April 27, 2023

To,
The Corporate Relations Department,
The National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block, Bandra-Kurla Complex,
Bandra (E), Mumbai − 400051.

To,
The Corporate Relations Department,
Department of Corporate Services,
BSE Limited,
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai − 400001.

Re: Script Symbol "EMBASSY", Scrip Code 542602 and Scrip Code 959990, 960165, 960421, 973434, 973545, 973546 and 973910 (NCDs).

Dear Sir/ Madam,

Subject: Outcome of the Board Meeting for the quarter and year ended March 31, 2023, held on April 27, 2023.

We wish to inform you that the Board of Directors of Embassy Office Parks Management Services Private Limited ("**EOPMSPL**"), Manager to Embassy Office Parks REIT ("**Embassy REIT"**), at its Meeting held on **Thursday, April 27, 2023**, through Audio-Visual Electronic Communication has *inter-alia*:

1. Adopted the Audited Condensed Standalone Financial Statements and Audited Condensed Consolidated Financial Statements of Embassy REIT for the quarter and year ended March 31, 2023, along with the report of the Statutory Auditors thereon;

2. Adopted the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of Embassy REIT for the year ended March 31, 2023, along with the report of the Statutory Auditors thereon, subject to approval by the Unitholders at the ensuing Annual Meeting of Embassy REIT;

3. Declared distribution of ₹5,317.68 million (Indian Rupees Five Thousand Three Hundred and Seventeen point Six Eight million Only) / ₹5.61 (Indian Rupees Five point Six One paise Only) per Unit for the quarter ended March 31, 2023. The distribution comprises ₹815.19 million (Indian Rupees Eight Hundred and Fifteen point One Nine million Only) / ₹0.86 (Indian Rupees Zero point Eight Six paise only) per Unit in the form of interest, less applicable taxes, if any, ₹2,663.58 million (Indian Rupees Two Thousand Six Hundred and Sixty Three point Five Eight million Only) / ₹2.81 (Indian Rupees Two point Eight One paise Only) per Unit in the form of dividend and ₹1,838.91 million (Indian Rupees One Thousand Eight Hundred and Thirty Eight point Nine One million Only) / ₹1.94 (Indian Rupees One point Nine Four paise Only) per Unit in the form of repayment of SPV level debt.

   Together with distributions already made during the three previous quarters, the distributions for the full year ended March 31, 2023, amounts to ₹ 20,578.77 million (Indian Rupees Twenty Thousand

Embassy Office Parks Management Services Private Limited,
Royal Oaks Embassy, GolfLinks Business Park, Off Intermediate Ring Road, Bangalore – 560071, Karnataka, India.
T: +91 80 4903 0000 F: +91 80 4903 0046.
E: secretarial@embassyofficeparks.comIW:www.embassyofficeparks.com | CIN: U70100KA2014PTC073362

Registered Office: Embassy Point, 1st Floor, 150, Infantry Road, Bangalore - 560 001, Karnataka, India
T: +91 80 4179 99991 F: +91 80 2228 6912

Five Hundred and Seventy Eight point Seven Seven million Only) / ₹21.71 (Indian Rupees Twenty One point Seven One paise Only) per Unit;

4. Declared Net Asset Value of ₹394.88 per Unit (Indian Rupees Three Hundred and Ninety Four point Eight Eight paise only) for Embassy REIT as at March 31, 2023 as per Regulation 10(22) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, based on the Valuation Report dated April 24, 2023, issued by iVAS Partners, Valuer represented by Mr. Manish Gupta, Partner with value assessment services undertaken by CBRE South Asia Private Limited;

5. Approved the appointment of Ms. L. Anuradha, MRICS, as the Independent Valuer of Embassy REIT under the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, and the appointment of Cushman & Wakefield (India) Private Limited, as the value assessment services provider of Embassy REIT, for the Financial Years 2023-24, 2024-25, 2025-26, and 2026-27, subject to the approval of the Unitholders, at the ensuing Annual Meeting of Embassy REIT. A brief profile of Ms. L. Anuradha, MRICS, is enclosed as **Annexure I** and a brief profile of Cushman & Wakefield (India) Private Limited, is enclosed as **Annexure II**; and

6. Accepted the resignation of Mr. Vikaash Khdloya as the Chief Executive Officer and as one of the key managerial personnel of EOPMSPL with effect from the close of business on June 30, 2023. Mr. Khdloya intends to pursue other interests. The Board also approved the appointment of Mr. Aravind Maiya as the Chief Executive Officer and as one of the key managerial personnel of EOPMSPL with effect from July 01, 2023. Mr. Maiya has been previously associated with Embassy REIT as its Chief Financial Officer and comes with over 22 years of experience including in real estate, capital markets, audit and consulting. Mr. Khdloya and Mr. Maiya will work closely to ensure a smooth transition. A brief profile of Mr. Maiya is enclosed as **Annexure III**.

   The Members of the Board have placed on record their appreciation for the contributions made by Mr. Khdloya in shaping the portfolio assets since 2011 and playing a pivotal role in the successful listing of the Embassy REIT in April 2019. Further, during his time at Embassy REIT, Mr. Khdloya helped Embassy REIT successfully navigate the COVID pandemic, acquire the marquee ETV asset and deliver 16 quarters of business performance.

With this letter, we have enclosed a copy of the Audited Condensed Standalone Financial Results and Audited Condensed Consolidated Financial Results of Embassy REIT for the quarter and year ended March 31, 2023, along with the Statutory Auditors report thereon and Security Cover Certificate in compliance with SEBI Circular bearing reference no. SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/6 dated May 19, 2022 read with Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Appendices I, II** and **III** respectively.

The documents referred above are also uploaded on our website at https://www.embassyofficeparks.com/investors/.

Pursuant to BSE circular bearing reference no. 20230315-41 dated March 15, 2023, and NSE circular bearing reference no. NSE/CML/2023/20, dated March 15, 2023, only the Financial Statements and Auditor's report of Embassy REIT, for the quarter and year ended March 31, 2023, have been annexed to this outcome. The Press release, Earnings Presentation and Supplemental Operating and Financial Databook and the Summary Valuation Report of Embassy REIT will be uploaded separately.

We also wish to inform you that the record date for the distributions to Unitholders for the quarter ended March 31, 2023, will be **Saturday, May 06, 2023**, and the payment of distribution will be made on or before **Friday, May 12, 2023**.

We also wish to bring into your kind attention that the related party transactions during the quarter and year ended March 31, 2023, are set out at page no. 27 to page no. 31 of the Audited Condensed Standalone Financial Results and page no. 65 to page no. 70 of the Audited Condensed Consolidated Financial Results of Embassy REIT.

The meeting commenced at 1024 Hrs IST and concluded at 1355 Hrs IST.

Thanking you,

For and on behalf of **Embassy Office Parks REIT** acting through its Manager, **Embassy Office Parks Management Services Private Limited**

VINITHA ARAVIND MENON

Digitally signed by VINITHA ARAVIND MENON
Date: 2023.04.27 14:01:37 +05'30'

Vinitha Menon
Company Secretary and Compliance Officer
A25036

Embassy Office Parks Management Services Private Limited,
Royal Oaks Embassy, GolfLinks Business Park, Off Intermediate Ring Road, Bangalore – 560071, Karnataka, India.
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Registered Office: Embassy Point, 1st Floor, 150, Infantry Road, Bangalore - 560 001, Karnataka, India
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Annexure I

Brief profile of Ms. L. Anuradha, MRICS

Anuradha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset classes of Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since September 2022. She completed her Bachelor's in Architecture in 2002 and Masters in Planning from School of Planning & Architecture in 2004.

Anuradha has more than 16 years of experience in the domain of urban infrastructure, valuation and real estate advisory.

Her last employment was at Cushman and Wakefield. As an Associate Director of the Valuation and Advisory team at C&WI, Anuradha provided support on identified business/ new opportunities, evaluated proposals for new property investments and/ or dispositions while providing analytical support for Investment recommendations. Anuradha was also key personnel in carrying out the Market study for the Mindspace REIT micro markets in India. She has undertaken valuations exercises for multiple private equity/real estate funds, financial institutions, developers and corporates across asset classes of commercial, retail, residential and hospitality.

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Annexure II

Brief profile of Cushman & Wakefield (India) Private Limited

Cushman & Wakefield India Pvt. Ltd. ("**C&WI**") Valuation & Advisory Services India is an integral part of C&WI Global Valuation & Advisory Services team. The Global Valuation & Advisory team comprises of over 1,970+ professionals across approximately 150+ offices globally and India VAS team comprises of more than 75 professionals.

C&W Valuation & Advisory Services India have completed over 15,519 valuation and advisory assignments across varied asset classes/ properties worth USD 588 billion.

C&WI 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.

In India, C&WI have their presence since 1997. Their dedicated and experienced professionals provide quality services from 8 offices across India (Mumbai, Bengaluru, Chennai, Kolkata, Gurgaon, Hyderabad, Pune and Ahmedabad). They have a strong team of experienced and qualified professionals dedicated to offer Valuation & Advisory services in various locations across the country. C&WI India recognizes that no uniform norms and standards for real estate valuation currently exist in India. With this context and background, C&WI utilizes internationally accepted valuation techniques customized to Indian context based on best practices in the Industry.

Annexure III

Brief Profile of Mr. Aravind Maiya

Mr. Aravind Maiya has over 22 years of experience in real estate, capital markets, audit and consulting. Mr. Maiya was the Chief Financial Officer at Embassy REIT from May 2019 to May 2022, and played a pivotal role in driving the growth of India's first listed REIT. Mr. Maiya re-joins Embassy REIT from Tata Realty, where he was the Chief Financial Officer overseeing the finance and tax functions as well as investor relations. Mr. Maiya was also actively involved in the strategic growth initiatives with the CEO.

At Embassy REIT, Mr. Maiya was a core member of the management team and was responsible for the finance, legal and compliance functions. Prior to that, Mr. Maiya was Partner at BSR & Associates LLP, where he specialized in commercial real estate across audit, assurance and capital market transactions including listed companies.

Mr. Maiya holds a bachelor's degree in commerce from Bangalore University and is a member of the Institute of Chartered Accountants of India.

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru-560 001, India
Tel: +91 80 6648 9000

Independent Auditor's Report on Condensed Standalone Ind AS Financial Information

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

Opinion

We have audited the accompanying condensed standalone Ind AS Financial Information of Embassy Office Parks REIT (the "REIT") pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (the "REIT regulations"), which comprise the following:

- the condensed standalone Balance Sheet as at March 31, 2023;
- the condensed standalone Statement of Profit and Loss, including Other Comprehensive Income and condensed standalone Statement of Cash Flows for the quarter, half year and year ended March 31, 2023;
- the condensed standalone Statement of Changes in Unitholders' equity for the year ended March 31, 2023;
- the Statement of Net Assets at fair value as at March 31, 2023;
- the Statement of Total Returns at fair value for the year ended March 31, 2023;
- the Statement of Net Distributable Cash Flows ('NDCF') of the REIT for the half year and year ended March 31, 2023, and
- Summary of significant accounting policies and select explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Condensed Standalone Ind AS Financial Information give the information required by the REIT regulations in the manner so required and give a true and fair view in conformity with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations of:

- in case of the Condensed standalone Balance Sheet, of the standalone state of affairs as at March 31, 2023;
- in case of the Condensed standalone Statement of profit and loss including Other Comprehensive Income, of the net profit for the quarter, half year and year ended on March 31, 2023;
- in case of the Condensed standalone Statement of cash flows, of the standalone cash flows for the quarter, half year and year ended on March 31, 2023;
- in case of the Condensed standalone Statement of changes in Unitholders' equity, of the movement of the Unitholders' equity for the year ended March 31, 2023;

- in case of the standalone Statement of Net Assets at fair value, of the standalone net assets as at March 31, 2023;
- in case of the standalone Statement of Total Returns at fair value, of the standalone total returns for the year ended March 31, 2023: and
- in case of the Statement of Net Distributable Cash Flows of the REIT, of the NDCF for the half year and year ended March 31, 2023.

Basis for Opinion

We conducted our audit of the condensed standalone Ind AS Financial Information 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 Condensed Standalone Ind AS Financial Information' 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 condensed standalone Ind AS financial Information.

Management's Responsibilities for the Condensed Standalone Ind AS Financial Information

The Condensed Standalone Ind AS Financial Information has been prepared on the basis of the annual standalone Ind AS financial statements. The Management of the Manager ('the Management') is responsible for the preparation and presentation of these Condensed Standalone Ind AS Financial Information that give a true and fair view of the financial position as at March 31, 2023, financial performance including other comprehensive income and cash flows for the quarter, half year and year ended March 31, 2023, the 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 for the year ended March 31, 2023 and the net distributable cash flows of the REIT for the half year and year ended March 31, 2023, in accordance with the requirements of the REIT regulations; Ind AS 34 as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations. This responsibility also includes the design, implementation and maintenance of adequate controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Condensed Standalone Ind AS Financial Information that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these Condensed Standalone Ind AS Financial Information, 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 Condensed Standalone Ind AS Financial Information

Our objectives are to obtain reasonable assurance about whether the Condensed Standalone Ind AS Financial Information 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 Condensed Standalone Ind AS Financial Information.

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

- Identify and assess the risks of material misstatement of the Condensed Standalone Ind AS Financial Information, 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 Condensed Standalone Ind AS Financial Information 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 Condensed Standalone Ind AS Financial Information, including the disclosures, and whether the Condensed Standalone Ind AS Financial Information 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.

Other Matters

(i) The figures for the quarter ended March 31, 2023 presented in the Condensed Standalone Ind AS Financial Information are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, which were subject to limited review. Further, the figures for the half year ended March 31, 2023 presented in the Condensed Standalone Ind AS Financial Information are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to September 30, 2022, which were subject to limited review.

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 Condensed Balance Sheet and the Condensed 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 Condensed Standalone Ind AS financial information comply with the Indian Accounting Standards 34, 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.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

ADARSH RANKA

Digitally signed by ADARSH RANKA
Date: 2023.04.27
13:14:59 +05'30'

per Adarsh Ranka
Partner
Membership No.: 209567

UDIN: 23209567BGXVYI7947

Place: Bengaluru, India
Date: April 27, 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Standalone Balance Sheet
(all amounts in Rs. million unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 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	15	190.44	463.90
Other current liabilities	16	108.70	88.61
Liabilities for current tax (net)	17	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 these Condensed Standalone financial statements.

