69
Lease deposits - Current and non-current	12,953.85	8,984.30	3,552.49	807.51	681.31	14,025.61
Lease Liability	362.47	20.36	40.72	50.90	10,547.57	10,659.54
Other financial liabilities - non current	144.33	-	144.33	-	-	144.33
Other financial liabilities - current	4,035.94	4,035.94	-	-	-	4,035.94
	166,025.24	**64,222.40**	**46,857.79**	**46,778.45**	**30,386.66**	**188,245.30**

Particulars	Carrying value as at March 31, 2022	Contractual cash flows				
		Within 1 year	1-3 years	3-5 years	More than 5 years	Total
Borrowings	121,013.52	10,526.12	57,780.78	60,432.06	35,355.32	164,094.28
Trade payables	317.11	317.09	-	-	-	317.09
Lease deposits - Current and non-current	12,418.52	9,310.90	2,643.32	1,342.47	162.09	13,458.78
Lease Liability	347.98	20.36	40.72	40.72	10,578.11	10,679.91
Other financial liabilities - non current	368.50	-	367.87	-	-	367.87
Other financial liabilities - current	4,870.85	4,870.27	0.63	-	-	4,870.90
	139,336.48	**25,044.74**	**60,833.32**	**61,815.25**	**46,095.52**	**193,788.83**

Following table provides detailed ageing of Trade Payables:

As at March 31, 2023

Particulars	Outstanding for the following periods from due date of payments					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	10.72	87.59	-	-	-	98.32
(ii) Others	21.59	353.78	-	-	-	375.37
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**32.32**	**441.37**	**-**	**-**	**-**	**473.69**

As at March 31, 2022

Particulars	Outstanding for the following periods from due date of payments					
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	10.29	101.86	0.24	-	-	112.39
(ii) Others	13.08	190.92	0.72	-	-	204.72
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**23.37**	**292.78**	**0.96**	**-**	**-**	**317.11**

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Financing Arrangements

The Group has access to the following undrawn borrowing facilities as at end of the reporting period:

Particulars	As at March 31, 2023	As at March 31, 2022
Floating rate		
Construction finance and term loans	4,907.00	11,427.39

The above facilities may be drawn at any time.

48 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital structure mainly constitutes equity in the form of unit capital and debt. The projects are initially funded through construction financing arrangements. On completion, these borrowings are restructured into lease-rental discounting arrangements or debentures. The Group's capital structure is influenced by the changes in regulatory framework, government policies, available options of financing and the impact of the same on the liquidity position.

The Group monitors capital using a ratio of 'Net debt' to 'Gross asset value (GAV) of all SPV's' including fair value of its 50% investment in Golflinks Software Park Private Limited. For this purpose, Net debt is defined as Long-term borrowings + Short-term borrowings - Cash and other bank balances - Investments in mutual funds (net of NDCF to be distributed for the recent quarter).

The Group's adjusted Net debt to GAV ratio as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Net debt	144,619.06	119,883.45
GAV	514,141.14	493,673.00
Net debt to GAV	**28.13%**	**24.28%**

49 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 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).

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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.

Particulars	Commercial offices		Hospitality		Other Segment		Total	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	**29,189.78**	**27,512.07**	**3,393.55**	**609.00**	**1,612.10**	**1,504.98**	**34,195.43**	**29,626.05**
Identifiable operating expenses	(4,160.48)	(3,861.47)	(2,242.61)	(744.47)	(129.54)	(108.77)	(6,532.63)	(4,714.71)
Net Operating Income (segment results for the year)	**25,029.30**	**23,650.60**	**1,150.94**	**(135.47)**	**1,482.56**	**1,396.21**	**27,662.80**	**24,911.34**
Other operating expenses							(2,219.05)	(1,930.44)
Interest, dividend and other income							1,441.24	1,269.27
Earnings before finance costs, depreciation, amortisation and tax							**26,884.99**	**24,250.17**
Share of profit after tax of equity accounted investee							777.50	962.14
Depreciation and amortisation expenses							(11,284.16)	(7,964.63)
Finance costs							(9,760.63)	(8,285.28)
Profit before tax							**6,617.70**	**8,962.40**
Tax expense							(1,558.12)	(78.55)
Other Comprehensive Income							3.51	0.83
Total comprehensive income for the year							**5,063.09**	**8,884.68**

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An analysis of CGU wise Segment Revenues and Segment Results is given below

For the year ended March 31, 2023

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	ECPL*	Total
Segment Revenue:															
Commercial Office Segment	-	11,660.64	1,497.10	-	-	744.03	1,163.67	1,569.43	807.46	862.06	1,453.47	1,297.32	8,134.59	-	29,189.78
Hospitality Segment	-	1,627.62	-	846.20	-	-	-	-	-	919.73	-	-	-	-	3,393.55
Others	-	-	-	-	1,612.10	-	-	-	-	-	-	-	-	-	1,612.10
Total	**-**	**13,288.26**	**1,497.10**	**846.20**	**1,612.10**	**744.03**	**1,163.67**	**1,569.43**	**807.46**	**1,781.79**	**1,453.47**	**1,297.32**	**8,134.59**	**-**	**34,195.43**
Net Operating Income (segment results)															
Commercial Office Segment	-	10,007.72	1,257.03	-	-	595.69	1,061.02	1,277.61	684.92	603.77	1,283.97	1,152.89	7,104.67	-	25,029.30
Hospitality Segment	-	600.25	-	359.00	-	-	-	-	-	191.69	-	-	-	-	1,150.94
Others	-	-	-	-	1,482.56	-	-	-	-	-	-	-	-	-	1,482.56
Total	**-**	**10,607.97**	**1,257.03**	**359.00**	**1,482.56**	**595.69**	**1,061.02**	**1,277.61**	**684.92**	**795.46**	**1,283.97**	**1,152.89**	**7,104.67**	**-**	**27,662.80**

*refer note 58

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**

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Information about major customers

Revenue from operations from customers amounting to 10% or more of the segment revenue is as follows (at SPV level):

For the year ended March 31, 2023

Segment	Commercial Office												Hospitality			Other Segments
	MPPL	EPTPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	VTPL	SIPL	ECPL*	MPPL	UPPL	QBPL	EEPL
Number of customers	1	2	3	4	5	2	2	4	3	2	1	-	-	-	-	3
Amount	1,642.49	489.77	600.85	826.41	1,536.73	360.13	682.78	634.90	459.31	2,021.31	692.97	-	-	-	-	1,611.53

*refer note 58

For the year ended March 31, 2022

Segment	Commercial Offices											Hospitality			Other Segments
	MPPL	EPTPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	VTPL	SIPL	MPPL	UPPL	QBPL	EEPL
Number of customers	2	2	3	3	5	2	2	4	2	2	-	-	-	-	3
Amount	**3,379.11**	**516.17**	**684.72**	**685.42**	**1,389.26**	**355.40**	**642.88**	**602.91**	**511.39**	**1,589.36**	**-**	**-**	**-**	**-**	**1,500.75**

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50 Related party disclosures

I. List of related parties

A. Parties to Embassy Office Parks REIT

E 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 VII SG Oxygen 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 Asia HCC Holding (NQ) Pte Limited
BREP VII HCC Holding (NQ) Pte Limited
BREP VII SG Indian Holding (NQ) Co II Pte. Limited
BREP Asia SG Indian Holding (NQ) Co II Pte. Limited
India Alternate Property Limited

Directors & KMPs 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)

KMPs

Michael Holland - CEO (Upto 30 June 2022)
Vikaash Khdloya - CEO (w.e.f 1 July 2022)
Aravind Maiya - CFO (Upto 31 May 2022)
Abhishek Agrawal - Interim CFO (w.e.f 1 June 2022)
Deepika Srivastava - Compliance Officer and Company Secretary (Upto 29 September 2022)
Vinitha Menon - Compliance Officer and Company Secretary (w.e.f 26 January 2023)

B. Joint Venture

Golfinks Software Park Private Limited

C. Other related parties with whom the transactions have taken place during the year

Technique Control Facility Management Private Limited
Snap Offices Private Limited
Lounge Hospitality LLP
Wework India Management Private Limited
Embassy Shelters Private Limited
FIFC Condominium
Paledium Security Services LLP
Embassy Services Private Limited
Nexus Select Mall Management Private Limited
Mac Charles India Ltd
Blackstone Advisors India Private Limited
JV Holding Private Limited
VTV Infrastructure Management Private Limited
Golflinks Embassy Business Park Management Services LLP
Babbler Marketing Private Limited
Embassy One Developers Private Limited
Next Level Experiences LLP
Bangalore Paints Private Limited
Global Facade Solutions (w.e.f 30 August 2022)
Embassy Real Estate Developments and Services Private Limited
G V Properties Private Limited
HVS Anarock Hotel Advisory Services Private Limited

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II Related party transactions during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Non-Convertible Debentures issued/ (redeemed) to		
Embassy Services Private Limited	-	(60.00)
Property Management fees		
Embassy Office Parks Management Services Private Limited	695.42	670.17
REIT Management fees		
Embassy Office Parks Management Services Private Limited	239.47	254.46
Secondment fees		
Embassy Office Parks Management Services Private Limited	1.64	1.56
Trustee fees		
Axis Trustee Services Limited	2.95	2.95
Distribution paid		
BRE/ Mauritius Investments	1,376.45	1,762.66
BRE/Mauritius Investments II	542.19	725.72
BREP Asia HCC Holding (NQ) Pte Ltd	351.22	456.26
BREP Asia SG Indian Holding (NQ) Co II Pte. Ltd	325.79	422.76
BREP Asia SG Oxygen Holding (NQ) Pte. Ltd.	399.83	518.78
BREP GML Holding (NQ) Pte. Ltd.	156.07	202.56
BREP NTPL Holding (NQ) Pte. Ltd	191.00	247.87
BREP VII GML Holding (NQ) Pte. Ltd	38.97	50.59
BREP VII HCC Holding (NQ) Pte Ltd	87.31	113.56
BREP VII NTPL Holding (NQ) Pte. Ltd.	47.69	61.91
BREP VII SG Indian Holding (NQ) Co II Pte. Ltd.	81.38	105.61
BREP VII SG Oxygen Holding (NQ) Pte. Ltd	99.87	129.60
Embassy Property Development Private Limited	2,346.09	2,501.52
India Alternate Property Limited	481.40	626.84
SG Indian Holding (NQ) Co I Pte. Ltd.	1,371.23	1,779.74
Rental guarantee income*		
Embassy Property Developments Private Limited	436.45	-
Contingent consideration paid		
Embassy Property Developments Private Limited	350.00	-
Investments in Debentures		
Golflinks Software Park Private Limited	9,500.00	-
Acquisition of ECPL**		
JV Holdings Private Limited	14.44	-
Jitendra Virwani	0.63	-
Purchase of Investment Properties		
Babbler Marketing Private Limited	35.77	129.58
Embassy Services Private Limited	17.64	-
Global Facade Solutions	7.26	2.76
Bangalore Paints Private Limited	17.90	-
Wework India Management Private Limited	35.34	-
Project cost capitalised		
Embassy Property Developments Private Limited	154.12	513.00
Embassy Services Private Limited	19.71	59.12
Technique Control Facility Management Private Limited	3.81	1.66
Bangalore Paints Private Limited	0.27	-
Babbler Marketing Private Limited	0.17	-

*Given construction delays due to covid-19 pandemic, rental guarantee amounting to ₹168.80 million in relation to SIPL SPV was waived off by the Board of Directors in its meeting dated 20 October 2022.

** Refer note 58.

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Capital advances paid/ (refunded)		
Embassy Property Developments Private Limited	1,270.93	1,914.87
Wework India Management Private Limited	73.48	-
FIFC Condominium	8.03	5.72
Babbler Marketing Private Limited	12.41	25.77
Amount billed*		
Wework India Management Private Limited	47.69	-
Rental and maintenance income		
Wework India Management Private Limited	873.69	617.53
FIFC Condominium	5.03	5.03
Embassy Services Private Limited	6.64	5.54
Nexus Select Mall Management Private Limited	14.62	-
Snap Offices Private Limited	46.12	44.25
Blackstone Advisors India Private Limited	81.96	79.22
Common area maintenance		
Embassy Services Private Limited	540.55	601.20
Golflinks Embassy Business Park Management Services LLP	-	11.69
FIFC Condominium	70.20	44.57
Paledium Security Services LLP	110.75	111.53
G V Properties Private Limited	-	8.35
Golflinks Software Park Private Limited	22.25	-
Wework India Management Private Limited**	18.04	-
Lounge Hospitality LLP	-	0.22
Technique Control Facility Management Private Limited	702.49	681.55
Repairs and maintenance- building		
Embassy Services Private Limited	2.80	22.81
Technique Control Facility Management Private Limited	1.86	0.28
Lounge Hospitality LLP	0.02	0.58
Global Facade Solutions	0.23	-
Repairs and maintenance - plant and machinery		
Embassy Services Private Limited	0.17	0.07
Babbler Marketing Private Limited	0.05	-
Technique Control Facility Management Private Limited	3.58	3.06
Lounge Hospitality LLP	0.26	-
Repairs and maintenance - others		
Embassy Services Private Limited	0.50	0.05
Technique Control Facility Management Private Limited	9.45	3.94
Next Level Experiences LLP	0.17	-
Embassy Office Parks Management Services Private Limited	-	1.68
Power and fuel expenses		
Embassy Services Private Limited	95.17	78.67
Legal and professional charges		
Embassy Services Private Limited	19.16	23.38
Embassy One Developers Private Limited	0.80	2.39
Technique Control Facility Management Private Limited	3.84	1.29
HVS Anarock Hotel Advisory Services Private Limited	1.50	-
Security charges		
Embassy Services Private Limited	-	9.45
Paledium securities LLP	32.15	-

* Of the total revenue, an amount of ₹12.25 million, is accrued as revenue from Embassy Office Parks Management Services Private Limited by Wework based on the businesss conducting agreement entered between Wework and Quadron

** Represents the 10% management fee on business conducting agreement with Wework

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Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trademark and license fees		
Embassy Shelters Private Limited	1.42	1.42
Income from generation of renewable energy from the tenants of		
Golflinks Software Park Private Limited	337.87	265.42
Revenue - Room rentals, sale of food and beverages		
Jitendra Virwani	1.18	3.03
Embassy Property Developments Private Limited	7.27	5.35
Embassy Office Parks Management Services Private Limited	5.20	3.52
Embassy Services Private Limited	0.67	12.69
Embassy One Developers Private Limited	1.38	5.78
Wework India Managment Private Limited	5.52	-
Others	2.96	2.29
Other operating income		
Embassy Property Developments Private Limited	686.40	686.40
Golflinks Software Park Private Limited	58.50	45.00
Interest income		
Golflinks Software Park Private Limited	363.65	-
Embassy Property Developments Private Limited	644.21	718.03
Security deposits received		
Wework India Management Private Limited	85.19	-
Redemption of investment in debentures		
Golflinks Software Parks Private Limited	1,342.17	-
Reimbursement of expenses (received)/ paid		
Embassy Services Private Limited	-	0.71
FIFC Condominium	(2.61)	(3.09)
Embassy One Developers Private Limited	(6.70)	(5.71)
Golflinks Software Parks Private Limited	(3.04)	-
Technique Control Facility Management Private Limited	0.15	-
Embassy Office Parks Management Services Private Limited	-	29.87
VTV Infrastructure Management Private Limited	(0.30)	-
Marketing and advertising expenses		
Next Level Experiences LLP	11.92	-
Receivable written off		
Golflinks Embassy Business Park Management Services LLP	1.76	-
Miscellaneous expenses		
Embassy Services Private Limited	0.75	1.52
Technique Control Facility Management Private Limited	-	0.69
Embassy Office Parks Management Services Private Limited	-	1.26
Paledium Security Services LLP	-	0.13
Embassy Property Developments Private Limited	0.43	-
Lounge Hospitality LLP	10.00	10.00

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III. Related party balances

Particulars	As at March 31, 2023	As at March 31, 2022
Other non-current assets - capital advance		
Embassy Shelters Private Limited	206.35	206.35
Embassy Property Developments Private Limited	-	17.38
FIFC Condominium	8.04	-
Bangalore Paints Private Limited	11.68	-
Other non-current assets - advance paid for co-development of property, including development rights on land		
Embassy Property Developments Private Limited (refer note 59)	17,048.83	15,777.90
Investment in Debentures		
Golflinks Software Park Private Limited	8,157.82	-
Trade receivables		
Embassy Property Developments Private Limited	172.37	518.80
Golflinks Embassy Business Park Management Services LLP	0.01	1.76
Embassy One Developers Private Limited	2.42	-
Embassy Office Parks Management Service Private Limited	1.82	1.14
Others	3.44	1.66
Unbilled revenue		
Golflinks Software Park Private Limited	34.16	35.10
Wework India Management Private Limited	15.06	-
Other current financial assets - other receivables from related party		
Embassy Property Developments Private Limited	176.15	618.40
Embassy One Developers Private Limited	6.41	2.57
Other current assets - Advance for supply of goods and rendering of services		
FIFC Condominium	7.66	0.68
Embassy Office Park Management Services Private Limited	49.19	-
Technique Control Facility Management Private Limited	20.47	-
Embassy Services Private Limited	60.04	73.75
Optionally convertible debentures (including interest acrrued)**		
Embassy Property Developments Private Limited	109.00	-
Trade payables		
Embassy Services Private Limited	40.05	33.21
Technique Control Facility Management Private Limited	5.40	29.82
Embassy Office Parks Management Services Private Limited	18.62	-
Embassy Real Estate Developments and Services Private Limited	5.19	5.30
Mac Charles India Ltd	5.30	-
FIFC Condominium	18.81	19.17
Lounge Hospitality LLP	19.99	9.19
Others	4.51	9.44
Current liabilities - Capital creditors for purchase of fixed assets		
Embassy Property Developments Private Limited	70.64	331.44
Embassy Services Private Limited	35.20	39.56
Bangalore Paints Private Limited	17.22	-
Babbler Marketing Private Limited	7.08	34.17
FIFC Condominium	-	3.44

** Pertains to ECPL which was acquired during the year (refer note 58).

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Particulars	As at March 31, 2023	As at March 31, 2022
Global Facade Solutions	0.17	0.50
Others	0.16	1.63
Other current financial liabilities		
Embassy Services Private Limited	28.00	20.75
Technique Control Facility Management Private Limited	26.11	74.22
Embassy Office Parks Management Services Private Limited	88.78	61.59
Paledium Security Services LLP	24.93	18.91
Embassy One Developers Private Limited	-	0.25
Lounge Hospitality LLP	9.00	-
Next Level Experiences LLP	1.72	-
FIFC Condominium	1.50	0.74
Wework India Management Private Limited	11.34	-
VTV Infrastructure Management Private Limited	-	1.61
Other current liabilities		
Wework India Management Private Limited	2.65	-
Other current financial liabilities - Security deposits		
Golflinks Software Parks Private Limited	80.00	80.00
Contingent consideration payable		
Embassy Property Developments Private Limited	-	350.00
Lease deposits		
Wework India Management Private Limited*	197.52	112.64
Snap Offices Private Limited	4.82	4.82
Nexus Select Mall Management Private Limited	7.61	-
Blackstone Advisors India Private Limited	23.69	33.75
Corporate Guarantee received outstanding**		
JV Holding Private Limited	1,749.20	-

*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.

** Pertains to ECPL which was acquired during the year (refer note 58). W.r.t Corporate Guarantee received outstanding, the same pertains to guarantee reecived from the erstwhile shareholders of ECPL towards a loan which was foreclosed subsequently in April 2023.

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51 Employee benefits

I Defined contribution plan

The Group has employees majorly pertaining to its Hospitality segment. The Group has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to Provident Fund	26.20	10.34
Employer's contribution to Employee State Insurance Corporation	2.02	0.82
Expense recognised during the year	**28.22**	**11.16**

II Defined benefit plan

A Gratuity:

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the number of years of employment with the Group.

a. Reconciliation of the net defined benefit obligations

(i) Change in projected benefit obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Obligations at beginning of the year	7.94	5.85
Current service cost	5.10	3.71
Interest on defined benefit obligation	0.49	0.54
Benefits paid	(0.34)	(1.33)
Actuarial (gains)/ losses on obligations - due to change in assumptions	(3.51)	(0.83)
Obligations at the end of year	**9.68**	**7.94**

(ii) Change in plan assets:

Particulars	As at March 31, 2023	As at March 31, 2022
Plan assets at year beginning, at fair value	0.03	0.03
Expected return on plan assets (estimated)	-	-
Actuarial gain / (loss)	-	-
Interest on plan assets	0.00	-
Contributions	-	-
Benefits paid	-	-
Plan assets acquired as part of business combination	-	-
Plan assets at end of the year, at fair value	**0.04**	**0.03**

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(iii) Net defined benefit obligations recognised in balance sheet:

Particulars	As at March 31, 2023	As at March 31, 2022
Closing obligations	9.68	7.94
Closing fair value of plan assets	(0.04)	(0.03)
	9.64	**7.91**
Liability recognised in the balance sheet		
Net liability:	**9.65**	**7.91**
Non-current	8.20	7.64
Current	1.45	0.27

b. (i) Expense recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Service cost	5.10	3.71
Interest cost	0.49	0.54
Net gratuity cost	**5.59**	**4.25**

(ii) Remeasurements recognised in other comprehensive income:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gains)/ losses on obligations - due to change in assumptions	(3.51)	(0.83)
	(3.51)	**(0.83)**

c. Other disclosures
(i) Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.25% to 7.50%	5.30% to 7.25%
Salary increase	5.00% to 8.00%	5.00% to 8.00%
Attrition rate	2% to 35%	2% to 5%
Retirement age	58 years to 60 years	58 years to 60 years

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	For the year ended March 31, 2023	
	Increase	Decrease
Discount rate (50 basis points movement)	9.54	10.67
Employee attrition rate (50 basis points movement)	9.53	10.64
Future salary growth (50 basis points movement)	10.67	9.53
Employee mortality rate (100 basis points movement)	10.08	10.07

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Particulars	For the year ended March 31, 2022	
	Increase	Decrease
Discount rate (50 basis points movement)	1.91	2.64
Employee attrition rate (50 basis points movement)	1.39	3.26
Future salary growth (50 basis points movement)	2.23	2.30
Employee mortality rate (100 basis points movement)	7.57	7.56

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior year.