As per our report of even date attached

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:55:48 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:24:09 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 12:12:54 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Standalone Statement of Profit and Loss
(all amounts in Rs. million unless otherwise stated)

	Note	For the quarter ended 31 March 2023 (Audited *)	For the quarter ended 31 December 2022 (Unaudited)	For the quarter ended 31 March 2022 (Audited*)	For the half year ended 31 March 2023 (Audited*)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited *)	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Income and gains									
Dividend		2,705.00	2,157.00	2,160.00	4,862.00	4,845.00	4,595.00	9,707.00	9,475.00
Interest	18	2,686.28	2,700.20	2,582.58	5,386.48	5,455.13	5,418.16	10,841.61	11,579.53
Other income	19	33.06	4.89	23.11	37.95	33.30	45.58	71.25	81.52
Total Income		**5,424.34**	**4,862.09**	**4,765.69**	**10,286.43**	**10,333.43**	**10,058.74**	**20,619.86**	**21,136.05**
Expenses									
Valuation expenses		3.24	3.25	3.24	6.49	4.13	6.49	10.62	11.56
Audit fees		1.18	1.16	0.75	2.34	2.36	2.09	4.70	4.85
Investment management fees	27	62.30	57.94	59.28	120.24	119.23	116.55	239.47	254.46
Trustee fees		0.73	0.74	0.73	1.47	1.48	1.47	2.95	2.95
Legal and professional fees		31.26	53.65	5.43	84.91	77.63	5.46	162.54	57.11
Other expenses	20	17.26	19.90	13.26	37.16	29.60	23.66	66.76	42.57
Total Expenses		**115.97**	**136.64**	**82.69**	**252.61**	**234.43**	**155.72**	**487.04**	**373.50**
Earnings before finance costs, impairment loss and tax		**5,308.37**	**4,725.45**	**4,683.00**	**10,033.82**	**10,099.00**	**9,903.02**	**20,132.82**	**20,762.55**
Finance costs	21	1,565.40	1,493.01	1,277.17	3,058.41	2,959.22	2,868.93	6,017.63	6,462.30
Impairment loss	3	1,295.12	-	-	1,295.12	-	-	1,295.12	857.48
Profit before tax		**2,447.85**	**3,232.44**	**3,405.83**	**5,680.29**	**7,139.78**	**7,034.09**	**12,820.07**	**13,442.77**
Tax expense:	22								
Current tax		14.14	0.18	9.90	14.32	14.27	29.98	28.59	45.35
		14.14	**0.18**	**9.90**	**14.32**	**14.27**	**29.98**	**28.59**	**45.35**
Profit for the period/ year		**2,433.71**	**3,232.26**	**3,395.93**	**5,665.97**	**7,125.51**	**7,004.11**	**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 period/ year		**2,433.71**	**3,232.26**	**3,395.93**	**5,665.97**	**7,125.51**	**7,004.11**	**12,791.48**	**13,397.42**
Earning per unit	23								
Basic		2.57	3.41	3.58	5.98	7.52	7.39	13.49	14.13
Diluted		2.57	3.41	3.58	5.98	7.52	7.39	13.49	14.13
Significant accounting policies	2								

** Refer note 33*

The accompanying notes referred to above are an integral part of these Condensed Standalone financial statements.

As per our report of even date attached

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:56:12 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:24:33 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 12:13:35 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Standalone Statement of Cash Flows
(all amounts in Rs. million unless otherwise stated)

	For the quarter ended 31 March 2023 (Audited *)	For the quarter ended 31 December 2022 (Unaudited)	For the quarter ended 31 March 2022 (Audited *)	For the half year ended 31 March 2023 (Audited *)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited *)	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Cash flow from operating activities								
Profit before tax	2,447.85	3,232.44	3,405.83	5,680.29	7,139.78	7,034.09	12,820.07	13,442.77
Adjustments to reconcile profit before tax to net cash flows:								
Interest income	(2,686.28)	(2,700.20)	(2,582.58)	(5,386.48)	(5,455.13)	(5,418.16)	(10,841.61)	(11,579.53)
Dividend	(2,705.00)	(2,157.00)	(2,160.00)	(4,862.00)	(4,845.00)	(4,595.00)	(9,707.00)	(9,475.00)
Profit on sale of investments	(33.06)	(4.89)	(17.56)	(37.95)	(33.30)	(40.03)	(71.25)	(75.97)
Impairment loss	1,295.12	-	-	1,295.12	-	-	1,295.12	857.48
Liabilities no longer required written back	-	-	(5.55)	-	-	(5.55)	-	(5.55)
Finance costs	1,565.40	1,493.01	1,277.17	3,058.41	2,959.22	2,868.93	6,017.63	6,462.30
Operating cash flow before working capital changes	**(115.97)**	**(136.64)**	**(82.69)**	**(252.61)**	**(234.43)**	**(155.72)**	**(487.04)**	**(373.50)**
Changes in:								
Other current and non-current assets	(16.01)	(4.41)	(0.57)	(20.42)	(24.54)	(22.83)	(44.96)	(45.76)
Other current and non-current liabilities	13.46	1.30	76.30	14.76	5.33	84.36	20.09	62.01
Other current financial liabilities	84.62	(1.98)	(9.48)	82.64	15.78	(7.78)	98.42	2.51
Other financial assets	(6.96)	(23.53)	(2.50)	(30.49)	(2.93)	28.49	(33.42)	(6.51)
Trade payables	(1.67)	7.34	8.71	5.67	(6.72)	8.45	(1.05)	6.21
Cash used in operations	**(42.53)**	**(157.92)**	**(10.23)**	**(200.45)**	**(247.51)**	**(65.03)**	**(447.96)**	**(355.05)**
Taxes paid (net)	(5.64)	(4.35)	(2.91)	(9.99)	(19.58)	(26.99)	(29.57)	(46.25)
Net cash used in operating activities	**(48.17)**	**(162.27)**	**(13.14)**	**(210.44)**	**(267.09)**	**(92.02)**	**(477.53)**	**(401.30)**
Cash flow from investing activities								
Loans given to subsidiaries	(13,581.62)	(4,645.00)	(1,098.50)	(18,226.62)	(2,939.80)	(2,108.50)	(21,166.42)	(10,232.51)
Loans repaid by subsidiaries	5,302.91	6,107.58	2,718.27	11,410.49	6,151.93	19,714.04	17,562.42	27,743.31
Investment in subsidiary (refer note 32)	(64.66)	-	-	(64.66)	-	-	(64.66)	-
Contingent consideration paid	-	-	-	-	(350.00)	-	(350.00)	-
Investment in debentures issued by joint venture	-	-	-	-	(9,500.00)	-	(9,500.00)	-
Redemption of debentures issued by joint venture	300.00	442.17	-	742.17	600.00	-	1,342.17	-
Interest received	2,412.87	2,198.68	1,906.85	4,611.55	4,463.94	3,928.95	9,075.49	7,600.48
Dividend received	2,705.00	2,157.00	2,160.00	4,862.00	4,845.00	4,595.00	9,707.00	9,475.00
Redemption of mutual funds (net)	33.06	4.89	17.56	37.95	33.30	40.03	71.25	75.97
Net cash (used in)/ generated from investing activities	**(2,892.44)**	**6,265.32**	**5,704.18**	**3,372.88**	**3,304.37**	**26,169.52**	**6,677.25**	**34,662.25**
Cash flow from financing activities								
Expenses incurred towards issue of units	-	-	-	-	-	(1.34)	-	(17.72)
Proceeds of borrowings financial institutions (net of issue expenses)	9,971.69	-	-	9,971.69	-	-	9,971.69	
Proceeds from issue of Non-convertible debentures (net of issue expenses)	-	-	(95.68)	-	9,925.80	30,778.96	9,925.80	33,771.77
Redemption of Non-convertible debentures (including redemption premium)	-	-	-	-	-	(45,302.84)	-	(45,302.84)
Distribution to unitholders	(5,033.76)	(5,175.46)	(4,928.38)	(10,209.22)	(10,037.21)	(10,292.94)	(20,246.43)	(20,947.51)
Interest paid	(1,505.67)	(1,430.35)	(1,218.58)	(2,936.02)	(2,835.08)	(2,363.75)	(5,771.10)	(3,735.44)
Net cash generated from /(used in) financing activities	**3,432.26**	**(6,605.81)**	**(6,242.64)**	**(3,173.55)**	**(2,946.49)**	**(27,181.91)**	**(6,120.04)**	**(36,231.74)**
Net increase/(decrease) in cash and cash equivalents	**491.65**	**(502.76)**	**(551.60)**	**(11.11)**	**90.79**	**(1,104.41)**	**79.68**	**(1,970.79)**
Cash and cash equivalents at the beginning of the period/ year	4,788.50	5,291.26	5,752.07	5,291.26	5,200.47	6,304.88	5,200.47	7,171.26
Cash and cash equivalents at the end of the period/ year	**5,280.15**	**4,788.50**	**5,200.47**	**5,280.15**	**5,291.26**	**5,200.47**	**5,280.15**	**5,200.47**

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Standalone Statement of Cash Flows
(all amounts in Rs. million unless otherwise stated)

	For the quarter ended 31 March 2023 (Audited *)	For the quarter ended 31 December 2022 (Unaudited)	For the quarter ended 31 March 2022 (Audited *)	For the half year ended 31 March 2023 (Audited *)	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited *)	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Cash and cash equivalents comprise:								
Balances with banks								
- in current accounts	5,276.63	4,784.53	5,197.53	5,276.63	5,287.33	5,197.53	5,276.63	5,197.53
- in escrow accounts	3.52	3.97	2.94	3.52	3.93	2.94	3.52	2.94
Cash and cash equivalents at the end of the period/ year (refer note 6)	**5,280.15**	**4,788.50**	**5,200.47**	**5,280.15**	**5,291.26**	**5,200.47**	**5,280.15**	**5,200.47**

Significant accounting policies (refer note 2)
** Refer note 33*

The accompanying notes referred to above are an integral part of these Condensed Standalone financial statements.

As per our report of even date attached

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:56:52 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:24:49 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 12:18:25 +05'30'

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

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 31 March 2022	**947.90**	**288,262.11**
Balance as at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 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 31 March 2022	13,397.42
Less: Distribution to Unitholders during the year ended 31 March 2022 * ^	(20,948.45)
Balance as at 31 March 2022	**(30,233.92)**
Balance as at 1 April 2022	**(30,233.92)**
Add : Total comprehensive income for the year ended 31 March 2023	12,791.48
Less: Distribution to Unitholders during the year ended 31 March 2023 * ^^	(20,247.01)
Balance as at 31 March 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 31 March 2022 does not include the distribution relating to the quarter ended 31 March 2022, as the same was paid subsequent to the year ended 31 March 2022.

^^ The distribution for year ended 31 March 2023 does not include the distribution relating to the quarter ended 31 March 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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:57:22 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:25:01 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:18:44 +05'30'

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

A) Statement of Net Assets at fair value

S.No	Particulars	Unit of measurement	As at 31 March 2023		As at 31 March 2022	
			Book value	Fair value	Book value	Fair value
A	Assets	Rs in million	345,539.19	454,854.32	333,083.64	435,060.15
B	Liabilities	Rs in million	94,966.53	94,966.53	75,055.45	75,055.45
C	Net Assets (A-B)	Rs 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)	Rs	**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 31 March 2023 and as at 31 March 2022 along with book values of other assets and liabilities accounted in the respective SPV financial statements as at 31 March 2023 and as at 31 March 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 categorized 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 31 March 2023	As at 31 March 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 Condensed Consolidated financial statements.

B) Statement of Total Returns at fair value

S.No	Particulars	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
		(Audited *)	(Unaudited)	(Audited *)	(Audited)	(Audited)
A	Total comprehensive income	5,665.97	7,125.51	7,004.11	12,791.48	13,397.42
B	Add : Income of SPV's and changes in fair value not recognised in total comprehensive income of Condensed Standalone financial statements	(8,837.50)	3,871.16	6,264.56	(4,966.34)	7,265.24
C (A+B)	**Total Return**	**(3,171.53)**	**10,996.67**	**13,268.67**	**7,825.14**	**20,662.66**

Note : ECPL was acquired on 31 March 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 31 March 2023.

**** Refer note 33***

As per our report of even date attached

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:57:46 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:25:14 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 12:19:04 +05'30'

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

(all amounts in Rs. million unless otherwise stated)

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

Sl No	Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Cash flows received from SPVs/Holdcos and Investment Entity in the form of:								
	• Interest	2,412.87	2,197.64	1,906.85	4,610.51	4,463.94	3,905.75	9,074.45	7,577.28
	• Dividends (net of applicable taxes)	2,705.00	2,157.00	2,160.00	4,862.00	4,845.00	4,595.00	9,707.00	9,475.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	1,860.97	2,318.82	2,220.12	4,179.79	4,108.90	3,915.89	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	33.06	5.93	17.56	38.99	33.30	63.23	72.29	99.17
5	Less: Any other expense at the Trust level, and not captured herein (excluding acquisition related costs)	(17.26)	(19.90)	(13.26)	(37.16)	(29.60)	(23.66)	(66.76)	(77.14)
6	Less: Any fees, including but not limited to:								
	• Trustee fees	(0.73)	(0.74)	(0.73)	(1.47)	(1.48)	(1.47)	(2.95)	(2.95)
	• REIT Management Fees (to the extent not paid in Units)	(62.30)	(57.94)	(59.28)	(120.24)	(119.23)	(116.55)	(239.47)	(254.46)
	• Valuer fees	(3.24)	(3.25)	(3.24)	(6.49)	(4.13)	(6.49)	(10.62)	(11.56)
	• Legal and professional fees	(31.67)	(54.05)	(5.43)	(85.72)	(78.46)	(6.06)	(164.18)	(58.98)
	• Trademark license fees	(0.36)	(0.35)	(0.36)	(0.71)	(0.71)	(0.71)	(1.42)	(1.42)
	• Secondment fees	(0.41)	(0.41)	(0.39)	(0.82)	(0.82)	(0.78)	(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	(1,565.40)	(1,493.01)	(1,225.11)	(3,058.41)	(2,959.22)	(2,376.76)	(6,017.63)	(3,820.29)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the Trust level	(5.64)	(4.35)	(2.91)	(9.99)	(19.58)	(26.99)	(29.57)	(46.25)
	Net Distributable Cash Flows	**5,324.89**	**5,045.39**	**4,993.82**	**10,370.28**	**10,237.91**	**9,920.40**	**20,608.19**	**20,638.19**

Notes:

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:58:15 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:25:29 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:19:23 +05'30'

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

(all amounts in Rs. 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%
Indian Express Newspapers (Mumbai) Private Limited	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 31) EOVPL : Nil (60% upto 1 April 2021, refer note 31)
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 Business Hub), located in Bengaluru.	Embassy Office Parks REIT : 100% (w.e.f : 31 March 2023, refer note 32)

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

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

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

2 Significant accounting policies

2.1 Basis of preparation of Condensed Standalone Financial Statements

The Condensed Standalone Financial Statements (hereinafter referred to as the 'Condensed Standalone Financial statements') of the Trust comprises the Standalone Balance Sheet and the Statement of Net Assets at fair value as at 31 March 2023, the Standalone Statement of Profit and Loss including other comprehensive income, the Standalone Statement of Cash Flows, the Statement of Net Distributable Cashflows and a summary of significant accounting policies and other explanatory information for the quarter and year ended 31 March 2023, the Condensed Statement of Changes in Unitholders' Equity and the Statement of Total Returns at fair value for the year period 31 March 2023.

The Condensed Standalone Financial Statements were approved for issue in accordance with resolution passed by the Board of Directors of the Manager on behalf of the Trust on 27 April 2023.

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

Embassy Office Parks REIT has prepared Condensed Standalone Financial Statements which comply with Ind AS applicable for the year ended 31 March 2023, together with the comparative period data as at and for the year ended 31 March 2022, as described in the summary of significant accounting policies.

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

Statement of compliance to Ind-AS

These Condensed Standalone Financial Statements for the year ended 31 March 2023 are the financial statements of the Embassy Office Parks REIT and have been prepared in accordance with Indian Accounting Standards (Ind AS) 34 "Interim Financial Reporting" as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), to the extent not inconsistent with REIT regulations.

Changes in accounting policies and disclosures

New and amended standards

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

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022 to amend the following Ind AS which are effective from 01 April 2022.

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

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

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

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 31 March 2023, but either the same are not relevant or do not have an impact on the Condensed standalone financial statements of the Trust.

2.2 Summary of significant accounting policies

a) Functional and presentation currency

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

b) Basis of measurement

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

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

c) Use of judgments and estimates

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

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

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

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).

2 Significant accounting policies (continued)

d) Current versus non-current classification

The Embassy Office Parks REIT presents assets and liabilities in the Condensed Standalone Balance Sheet based on current/ non-current classification:

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Embassy Office Parks REIT classifies all other liabilities as non-current.

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

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

The Trust has net current liabilities of Rs.34,659.98 million as at 31 March 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 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 entities at the exchange rates at the dates of the transactions.

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

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

2 Significant accounting policies (continued)

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

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

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

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

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

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

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

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

2 Significant accounting policies (continued)

h) Financial instruments (continued)

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.