The Group's best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards gratuity is ₹3.21 million.

The Group has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(iii) Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average duration (based of discounted cashflows)	2 yrs to 18 yrs	3 yrs to 15 yrs

(iv) The expected future cash flows in respect of gratuity:

Projected benefits payable in future years from the reporting date	As at March 31, 2023	As at March 31, 2022
1st following year	1.41	0.35
2nd to 5th year	3.18	3.34
6th to 10th year	2.76	1.96
Beyond 10 years	25.87	13.27

B Compensated absences:

The compensated absences cover the Group's liability for earned leave which are classified as other short-term benefits. According to the Group's policy on compensated absences, employees can encash their accumulated leave balance based on their last drawn gross salary.

(i) Liability recognised in the balance sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current	-	-
Current	11.60	5.97
Total	**11.60**	**5.97**

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(ii) Expense recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Compensated absence expense	5.63	1.66
	5.63	**1.66**

Other disclosures

Other disclosures are not provided for compensated absences, since the amount of provision for compensated absences is immaterial for the Group.

C Risk exposure:

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

i. **Liquidity Risk:** The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity payments during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

ii. **Change in bond yields:** Plan assets, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

iii. **Inflation risks:** Gratuity payments are based on last drawn salary of the employee. Increase in inflation will increase the future salary of employees, thus resulting in increase in projected benefit obligations.

iv. **Asset Liability Mismatch or Market Risk:** The duration of the liability is longer compared to duration of assets, exposing the Group to market risk for volatilities/ fall in interest rate.

52 Leases

A. Group as a lessor

i. Operating leases

The Embassy Office Parks REIT Group is primarily engaged in the business of development and lease of office space and related interiors. The Group leases out its Investment property on operating leases basis.

Rental income from non-cancellable leases is recognised on a straight line basis over the term of the relevant lease. For more details on accounting as a lessor, refer note 2.2 (r).

The table below provides details regarding the lease payments as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Not later than one year	9,190.37	9,947.78
Later than one year but within five years	14,259.40	13,316.87
Later than five years	102.25	1,321.90
	23,552.03	**24,586.54**

The total lease rental income recognised in the Consolidated Statement of Profit and Loss for the year ended March 31, 2023 is ₹23,798 million (March 31, 2022: ₹22,162.32 million).

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ii. Finance leases

The Embassy Office Parks Group has provided fit-outs to the tenants through finance leases. The total finance income on net investment in lease recognised in the Consolidated Statement of Profit and Loss for the year ended March 31, 2023 is ₹217.58 million (March 31, 2022: ₹183.83 million). The future minimum lease receipts in respect of non-cancellable lease for fit outs given on finance lease are as follows:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Minimum lease payments	Unearned Finance Income	Present value of minimum lease payments	Minimum lease payments	Unearned Finance Income	Present value of minimum lease payments
Not later than one year	435.49	211.71	223.78	598.43	151.49	446.94
Later than one year but within five years	1,237.08	560.92	676.16	776.35	354.49	421.86
Later than five years	728.25	170.86	557.39	500.59	125.79	374.80
	2,400.83	**943.50**	**1,457.33**	**1,875.37**	**631.77**	**1,243.60**

B. Group as a lessee

The Group has lease contracts for land having lease term of 90 years.

The details of the right-of-use assets (capitalised under leasehold land) held by the Group is as follows:

Particulars	Balance as on 1 April 2022	Additions during the year	Deletions during the year	Depreciation for the year	Carrying amount as at March 31, 2023
Leasehold land	27,403.87	22.02	-	361.11	27,064.78
Total	**27,403.87**	**22.02**	**-**	**361.11**	**27,064.78**

Particulars	Balance as on 1 April 2021	Additions during the year	Deletions during the year	Depreciation for the year	Carrying amount as at March 31, 2022
Leasehold land	27,525.98	238.91	-	361.02	27,403.87
Total	**27,525.98**	**238.91**	**-**	**361.02**	**27,403.87**

Refer Statement of Cash Flow for total cash outflow on account of lease payments during the year ended March 31, 2023 and March 31, 2022.

Rental expense recorded for short-term leases was Nil (March 31, 2022: Nil) for the year ended March 31, 2023.

The details of the lease liabilities of the Group is as follows:

Particulars	Balance as on 1 April 2022	Interest on Lease Liabilities	Lease Payments	Carrying amount as at March 31, 2023
Lease Liability	347.98	34.84	20.35	362.47
Total	**347.98**	**34.84**	**20.35**	**362.47**

Particulars	Balance as on 1 April 2021	Interest on Lease Liabilities	Lease Payments	Carrying amount as at March 31, 2022
Lease Liability	334.87	33.77	20.66	347.98
Total	**334.87**	**33.77**	**20.66**	**347.98**

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The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Not later than one year	20.36	20.36
Later than one year but within two years	20.36	20.36
Later than two years but within three years	20.36	20.36
Later than three years but within four years	20.36	20.36
Later than four years but within five years	30.54	20.36
Later than five years	10,547.57	10,578.11

The effective interest rate for lease liabilities is 10%.

The Group does not face any liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

53 Deferred tax assets, deferred tax liabilities and tax expense

(a) Deferred tax balances

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities on		
Impact of difference between Property, Plant and Equipment and Investment Property as per financials and tax books	(57,096.74)	(57,501.51)
Share of profit from equity accounted investee	(5,491.62)	(5,491.62)
Unbilled revenue	(295.72)	(160.28)
Fair valuation of security deposit (net of deferred income on security deposit)	(61.66)	(72.35)
Deferred tax assets on		
Impact of difference between Property, Plant and Equipment and Investment Property as per financials and tax books	148.95	106.21
Fair valuation of lease liability and security deposit (net of deferred income on security deposit)	20.02	22.30
Unabsorbed depreciation and carry forward losses	6,093.09	6,659.63
Tax impact of other consolidation adjustments	53.11	74.49
Tax impact of expenses incurred by the Group but allowable for tax purposes in future periods	27.83	37.11
Others	20.94	20.97
Minimum Alternate Tax credit entitlement	4,877.06	4,648.90
Net Deferred Tax Asset / (Liability)	**(51,704.74)**	**(51,656.15)**

(b) The unrecognised deferred tax assets amounts to ₹725.33 million (March 31, 2022: ₹ Nil).

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(c) Reconciliation of Effective Tax Rate

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit Before Tax	6,617.70	8,962.40
Enacted tax rate applicable to the group	29.12%	29.12%
Income tax on accounting profits	**1,927.07**	**2,609.85**
Reconciliation items:		
Effect of Non-deductible expenses	3,910.99	3,831.26
Effect of exempt income and tax holidays	(6,745.65)	(7,163.02)
Adjustment for tax of prior years	541.98	(674.36)
Impact of difference in tax rate of SPV's	1,927.64	2,181.30
Deductions allowed under income tax laws but not debited to Statement of profit and loss	(401.77)	(454.63)
Tax impact of consolidation adjustments	(559.26)	(554.52)
Adjustments on which deferred tax is not created	(120.51)	(282.77)
MAT credit written off	328.27	646.23
Unrecognised deferred tax assets	725.33	-
Other Adjustments	24.03	(60.79)
Tax expense at effective income tax rate	**1,558.12**	**78.55**

54 Interest in other entities

The consolidated financial statements of the Group includes Group's share of the profit / (loss) of joint venture listed in the table below:

Name of the Entity	Country of incorporation	Associate / joint venture / joint operation	Principal activities	Ownership interest (%) As at March 31, 2023	Ownership interest (%) As at March 31, 2022
Golflinks Software Park Private Limited	India	Joint venture	Real estate development and leasing	50.00%	50.00%

Summarised financial information of joint venture disclosed below is accounted for using the equity method.

a) Summarised Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalent	132.32	14.82
Other Assets	1,037.27	743.85
Current Assets	**1,169.59**	**758.67**
Non-current assets	**28,079.19**	**23,134.33**
Current financial liabilities (excluding trade payables and provisions)	4,463.99	5,737.65
Trade payables and provisions	92.69	0.82
Other current liabilities	97.76	70.21
Current liabilities	**4,654.44**	**5,808.68**
Non-current financial liabilities	9,302.02	2,908.70
Other non-current liabilities	2,265.70	1,868.29
Non-current liabilities	**11,567.72**	**4,776.99**
Net Assets	**13,026.63**	**13,307.32**

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b) Summarised Statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	6,136.34	4,213.06
Other income	83.28	31.04
Total Income	**6,219.62**	**4,244.10**
Operating and maintenance expenses	982.16	52.07
Depreciation and amortisation	1,049.55	471.82
Other expenses	632.98	519.24
Finance costs	1,003.61	425.64
Total Expenses	**3,668.30**	**1,468.78**
Profit before tax	**2,551.32**	**2,775.32**
Tax expense	991.98	891.65
Profit for the year	**1,559.34**	**1,883.68**
Other comprehensive income	-	-
Total comprehensive income	**1,559.34**	**1,883.68**
Share of profit for the year	**779.67**	**941.84**

c) Reconciliation to carrying amount

Summarised balance sheet	As at March 31, 2023	As at March 31, 2022
Opening net assets	**26,547.38**	**27,463.70**
Profit for the year	1,559.34	1,883.68
Dividend paid	(1,840.00)	(2,800.00)
Closing net assets	**26,266.72**	**26,547.38**
Group's share in %	50.00%	50.00%
Group's share in ₹	13,133.36	13,273.69
Goodwill	10,449.36	10,449.36
Others	(501.55)	(88.36)
Carrying amount	**23,081.17**	**23,634.69**

55 Details of utilisation of proceeds of Institutional placement as on March 31, 2023 are as follows

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto March 31, 2022	Unutilised amount as at March 31, 2022	Actual utilisation upto March 31, 2023	Unutilised amount as at March 31, 2023
Funding of consideration for the acquisition of the ETV SPVs, including subscription to Class A equity shares in EOVPL, payment of consideration to the BREP Entities and the Embassy Sponsor	34,068.14	34,068.14	-	-	-
Debt funding to the ETV SPVs for partial or full repayment or pre-payment of bank/ financial institution debt and settlement of certain liabilities	1,550.00	1,550.00	-	-	-
Issue expenses	750.00	750.00	-	-	-
General purposes	483.88	133.88	350.00	350.00	-
Total	**36,852.02**	**36,502.02**	**350.00**	**350.00**	**-**

56 Details of utilisation of proceeds of issue of Embassy REIT Series V NCD 2021 as on March 31, 2023 are as follows

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto March 31, 2022	Unutilised amount as at March 31, 2022	Actual utilisation upto March 31, 2023	Unutilised amount as at March 31, 2023
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	-
Total	**31,000.00**	**30,974.26**	**25.74**	**25.74**	**-**

57 Details of utilisation of proceeds of issue of Embassy REIT Series VI NCD 2022 as on March 31, 2023 are as follows

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto March 31, 2023	Unutilised amount as at March 31, 2023
Subscription to the Golflinks Debentures	9,500.00	9,500.00	-
General purposes including issue expenses	500.00	500.00	-
Total	**10,000.00**	**10,000.00**	**-**

58 Details of utilisation of proceeds of issue of VTPL Series I NCD 2022 as on March 31, 2023 are as follows

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto March 31, 2023	Unutilised amount as at March 31, 2023
Towards part refinancing of the outstanding portion of the existing loan at the SPV	4,950.00	4,950.00	-
Total	**4,950.00**	**4,950.00**	**-**

59 Asset acquisition

During the year ended March 31, 2023, Embassy REIT entered into share purchase agreements with JV Holdings Private Limited (JVHPL) and Mr. Jitendra Virwani (together known as Sellers) for acquisition of Embassy Hub Business Park. The acquisition was effected on March 31, 2023 (“Acquisition Date”).