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 months 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.

2 Significant accounting policies (continued)

j) Impairment of financial assets (continued)

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:

- 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 pertains to loans to subsidiaries and other receivables. Considering the nature of business, the Embassy Office Parks REIT does not foresee any credit risk on its loans and other receivables which may cause an impairment. Also, Embassy Office Parks REIT does not have any past history of significant impairment of loans and other receivables.

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 Condensed 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 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 Condensed 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 recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2 Significant accounting policies (continued)

m) Leases (continued)

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 Condensed Standalone Financial Statements. Investments accounted for at cost are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

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 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

- 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.

2 Significant accounting policies (continued)

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

t) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet comprises of cash at banks and on hand, deposits held at call with bank or financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

u) Cash distributions to Unitholders

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

v) Statement of Cash flows

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

For the purpose of the Statement of Cash Flow, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Embassy Office Parks REIT's cash management.

w) Earnings per unit

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

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

x) Earnings before finance costs, impairment loss and tax

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

y) Distribution Policy

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

2 Significant accounting policies (continued)

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 31 March 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 31 March 2023	As at 31 March 2022
a)	**Trade, unquoted investments in subsidiaries (at cost) (refer note below and note 25)**		
	- 405,940,204 (31 March 2022: 405,940,204) equity shares of Umbel Properties Private Limited of Rs.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 (31 March 2022: 2,129,635) equity shares of Quadron Business Park Private Limited of Rs.10 each, fully paid	13,689.26	13,689.26
	Less: Provision for impairment (refer note (a) below)	(4,014.06)	(2,718.94)
	- 1,999 (31 March 2022: 1,999) equity shares of Embassy Energy Private Limited of Rs.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 (31 March 2022: 8,703,248) equity shares of Embassy Pune TechZone Private Limited of Rs.10 each, fully paid	12,083.50	12,083.50
	- 1,461,989 (31 March 2022: 1,461,989) equity shares of Manyata Promoters Private Limited of Rs.100 each, fully paid up	99,475.27	99,475.27
	- 271,611 (31 March 2022: 271,611) equity shares of Qubix Business Park Private Limited of Rs.10 each, fully paid up	5,595.08	5,595.08
	- 1,884,747 (31 March 2022: 1,884,747) equity shares of Oxygen Business Park Private Limited of Rs.10 each, fully paid up	12,308.89	12,308.89
	- 154,633,789 (31 March 2022: 154,633,789) equity shares of Earnest Towers Private Limited of Rs.10 each, fully paid up (refer note (b) below)	10,590.24	10,590.24
	- 6,134,015 (31 March 2022: 6,134,015) equity shares of Vikhroli Corporate Park Private Limited of Rs.10 each, fully paid	10,710.94	10,710.94
	- 254,583 (31 March 2022: 254,583) equity shares of Indian Express Newspapers (Mumbai) Private Limited of Rs.100 each, fully paid up	13,210.96	13,210.96
	- 107,958 (31 March 2022: 107,958) equity shares of Galaxy Square Private Limited of Rs.100 each, fully paid up	4,662.50	4,662.50
	- 6,515,036 (31 March 2022: 6,515,036) Class A equity shares of Vikas Telecom Private Limited of Rs.10 each, fully paid up (refer note (c) below and note 31)	50,695.45	50,695.45
	- 3,300 (31 March 2022: 3,300) equity shares of Sarla Infrastructure Private Limited of Rs.1,000 each, fully paid up	6,870.02	6,870.02
	- 733,800 (31 March 2022: Nil) equity shares of Embassy Construction Private Limited of Rs.10 each, fully paid up (refer note (d) below and note 32)	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 (31 March 2022: Nil) 8.15% debentures of Rs 1 million each (refer note (e) below and note 25)	8,157.83	-
		246,260.89	**239,333.52**

a) The recoverable amounts of the investments in subsidiaries have been computed based on value in use of the underlying properties, computed semi-annually in March and September of each financial year. The value in use is determined by iVAS Partners, independent external property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE South Asia Private Limited based on discounted cash flow method. Impairment loss for year ended 31 March 2023 amounts to Rs.1,295.12 million (year ended 31 March 2022: Rs.857.48 million). As at 31 March 2023, an amount of Rs.5,428.17 million (31 March 2022: Rs.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 25).

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 Rs.)	50.00
Total consideration payable to Trust on capital reduction (in Rs. 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 Rs.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 provided 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, VTPL and EOVPL had filed the necessary forms with Registrar of Companies (RoC). Upon the Scheme becoming effective, VTPL has become a 100% directly-held SPV of Embassy Office Parks REIT, holding Embassy Tech Village. Since the Trust continued to hold the same economic interest through equity shareholding both before and after the composite scheme of arrangement, the Trust's investments in EOVPL were derecognised and the carrying amount of such investments was recognised as cost of shares issued by VTPL to the Trust upon such merger during the quarter year ended 31 March 2022.

(all amounts in Rs. million unless otherwise stated)

3 Non-current investments (continued)

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

Name of Subsidiary	As at 31 March 2023	As at 31 March 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 31)	100.00%	100.00%
Sarla Infrastructure Private Limited	100.00%	100.00%
Embassy Construction Private Limited (refer note 32)	100.00%	-

(e) Investment in debentures of joint venture entity

1. 9,500 (31 March 2022: Nil) unlisted, unrated, secured, redeemable, non-convertible debentures of Golflinks Software Parks Private Limited with face value of Rs.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 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Loan to subsidiaries (refer note 25)	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 31 March 2023	As at 31 March 2022
Prepayments	-	1.47
	-	**1.47**

6 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023 amounting to Rs.599.29 million (31 March 2022 : Rs.536.97 million).

(all amounts in Rs. million unless otherwise stated)

7 Current loans

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Unsecured, considered good		
Loan to subsidiaries (refer note 25)	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 31 March 2023**	**As at 31 March 2022**
Other receivables		
- from related party (refer note 25)	39.93	6.51
	39.93	**6.51**

9 Other current assets

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

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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 31 March 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 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 Rupees.

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Embassy Office Parks REIT for each financial year. Accordingly, a portion of the Unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders funds could have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated 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 31 March 2023		As at 31 March 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 Rs.300.00 each and 111,335,400 Units at a price of Rs.331.00 each for consideration other than cash during the period of five years immediately preceding the balance sheet date.

(d) Unitholding of Sponsors

Name of Sponsors	Units held by Sponsors				% Change during the year ended 31 March 2023
	No. of units as at 31 March 2023	% of total units as at 31 March 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%)
BRE/Mauritius Investments (Co-sponsor), including co-sponsor group (refer note 25)	223,597,193	23.59%	300,597,191	31.71%	(8.12%)

11 Other equity

Particulars	As at 31 March 2023	As at 31 March 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.

12 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Non-convertible debentures		
15,000 (31 March 2022 : 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022 : 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) (refer note B below and note 13)	-	25,808.89
3,000 (31 March 2022 : 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) (refer note C below)	2,981.13	2,975.64
31,000 (31 March 2022 : 31,000) Embassy REIT Series V, Non-Convertible debentures (NCD) 2021, face value of Rs.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 (31 March 2022 : Nil) Embassy REIT Series VI, Non-Convertible debentures (NCD) 2022, face value of Rs.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 I below)	9,971.02	-
	53,784.79	**74,491.33**

12 Borrowings (continued)

Notes

A. 15,000 (31 March 2022 : 15,000) Embassy REIT Series II NCD 2020, face value of Rs.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 Rs.1 million each amounting to Rs.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 05 November 2020 respectively.

Security terms:

The NCD's are secured against each of the following in favor of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking pari passu inter se the Debenture

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 31 March 2023 (refer note 13).
6. The Trust has maintained security cover of 2.5 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 8 September 2020.

B. 26,000 (31 March 2022 : 26,000) Embassy REIT Series III NCD 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 favor of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking pari passu inter se the Debenture

1. A first ranking charge by way of mortgage created by VTPL on the constructed buildings and related parcels identified as Block 1A, Block 2 and Block 7B, having an aggregate leasable area of 3,43,772 square meters and forming part of the development known as Embassy TechVillage together with portion of land admeasuring 101,859 square meters on which the aforesaid buildings are constructed.
2. A first ranking charge by way of mortgage created by QBPPL on the constructed buildings and related parcels identified as Block IT 1 and Block IT 2, having an aggregate leasable area of 42,163 square meters and forming part of the development known as Embassy Qubix together with portion of land admeasuring 23,028 square meters on which the aforesaid buildings are constructed.
3. A first ranking pari passu pledge created by the Embassy REIT, MPPL and EOVPL 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 15 February 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 15 February 2024, hence have been disclosed under short term borrowings as at 31 March 2023 (refer note 13).
6. The Trust has maintained security cover of 2.37 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 13 January 2021.

C. 3,000 (31 March 2022: 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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.

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

12 Borrowings (continued)

D. 20,000 (31 March 2022: 20,000) Embassy REIT Series V - Series A, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 18 October 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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

E. 11,000 (31 March 2022: 11,000) Embassy REIT Series V - Series B, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 18 October 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 agreed minimum aggregate nominal value of debentures being redeemed.
5. The Trust has maintained security cover of 2.62 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

F. 10,000 (31 March 2022: Nil) Embassy REIT Series VI - Non-Convertible debentures (NCD) 2022, face value of Rs.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 Rs.1 million each amounting to Rs.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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 31 March 2022.

(all amounts in Rs. million unless otherwise stated)

12 Borrowings (continued)

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	-	31 March 2023	9 October 2023	30 June 2023
Embassy REIT Series III NCD 2021	Secured	-	31 March 2023	15 February 2024	30 June 2023
Embassy REIT Series IV NCD 2021	Secured	-	31 March 2023	7 September 2026	30 June 2023
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	31 March 2023	18 October 2024	30 June 2023
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	31 March 2023	18 October 2026	30 June 2023
Embassy REIT Series VI NCD 2022	Secured	-	31 March 2023	5 April 2027	30 June 2023

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 31 March 2023	As at 31 March 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 Condensed 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. Lender 1 [balance as at 31 March 2023, including current maturities of long-term debt: Rs.9,971.02 million (31 March 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 31 March 2023	As at 31 March 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.

(all amounts in Rs. million unless otherwise stated)

13 Short term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of long term borrowings		
Secured		
Non-convertible debentures		
15,000 (31 March 2022 : 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022 : 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.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 15 February 2024, hence have been disclosed under short term borrowings (refer note 12 (B)).

14 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables		
- total outstanding dues to micro and small enterprises (refer note below)	7.41	0.59
- total outstanding dues other than micro and small enterprises		
- to related party (refer note 25)	0.23	-
- to others	0.12	8.22
	7.76	**8.81**

Note:

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

Particulars	As at 31 March 2023	As at 31 March 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 period;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

15 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Unclaimed distribution	3.52	2.94
Contingent consideration (refer note 25)	-	350.00
Other liabilities		
- to related party (refer note 25)	60.87	56.73
- to others	126.05	54.23
	190.44	**463.90**

16 Other current liabilities

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

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(all amounts in Rs. million unless otherwise stated)

18 Interest income

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income								
- on fixed deposits	-	1.04	-	1.04	-	23.20	1.04	23.20
- on debentures (refer note 25)	169.96	182.83	-	352.79	374.50	-	727.29	-
- on loan to subsidiaries (refer note 25)	2,516.32	2,516.33	2,582.58	5,032.65	5,080.63	5,394.96	10,113.28	11,556.33
	2,686.28	**2,700.20**	**2,582.58**	**5,386.48**	**5,455.13**	**5,418.16**	**10,841.61**	**11,579.53**

19 Other income

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit on sale of investments	33.06	4.89	17.56	37.95	33.30	40.03	71.25	75.97
Liabilities no longer required written back	-	-	5.55	-	-	5.55	-	5.55
	33.06	**4.89**	**23.11**	**37.95**	**33.30**	**45.58**	**71.25**	**81.52**

20 Other expenses

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Rates and taxes	8.93	9.21	9.35	18.14	17.37	15.25	35.51	27.63
Marketing and advertisement expenses	8.16	10.40	3.68	18.56	10.94	7.82	29.50	12.39
Insurance expenses	0.13	0.13	0.15	0.26	0.29	0.30	0.55	0.56
Bank charges	0.01	0.02	0.01	0.03	0.12	0.14	0.15	0.33
Miscellaneous expenses	0.03	0.14	0.07	0.17	0.88	0.15	1.05	1.66
	17.26	**19.90**	**13.26**	**37.16**	**29.60**	**23.66**	**66.76**	**42.57**

21 Finance costs

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on term loan from financials institutions	104.20	-	-	104.20	-	-	104.20	-
Interest expense on Non-Convertible debentures	1,460.55	1,493.01	1,276.76	2,953.56	2,959.22	2,481.22	5,912.78	3,937.95
Accrual of premium on redemption of debentures (Embassy REIT Series I NCD)	-	-	-	-	-	387.30	-	2,523.94
Other borrowing costs (refer note 25)	0.65	-	0.41	0.65	-	0.41	0.65	0.41
	1,565.40	**1,493.01**	**1,277.17**	**3,058.41**	**2,959.22**	**2,868.93**	**6,017.63**	**6,462.30**

22 Tax expense

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax	14.14	0.18	9.90	14.32	14.27	29.98	28.59	45.35
	14.14	**0.18**	**9.90**	**14.32**	**14.27**	**29.98**	**28.59**	**45.35**

23 Earnings Per Unit (EPU)

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

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

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax for calculating basic and diluted EPU (Rs. in million)	2,433.71	3,232.26	3,395.93	5,665.97	7,125.51	7,004.11	12,791.48	13,397.42
Weighted average number of Units (No. in million)*	947.90	947.90	947.90	947.90	947.90	947.90	947.90	947.90
Earnings Per Unit								
- Basic (Rupees/unit)	2.57	3.41	3.58	5.98	7.52	7.39	13.49	14.13
- Diluted (Rupees/unit) *	2.57	3.41	3.58	5.98	7.52	7.39	13.49	14.13

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

24 Commitments and contingencies

a. Contingent liabilities

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

* 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 Rs.15.66 million was raised. Accordingly, the rectification application was filed u/s 154 of the Act. The Trust has therefore, disclosed Rs. 15.66 million (31 March 2022: Nil) as contingent liability.

b. Statement of capital and other commitments

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

25 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 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: 28 March 2023)

(ii) Joint Venture

Golflinks Software Park Private Limited

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

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

(all amounts in Rs. million unless otherwise stated)