Embassy REIT acquired 100% of the equity share capital of ECPL comprising 733,800 fully paid-up equity shares of ₹10 each from JVHPL (an holding company of EPDPL our co-sponsor) and Mr. Jitendra Virwani. Embassy REIT has also incurred directly attributable expenses in relation to the asset acquisition, amounting to ₹49.59 million.

The price payable for acquisition of equity shares of ECPL is funded entirely through internal accruals of the Embassy REIT.

ECPL is engaged in the business of development and leasing of commercial space and related interiors and maintenance of such assets. Major asset pool of this SPV comprise of investment property under development. Based on assessment performed by management, substantially all of the fair value of the gross assets acquired is concentrated in investment property under development. Accordingly, acquisition of ECPL has been accounted as acquisition of group of assets not constituting a business and requirements in Ind AS 103 for business combination accounting has not been applied to this transaction. Embassy Office Parks REIT had opted to apply optional concentration test in respect of acquisition of ECPL.The transaction has not resulted in recognition of goodwill or bargain gain in the books of the REIT.

Notes
to the Consolidated Financial Statements

(all amounts in ₹ million unless otherwise stated)

The gross purchase consideration is as follows:

Particulars	Amount (in million)
Total purchase consideration	64.66
Less: Other Assets	(214.81)
Less: Transaction cost	(49.59)
Add: Other Liabilities	3,547.66
Gross purchase consideration	**3,347.93**

Embassy Office Parks Group has obtained two independent valuation reports as required by the REIT regulations for the above acquisition and the average of the two valuations amounts to ₹3,506 million. Acquisition consideration is at 4.5% discount to average of two independent valuation reports. No fees or commission is payable to the Sellers in relation to the transaction. All the material conditions and obligations for the transaction have been complied.

60 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 ₹8,163.64 million has already been paid as of March 31, 2023 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 nearing completion and the estimated date of completion and obtaining occupancy certificate is now June 2023.

The carrying cost in the consolidated financial statements of the above advance is ₹11,636.93 million as at March 31, 2023 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 March 31, 2023, MPPL has a receivable of ₹166.88 million from EPDPL towards receipt of compensation for Block A pertaining to year ended March 31, 2023. Based on the confirmation received from EPDPL, 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 ₹5,411.90 million has already been paid as of March 31, 2023 (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 March 31, 2023, MPPL has a receivable of ₹176.15 million from EPDPL towards receipt of interest for Block B pertaining to year ended March 31, 2023. Based on the confirmation from EPDPL, Group has considered the amount as recoverable.

The Board of Directors in its meeting held on 28 March 2023 extended the timeline to obtain

Notes
to the Consolidated Financial Statements

(all amounts in ₹ million unless otherwise stated)

TDR to 31 December 2023. MPPL has obtained mortgage of 2.67 acres of land pertaining to Block B. Further, EPDPL has also issued an undertaking that MPPL may hold any potential Block A true-up amounts payable to EPDPL towards advances provided under the Block B Agreements.

The Board of Directors of the Manager through a resolution by circulation dated 23 January 2021 approved the Scheme of Arrangement ("the Scheme") involving EOVPL and VTPL. The Scheme provides for the merger/amalgamation of EOVPL into VTPL (on a going concern basis). The Scheme has been approved by National Company Law Tribunal (NCLT), Bengaluru Bench on 17 February 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 EOVPL.
- 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 EOVPL.

There is no impact to consolidated financial statements of the Group due to the above scheme of merger.

61 Distributions

The Board of Directors of the Manager to the Trust, in their meeting held on April 27, 2023, have declared distribution to Unitholders of ₹5.61 per unit which aggregates to ₹5,317.68 million for the quarter ended March 31, 2023. The distribution of ₹5.61 per unit comprises ₹0.86 per unit in the form of interest payment, ₹2.81 per unit in the form of dividend and the balance ₹1.94 per unit in the form of repayment of debt. Along with distribution of ₹15,261.09 million/ ₹16.10 per unit for the nine months ended 31 December 2022, the cumulative distribution for the year ended March 31, 2023 aggregates to ₹20,578.77 million/ ₹21.71 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

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: April 27, 2023

Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: April 27, 2023

Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: April 27, 2023

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
EMBASSY BUSINESS HUB, BENGALURU

DATE OF VALUATION: MARCH 31, 2023

DATE OF REPORT: APRIL 24, 2023

Value Assessment Service

Valuer under SEBI (REIT) Regulations, 2014

CBRE

iVAS

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
Embassy Business Hub	Bengaluru

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.

CBRE iVAS

- 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 Charted Surveyors (MRICS) and Institution of Valuers (IOV), with 10+ 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 325 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 and Trilegal (hereinafter collectively referred to as 'Legal Counsels')

CBRE iVAS

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

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	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

CBRE IVAS

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 2022 (Incorporating the IVSC International Valuation Standards (IVS) effective from 31 January 2022) 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 property

As per IVS, 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:

TYPICAL VALUATION METHODOLOGY ADOPTED

DIRECT COMPARISON APPROACH

- Depreciated Replacement Cost

INCOME APPROACH

- Direct Capitalization Methodology
- Discounted Cash Flow Methodology

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 o 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 hote component at the respective properties have been valued using Discounted Cash Flow Method. Further, the following steps have beer 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 reviewec 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 ir 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 througł 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/plannec 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 or 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 thei respective value conclusion.

2. The Valuer has utilized the EBITDA to arrive at the value of the subject properties. The following steps were undertaken tc 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 11th year (for assessment of termina 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 11th 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 ARRs 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 11th 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[1]	100.0%	NA
Embassy TechVillage, Bengaluru	Freehold[2]	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%	65 Years
Embassy TechZone, Pune	Leasehold	100.0%	77 Years
Embassy Quadron, Pune	Leasehold	100.0%	77 Years
Embassy Qubix, Pune	Freehold	100.0%	NA
Embassy Oxygen, Noida	Leasehold	100.0%	74 Years
Embassy Galaxy, Noida	Leasehold	100.0%	72 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
Embassy Business Hub, Bengaluru	Leasehold	100.0%[3]	NA

[1] *Excluding the M3 block which is being developed on a leasehold land parcel (6.6 Acres)*

[2] *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*

[3] *In accordance with the terms of the JDA for Phase I of the development, the developer and landowner have entered into an area allocation agreement to identify and allocate the specific constructed area / units that would fall under the landowner's 40% entitlement and the developer's 60% allocation. The JDA for Phase II of the development contemplates that upon receipt of plan sanction, the parties will enter into an area allocation agreement to identify and allocate the specific constructed area / units that would fall under the landowners' 33% allocation and the developer's 67% allocation.*

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 or March 31, 2023:

Property	Asset Type	Leasable Area	Market Value (INR Mn)		
			Completed	Under construction (UC) / Proposed	Total
Embassy Manyata, Bengaluru	Mixed-use (Office (IT/ ITeS SEZ[4]/ Non-SEZ), Hotel, Retail, Convention Centre)	Completed office – 11.4 msf Proposed/ UC[5] office – 3.9 msf Hotel (5 star) - 266 keys Hotel (3 star) - 353 keys	164,984	32,649	**197,633**
Embassy TechVillage, Bengaluru	Mixed-use (Office (IT/ ITeS SEZ/ Non-SEZ), Hotel, Retail, Convention Centre)	Completed office – 7.3 msf Proposed/ UC office – 2.3 msf UC Hotel (5 star) - 311 keys UC Hotel (3 star) - 207 keys	103,628	19,360	**122,988**
Express Towers, Mumbai	Office (Non-SEZ)	Completed office - 0.5 msf	18,252	-	**18,252**
Embassy 247, Mumbai	Office (Non-SEZ)	Completed office - 1.2 msf	18,684	-	**18,684**
First International Financial Centre, Mumbai	Office (Non-SEZ)	Completed office - 0.4 msf	13,941	-	**13,941**
Embassy TechZone, Pune	Office (IT/ ITeS SEZ)	Completed office – 3.0 msf Proposed/ UC office – 2.4 msf	20,037	2,808	**22,845**
Embassy Quadron, Pune	Office (IT/ ITeS SEZ)	Completed office - 1.9 msf	13,227	-	**13,227**
Embassy Qubix, Pune	Office (IT/ ITeS SEZ)	Completed office - 1.5 msf	9,718	-	**9,718**
Embassy Oxygen, Noida	Office (IT/ ITeS SEZ)	Completed office - 2.5 msf Proposed/ UC office - 0.7 msf	19,301	3,508	**22,809**
Embassy Galaxy, Noida	Office (Non-SEZ)	Completed office - 1.4 msf	9,526	-	**9,526**
Embassy One, Bengaluru	Mixed-use (Office (Non-SEZ), Hotel, Retail)	Office & Retail - 0.3 msf Hotel (5 star) - 230 Keys	12,497	-	**12,497**
Hilton at Embassy GolfLinks, Bengaluru	Hotel	Hotel (5 star) - 247 Keys	4,762	-	**4,762**
Embassy Energy, Bellary District, Karnataka	Solar Park	Installed capacity of 130 MW DC (100 MW AC)	8,514	-	**8,514**
Embassy Business Hub	Office (Non-SEZ)	UC office – 1.4 msf[6]	-	3,751	**3,751**
Total – 100% owned assets			**417,070**	**62,075**	**479,145**
Embassy GolfLinks, Bengaluru	Office (Non-SEZ)	Completed office – 3.1 msf	34,996	-	**34,996[7]**
Total			**452,066**	**62,075**	**514,141**

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:	Manish

Name: Mr. Manish Gupta
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

[4] *SEZ – Special Economic Zone*

[5] *UC -under construction*

[6] *Client's interest based on the developer's share under the Joint Development Agreements in relation to the Subject Property*

[7] *Indicative of Embassy REIT's economic interest in the asset, viz. 50%*

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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.

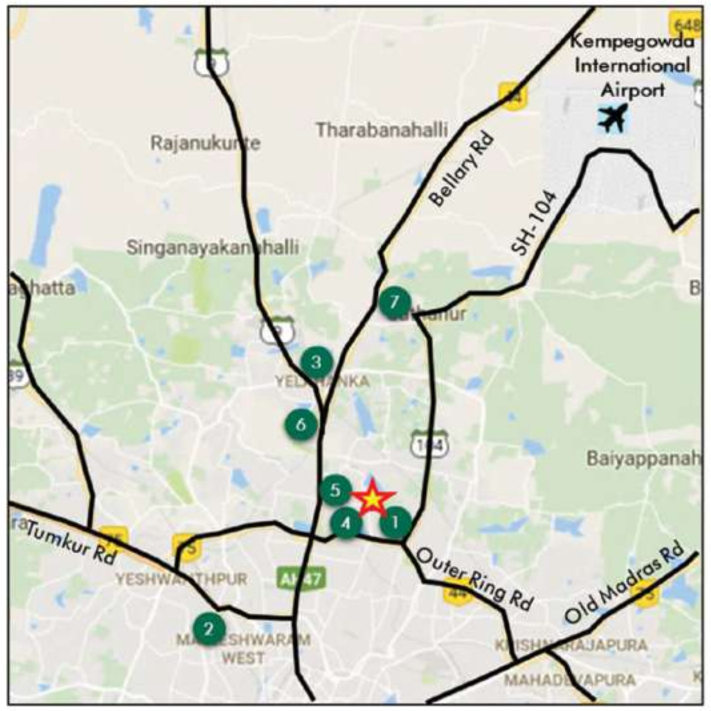
The subject property is located in close proximity to the Nagavara Outer Ring Road, which connects the subject location to prominent locations such as Yeshwanthpur, KR Puram, Whitefield, Sarjapur Outer Ring Road, Old Madras Road, etc. Further, it is located at a distance of 1-2 km from Nagavara Junction, 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 89% 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	89%
Under Construction Blocks	3.5	NA
Proposed Blocks	0.4	NA
Total – Office/Retail	**15.2**	
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	12,638[8]
Proposed project completion timelines (all blocks)	Quarter, Year	FY 2029
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2025
In-place rent	INR psf/mth	72
Marginal rent – IT office component	INR psf/mth	93
Marginal rent – non-IT office component	INR psf/mth	93
Marginal rent – Retail component	INR psf/mth	95
Parking rent (Effective)	INR / bay/mth	3,750
ARR – 5-star hotel	INR / room / day	9,000
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%
Cap rate – hotel components	%	7.14% (viz. an EV-EBITDA multiple of 14)
WACC rate (Completed hotel)	%	12.38%

Market Value: **INR 197,633 Mn**

[8] *Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works*

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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 2.3 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.

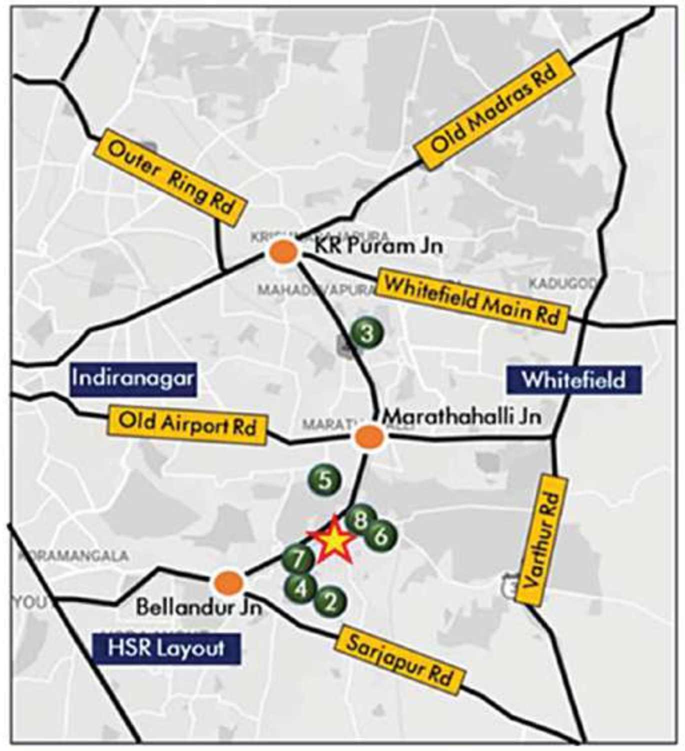
The subject property is located at a distance of 4-5 km from Marathahalli junction, 5-6 km from Sarjapur road-ORR interchange, 9-10 km from Koramangala & K R Puram Junction, 13-14 km from MG Road (CBD) and 43-44 km from Kempegowda International Airport.

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 97% 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:

Particular	Area (msf)	Occupancy (%)
Completed Blocks	7.3	97%
Under Construction Blocks	2.3	NA
Total – Office/Retail	**9.6**	
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

Location Map



#	Building Name
★	Embassy Tech Village
2	RMZ Ecoworld
3	Bagmane Constellation & WTC
4	Pritech Tech Park
5	Prestige Technology Park
6	Cessna Business Park
7	RMZ Ecospace
8	Embassy Tech Square

Key Assumptions

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete	INR mn	17,683[9]
Proposed project completion timelines (all blocks)	Quarter, Year	FY 2026
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2024
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 122,988 Mn**

[9] *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

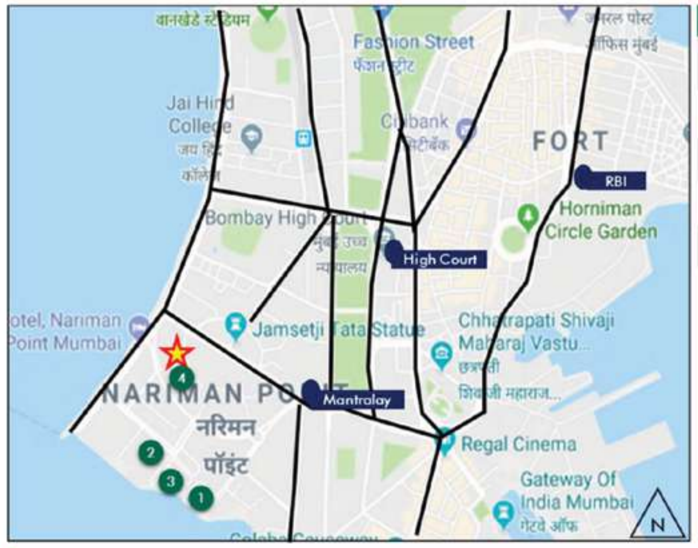
Brief Description: The subject property 'Express Towers' is an office asset situated in Nariman Point. The subject property is located opposite to the Oberoi Trident hotel. The G+25 floor storey structure was constructed in the late 1960s and has been refurbished in the past few years. Nariman Point 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 83% occupied as on the date of valuation. Also, the top 2 floors viz the 24th and 25th 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	83%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
Total	**0.5**	

Source: Architect certificate, rent roll, lease deeds;

Location Map



#	Key Office Developments
★	Express Towers
1	Free Press House
2	Hoechst House
3	Maker Chambers VI
4	Mafatlal Centre

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2024
In-place rent	INR psf/mth	283[10]
Marginal Rent – Commercial office component	INR psf/mth	275
Other financial assumptions		
Cap rate – commercial components	%	7.5%
WACC rate (operational)	%	11.7%

Market Value: **INR 18,252 Mn**

[10] 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: 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 & C. The towers A & C are identical to each other and have an elevation of 2 Basement + Ground + 11 upper floors. Tower B situated in between Tower A & 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 3rd 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.

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.

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	93%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
Total	**1.2**	

Source: Architect certificate, rent roll, lease deeds;

Location Map:

#	Key Office Developments
★	Embassy 247
1	Godrej IT Park
2	Empire Plaza
3	iThink Techno Park
4	Kensington
5	Winchester
6	Fairmont
7	Supreme Business Park
8	L&T Business Park

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CBRE IVAS

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2025
In-place rent	INR psf/mth	111[11]
Marginal rent – Commercial office component	INR psf/mth	112[12]
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 18,684 Mn**

[11] *denotes the weighted average rentals for leased office/retail and food-court spaces*
[12] *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.

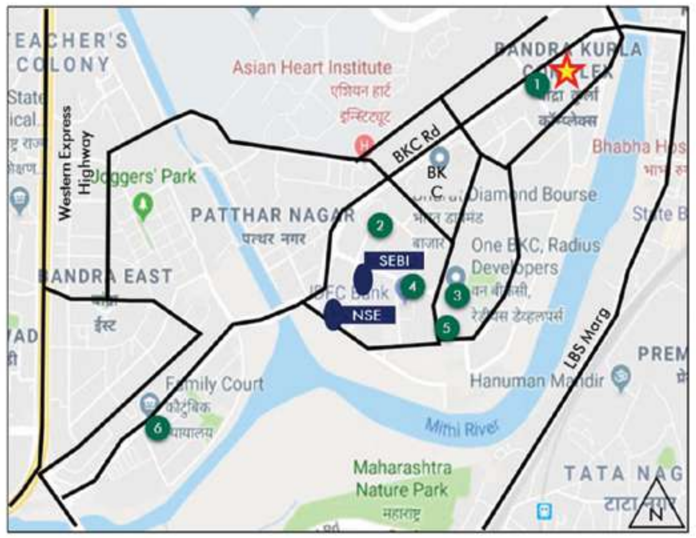
The subject property is located at a distance of approximately 20-22 km from the Central Business District of Mumbai (viz. Nariman Point), approximately 6-8 km from Domestic Airport, approximately 8-9 km from the Chhatrapati Shivaji International Airport Terminal, Mumbai etc.

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 91% 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	91%
Under Construction Blocks	-	NA
Proposed Blocks	-	NA
Total	**0.4**	

Source: Architect certificate, rent roll, lease deeds.