25 Related party disclosures

C Transactions during the period/ year

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Unsecured loans given to								
Quadron Business Park Private Limited	120.00	125.00	45.00	245.00	70.00	45.00	315.00	55.00
Embassy Pune TechZone Private Limited	3,365.00	-	-	3,365.00	-	-	3,365.00	450.00
Manyata Promoters Private Limited	4,193.15	-	150.00	4,193.15	150.00	150.00	4,343.15	390.00
Qubix Business Park Private Limited	25.00	-	45.00	25.00	30.00	45.00	55.00	45.00
Oxygen Business Park Private Limited	200.00	150.00	25.00	350.00	35.00	25.00	385.00	165.00
Earnest Towers Private Limited	-	-	-	-	40.00	-	40.00	400.00
Vikhroli Corporate Park Private Limited	40.00	30.00	10.00	70.00	9.80	20.00	79.80	20.00
Galaxy Square Private Limited	40.00	30.00	20.00	70.00	95.00	20.00	165.00	20.00
Umbel Properties Private Limited	30.00	-	3.50	30.00	50.00	3.50	80.00	63.50
Indian Express Newspapers (Mumbai) Private Limited	20.00	50.00	20.00	70.00	30.00	30.00	100.00	40.00
Embassy Energy Private Limited	-	-	-	-	-	-	-	40.00
Sarla Infrastructure Private Limited	2,770.00	200.00	420.00	2,970.00	200.00	790.00	3,170.00	3,000.20
Embassy Construction Private Limited	2,500.00	-	-	2,500.00	-	-	2,500.00	-
Vikas Telecom Private Limited	232.50	-	-	232.50	960.00	-	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	45.00	1,640.00	165.00	1,685.00	1,020.00	205.00	2,705.00	4,538.81
Oxygen Business Park Private Limited	-	350.00	-	350.00	30.00	100.00	380.00	100.00
Quadron Business Park Private Limited *	-	-	-	-	-	120.00	-	300.00
Vikas Telecom Private Limited	0.97	1,570.00	95.00	1,570.97	220.00	95.00	1,790.97	95.00
Vikhroli Corporate Park Private Limited	-	250.00	-	250.00	-	-	250.00	-
Embassy Pune TechZone Private Limited	-	250.00	100.00	250.00	-	460.00	250.00	510.00
Unsecured loans repaid by								
Embassy Pune TechZone Private Limited	-	127.03	79.33	127.03	493.46	99.04	620.49	283.64
Manyata Promoters Private Limited	-	-	-	-	-	14,940.00	-	15,084.18
Qubix Business Park Private Limited	86.35	102.56	57.44	188.91	176.30	134.95	365.21	252.24
Oxygen Business Park Private Limited	46.78	153.90	87.30	200.68	299.33	116.13	500.01	218.27
Earnest Towers Private Limited	122.32	85.76	-	208.08	43.38	-	251.46	337.78
Vikhroli Corporate Park Private Limited	-	-	-	-	239.00	-	239.00	285.60
Galaxy Square Private Limited	111.47	65.78	60.66	177.25	62.74	133.23	239.99	345.61
Indian Express Newspapers (Mumbai) Private Limited	53.49	21.54	8.31	75.03	104.51	46.91	179.54	201.26
Embassy Energy Private Limited	67.58	166.98	173.90	234.56	373.62	314.17	608.18	609.63
Sarla Infrastructure Private Limited	-	-	169.03	-	562.92	337.74	562.92	716.68
Vikas Telecom Private Limited	1,072.98	1,153.10	1,584.15	2,226.08	2,147.87	2,733.72	4,373.95	4,366.46
Investment in debentures								
Golflinks Software Park Private Limited	-	-	-	-	9,500.00	-	9,500.00	-
Redemption of investment in debentures								
Golflinks Software Park Private Limited	300.00	442.17	-	742.17	600.00	-	1,342.17	-

** Includes Rs.180 million of long term loan subsequently converted to short term loan during year ended 31 March 2022.*

(all amounts in Rs. million unless otherwise stated)

25 Related party disclosures (continued)

C Transactions during the period/ year (continued)

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Short term construction loan repaid by								
Manyata Promoters Private Limited	400.00	1,790.00	-	2,190.00	1,000.00	-	3,190.00	3,813.81
Oxygen Business Park Private Limited	-	274.88	-	274.88	100.00	-	374.88	-
Quadron Business Park Private Limited	-	-	-	-	300.00	-	300.00	-
Embassy Pune TechZone Private Limited	-	197.02	300.00	197.02	248.80	660.00	445.82	1,030.00
Earnest Towers Private Limited **	840.00	-	-	840.00		-	840.00	-
Vikhroli Corporate Park Private Limited	-	250.00	-	250.00	-	-	250.00	-
Vikas Telecom Private Limited #	2,501.94	1,719.03	198.15	4,220.97	-	198.15	4,220.97	198.15
Secondment fees								
Embassy Office Parks Management Services Private Limited	0.41	0.41	0.39	0.82	0.82	0.78	1.64	1.56
Investment management fees								
Embassy Office Parks Management Services Private Limited	62.30	57.94	59.28	120.24	119.23	116.55	239.47	254.46
Trademark license fees								
Embassy Shelters Private Limited	0.36	0.35	0.36	0.71	0.71	0.71	1.42	1.42
Trustee fee expenses								
Axis Trustee Services Limited	0.73	0.74	0.73	1.47	1.48	1.47	2.95	2.95
Interest income on debentures								
Golflinks Software Park Private Limited	169.96	182.83	-	352.79	374.50	-	727.29	-
Interest income on loan to subsidiaries								
Quadron Business Park Private Limited	391.98	396.77	394.81	788.75	786.60	796.28	1,575.35	1,583.53
Embassy Pune TechZone Private Limited	196.72	138.53	164.06	335.25	296.52	331.89	631.77	682.04
Manyata Promoters Private Limited	521.44	467.75	431.45	989.19	902.65	1,004.81	1,891.84	2,794.28
Qubix Business Park Private Limited	66.14	70.77	75.39	136.91	147.15	153.65	284.06	313.91
Oxygen Business Park Private Limited	214.88	219.86	225.28	434.74	444.33	454.94	879.07	906.38
Earnest Towers Private Limited	29.50	52.19	51.24	81.69	104.24	103.62	185.93	132.19
Vikhroli Corporate Park Private Limited	114.30	118.72	120.08	233.02	244.45	242.51	477.47	498.76
Galaxy Square Private Limited	51.01	53.59	52.89	104.60	104.94	108.68	209.54	229.21
Umbel Properties Private Limited	58.42	58.90	55.96	117.32	115.71	113.17	233.03	224.72
Indian Express Newspapers (Mumbai) Private Limited	89.83	90.42	90.32	180.25	181.71	183.52	361.96	374.37
Embassy Energy Private Limited	148.87	157.30	170.80	306.17	328.81	349.82	634.98	716.61
Sarla Infrastructure Private Limited	167.49	113.78	113.60	281.27	235.60	227.33	516.87	332.36
Vikas Telecom Private Limited	465.74	577.75	636.70	1,043.49	1,187.92	1,324.74	2,231.41	2,767.97
Dividend received								
Indian Express Newspapers (Mumbai) Private Limited	95.00	72.00	105.00	167.00	185.00	210.00	352.00	450.00
Embassy Pune TechZone Private Limited	-	-	45.00	-	-	135.00	-	175.00
Earnest Towers Private Limited	80.00	130.00	180.00	210.00	295.00	330.00	505.00	330.00
Vikhroli Corporate Park Private Limited	130.00	95.00	150.00	225.00	375.00	330.00	600.00	330.00
Manyata Promoters Private Limited	2,400.00	1,860.00	1,680.00	4,260.00	3,990.00	3,590.00	8,250.00	8,190.00

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

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

(all amounts in Rs. million unless otherwise stated)

25 Related party disclosures (continued)

C Transactions during the period/ year (continued)

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenses incurred by related party on behalf of the Trust								
Embassy Office Parks Management Services Private Limited	-	-	3.50	-	-	3.50	-	3.50
Expenses incurred by the Trust on behalf of related party								
Vikas Telecom Private Limited	7.13	6.93	10.92	14.06	23.48	17.60	37.54	36.70
Manyata Promoters Private Limited	27.66	11.95	14.97	39.61	44.72	24.86	84.33	53.26
Others	23.03	5.98	17.50	29.01	43.35	27.96	72.36	54.13
Other borrowing costs (Guarantee fees)								
Qubix Business Park Private Limited	0.18	-	0.06	0.18	-	0.06	0.18	0.06
Manyata Promoters Private Limited	0.12	-	0.06	0.12	-	0.06	0.12	0.06
Sarla Infrastructure Private Limited	0.06	-	0.06	0.06	-	0.06	0.06	0.06
Vikas Telecom Private Limited	0.06	-	0.06	0.06	-	0.06	0.06	0.06
Vikhroli Corporate Park Private Limited	0.06	-	-	0.06	-	-	0.06	-
Embassy Energy Private Limited	0.06	-	0.06	0.06	-	0.06	0.06	0.06
Indian Express Newspapers (Mumbai) Private Limited	0.06	-	0.06	0.06	-	0.06	0.06	0.06
Embassy Pune Techzone Private Limited	0.06	-	0.06	0.06	-	0.06	0.06	0.06
Acquisition of ECPL *								
JV Holdings Private Limited	14.44	-	-	14.44	-	-	14.44	-
Jitendra Virwani	0.63	-	-	0.63	-	-	0.63	-
Contingent consideration paid								
Embassy Property Developments Private Limited	-	-	-	-	350.00	-	350.00	-
Distribution paid								
BRE/ Mauritius Investments	277.38	284.78	398.92	562.16	814.29	832.37	1,376.45	1,762.66
BRE/Mauritius Investments II	130.13	133.61	136.41	263.74	278.45	284.63	542.19	725.72
BREP Asia HCC Holding (NQ) Pte Ltd	74.61	76.60	97.98	151.22	200.01	204.44	351.22	456.26
BREP Asia SG Indian Holding (NQ) Co II Pte. Ltd	69.20	71.05	90.90	140.24	185.55	189.67	325.79	422.76
BREP Asia SG Oxygen Holding (NQ) Pte. Ltd.	84.92	87.19	111.56	172.11	227.71	232.77	399.83	518.78
BREP GML Holding (NQ) Pte. Ltd.	33.15	34.03	43.55	67.18	88.89	90.86	156.07	202.56
BREP NTPL Holding (NQ) Pte. Ltd	40.57	41.65	53.29	82.22	108.78	111.19	191.00	247.87
BREP VII GML Holding (NQ) Pte. Ltd	8.28	8.50	10.88	16.77	22.20	22.69	38.97	50.59
BREP VII HCC Holding (NQ) Pte Ltd	18.53	19.02	24.38	37.56	49.76	50.86	87.31	113.56
BREP VII NTPL Holding (NQ) Pte. Ltd.	10.13	10.40	13.31	20.53	27.17	27.77	47.69	61.91
BREP VII SG Indian Holding (NQ) Co II Pte. Ltd.	17.28	17.74	22.71	35.02	46.35	47.38	81.38	105.61
BREP VII SG Oxygen Holding (NQ) Pte. Ltd	21.21	21.77	27.87	42.98	56.88	58.15	99.87	129.60
Embassy Property Development Private Limited	518.08	620.62	590.36	1,138.70	1,207.39	1,230.84	2,346.09	2,501.52
India Alternate Property Limited	102.25	104.98	134.32	207.22	274.18	280.26	481.40	626.84
SG Indian Holding (NQ) Co I Pte. Ltd.	291.24	299.02	382.60	590.26	780.97	798.30	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	-	-	10,000.00	-	-	10,000.00	-
Sarla Infrastructure Private Limited	-	-	-	-	-	-	-	3,000.00
Manyata Promoters Private Limited	-	-	-	-	10,000.00	31,000.00	10,000.00	31,000.00

** Refer note 32*

(all amounts in Rs. million unless otherwise stated)

25 Related party disclosures (continued)

D Closing balances

Particulars	As at 31 March 2023	As at 31 March 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
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	-
Investment in Debentures		
Golflinks Software Park Private Limited	8,157.83	-
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 Rs.5,428.17 million (31 March 2022 : Rs.4,133.05 million).*

(all amounts in Rs. million unless otherwise stated)

26 Financial instruments :

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

Particulars	**Carrying value 31 March 2023**	**Fair Value 31 March 2023**	**Carrying value 31 March 2022**	**Fair Value 31 March 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.

Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

b) Transfers between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 or Level 3 during the year ended 31 March 2023 and year ended 31 March 2022.

c) Determination of fair values

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

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

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

27 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 quarter ended 31 March 2023 and year ended 31 March 2023 amounts Rs. 62.30 million and Rs.239.47 million respectively. There are no changes during the year ended 31 March 2023 in the methodology for computation of fees paid to the Manager.

28 Secondment fees

Pursuant to the Secondment agreement dated 11 March 2019, the Manager is entitled to fees of Rs. 0.10 million per month in respect certain employees of the Manager being deployed to the Trust in connection with the operation and management of the assets of the Trust. The fees shall be subject to an escalation of 5% (five per cent) every financial year. Secondment fees for the quarter ended 31 March 2023 and year ended 31 March 2023 amounts to Rs.0.41 million and Rs.1.64 million respectively. There are no changes during the year ended 31 March 2023 in the methodology for computation of secondment fees paid to the Manager.

29 Segment Reporting

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

30 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.

31 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.

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 Rs.10 each for every 3.72 class A equity shares of face value of Rs.10 each, fully paid-up held in EOVPL.
- VTPL had issued and allotted 1 fully paid-up ordinary share of face value of Rs.10 each for every 3.14 ordinary equity shares of face value of Rs.10 each, fully paid-up held in EOVPL.

32 Asset acquisition

During the year ended 31 March 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 31 March 2023 ("Acquisition Date").

The Trust acquired 100% of the equity share capital of ECPL comprising 733,800 fully paid-up equity shares of Rs.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 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 Rs.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.

33 The figures for the quarter ended 31 March 2023 and half year ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures for the nine months ended 31 December 2022 and half year ended 30 September 2022 respectively, which were subject to limited review. Similarly, the figures for the quarter ended 31 March 2022 and half year ended 31 March 2022 are the derived figures between the audited figures in respect of the year ended 31 March 2022 and the published year-to-date figures for nine months ended 31 December 2021 and 30 September 2021 respectively, which were subject to limited review.

34 Distributions

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

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

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 13:00:45 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:26:16 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:20:32 +05'30'

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

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru-560 001, India
Tel: +91 80 6648 9000

Independent Auditor's Report on Condensed Consolidated Ind AS Financial Information

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

Opinion

We have audited the accompanying Condensed Consolidated Ind AS Financial Information of Embassy Office Parks REIT (the "REIT"), its subsidiaries and a joint venture (together referred as "the Group"), pursuant to the requirements of Regulation 23 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended including any guidelines and circulars issued thereunder (the "REIT regulations"), which comprise the following:

- the condensed consolidated Balance Sheet as at March 31, 2023;
- the condensed consolidated Statement of Profit and Loss, including Other Comprehensive Income and condensed consolidated Statement of Cash Flows for the quarter, half year and year ended March 31, 2023;
- the condensed consolidated Statement of Changes in Unitholders' equity for the year ended March 31, 2023;
- the consolidated Statement of Net Assets at fair value as at March 31, 2023;
- the consolidated Statement of Total Returns at fair value for the year ended March 31, 2023;
- the Statement of Net Distributable Cash Flows ('NDCF') of the REIT and each of its subsidiaries for the half year and year ended March 31, 2023, and
- Summary of significant accounting policies and select explanatory information.

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 Condensed Consolidated Ind AS Financial Information:

i. includes the financial information of the following entities:

Sl. No	Name of the entities
A	**Parent Entity**
1	Embassy Office Parks REIT
B	**Subsidiaries**
1	Manyata Promoters Private Limited ('MPPL')
2	Umbel Properties Private Limited
3	Embassy-Energy Private Limited
4	Galaxy Square Private Limited
5	Quadron Business Park Private Limited
6	Qubix Business Park Private Limited
7	Oxygen Business Park Private Limited
8	Earnest Towers Private Limited
9	Vikhroli Corporate Park Private Limited
10	Indian Express Newspapers (Mumbai) Private Limited
11	Embassy Pune Techzone Private Limited
12	Vikas Telecom Private Limited
13	Sarla Infrastructure Private Limited
14	Embassy Construction Private Limited (w.e.f. March 31, 2023)
C	**Joint Venture**
1	Golflinks Software Park Private Limited

ii. give the information required by the REIT regulations in the manner so required; and

iii. give a true and fair view in conformity with Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34") and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations, of:

- in case of the condensed consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2023;
- in case of the condensed consolidated Statement of profit and loss including Other Comprehensive Income, its consolidated profit including other comprehensive income for the quarter, half year and year ended on March 31, 2023;
- in case of the condensed consolidated Statement of cash flows, of the consolidated cash flows for the quarter, half year and year ended on March 31, 2023;
- in case of the condensed consolidated Statement of Changes in Unitholders' equity, of the movement of the Unitholders' equity for the year ended March 31, 2023;

- in case of the consolidated Statement of Net Assets at fair value, of the consolidated net assets as at March 31, 2023;
- in case of the consolidated Statement of Total Returns at fair value, of the consolidated total returns for the year ended March 31, 2023; and
- in case of the Statement of Net Distributable Cash Flows of the REIT and each of its subsidiaries, of the NDCF's for the half year and year ended March 31, 2023.