Location Map



#	Key Office Developments
★	First International Financial Centre (FIFC)
1	TCG Financial Centre
2	The Capital
3	One BKC
4	Raheja Tower
5	Godrej BKC
6	Maker Maxity

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2024
In-place rent	INR psf/mth	296[13]
Marginal rent – Office Component	INR psf/mth	280
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 13,941 Mn**

[13] *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

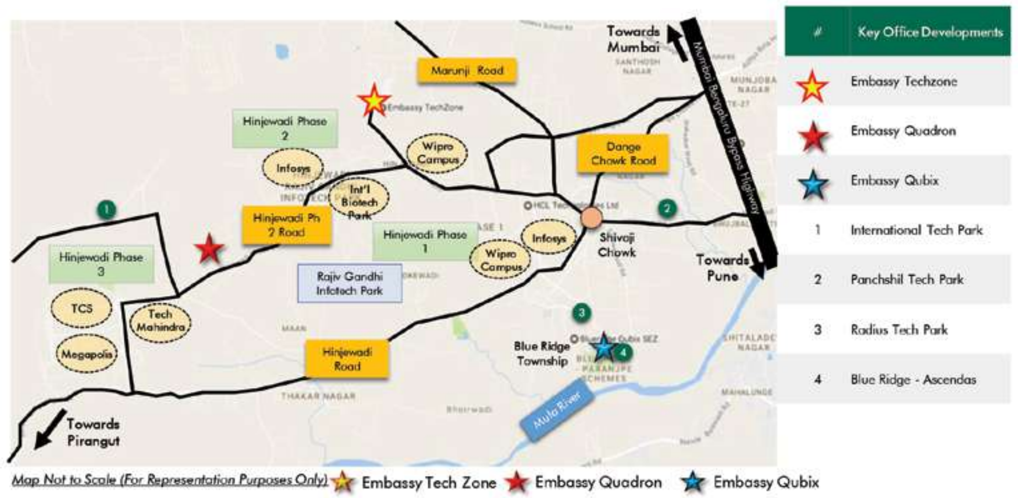
Brief Description: 'Embassy TechZone', has been conceptualized as an office asset spread across a total land area of approximately 67.5 acres. The property is an office asset leased to various tenants and is also well equipped with number of facilities and amenities like food court, amphitheater, intra 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 3.0 msf of completed leasable area out of which occupancy is approximately 65% as on the date of valuation. Further, approximately 2.4 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	3.0	65%
Under Construction/ Proposed Blocks	2.4	NA
Total	**5.5**	

Source: Rent roll, lease deeds, architect certificate provided by the Client;

Location Map



Key Assumptions

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete (overall)	INR Mn	10,645[14]
Proposed project completion timelines	Year	FY 2029
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2028
In-place rent	INR psf/mth	53[15]
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 22,845 Mn**

[14] Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works

[15] *denotes the weighted average rental for leased office/retail spaces*

CBRE IVAS

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).

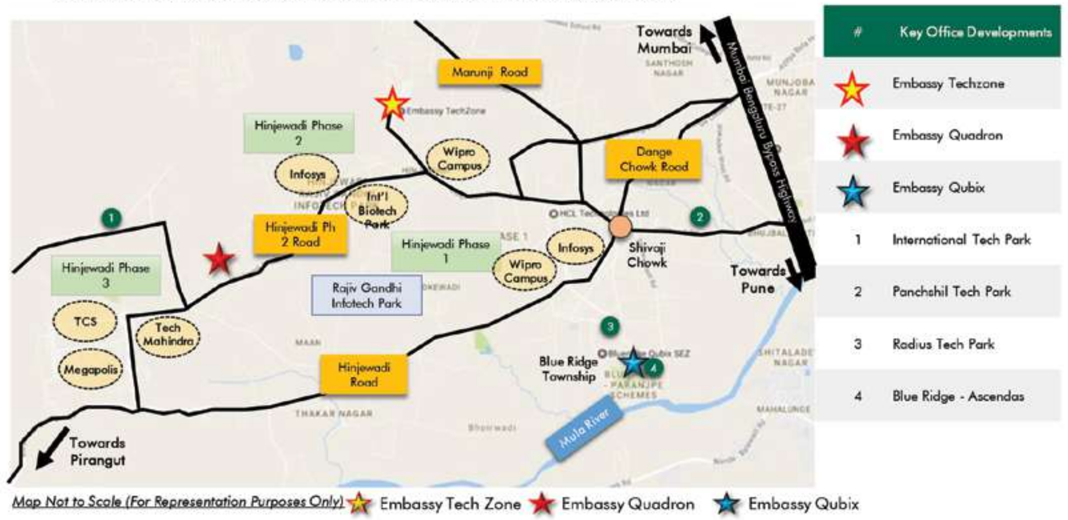
Further, 'Embassy Quadron' is strategically located in Hinjewadi which is a prominent technology hub of Pune city. 'Embassy Quadron' is located at a distance of approximately 7 – 8 km from National Highway 48 (connecting Mumbai – Pune – Bengaluru), 22 – 23 km from Pune CBD (Peth areas), 22 – 23 km from 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
Total	**1.9**	

Source: Rent roll, lease deeds, architect certificate provided by the Client;

Location Map



CBRE IVAS

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2027
In-place rent	INR psf/mth	53[16]
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 13,227 Mn**

[16] *denotes the weighted average rental for leased office/retail spaces*

CBRE IVAS

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).

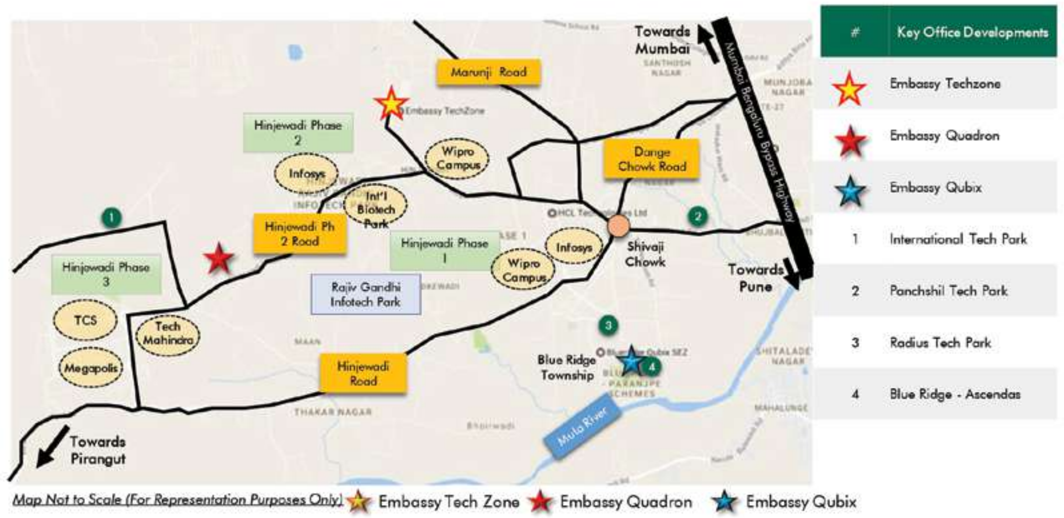
Further, Embassy Qubix is strategically located in Hinjewadi which is a prominent technology hub of Pune city. Embassy Qubix is located at a distance of approximately 3 – 4 km from National Highway 48 (connecting Mumbai – Pune – Bengaluru), 18 – 19 km from Pune CBD (Peth areas), 19 – 20 km from Pune 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 90% 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	90%
Under Construction Blocks	-	NA
Proposed Development	-	NA
Total	**1.5**	

Source: Rent roll, lease deeds, architect certificate;

Location Map



CBRE IVAS

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2026
In-place rent	INR psf/mth	43[17]
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 9,718 Mn**

[17] *denotes the weighted average rental for leased office/retail spaces*

CBRE IVAS

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

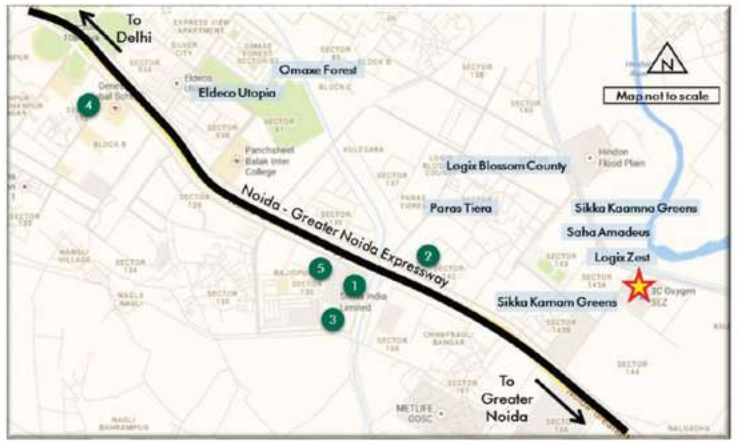
Statement of Assets (sf): Based on review of various documents (such as architect certificate, rent roll, lease deeds, etc.), the subject property is an operational SEZ office asset with approximately 2.5 msf of completed leasable area, out of which occupancy is approximately 67% as on the date of valuation. 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	67%
Under Construction Blocks	0.7	NA
Proposed Development	NA	NA
Total	**3.3**	

Source: Architect Certificate, Rent roll, lease deeds provided by the Client

CBRE IVAS

Location Map:



#	Key Office Developments
☆	Embassy Oxygen
1	Candor Techspace
2	Advant Navis Business Park
3	Assotech Business Cresterra
4	Express Trade Towers 2
5	Stellar 135

Key Assumptions:

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete (overall)	INR mn	507[18]
Proposed project completion timelines (overall)	Year	FY 2024
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2026
In-place rent	INR psf/mth	54
Marginal rent – IT SEZ office component	INR psf/mth	48
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 22,809 Mn**

[18] *Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works*

CBRE IVAS

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 Sector 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.

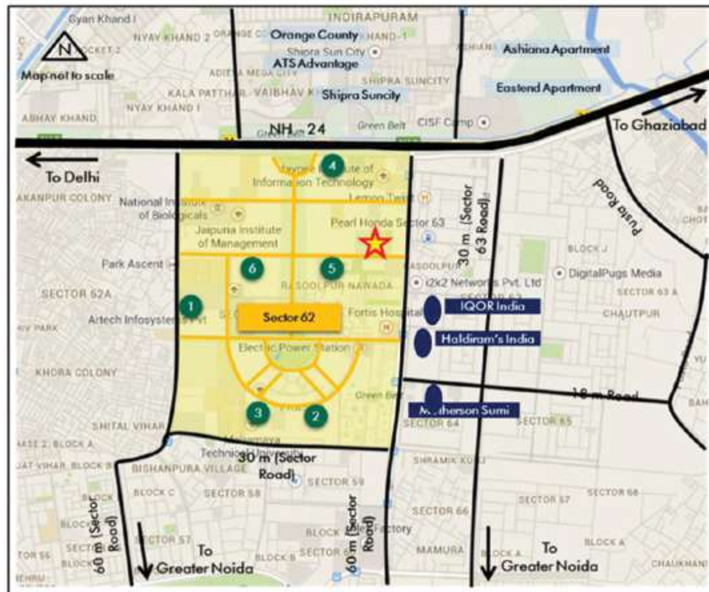
The subject property is located in close proximity to National Highway (NH) – 24, which makes it easily accessible from other regions of NCR (National Capital Region) such as Delhi, Ghaziabad, etc. Further, it is located at a distance of approximately 9 – 10 km from the established commercial hub of 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 96% 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	96%
Under Construction Blocks	-	NA
Proposed Development	-	NA
Total	**1.4**	

Source: Architect certificate, rent roll, lease deeds provided by the Client;

Location Map:



#	Key Office Developments
☆	Embassy Galaxy
1	Candor Techspace
2	Logix Cyber Park
3	Stellar IT Park
4	Knowledge Boulevard
5	Green Boulevard
6	Okaya Center

Key Assumptions:

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2025
In-place rent	INR psf/mth	39
Marginal rent – IT office component	INR psf/mth	47
Other financial assumptions		
Cap rate	%	8.25%
WACC rate (operational)	%	11.7%

Market Value: **INR 9,526 Mn**

CBRE IVAS

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.