Basis for Opinion

We conducted our audit of the Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Ind AS Financial Information' 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 together with the ethical requirements that are relevant to our audit of the Condensed Consolidated Ind AS Financial Information under the provisions of the REIT Regulations, and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained by us and other auditor in terms of the report referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

a. We draw attention to note 46 (iv) to the Condensed Consolidated Ind AS Financial Information which refers to the uncertainty in relation to two pending cases, as regards Property tax dues aggregating to Rs. 3,418.89 million as at March 31, 2023 payable by MPPL, before judicial forums, basis previously raised demand notices by the local regulatory authority. Based on legal opinions obtained and pending outcome of such legal matter no provision has been made in these Condensed Consolidated Ind AS Financial Information.

b. We draw attention to note 51 to the Condensed Consolidated Ind AS financial statements, regarding advance aggregating to Rs. 5,411.90 million as at March 31, 2023, paid for co-development of M3 Block B property as detailed in note 51. 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.

Management's Responsibilities for the Condensed Consolidated Ind AS Financial Information

The Condensed Consolidated Ind AS Financial Information has been prepared on the basis of the annual consolidated Ind AS financial statements. The Management of the Manager ('the Management') is responsible for the preparation and presentation of these Condensed Consolidated Ind AS Financial Information that give a true and fair view of the consolidated financial position as at March 31, 2023, consolidated financial performance including other comprehensive income and consolidated cash flows for the quarter, half year and year ended March 31, 2023, 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 for the year ended March 31, 2023 and the net distributable cash flows of the REIT and each of its subsidiaries for the half year and year ended March 31, 2023, in accordance with the requirements of the REIT regulations; Ind AS 34 as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with REIT regulations. 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 judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Ind AS Financial Information by the Management, as aforesaid.

In preparing these Condensed Consolidated Ind AS Financial Information, 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 responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Condensed Consolidated Ind AS Financial Information

Our objectives are to obtain reasonable assurance about whether the Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Ind AS Financial Information.

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

- Identify and assess the risks of material misstatement of the Condensed Consolidated Ind AS Financial Information, 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 Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Ind AS Financial Information, including the disclosures, and whether the Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Ind AS Financial Information. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Ind AS Financial Information 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.

Other Matters

(i) The accompanying Condensed Consolidated Ind AS Financial Information includes the audited financial statement and other financial information, in respect of 1 subsidiary, whose financial statement include total assets of Rs. 6,132.65 million as at March 31, 2023 as considered in the Condensed Consolidated Ind AS Financial Information which has been audited by the independent auditor and whose report have been furnished to us by the Management. Our opinion on the Condensed Consolidated Ind AS Financial Information, 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.

(ii) The figures for the quarter ended March 31, 2023 presented in the Condensed Consolidated Ind AS Financial Information are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to December 31, 2022, which were subject to limited review. Further, the figures for the half year ended March 31, 2023 presented in the Condensed Consolidated Ind AS Financial Information are the derived figures between the audited figures in respect of the year ended March 31, 2023 and the published year-to-date figures up to September 30, 2022, which were subject to limited review.

Our opinion above on the Condensed Consolidated Ind AS Financial Information 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 Condensed Consolidated Balance Sheet and the Condensed 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 Condensed Consolidated Ind AS Financial Information; and

(c) In our opinion, the aforesaid Condensed Consolidated Ind AS Financial Information comply with the Indian Accounting Standards 34, 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.

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:08:05 +05'30'

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 23209567BGXVYG9259

Place: Bengaluru, India
Date: April 27, 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Consolidated Balance Sheet
(all amounts in Rs. million unless otherwise stated)

	Note	As at 31 March 2023 (Audited)	As at 31 March 2022 (Audited)
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 Condensed Consolidated Financial Statements.

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:43:55 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:04:13 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:36:19 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Consolidated Statement of Profit and Loss
(all amounts in Rs. million unless otherwise stated)

	Note	For the quarter ended 31 March 2023 (Audited)**	For the quarter ended 31 December 2022 (Unudited)	For the quarter ended 31 March 2022 (Audited)**	For the half year ended 31 March 2023 (Audited)**	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)**	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Income and gains									
Revenue from operations	33	8,676.24	8,654.34	7,488.48	17,330.58	16,864.85	14,897.77	34,195.43	29,626.05
Interest income	34	276.95	270.79	216.52	547.74	575.63	447.12	1,123.37	899.81
Other income	35	52.71	141.67	123.54	194.39	123.48	181.41	317.87	369.46
Total Income		**9,005.90**	**9,066.80**	**7,828.54**	**18,072.71**	**17,563.96**	**15,526.30**	**35,636.67**	**30,895.32**
Expenses									
Cost of materials consumed	36	101.64	105.00	23.83	206.64	183.58	57.67	390.22	84.53
Employee benefits expense	37	192.25	152.25	66.66	344.50	245.58	129.62	590.08	228.59
Operating and maintenance expenses	38	263.98	225.48	148.87	489.46	478.76	320.39	968.22	585.64
Repairs and maintenance	40	865.53	755.08	720.65	1,620.61	1,407.50	1,331.28	3,028.11	2,657.67
Valuation expenses		3.24	3.25	3.24	6.49	4.13	6.49	10.62	11.56
Audit fees		11.86	14.15	7.89	26.01	28.32	23.00	54.33	53.81
Insurance expenses		49.41	46.01	39.22	95.42	84.92	78.01	180.34	149.49
Investment management fees	45	242.30	228.99	229.42	471.29	463.60	442.91	934.89	924.63
Trustee fees		0.73	0.74	0.73	1.47	1.48	1.47	2.95	2.95
Legal and professional fees		170.82	96.57	74.85	267.39	257.34	126.20	524.73	408.46
Other expenses	39	564.62	475.20	431.82	1,039.82	1,027.37	819.26	2,067.19	1,537.82
Total Expenses		**2,466.38**	**2,102.72**	**1,747.18**	**4,569.10**	**4,182.58**	**3,336.30**	**8,751.68**	**6,645.15**
Earnings before finance costs, depreciation, amortisation and tax		**6,539.52**	**6,964.08**	**6,081.36**	**13,503.61**	**13,381.38**	**12,190.00**	**26,884.99**	**24,250.17**
Finance costs (net)	41	2,536.49	2,452.19	1,928.10	4,988.68	4,771.95	4,003.60	9,760.63	8,285.28
Depreciation expense	42	2,940.71	2,294.82	1,533.08	5,235.53	3,929.39	3,029.35	9,164.92	5,996.08
Amortisation expense	42	529.50	530.75	491.16	1,060.25	1,058.99	983.69	2,119.24	1,968.55
Profit before share of profit of equity accounted investee and tax		**532.82**	**1,686.32**	**2,129.02**	**2,219.15**	**3,621.05**	**4,173.36**	**5,840.20**	**8,000.26**
Share of profit after tax of equity accounted investee		238.29	209.41	258.77	447.70	329.80	499.22	777.50	962.14
Profit before tax		**771.11**	**1,895.73**	**2,387.79**	**2,666.85**	**3,950.85**	**4,672.58**	**6,617.70**	**8,962.40**
Tax expense:	43								
Current tax		222.67	383.13	285.53	605.80	921.86	778.74	1,527.66	1,670.00
Deferred tax charge/ (credit)		193.98	(119.48)	(689.56)	74.50	(44.04)	(980.12)	30.46	(1,591.45)
		416.65	**263.65**	**(404.03)**	**680.30**	**877.82**	**(201.38)**	**1,558.12**	**78.55**
Profit for the period/ year		**354.46**	**1,632.08**	**2,791.82**	**1,986.55**	**3,073.03**	**4,873.96**	**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	3.51	-	0.83	3.51	0.83
Total comprehensive income attributable to Unitholders for the period/ year		**357.97**	**1,632.08**	**2,792.65**	**1,990.06**	**3,073.03**	**4,874.79**	**5,063.09**	**8,884.68**
Earnings per Unit	44								
Basic, attributable to the Unitholders of the Trust		0.37	1.72	2.95	2.10	3.24	5.14	5.34	9.37
Diluted, attributable to the Unitholders of the Trust		0.37	1.72	2.95	2.10	3.24	5.14	5.34	9.37

** Refer note 52

Significant accounting policies 2

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

As per our report of even date attached
for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firms registration number: 101049W/E300004

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:44:23 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:04:54 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 11:37:03 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Consolidated Statement of Cashflow
(all amounts in Rs. million unless otherwise stated)

	For the quarter ended 31 March 2023 (Audited)**	For the quarter ended 31 December 2022 (Unaudited)	For the quarter ended 31 March 2022 (Audited)**	For the half year ended 31 March 2023 (Audited)**	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)**	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Cash flow from operating activities								
Profit before share of profit of equity accounted investee and tax	532.82	1,686.33	2,129.02	2,219.15	3,621.05	4,173.36	5,840.20	8,000.26
Adjustments to reconcile profit before tax to net cash flows:								
Depreciation expense	2,940.71	2,294.82	1,533.08	5,235.53	3,929.39	3,029.35	9,164.92	5,996.08
Amortisation expense	529.50	530.75	491.16	1,060.25	1,058.99	983.69	2,119.24	1,968.55
Assets and other balances written off	-	-	6.11	-	-	6.11	-	6.11
(Gain)/Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	-	(4.58)	0.88	(4.58)	7.86	15.71	3.28	15.71
Allowances for credit loss and bad debts written off	1.77	-	0.89	1.77	0.42	0.76	2.19	2.56
Liabilities no longer required written back	(6.47)	(0.01)	(24.00)	(6.48)	(5.49)	(26.02)	(11.97)	(128.84)
Profit on sale of mutual funds	(44.19)	(21.52)	(35.50)	(65.71)	(78.08)	(76.50)	(143.79)	(140.82)
Finance costs (net)	2,536.49	2,452.19	1,928.10	4,988.68	4,771.95	4,003.60	9,760.63	8,285.28
Interest income	(276.95)	(270.79)	(216.52)	(547.74)	(575.63)	(447.12)	(1,123.37)	(899.81)
Operating profit before working capital changes	**6,213.68**	**6,666.77**	**5,813.22**	**12,880.45**	**12,730.88**	**11,662.94**	**25,611.33**	**23,105.08**
Working capital adjustments								
- Inventories	5.20	(7.79)	0.35	(2.59)	(22.21)	(1.51)	(24.80)	(0.29)
- Trade receivables	151.00	(86.94)	(155.25)	64.06	82.97	(321.33)	147.03	(96.32)
- Other financial assets (current and non-current)	198.87	(93.52)	1,235.43	105.35	429.24	2,140.30	534.58	4,045.59
- Other assets (current and non-current)	217.81	186.24	119.93	404.05	(621.35)	278.50	(217.30)	(96.83)
- Trade payables	119.20	121.73	170.85	240.93	(72.38)	113.62	168.55	(77.89)
- Other financial liabilities (current and non-current)	(122.77)	(25.17)	(506.89)	(147.97)	445.87	(505.57)	297.90	(857.82)
- Other liabilities and provisions (current and non-current)	271.34	(25.04)	147.62	246.30	148.74	142.14	395.04	(635.22)
Cash generated from operating activities before taxes	**7,054.32**	**6,736.28**	**6,825.26**	**13,790.58**	**13,121.76**	**13,509.09**	**26,912.33**	**25,386.30**
Taxes paid (net)	(317.60)	(282.38)	(345.51)	(599.98)	(657.25)	(783.04)	(1,257.23)	(1,716.56)
Cash generated from operating activities	**6,736.72**	**6,453.90**	**6,479.75**	**13,190.60**	**12,464.51**	**12,726.05**	**25,655.10**	**23,669.74**
Cash flow from investing activities								
(Proceeds from)/Redemption of deposits with banks (net)	(131.13)	(118.47)	519.54	(249.60)	78.74	478.16	(170.86)	518.97
Redemption of mutual funds (net)	44.19	21.52	35.50	65.71	78.08	76.50	143.79	140.82
Investment in debentures	-	-	-	-	(9,500.00)	-	(9,500.00)	-
Repayment of investment in debentures	300.00	442.17	-	742.17	600.00	-	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	(3,144.11)	(3,363.40)	(4,289.82)	(6,507.49)	(4,413.07)	(7,895.47)	(10,920.56)	(14,009.65)
Payment of contingent consideration	-	-	-	-	(350.00)	-	(350.00)	-
Payment for acquisition of ECPL (including transaction cost of acquisition)**	(64.66)	-	-	(64.66)		-	(64.66)	-
Dividend received	175.00	175.00	275.00	350.00	570.00	650.00	920.00	1,400.00
Interest received	497.95	297.39	23.61	795.34	1,108.34	61.64	1,903.68	129.62
Net cash flow used in investing activities	**(2,322.76)**	**(2,545.79)**	**(3,436.17)**	**(4,868.52)**	**(11,827.91)**	**(6,629.17)**	**(16,696.43)**	**(11,820.24)**

** Refer note 50

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Consolidated Statement of Cashflow
(all amounts in Rs. million unless otherwise stated)

	For the quarter ended 31 March 2023 (Audited)**	For the quarter ended 31 December 2022 (Unaudited)	For the quarter ended 31 March 2022 (Audited)**	For the half year ended 31 March 2023 (Audited)**	For the half year ended 30 September 2022 (Unaudited)	For the half year ended 31 March 2022 (Audited)**	For the year ended 31 March 2023 (Audited)	For the year ended 31 March 2022 (Audited)
Cash flow from financing activities								
Interest paid	(2,577.16)	(2,511.63)	(2,141.29)	(5,088.79)	(4,773.32)	(4,014.03)	(9,862.11)	(6,420.61)
Repayment of borrowings	(9,624.13)	(2,279.82)	(46.41)	(11,903.95)	(8,343.18)	(45,453.41)	(20,247.13)	(51,770.13)
Proceeds from borrowings (net of issue expenses)	13,777.45	5,091.21	3,176.56	18,868.66	22,817.61	52,417.57	41,686.27	64,036.80
Transaction costs related to issue of units	-	-	-	-	-	24.34	-	(17.72)
Cash used in distribution to Unitholders	(5,033.53)	(5,175.46)	(4,928.36)	(10,208.99)	(10,037.21)	(10,292.90)	(20,246.20)	(20,947.47)
Payment of lease liabilities	-	-	-	0.00	(20.35)	-	(20.35)	(20.66)
Net cash used in financing activities	**(3,457.37)**	**(4,875.70)**	**(3,939.50)**	**(8,333.07)**	**(356.45)**	**(7,318.43)**	**(8,689.52)**	**(15,139.79)**
Net increase/ (decrease) in cash and cash equivalents	**956.59**	**(967.59)**	**(895.92)**	**(11.00)**	**280.15**	**(1,221.55)**	**269.15**	**(3,290.29)**
Cash and cash equivalents at the beginning of the period/ year	5,197.05	6,164.64	6,780.41	6,164.64	5,884.49	7,106.04	5,884.49	9,174.78
Cash and cash equivalents acquired due to asset acquisition (refer note 50)	2,019.84	-	-	2,019.84	-	-	2,019.84	-
Cash and cash equivalents at the end of the period/ year	**8,173.48**	**5,197.05**	**5,884.49**	**8,173.48**	**6,164.64**	**5,884.49**	**8,173.48**	**5,884.49**
Components of cash and cash equivalents (refer note 16A)								
Cash in hand	1.99	1.88	0.74	1.99	1.50	0.74	1.99	0.74
Balances with banks								
- in current accounts	6,285.09	5,073.25	5,821.18	6,285.09	5,815.63	5,821.18	6,285.09	5,821.18
- in escrow accounts	1,841.40	48.91	54.00	1,841.40	72.42	54.00	1,841.40	54.00
- in fixed deposits	45.00	73.01	8.57	45.00	275.09	8.57	45.00	8.57
	8,173.48	**5,197.05**	**5,884.49**	**8,173.48**	**6,164.64**	**5,884.49**	**8,173.48**	**5,884.49**

** Refer note 52
Significant accounting policies (refer note 2)

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

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:44:56 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:05:23 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:37:40 +05'30'

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

Consolidated Statement of Changes in Unitholder's Equity
(all amounts in Rs. million unless otherwise stated)

A.

Unit Capital	No in Million	Amount
Balance as on 1 April 2021	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 2022	**947.90**	**288,262.11**
Balance as on 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 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 31 March 2022	8,883.85	-
Add: Other Comprehensive Income for the year ended 31 March 2022#	0.83	-
Less: Distribution to Unitholders during the year ended 31 March 2022*^	(20,948.45)	-
Balance as at 31 March 2022	**(29,395.21)**	**-**
Balance as on 1 April 2022	**(29,395.21)**	**-**
Add: Profit for the year ended 31 March 2023	5,059.58	
Add: Other Comprehensive Income for the year ended 31 March 2023#	3.51	
Less: Distribution to Unitholders during the year ended 31 March 2023*^^	(20,247.01)	-
Less: Transfer to debenture redemption reserve	(244.20)	-
Add: Transfer from retained earnings	-	244.20
Balance as at 31 March 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 31 March 2022 does not include the distribution relating to the quarter ended 31 March 2022, as the same was paid subsequent to the year ended 31 March 2022.

^^ The distribution for year ended 31 March 2023 does not include the distribution relating to the quarter ended 31 March 2023, as the same will be paid subsequently.

Other comprehensive income comprises of gain/ (loss) on remeasurements of defined benefit liability (net) of Rs.3.51 million for the year ended 31 March 2023 (31 March 2022: Rs.0.83 million).

As per our report of even date attached

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:45:24 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:05:47 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 11:38:16 +05'30'

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

A) Statement of Net Assets at fair value

S.No	Particulars	Unit of measurement	As at 31 March 2023		As at 31 March 2022	
			Book Value	Fair value	Book Value	Fair value
A	Assets	Rs in millions	464,117.67	594,601.82	451,958.79	567,192.96
B	Liabilities	Rs in millions	220,434.69	220,294.35	193,091.89	193,819.45
C	Net Assets (A-B)	Rs in millions	**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)	Rs	**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 31 March 2023 and 31 March 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 categorized 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 31 March 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
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 50.

(all amounts in Rs. million unless otherwise stated)

A) Statement of Net Assets at fair value (continued)

3) Property wise break up of Fair value of Assets as at 31 March 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 31 March 2023 and 31 March 2022 as disclosed above are solely based on the fair valuation report of iVAS Partners, independent external registered property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE South Asia Pvt Ltd ('CBRE').

For the purpose of fair valuation of assets, the Embassy Office Parks Group has fair valued its investment 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 Rs.64,045.35 million (refer note 6) on book value basis (net off impairment loss). The Goodwill of Rs.64,045.35 million (31 March 2022: Rs.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 Rs.53,207.28 million (31 March 2022: Rs.53,207.28 million), calculated as a difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases.

Notes:

(i) Other assets at book value includes cash and cash equivalents, debt investments in GLSP and other working capital balances which are not factored in the discounted 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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:46:03 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:06:23 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:38:48 +05'30'

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

(all amounts in Rs. million unless otherwise stated)

B) Statement of Total Returns at Fair value

S.No	Particulars	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
A	Total comprehensive income	1,990.06	3,073.03	4,874.79	5,063.09	8,884.68
B	Add: Changes in fair value not recognised in total comprehensive income (refer note below)	(5,161.58)	7,923.62	8,393.87	2,762.05	11,777.97
C (A+B)	**Total Return**	**(3,171.52)**	**10,996.65**	**13,268.66**	**7,825.14**	**20,662.65**

Note:

1. In the above statement, changes in fair value for the half year ended 31 March 2023 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 31 March 2023 as compared with the values as at 31 March 2022 net of cash spent on construction during the period. The fair values of the afore-mentioned assets as at 31 March 2023 and 31 March 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 31 March 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 31 March 2023.

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:46:32 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:07:05 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:39:13 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
Net Distributable Cash Flows (NDCF) pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

(i) Embassy Office Parks REIT- Standalone

Sl No	Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Cash flows received from SPVs/ Holdcos and Investment Entity in the form of:								
	• Interest	2,412.87	2,197.64	1,906.85	4,610.51	4,463.94	3,905.75	9,074.45	7,577.28
	• Dividends (net of applicable taxes)	2,705.00	2,157.00	2,160.00	4,862.00	4,845.00	4,595.00	9,707.00	9,475.00
	• Repayment of Shareholder Debt (to the extent not repaid through debt or equity)	1,860.97	2,318.82	2,220.12	4,179.79	4,108.90	3,915.89	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	33.06	5.93	17.56	38.99	33.30	63.23	72.29	99.17
5	Less: Any other expense at the Embassy REIT level, and not captured herein (excluding acquisition related costs)	(17.26)	(19.90)	(13.26)	(37.16)	(29.60)	(23.66)	(66.76)	(77.14)
6	Less: Any fees, including but not limited to:								
	• Trustee fees	(0.73)	(0.74)	(0.73)	(1.47)	(1.48)	(1.47)	(2.95)	(2.95)
	• REIT Management fees (to the extent not paid in Units)	(62.30)	(57.94)	(59.28)	(120.24)	(119.23)	(116.55)	(239.47)	(254.46)
	• Valuer fees	(3.24)	(3.25)	(3.24)	(6.49)	(4.13)	(6.49)	(10.62)	(11.56)
	• Legal and professional fees	(31.67)	(54.05)	(5.43)	(85.72)	(78.46)	(6.06)	(164.18)	(58.98)
	• Trademark license fees	(0.36)	(0.35)	(0.36)	(0.71)	(0.71)	(0.71)	(1.42)	(1.42)
	• Secondment fees	(0.41)	(0.41)	(0.39)	(0.82)	(0.82)	(0.78)	(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	(1,565.40)	(1,493.01)	(1,225.11)	(3,058.41)	(2,959.22)	(2,376.76)	(6,017.63)	(3,820.29)
8	Less: Income tax (net of refund) and other taxes (if applicable) at the standalone Embassy REIT level	(5.64)	(4.35)	(2.91)	(9.99)	(19.58)	(26.99)	(29.57)	(46.25)
	Net Distributable Cash Flows at REIT level	**5,324.89**	**5,045.39**	**4,993.82**	**10,370.28**	**10,237.91**	**9,920.40**	**20,608.19**	**20,638.19**

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

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:48:27 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:07:28 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:39:41 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the quarter ended 31 March 2023 for distribution

Sl 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**	**(97.50)**	**277.17**	**142.94**	**(10.86)**	**146.68**	**38.41**	**68.01**	**(16.89)**	**(835.67)**	**14.99**	**122.87**	**130.74**	**(136.28)**	**-**	**(155.39)**
	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	153.02	1,385.47	88.61	30.97	45.00	27.76	62.55	77.27	85.89	17.43	35.95	474.69	123.00	-	2,607.61
	• Assets written off or liabilities written back	(0.02)	-	-	1.78	-	(0.01)	-	-	(6.47)	-	-	-	-	-	(4.72)
	• Current tax charge as per Statement of Profit and Loss	0.95	46.79	35.25	-	48.00	16.64	42.57	(3.62)	-	1.78	38.00	-	(17.82)	-	208.54
	• Deferred tax	(20.01)	(100.09)	58.75	(8.83)	1.58	(2.89)	(5.99)	(6.12)	262.14	5.33	(5.25)	65.13	14.02	-	257.77
	• MAT adjustments	11.58	43.93	(35.25)	-	-	-	-	3.62	283.95	-	-	-	-	-	307.83
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	5.20	(23.52)	-	-	(5.49)	0.81	18.84	18.02	0.12	(1.05)	18.00	(19.56)	(16.85)	-	(5.48)
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	193.70	521.44	148.92	58.42	29.47	48.04	89.84	196.33	386.70	64.27	114.31	463.01	167.50	-	2,481.95
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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.	(37.80)	614.95	(201.11)	17.16	13.68	54.63	(5.68)	1.62	140.80	68.67	(15.11)	357.10	135.95	-	1,144.86
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(4.37)	-	-	-	-	-	(0.55)	-	-	-	(4.99)	-	-	(9.91)
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)	(21.31)	(171.49)	(21.68)	(3.79)	(47.11)	(18.16)	(31.06)	(8.01)	(10.31)	(18.85)	(35.26)	72.62	2.45	-	(311.96)
	Total Adjustments (B)	**285.31**	**2,313.11**	**73.49**	**95.71**	**85.13**	**126.82**	**171.07**	**278.56**	**1,142.82**	**137.58**	**150.64**	**1,408.00**	**408.25**	**-**	**6,676.49**
	Net distributable Cash Flows at SPV Level [C = (A+B)]	**187.81**	**2,590.28**	**216.43**	**84.85**	**231.81**	**165.23**	**239.08**	**261.67**	**307.15**	**152.57**	**273.51**	**1,538.74**	**271.97**	**-**	**6,521.10**

*refer note 50

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the quarter ended 31 December 2022 for distribution

Sl No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	Total
1	**Profit/ (loss) after tax as per Statement of Profit and Loss (standalone) (A)**	**(22.08)**	**637.48**	**81.69**	**(13.85)**	**141.71**	**52.85**	**93.32**	**8.55**	**(204.39)**	**69.57**	**132.31**	**33.22**	**(5.81)**	**1,004.57**
	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	129.52	1,008.40	91.19	30.69	47.18	26.72	62.18	76.59	84.51	15.14	34.83	482.73	88.56	2,178.24
	• Assets written off or liabilities written back	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Current tax charge as per Statement of Profit and Loss	24.75	137.37	20.13	-	46.96	19.63	28.57	5.24	-	22.89	31.67	64.00	(18.30)	382.91
	• Deferred tax	47.98	50.83	33.55	2.13	(0.74)	0.30	5.25	19.54	(85.33)	3.02	2.70	174.35	(45.52)	208.06
	• MAT adjustments	(19.83)	(22.44)	(20.13)	-	-	-	-	(5.24)	-	(1.60)	-	-	-	(69.24)
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	9.33	(25.46)	-	-	2.57	(5.08)	(22.99)	15.99	(6.49)	1.66	(7.39)	(34.71)	(81.01)	(153.58)
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	112.94	467.74	157.30	58.90	52.24	50.80	90.42	214.06	392.95	69.07	118.99	577.75	113.78	2,476.94
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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.	(21.08)	(12.25)	(17.56)	(8.87)	13.53	(10.83)	(45.61)	7.61	46.25	11.85	(24.23)	292.55	82.13	313.49
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(0.79)	-	-	-	-	-	(0.25)	-	-	-	(8.31)	-	(9.35)
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)	6.07	(209.89)	(21.89)	1.38	(34.95)	(14.20)	(27.18)	37.98	10.32	(14.40)	(18.68)	149.26	(141.85)	(278.03)
	Total Adjustments (B)	**289.68**	**1,393.51**	**242.59**	**84.23**	**126.79**	**67.34**	**90.64**	**371.52**	**442.21**	**107.63**	**137.89**	**1,697.62**	**(2.21)**	**5,049.44**
	Net distributable Cash Flows at SPV Level [C = (A+B)]	**267.60**	**2,030.99**	**324.28**	**70.38**	**268.50**	**120.19**	**183.96**	**380.07**	**237.82**	**177.20**	**270.20**	**1,730.84**	**(8.02)**	**6,054.01**

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
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(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the quarter ended 31 March 2022 for distribution

Sl No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL*	EOVPL*	SIPL	Total
1	**Profit/ (loss) after tax as per Statement of Profit and Loss (standalone) (A)**	**98.09**	**1,177.39**	**125.79**	**(91.29)**	**109.97**	**76.04**	**105.14**	**(11.93)**	**(606.49)**	**70.97**	**100.59**	**441.40**	**-**	**(56.40)**	**1,539.27**
	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	127.19	645.03	91.38	57.10	48.31	25.71	59.26	77.86	82.04	15.76	33.34	514.55	-	-	1,777.53
	• Assets written off or liabilities written back	0.28	(11.07)	0.75	0.30	0.09	-	(0.04)	(0.83)	-	(3.06)	-	(6.90)	-	-	(20.48)
	• Current tax charge as per Statement of Profit and Loss	24.44	220.94	30.04	-	32.41	(16.32)	42.98	(0.20)	-	14.90	27.21	(101.47)	-	-	274.93
	• Deferred tax	4.33	(133.70)	51.87	(30.54)	(0.51)	(0.43)	(2.65)	(10.24)	(117.84)	9.78	(2.70)	(284.72)	-	18.45	(498.90)
	• MAT adjustments	(80.61)	-	(30.04)	-	-	-	-	-	341.64	(16.55)	-	-	-	-	214.44
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	-	36.29	-	-	2.04	2.33	8.16	9.00	(0.98)	(10.93)	12.10	45.08	-	(3.44)	99.65
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	111.31	393.28	170.80	55.96	51.24	52.45	90.32	223.41	393.69	74.24	120.06	607.48	-	24.78	2,369.02
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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.	5.72	(387.15)	(84.73)	9.55	43.37	(9.42)	(59.77)	(19.76)	25.18	(7.21)	29.06	1,073.40	-	305.67	923.91
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(5.24)	-	-	-	-	-	-	(3.67)	-	-	(37.50)	-	-	(46.41)
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)	(1.98)	(235.91)	(11.16)	7.39	(48.93)	(16.80)	(39.00)	45.28	40.29	(15.09)	(35.07)	(30.47)	-	-	(341.45)
	Total Adjustments (B)	**190.68**	**522.47**	**218.91**	**99.76**	**128.02**	**37.52**	**99.26**	**324.52**	**760.35**	**61.84**	**184.00**	**1,779.45**	**-**	**345.46**	**4,752.24**
	Net distributable Cash Flows at SPV Level C = (A+B)	**288.77**	**1,699.86**	**344.70**	**8.47**	**237.99**	**113.56**	**204.40**	**312.59**	**153.86**	**132.81**	**284.59**	**2,220.85**	**-**	**289.06**	**6,291.51**

* 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 31 March 2022 of EOVPL is computed and presented in VTPL (refer note 53).

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.