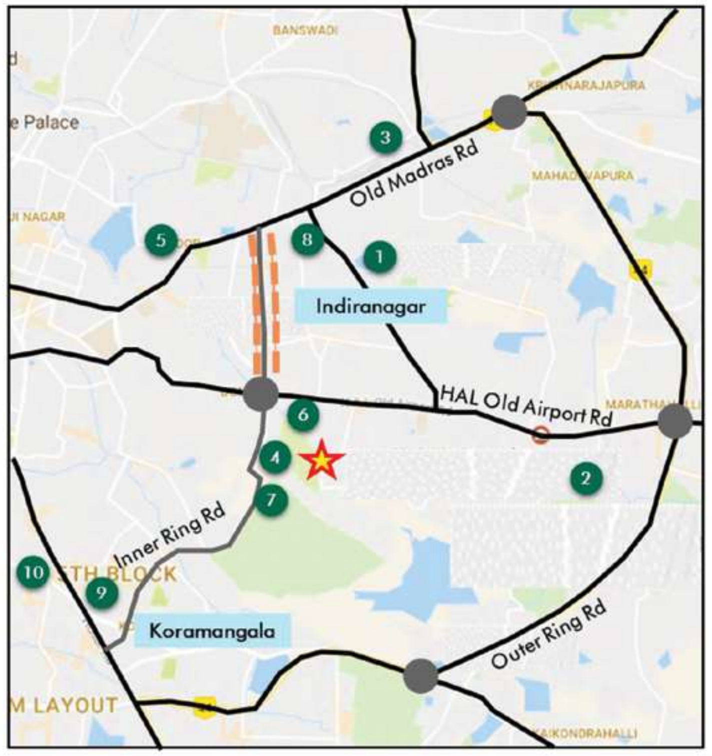
The subject property is located at a distance of approximately <1 km from the Domlur flyover, 1 – 2 km from Indiranagar, 2-3 km from Koramangala, 7-8 km from MG Road and approximately 43 - 45 km from Bengaluru International Airport.

Statement of Assets (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 3.1 msf of completed leasable area and is 97% 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	97%
Under Construction Blocks	-	NA
Proposed Development	-	NA
Total	**3.1**	

Source: *Rent roll, lease deeds, architect certificate provided by the Client*

Location Map



#	Key Office Developments
★	Embassy Golflinks
1	Bagmane Tech Park
2	Divyasree Technopolis
3	RMZ Infinity
4	Divyasree Greens
5	RMZ Millenia
6	Diamond District
7	Maruthi Infotech
8	Mantri Cornerstone
9	Mantri Jupiter
10	Bren Optimus

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2024
In-place rent	INR psf pm	131[19]
Marginal rent – office component	INR psf pm	155
Parking rent (Effective)	INR / bay/ mth	4,500
Other financial assumptions		
Cap rate – commercial components	%	8.0%
WACC rate	%	11.7%

Market Value: **INR 69,992 Mn**

Note:

1. *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 34,996 Mn)*
2. *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.*
3. *The above valuation excludes valuation of Hilton at Embassy GolfLinks. The valuation of Hilton at Embassy GolfLinks is presented in section 5.13*

[19] *denotes the weighted average rental for leased office/food court spaces*

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CBRE IVAS

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 60% 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.

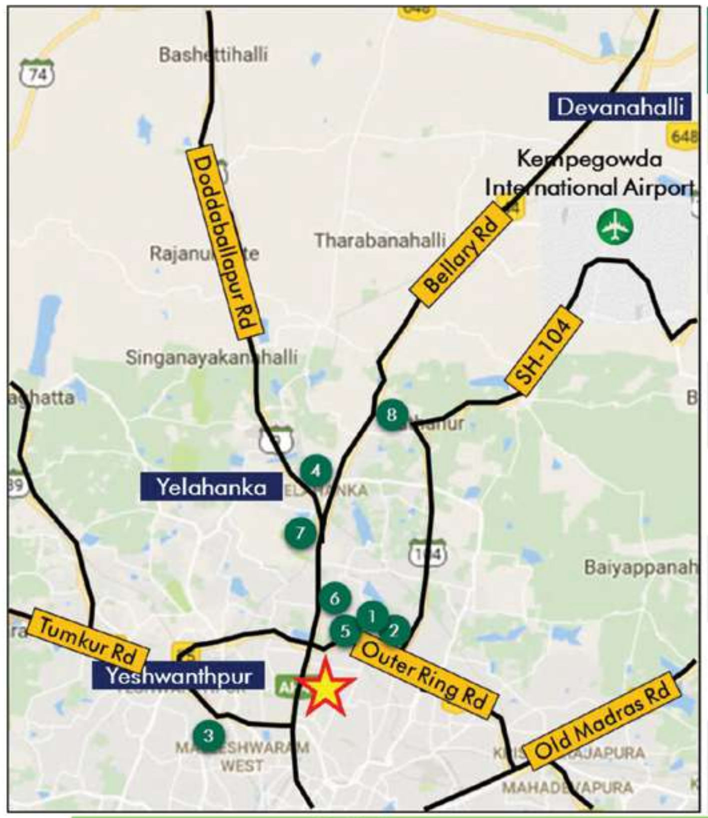
Statement of Assets (sf): Table below highlights the leasable area for individual blocks that form part of the subject development:

Block	No of Keys/ Leasable Area (msf)
Office	0.3
Hotel (Four Seasons at Embassy One)	230 keys
Total	**230 keys / 0.3 msf**

Source: Architect certificate provided by the Client

CBRE IVAS

Location Map



#	Key Office Developments
★	Embassy One
1	Embassy Manyata
2	MFAR Manyata Tech Park
3	Brigade Gateway (WTC)
4	RMZ Galleria
5	Karle Town Centre
6	Kirloskar Business Park
7	NCC Urban Windsor
8	Hinduja Ecopolis

Key Assumptions

Particulars	Unit	Details
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2026
In-place rent	INR psf/mth	144
Marginal rent – Non - IT office component	INR psf/mth	147[20]
Parking rent (Effective)	INR / bay/mth	-
ARR – Four Seasons at Embassy One	INR / room / day	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 12,497 Mn**

[20] *Inclusive of car park rent*

CBRE IVAS

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.

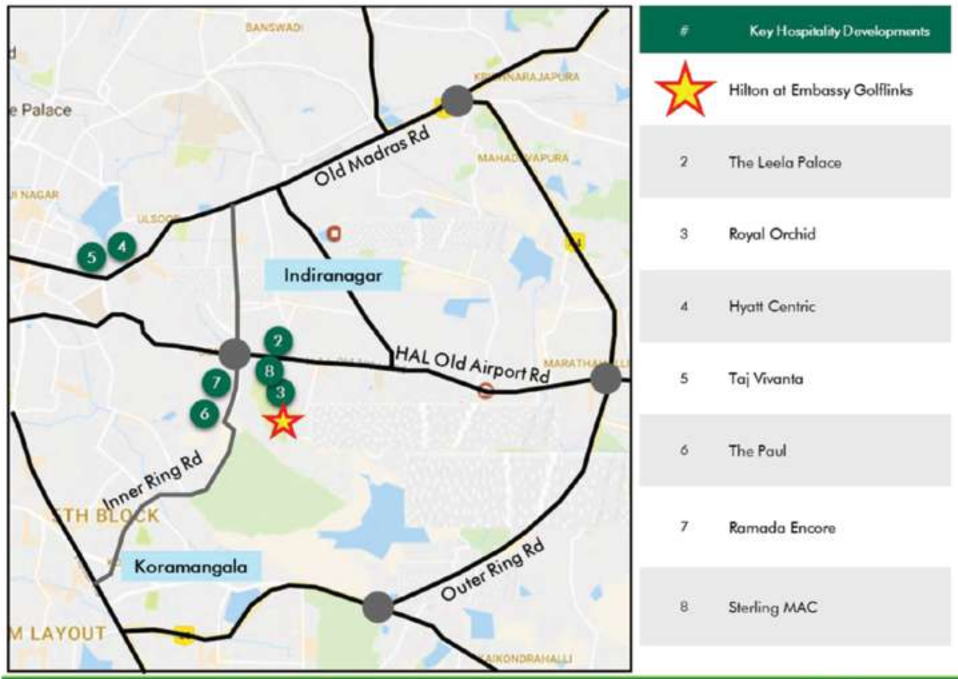
The subject property is located at a distance of approximately <1 km from the Domlur flyover, 1 – 2 km from Indiranagar, 2-3 km from Koramangala, 7-8 km from MG Road and approximately 43 - 45 km from Bengaluru International Airport.

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 March 31, 2023)		
ARR – Hilton at Embassy GolfLinks	INR / room / day	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 4,762 Mn**

CBRE IVAS

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.

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Key Assumptions:

Particulars	Unit	Details
Development Timelines		
COD	Date	28th February 2018[21]
Revenue assumptions (as on March 31, 2023)		
BESCOM Tariff – Commercial	INR per kWH	9.4
BESCOM Tariff – Industrial	INR per kWH	7.8
Blended Tariff	**INR per kWH**	**9.1[22]**
Adopted Tariff	**INR per kWH**	**8.5**
Other financial assumptions		
Useful Life	Years	25 years
Cost of Equity	%	11.7%

INR 8,514 Mn

[21] *40% commenced operations on 23rd January 2018 and balance 60% on 28th February 2018*

[22] *In proportion of the distribution between commercial and industrial category consumers*

5.15 Embassy Business Hub

Property Name: 'Embassy Business Hub' is a commercial office development located along Venkatala Village, Bengaluru North, Bengaluru, Karnataka

Property Address: Venkatala Village, Bengaluru North Taluk, Bengaluru, Karnataka

Land Area: The Valuer understands from the Client, Joint development agreement, title deed, site plans, letter highlighting Commercial Operations Date and site visit, that the park is spread over 13 Acres

Brief Description: The valuer understands from client, title documents and JDAs the subject property is an under construction commercial development christened 'Embassy Business Hub' located on Bellary Road (NH-44), Yelahanka, Bengaluru, Karnataka. Further, the location is currently an emerging micro-market with majority of residential and commercial developments under various stages of construction.

There are two Joint Development Agreement's (JDA) entered between various landowners and Embassy Construction Private Limited ("ECPL" or the "Developer"). The Developer is required to construct a 2.09 million square feet (msf) commercial development, and in return the developer will be allocated a portion of ownership of the completed development, with the remaining shares allocated to the landowners.