Embassy Office Parks REIT
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Condensed Consolidated Financial Statements
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(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the half year ended 31 March 2023 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl 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)**	**(119.58)**	**914.65**	**224.63**	**(24.71)**	**288.39**	**91.26**	**161.33**	**(8.34)**	**(1,040.06)**	**84.56**	**255.18**	**163.96**	**(142.09)**	**-**	**849.18**
	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	282.54	2,393.87	179.80	61.66	92.18	54.48	124.73	153.86	170.40	32.57	70.78	957.42	211.56	-	4,785.85
	• Assets written off or liabilities written back	(0.02)	-	-	1.78	-	(0.01)	-	-	(6.47)	-	-	-	-	-	(4.72)
	• Current tax charge as per Statement of Profit and Loss	25.70	184.16	55.38	-	94.96	36.27	71.14	1.62	-	24.67	69.67	64.00	(36.12)	-	591.45
	• Deferred tax	27.97	(49.26)	92.30	(6.70)	0.84	(2.59)	(0.74)	13.42	176.81	8.35	(2.55)	239.48	(31.50)	-	465.83
	• MAT adjustments	(8.25)	21.49	(55.38)	-	-	-	-	(1.62)	283.95	(1.60)	-	-	-	-	238.59
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	14.53	(48.98)	-	-	(2.92)	(4.27)	(4.15)	34.01	(6.37)	0.61	10.61	(54.27)	(97.86)	-	(159.06)
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	306.64	989.18	306.22	117.32	81.71	98.84	180.26	410.39	779.65	133.34	233.30	1,040.76	281.28	-	4,958.89
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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.	(58.88)	602.70	(218.67)	8.29	27.21	43.80	(51.29)	9.23	187.05	80.52	(39.34)	649.65	218.08	-	1,458.35
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(5.15)	-	-	-	-	-	(0.80)	-	-	-	(13.30)	-	-	(19.25)
9	Add: Cash flow received from SPV and Investment Entity towards (applicable for Holdco only, to the extent not covered above):															
	• Repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(15.24)	(381.38)	(43.57)	(2.41)	(82.06)	(32.36)	(58.24)	29.97	0.01	(33.25)	(53.94)	221.88	(139.40)	-	(589.99)
	Total Adjustments (B)	**574.99**	**3,706.63**	**316.08**	**179.94**	**211.92**	**194.16**	**261.71**	**650.08**	**1,585.03**	**245.21**	**288.53**	**3,105.62**	**406.04**	**-**	**11,725.94**
	Net distributable Cash Flows at SPV Level [C = (A+B)]	**455.41**	**4,621.28**	**540.71**	**155.23**	**500.31**	**285.42**	**423.04**	**641.74**	**544.97**	**329.77**	**543.71**	**3,269.58**	**263.95**	**-**	**12,575.12**

*refer note 50

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.

for **S R Batliboi & Associates LLP**
Chartered Accountants
ICAI Firms registration number: 101049W/E300004
ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:49:13 +05'30'
per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:08:27 +05'30'
Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: 27 April 2023

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:40:12 +05'30'
Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: 27 April 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the half year ended 30 September 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL	SIPL	Total
1	**Profit/ (loss) after tax as per Statement of Profit and Loss (standalone) (A)**	**119.69**	**2,023.97**	**112.44**	**(40.79)**	**246.66**	**48.37**	**153.88**	**7.32**	**(911.35)**	**117.91**	**183.62**	**91.79**	**(409.16)**	**1,744.35**
	Adjustment:														
2	Add/ (Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:														
	• Depreciation, amortisation and impairment	239.66	1,711.71	182.39	97.46	91.46	52.44	118.42	154.52	166.62	36.35	68.54	991.51	177.13	4,088.21
	• Assets written off or liabilities written back	3.44	(2.08)	-	-	(0.01)	0.01	-	-	-	-	0.44	(3.43)	-	(1.63)
	• Current tax charge as per Statement of Profit and Loss	-	349.90	27.72	-	85.00	26.39	53.00	2.49	-	43.28	60.84	-	259.01	907.63
	• Deferred tax	(8.88)	(29.10)	46.20	(14.78)	9.82	3.50	9.66	2.71	292.96	8.61	(12.25)	79.16	159.28	546.89
	• MAT adjustments	-	(342.14)	(27.72)	-	-	-	-	(2.42)	-	-	-	-	-	(372.28)
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits, etc.)	13.64	(6.61)	-	-	(33.74)	(6.66)	(40.03)	18.93	8.81	(5.38)	40.09	142.55	65.29	196.89
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	220.70	902.66	328.81	115.71	104.19	102.42	181.71	430.59	782.36	143.38	244.14	1,187.91	235.59	4,980.17
4	Add/ (Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/ Holdcos or Investment Entity adjusted for the following:	-	-	-	-	-	-	-	-	-	-	-	-	-	
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Add/ (Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(74.70)	146.13	65.35	8.82	51.89	(27.62)	56.61	15.47	25.40	9.14	92.89	365.62	346.79	1,081.79
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(8.01)	-	-	-	-	-	(1.35)	(2.50)	-	-	(37.50)	-	(49.36)
9	Add: Cash flow received from SPV and Investment Entity towards (applicable for Holdco only, to the extent not covered above):														
	• Repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	281.98	(458.68)	(32.75)	1.30	(88.88)	(31.15)	(61.32)	(31.11)	(7.65)	(29.84)	(67.11)	(87.26)	(25.20)	(637.67)
	Total Adjustments (B)	**675.84**	**2,263.78**	**590.00**	**208.51**	**219.73**	**119.33**	**318.05**	**589.83**	**1,266.00**	**205.54**	**427.58**	**2,638.56**	**1,217.89**	**10,740.64**
	Net distributable Cash Flows at SPV Level [C = (A+B)]	**795.53**	**4,287.75**	**702.44**	**167.72**	**466.39**	**167.70**	**471.93**	**597.15**	**354.65**	**323.45**	**611.20**	**2,730.35**	**808.73**	**12,484.99**

- Distribution of up to 90% of the above NDCF is required as per the REIT Regulations subject to compliance with the requirements of the Companies Act, 2013.

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:49:45 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:08:51 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 11:40:38 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the half year ended 31 March 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL*	EOVPL*	SIPL	Total
1	**Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)**	**176.58**	**2,379.82**	**133.31**	**(175.90)**	**192.88**	**134.98**	**209.65**	**(29.62)**	**(862.11)**	**132.05**	**176.94**	**639.87**	**(290.94)**	**(82.13)**	**2,735.38**
	Adjustment:															
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:															
	• Depreciation, amortisation and impairment	252.45	1,219.87	182.43	114.17	97.55	51.17	117.58	158.44	157.76	31.03	68.09	799.94	230.00	-	3,480.48
	• Assets written off or liabilities written back	(0.21)	(11.22)	0.75	0.03	0.09	-	(0.04)	(0.76)	13.84	(3.06)	-	(7.12)	(0.10)	-	(7.80)
	• Current tax charge as per Statement of Profit and Loss	38.24	483.02	32.15	-	70.91	3.87	84.28	(0.20)	-	27.68	55.21	(47.11)	-	-	748.05
	• Deferred tax	3.86	(98.24)	54.45	(58.99)	(1.75)	(7.17)	(6.60)	(15.94)	(221.25)	19.08	(10.52)	(273.76)	-	7.93	(608.90)
	• MAT adjustments	(93.48)	-	(32.59)	-	-	-	-	-	341.64	(28.81)	-	47.49	-	-	234.25
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits etc)	1.46	31.02	-	-	6.45	4.65	20.23	16.32	0.22	(17.31)	38.19	72.75	-	(11.99)	161.99
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	219.92	897.40	349.82	113.17	103.54	108.24	183.50	434.20	795.22	152.54	242.49	1,260.12	-	51.64	4,911.80
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Add/(Less): Other adjustments, including but not limited to net changes in security deposits, working capital, etc.	(14.41)	(661.23)	(39.15)	22.77	34.10	(12.28)	(88.78)	(33.73)	52.91	3.52	2.77	1,699.93	61.11	590.54	1,618.07
8	Less: External debt repayment to the extent not repaid through debt or equity	-	(13.38)	-	-	-	-	-	-	(7.25)	-	-	(68.75)	-	-	(89.38)
9	Add: Cash flow received from SPV and Investment Entity towards (applicable for Holdco only, to the extent not covered above):															
	• Repayment of the debt in case of investments by way of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds from buy-backs/ capital reduction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Less: Income tax (net of refund) and other taxes paid (as applicable)	(18.66)	(459.84)	(17.17)	6.73	(84.39)	(41.55)	(78.62)	42.37	38.26	(28.14)	(64.49)	(64.93)	(0.38)	15.51	(755.30)
	Total Adjustments (B)	**389.17**	**1,387.40**	**530.69**	**197.88**	**226.50**	**106.93**	**231.55**	**600.70**	**1,171.35**	**156.53**	**331.74**	**3,418.56**	**290.63**	**653.63**	**9,693.26**
	Net distributable Cash Flows at SPV Level C = (A+B)	**565.75**	**3,767.22**	**664.00**	**21.98**	**419.38**	**241.91**	**441.20**	**571.08**	**309.24**	**288.58**	**508.68**	**4,058.43**	**(0.31)**	**571.50**	**12,428.64**

* 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 31 March 2022 of EOVPL is computed and presented in VTPL (refer note 53).

- 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 Firms registration number: 101049W/E300004
ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:50:20 +05'30'
per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:09:44 +05'30'
Jitendra Virwani
Director
DIN: 00027674
Place: Bengaluru
Date: 27 April 2023

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:41:41 +05'30'
Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: 27 April 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the year ended 31 March 2023 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl 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**	**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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 50

- 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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:51:05 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:10:10 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:42:10 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Condensed Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo
For the year ended 31 March 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL*	EOVPL*	SIPL	Total
1	**Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)**	**277.07**	**4,772.68**	**228.30**	**(372.19)**	**398.82**	**236.01**	**427.62**	**(73.63)**	**(1,378.00)**	**239.00**	**285.87**	**832.95**	**(844.57)**	**(132.06)**	**4,897.87**
	Adjustment:															
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:															
	• Depreciation, amortisation and impairment	504.38	2,314.45	364.78	228.36	198.58	102.52	238.23	313.15	324.48	60.81	145.30	1,377.06	690.00	-	6,862.10
	• Assets written off or liabilities written back	(0.21)	(11.22)	0.75	(4.82)	(5.00)	(2.32)	(0.29)	(2.18)	10.04	(3.06)	(0.96)	(6.51)	(0.10)	-	(25.88)
	• Current tax charge as per Statement of Profit and Loss	54.57	974.99	56.31	1.10	152.91	50.35	170.42	(0.20)	1.47	47.90	102.21	11.92	-	-	1,623.95
	• Deferred tax	(3.16)	(167.30)	93.99	(128.42)	(3.33)	(8.89)	(13.96)	(37.82)	(788.30)	28.51	(22.24)	(159.25)	-	1.31	(1,208.86)
	• MAT adjustments	(109.81)	-	(56.31)	-	-	-	-	-	645.87	(48.28)	-	-	-	-	431.47
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits etc)	19.02	106.62	-	-	14.52	7.92	40.67	41.76	(1.81)	(19.27)	78.78	109.12	-	(44.02)	353.31
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	457.84	2,578.13	716.61	224.72	132.19	228.77	374.37	855.58	1,565.98	312.80	498.77	2,649.90	-	82.71	10,678.37
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:															
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 31 March 2022 of EOVPL is computed and presented in VTPL (refer note 53).

- 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 Firms registration number: 101049W/E300004

ADARSH RANKA
Digitally signed by ADARSH RANKA Date: 2023.04.27 12:51:57 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:10:36 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:42:39 +05'30'

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

(all amounts in Rs. million unless otherwise stated)

1. Organisation structure

The Condensed Consolidated Financial Statements (‘Condensed Consolidated Financial Statements’) comprise condensed financial statements of Embassy Office Parks REIT (the ‘Trust’ or the ‘Embassy REIT’ or the 'REIT'), its subsidiaries namely Manyata Promoters Private Limited (‘MPPL'), Umbel Properties Private Limited (‘UPPL'), Embassy Energy Private Limited (‘EEPL’), Galaxy Square Private Limited (‘GSPL'), Quadron Business Park Private Limited (‘QBPL'), Qubix Business Park Private Limited (‘QBPPL'), Oxygen Business Park Private Limited (‘OBPPL'), Earnest Towers Private Limited (‘ETPL'), Vikhroli Corporate Park Private Limited (‘VCPPL'), Indian Express Newspapers (Mumbai) Private Limited (‘IENMPL'), Embassy Pune Techzone Private Limited ('EPTPL'), Vikas Telecom Private Limited ('VTPL'), 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 3 August 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%

1. Organisation structure (continued)

Name of the SPV	Activities	Shareholding (in percentage)
VTPL*	Development and leasing of commercial space and related interiors and maintenance of such assets "Embassy TechVillage" (ETV), located in Bangalore. w.e.f. 1 April 2021, EOVPL is merged with VTPL (refer note 53).	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. 31 March 2023, refer note 50)

* 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 Condensed Consolidated Financial Statements

The Condensed Consolidated Financial Information (hereinafter referred to as the "Condensed Consolidated Financial Statements") of the Embassy Office Parks Group comprises the Consolidated Balance Sheet and the Consolidated Statement of Net Assets at fair value as at 31 March 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 period and year ended 31 March 2023. The Condensed Consolidated Financial Statements were approved for issue in accordance with resolution passed by the Board of Directors of the Manager on behalf of the Trust on 27 April 2023.

The Condensed Consolidated Financial Statements have been prepared in accordance with the requirements of SEBI (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued there under read with SEBI Circular No. CIR/IMD/DF/146/2016 dated 29 December 2016 (the "REIT regulations'); Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the REIT regulations. Also refer Note 20(a) on classification of Unitholders fund.

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

Statement of compliance to Ind-AS

These Condensed Consolidated Financial Statements for the period and year ended 31 March 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 Condensed Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all the SPVs and the Trust used for the purpose of consolidation are drawn up to the same reporting date i.e. 31 March 2023.

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2. Significant accounting policies

2.1 Basis of preparation of Condensed Consolidated Financial Statements (continued)

Basis of Consolidation

(i) Subsidiaries

The Embassy Office Parks Group consolidates entities which it owns or controls. The Condensed Consolidated Financial Statements comprise the financial statements of the Embassy Office Parks REIT and its subsidiary SPVs as disclosed in Note 1. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The procedure for preparing Condensed Consolidated Financial Statements of the Embassy Office Parks Group are stated below:

a) The Condensed Consolidated Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 – Consolidated Financial Statements, to the extent applicable.

b) Goodwill is recognised in the Condensed Consolidated Financial Statements at the excess of cost of investment over share of fair value of net assets acquired on the date of acquisition.

c) The Condensed Consolidated Financial Statements of the Embassy Office Parks Group are consolidated on a line-by-line basis and intragroup balances and transactions for assets and liabilities, equity, income, expenses and cash flows between entities of the Embassy Office Parks Group are eliminated in full upon consolidation.

d) Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the equity attributable to shareholders of the Company. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

(ii) Interests in joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results of joint ventures are incorporated in these Condensed Consolidated Financial Statements using the equity method of accounting as described below:

Under the equity method of accounting, the investments are initially recognised at cost on the date of acquisition and adjusted thereafter to 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 Condensed Consolidated Financial Statements.

Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When Embassy Office Parks Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, Embassy Office Parks Group does not 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 condensed consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

The Embassy Office Parks Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. When the Embassy Office Parks Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

When the acquisition of subsidiaries 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.

2. Significant accounting policies (continued)

Basis of Business Combination (continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss, except for changes in fair value which are measurement period adjustments, wherein the change is adjusted with the asset/liability recognised at the acquisition date with corresponding adjustment to goodwill. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates subsequent its settlement is accounted for within equity.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in Unitholders' equity.

2.2 Summary of significant accounting policies

a) Functional and presentation currency

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

b) Basis of measurement

The Condensed Consolidated Financial Statements are prepared on the historical cost basis, except for the following:
- Certain financial assets and liabilities (refer accounting policy regarding financial instrument): measured at fair values;
- Net defined benefit (asset)/ liability less present value of defined obligations: Fair value of plan assets less present value of defined benefit plan;
- The assets and liabilities of the SPVs on the date of acquisition have been accounted using their Fair value and the goodwill / capital reserve amount has been calculated accordingly; and
- Contingent consideration: measured at fair value.

c) Use of judgments and estimates

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

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

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

i) Business combinations

The Embassy Office Parks Group acquires subsidiaries that own real estate. At the time of acquisition, the Group considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Group accounts for an acquisition as a business combination where an integrated set of activities and assets, including property, is acquired. More specifically, consideration is given to the extent to which substantive processes are acquired and, in particular, the extent of services provided by the subsidiary.