In accordance with the terms of the JDA for Phase I of the development, the developer and landowner have entered into an area allocation agreement to identify and allocate the specific constructed area / units that would fall under the landowner's 40% entitlement and the developer's 60% allocation. The JDA for Phase II of the development contemplates that upon receipt of plan sanction, the parties will enter into an area allocation agreement to identify and allocate the specific constructed area / units that would fall under the landowners' 33% allocation and the developer's 67% allocation. The Client has acquired the Developer's interests in the Subject Property.

Statement of Assets (sf): Based on review of various documents (such as rent roll, lease details, JDA, etc.), the subject property is a Non SEZ office asset with approximately 2.09 msf of under construction leasable area, out of which client's share of leasable area is approximately 1.36 msf as on the date of valuation. The table below highlights the leasable area for under construction/ proposed blocks that form part of the subject development:

Particular	Leasable Area (msf)	Occupancy (%)
Completed Blocks	-	-
Under Construction Blocks	2.09	NA
Total	**2.09**	**NA**
Client's share	**1.36**	**NA**

Source: Architect Certificate, Rent roll, Joint Development Agreement provided by the Client

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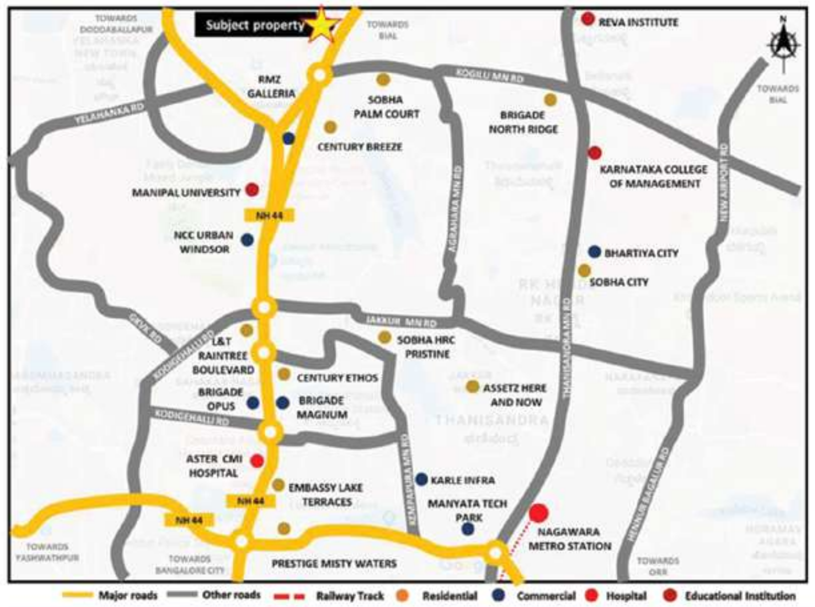
Location Map:



Key Assumptions:

Particulars	Unit	Details
Construction assumptions		
Pending cost to complete (overall)	INR mn	7,420[23]
Proposed project completion timelines (overall)	Year	FY 2028
Revenue assumptions (as on March 31, 2023)		
Lease completion	Year	FY 2029
In-place rent	INR psf/mth	NA
Marginal rent – Office component	INR psf/mth	67
Marginal rent – Food court component	INR psf/mth	100
Parking rent (Effective)	INR psf/mth	4
Other financial assumptions		
Cap rate	%	8.0%
WACC rate (operational)	%	11.7%
WACC rate (under-construction/proposed)	%	13.0%

Market Value: **INR 3,751 Mn**

[23] *Indicative of pending cost towards base build works and does not include the cost for refurbishments/ infrastructure upgrade works*

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Key Terms & Definitions

1. 4Q/4Q/Three Months ended – Quarter ending March 31
2. ADR – Average Daily Rate (ADR) is a measure of the average rate charged for rooms sold and is calculated by dividing total rooms revenue for a period by the number of rooms sold during that period
3. Annualised Rental Obligations – Defined as Gross Rentals multiplied by twelve (12)
4. Average Occupancy – Commercial Offices - Occupied Area / Completed Area. Hotels - Occupied Rooms / Completed Rooms or Keys
5. Base Rentals – Rental income contracted from the leasing of Completed Area; does not include fit-out & car parking income
6. bn – Billions
7. bps – Basis points
8. BSE – BSE Limited
9. CAM – Common Area Maintenance
10. C&W – Cushman & Wakefield
11. CAGR – Compounded Annual Growth Rate
12. CBRE – CBRE South Asia Private Limited
13. Completed Area – the Leasable Area of a property for which occupancy certificate has been received
14. CRE – Corporate real estate
15. DPU – Distribution per unit
16. EBITDA – Earnings/ (loss) before finance costs, depreciation, amortisation, impairment loss and income tax excluding share of profit of equity accounted investee
17. EHS - Environment, Health, and Safety
18. EPTPL - Embassy Pune Techzone Private Limited
19. Embassy TechVillage / ETV – Comprises of the legal entities Vikas Telecom Private Limited (VTPL), Embassy Office Ventures Private Limited (EOVPL) and Sarla Infrastructure Private Limited (SIPL)
20. Embassy Group – refers to the Embassy Sponsor or its subsidiaries or limited liability partnerships 21. Embassy REIT refers to Embassy Office Parks REIT
22. EOPMSPL – Embassy Office Parks Management Services Private Limited 23. EOPPL – Embassy Office Parks Private Limited, a former holding company of Embassy REIT which has been dissolved pursuant to restructuring involving MPPL, EOPPL and EPTPL through NCLT scheme
24. EOVPL - Embassy Office Ventures Private Limited
25. FY – Period of 12 months ended March 31 of that particular year, unless otherwise stated
26. GAV – Gross Asset Value
27. GCC – Global Capability Centre
28. GLSP – GolfLinks Software Park Private Limited
29. Grant Thornton – Grant Thornton Bharat LLP
30. Holdco – Refers to EOVPL and MPPL
31. IGBC - Indian Green Building Council
32. INFHRA – The Infrastructure, Facility, Human Resource & Realty Association
33. Investment Entity – Refers to GolfLinks Software Park Private Limited
34. IPO – Initial Public Offering of units of Embassy Office Parks REIT
35. Leasable Area – Total square footage that can be occupied by a occupier for the purpose of determining a occupier's rental obligations. Leasable Area is the sum of Completed Area, Under Construction Area and Proposed Development Area
36. LTM – Last twelve months
37. Manager – Embassy Office Parks Management Services Private Limited
38. MEP – Mechanical, Electrical & Plumbing
39. mn – Millions
40. MNC – Multinational Corporation
41. MPPL - Manyata Promoters Private Limited
42. msf – Million square feet
43. MTM – Mark to Market
44. Mumbai – Mumbai Metropolitan Region (MMR)
45. MW – Mega-Watt
46. NAV – Net Asset Value
47. NCD – Non-Convertible Debentures
48. NCR – National Capital Region
49. NCLT - National Company Law Tribunal
50. NDCF refers to Net Distributable Cash Flows
51. NGO - Non-governmental Organisation
52. Net Debt – Gross Debt minus short term treasury investment and cash and cash equivalents
53. NM – Not material
54. NOI – Net Operating Income
55. NR – Not Relevant
56. NSE – The National Stock Exchange of India Limited
57. NTM – Next twelve months
58. NXT – Manyata front parcel office towers
59. OC – Occupancy certificate
60. Occupancy/% Occupied/% Leased – Occupancy is defined as the ratio of the Occupied Area and the Completed Area
61. Occupied Area – Completed area of property which has been leased or rented out in accordance with an agreement entered into for the purpose
62. Proforma DPU – DPU for FY2021 computed excluding impact of 176.23 million new units issued in 3Q FY2021 pursuant to the preferential allotment and the institutional placement of units in connection with ETV acquisition
63. Proforma Debt Headroom – Proforma Debt Capacity (Maximum debt as per REIT Regulations) - Current Net Debt
64. Portfolio – Together, the Portfolio Assets and the Portfolio Investment
65. Proposed Development Area – The Leasable Area of a property for which the master plan for development has been obtained, internal development plans are yet to be finalised and applications for requisite approvals required under the law for commencement of construction are yet to be received
66. QoQ – Quarter on quarter
67. REIT Regulations – Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014
68. Rents – Refers to Gross Rentals unless specified otherwise. Gross Rentals are defined as the sum of Base Rentals, fit-out and car parking income from Occupied Area for the month of March 2021
69. RevPAR – Revenue Per Available Room (RevPAR) is a hotel industry financial metric calculated by multiplying the Average Daily Rate by the percentage occupancy
70. Re-leasing spread – Refers to the change in rent psf between new & expiring leases, expressed as a percentage
71. Restructuring – Pursuant to a composite scheme of arrangement (the "Scheme") involving MPPL, EOPPL and EPTPL which was approved by National Company Law Tribunal (NCLT), Mumbai bench via order dated 10 March 2021, MPPL has become a 100% Holdco of the Embassy Office Parks REIT, holding Embassy Manyata Business Park, 80% of the share capital of EEPL and 50% of the share capital of GLSP, while EPTPL has become a 100% directly-held SPV of Embassy Office Parks REIT, holding Embassy TechZone
72. ROFO – Right of First Offer
73. Same-Store KPIs – Same-Store KPIs represents KPIs (Occupancy/ Revenue/NOI) from properties which are in service in both the current and prior year reporting periods adjusted to exclude straight-line & other non-cash IndAS income, as applicable, to make comparisons between periods more meaningful. For example, for 4QFY2021 and FY2021, Same-Store occupancy is computed for the portfolio excluding ETV's 6.1 msf completed area
74. SEBI - The Securities and Exchange Board of India
75. sf/psf – Square feet/per square feet
76. Sponsor(s) – Embassy Property Developments Private Limited and BRE/Mauritius Investments
77. SPV – Special purpose vehicles, as defined in Regulation 2(l)(zs) of the REIT Regulations, in this case being UPPL, EEPL, IENMPL, VCPPL, ETPL, QBPL, QBPPL, OBPPL, VTPL, SIPL, EPTPL and GSPL
78. Target – Includes SIPL, EOVPL & VTPL
79. TEV – Total Enterprise Value
80. TI/TIs – Tenant Improvement / (s)
81. tn – Trillions
82. Under Construction / U/C Area – Leasable Area for which internal development plans have been finalised and requisite approvals as required under law for the commencement of construction have been applied for, construction has commenced and the occupancy certificate is yet to be received 83. Units – An undivided beneficial interest in the Embassy REIT, and such units together represent the entire beneficial interest in the Embassy REIT
84. VTPL - Vikas Telecom Private Limited
85. WALE – Weighted Average Lease Expiry (weighted according to facility rentals excluding impact of Ind-AS adjustments) assuming that each occupier exercises the right to renew for future terms after expiry of initial commitment period
86. WFH – Work from home
87. WIP – Work-in-progress
88. Years – Refers to fiscal years unless specified otherwise
89. YoY – Year on year
90. YTD – Year to date
91. YTM – Yield to Maturity

Disclaimer

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