In accounting for business combinations, judgment 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 judgment. 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 judgments, 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 recognized. The discounted cash flow method involves estimating future cash flows, growth rates and discount rates which require significant management judgement - Note 2.2 (j).

iii) Classification of lease arrangements as finance lease or operating lease - Note 2.2 (r).

iv) Classification of assets as investment properties or as property, plant and equipment - Notes 2.2 (f) and (g).

v) Significant judgements involved in the purchase price allocation of the assets acquired and liabilities assumed on account of Business Combination and deferred tax accounting on the resultant fair value accounting– Note on Basis of Business Combination and Note 2.2 (v) (ii).

vi) Judgements in preparing Condensed Consolidated Financial Statements - Note 2.1.

vii) Classification of Unitholders' funds - Note 20(a).

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.

2.2 Summary of significant accounting policies (continued)

c) Use of judgments and estimates (continued)

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment during quarter and year ended 31 March 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. Judgment 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 Condensed Consolidated Balance Sheet based on current/ non-current classification:

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

All other assets are classified as non-current.

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

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 Rs.47,810 million as at 31 March 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.

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2.2 Summary of significant accounting policies (continued)

e) Measurement of fair values

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

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

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

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

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

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

While measuring the fair value of an asset or liability, the Embassy Office Parks Group uses market observable data as far as possible. Fair values are categorised into different levels in a 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 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.

2.2 Summary of significant accounting policies (continued)

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 recognized 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.
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.

2.2 Summary of significant accounting policies (continued)

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 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.

2.2 Summary of significant accounting policies (continued)

l) Financial instruments (continued)

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.

2.2 Summary of significant accounting policies (continued)

l) Financial instruments (continued)

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 Condensed Consolidated Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Embassy Office Parks Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Embassy Office Parks Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit and loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Condensed Consolidated Balance Sheet only when the Embassy Office Parks Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

m) Compound financial instruments

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not measured subsequently.

Interest related to the financial liability is recognised in profit and loss (unless it qualifies for inclusion in cost of asset). In case of conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

2.2 Summary of significant accounting policies (continued)

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 reorganization; 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.

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.

2.2 Summary of significant accounting policies (continued)

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 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 recognizes 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.

2.2 Summary of significant accounting policies (continued)

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 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.

2.2 Summary of significant accounting policies (continued)

t) Employee benefits (continued)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Embassy Office Parks Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Embassy Office Parks Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Embassy Office Parks Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Assets or liabilities related to employee benefit arrangements acquired on Business Combination are recognised and measured in accordance with Ind AS 19 Employee Benefits.

u) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that 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.

2.2 Summary of significant accounting policies (continued)

v) Taxation (continued)

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Embassy Office Parks Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax impact of timing difference which arise during the tax holiday period are recognised only to the 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.

2.2 Summary of significant accounting policies (continued)

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.

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 31 March 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 31 March 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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(all amounts in Rs. million unless otherwise stated)

3 Property, plant and equipment

Reconciliation of carrying amounts for the year ended 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 2023 includes impairment loss of Rs.886.18 million (31 March 2022: Rs.886.18 million).

iii. The amount of borrowing cost capitalised during the year is Rs.31.37 million (31 March 2022: Rs.433.05 million) at a capitalisation rate which is the SPV specific Weighted Average Borrowing Cost (WABC).

4 Capital work-in-progress

Particulars	As at 31 March 2023	As at 31 March 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

(all amounts in Rs. million unless otherwise stated)

5 Investment properties

Reconciliation of carrying amounts for the year ended 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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.

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 Rs.579.51 million (31 March 2022: Rs.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 Rs.27,064.78 million (31 March 2022: Rs.27,403.87 million) which is recorded under Land Leasehold. The corresponding lease liability amounting to Rs.362.47 million (31 March 2022: Rs.347.98 million) is recorded as a financial liability.

xii. Accumulated depreciation as at 31 March 2023 includes impairment loss of Rs.31.71 million (31 March 2022: Rs.31.71 million).

(all amounts in Rs. million unless otherwise stated)

6 Goodwill [refer note 2.1 (i) (b)]

As at 31 March 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 period/ adjustments	Goodwill arising on acquisitions during the year	Impairment loss for the year	Net carrying value as at 31 March 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 31 March 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 31 March 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 31 March 2022, the fair value of other assets acquired was revised by Rs.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 31 March 2022 with a corresponding impact in the fair value of the asset taken over.

7 Other intangible assets

Reconciliation of carrying amounts for the year ended 31 March 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 31 March 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 31 March 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 31 March 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 31 March 2023	**4,394.65**	**582.27**	**-**	**38.93**	**5,015.85**
Carrying amount (net)					
As at 31 March 2022	**7,397.52**	**2,911.30**	**3,641.88**	**27.30**	**13,978.00**
As at 31 March 2023	**5,432.26**	**2,765.73**	**3,641.88**	**24.48**	**11,864.35**

(all amounts in Rs. million unless otherwise stated)

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 31 March 2023	As at 31 March 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 50 - asset acquisition

9 Equity accounted investee

Particulars	As at 31 March 2023	As at 31 March 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

	As at 31 March 2023	As at 31 March 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

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(all amounts in Rs. million unless otherwise stated)

10 Non-current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Trade, unquoted, measured at amortised cost		
Investment in debentures of joint venture (refer note 49)	8,157.82	-
9,500 (31 March 2022: Nil) 8.15% debentures of face value of Rs.1,000,000 each		
	8,157.82	**-**

Terms:

9,500 (31 March 2022: Nil) unlisted, unrated, secured, redeemable, non-convertible debentures of Golflinks Software Parks Private Limited with face value of Rs.1,000,000 each was issued on 6 April 2022. Outstanding as on 31 March 2023 of Rs.8,157.82 million (31 March 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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Advance tax, net of provision for tax	976.62	814.99
	976.62	**814.99**

13 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Advance paid for co-development of property, including development rights on land (refer note 49 and 51)	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 31 March 2023	As at 31 March 2022
Stock of consumables	35.89	11.09
	35.89	**11.09**

15 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 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 Rs.180.06 million (31 March 2022: Rs.523.36 million) (refer note 49).

(all amounts in Rs. million unless otherwise stated)

16A Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023 amounting to Rs.599.29 million (31 March 2022: Rs.536.97 million).

^ Includes unspent Corporate Social Responsibility (CSR) balances amounting to Rs.0.03 million (31 March 2022: Rs.34.50 million) which has been deposited in separate escrow accounts.
Includes Rs.1,767.29 million (31 March 2022: Nil) which has been deposited in a seperate escrow account for closure of loan in an SPV. Refer note 22(ix)

16B Other bank balances

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Advance tax, net of provision for tax	-	307.19
	-	**307.19**

19 Other current assets

Particulars	As at 31 March 2023	As at 31 March 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**

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 31 March 2022	**947.90**	**288,262.11**
As at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Closing balance as at 31 March 2023	**947.90**	**288,262.11**

Note:

(a) Terms/ rights attached to Units

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

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to Unitholders not less than 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 31 March 2023		As at 31 March 2022	
	No of Units	% holding	No of Units	% holding
Embassy Property Developments Private Limited (EPDPL)	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 Rs.300.00 each and 111,335,400 Units at a price of Rs.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:

Sponsor	Units held by sponsor group				% Change during the year ended 31 March 2023
	No. of units as at 31 March 2023	% of total units as at 31 March 2023	No. of units as at 31 March 2022	% of total units as at 31 March 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)%

Sponsor	Units held by sponsor group				% Change during the year ended 31 March 2022
	No. of units as at 31 March 2022	% of total units as at 31 March 2022	No. of units as at 31 March 2021	% of total units as at 31 March 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 31 March 2023	As at 31 March 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 recognized and accumulated under the heading of retained earnings. At the end of the period, the profit for the period including other comprehensive income is transferred from the Statement of Profit and Loss to the retained earnings account.

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.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Non-convertible debentures		
15,000 (31 March 2022: 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022: 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note (ii) below]	-	25,808.89
3,000 (31 March 2022: 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note (iii) below]	2,981.13	2,975.64
31,000 (31 March 2022 : 31,000) Embassy REIT Series V, Non-Convertible debentures (NCD) 2021, face value of Rs.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 (31 March 2022 : Nil) Embassy REIT Series VI, Non-Convertible debentures (NCD) 2022, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) (refer note (vi) below)	9,956.75	-
4,950 (31 March 2022: Nil) VTPL Series I, Non-Convertible debentures (NCD) 2022, face value of Rs.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 (31 March 2022 : 15,000) Embassy REIT Series II NCD 2020, face value of Rs.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 Rs.1 million each amounting to Rs.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 05 November 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.

5. These debentures are due for maturity on 09 October 2023, hence have been disclosed under short term borrowings as at 31 March 2023 (refer note 27)

Embassy REIT has maintained security cover of 2.5 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 8 September 2020.

22 Non-current Borrowings (continued)

(ii) 26,000 (31 March 2022 : 26,000) Embassy REIT Series III NCD 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 15 February 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 15 February 2024, hence have been disclosed under short term borrowings as at 31 March 2023 (refer note 27)

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

(iii) 3,000 (31 March 2022: 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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.

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

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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 3 September 2021.

(iv) 20,000 (31 March 2022: 20,000) Embassy REIT Series V - Series A, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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.

22 Non-current Borrowings (continued)

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 18 October 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 (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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

(v) 11,000 (31 March 2022: 11,000) Embassy REIT Series V - Series B, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 18 October 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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

(vi) 10,000 (31 March 2022: Nil) Embassy REIT Series VI , Non-Convertible debentures (NCD) 2022, face value of Rs.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 Rs.1 million each amounting to Rs.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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 31 March 2022.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(vii) 4,950 (31 March 2022: Nil) VTPL Series I, Non-Convertible debentures (NCD) 2022, face value of Rs.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 Rs.1 million each amounting to Rs.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 31 March 2023 to the extent of available profits.

VTPL has maintained Security Cover of 2.08 times as at 31 March 2023, which is higher than the limit of 1.85 times stipulated in the debenture trust deed dated 29 August 2022.

(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	-	31 March 23	9 October 23	30 June 23
Embassy REIT Series III NCD 2021	Secured	-	31 March 23	15 February 24	30 June 23
Embassy REIT Series IV NCD 2021	Secured	-	31 March 23	7 September 26	30 June 23
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	31 March 23	18 October 24	30 June 23
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	31 March 23	18 October 26	30 June 23
Embassy REIT Series VI NCD 2022	Secured	-	31 March 23	05 April 27	30 June 23
VTPL Series I NCD 2022	Secured	-	31 March 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 31 March 2023	As at 31 March 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 31 March 2023: Nil (31 March 2022: Rs.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 31 March 2023	As at 31 March 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

The loan has been foreclosed in the month of February 2023

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(b) Lender 2 [balance as at 31 March 2023: Rs.6,279.76 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.753.52 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.4,916.87 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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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(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(e) Lender 5, 6, 7 and 8 [balance as at 31 March 2023: Rs.11,906.34 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.1,899.05 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.Nil (31 March 2022: Rs.1,866.69 million)]

1. Exclusive mortgage of undivided share of land admeasuring approximately 9.83 acres and building being constructed thereon at Hudson & Ganges blocks and MLCP Building at Embassy TechZone, Pune ("Project")

2. Exclusive charge on the entire current assets including receivables of EPTPL in relation to the Project.

3. Exclusive charge on the Escrow Account established and maintained pursuant to Escrow Agreement of EPTPL.

Repayment and interest terms	As at 31 March 2023	As at 31 March 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.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(h) Lender 11 [balance as at 31 March 2023: Rs.16,462.86 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.750 million (31 March 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 31 March 2023	As at 31 March 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.

(j) Lender 13 [balance as at 31 March 2023: Rs.Nil (31 March 2022: Rs.497.10 million)]

Unsecured loan

Repayment and interest terms	As at 31 March 2023	As at 31 March 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 31 March 2023: Rs.2,385.50 million (31 March 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 31 March 2023	As at 31 March 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 31 March 2023: Rs.9,971.05 million (31 March 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 31 March 2023	As at 31 March 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.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(m) Lender 16 [balance as at 31 March 2023: Rs.1,244.10 million (31 March 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 31 March 2023	As at 31 March 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 31 March 2023: Rs.1,749.20 million (31 March 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 31 March 2023	As at 31 March 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 (31 March 2022: Nil) Optionally Convertible debentures (OCD), face value of Rs.100,000 each issued to EPDPL (Co-sponsors)

Repayment and interest terms	As at 31 March 2023	As at 31 March 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 The OCDs are subject to early redemption on the 30th business day following 31 December, 2023 at a premium of Rs. 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 31 December, 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	109.00	-

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(all amounts in Rs. million unless otherwise stated)

23 Other non-current financial liabilities

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Provision for employee benefits		
- gratuity	8.20	7.64
	8.20	**7.64**

25 Deferred tax

Deferred tax Assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets (net)	121.10	89.30
	121.10	**89.30**

Deferred tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Minimum Alternate Tax credit entitlement	(4,877.06)	(4,648.90)
Deferred tax liabilities (net)	56,702.90	56,394.34
	51,825.84	**51,745.44**

26 Other non-current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred lease rental	600.86	541.92
Advances from customers	-	18.89
	600.86	**560.81**

27 Short-term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of long-term debt		
Secured		
Non-convertible debentures		
15,000 (31 March 2022 : 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022 : 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note 22(ii)]	25,910.57	-
Terms loans		
- from banks and financial institutions [refer note 22(x)]	2,646.73	273.73
Overdraft [refer note 22(x)]	219.37	-
Unsecured		
Optionally convertible debentures	109.00	-
500 (31 March 2022: Nil) Optionally Convertible Debentures (OCD), face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note 22(x) and note 49 & 50]		
	43,848.12	**273.73**

(all amounts in Rs. million unless otherwise stated)

28 Trade payables

Particulars	**As at 31 March 2023**	**As at 31 March 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**

29 Other current financial liabilities

Particulars	**As at 31 March 2023**	**As at 31 March 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**

30 Current provisions

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Provision for employee benefits		
- gratuity	1.45	0.27
- compensated absences	11.60	5.97
	13.05	**6.24**

31 Other current liabilities

Particulars	**As at 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 2022**
Provision for income-tax, net of advance tax	111.83	80.12
	111.83	**80.12**

(all amounts in Rs. million unless otherwise stated)

33 Revenue from operations

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Facility rentals	5,983.25	6,000.93	5,552.43	11,984.18	11,813.82	11,114.27	23,798.00	22,162.32
Income from finance lease	64.95	53.41	43.68	118.36	99.22	89.52	217.58	183.83
Room rentals	573.03	462.01	98.67	1,035.04	773.78	200.40	1,808.82	288.37
Revenue from contracts with customers								
Maintenance services	911.92	1,142.81	1,076.16	2,054.73	2,339.83	2,152.61	4,394.56	4,429.19
Sale of food and beverages	403.08	396.58	83.50	799.66	624.65	197.17	1,424.31	281.99
Income from generation of renewable energy	506.07	369.22	437.86	875.29	736.81	750.07	1,612.10	1,504.98
Other operating income								
- hospitality	45.73	43.12	10.99	88.85	71.57	25.07	160.42	38.34
- others (refer note 51)	188.21	186.26	185.19	374.47	405.17	368.66	779.64	737.03
	8,676.24	**8,654.34**	**7,488.48**	**17,330.58**	**16,864.85**	**14,897.77**	**34,195.43**	**29,626.05**

34 Interest income

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
- on debentures (refer note 49)	85.04	91.42	-	176.46	187.25	-	363.71	-
- on fixed deposits	6.33	6.34	1.59	12.67	10.49	38.19	23.16	61.58
- on security deposits	4.00	3.61	1.04	7.61	62.04	1.54	69.65	16.81
- on other statutory deposits	-	-	4.13	-	-	4.13	-	10.15
- on income-tax refund	5.43	11.46	7.87	16.89	2.97	8.80	19.86	19.22
- others	176.15	157.96	201.89	334.11	312.88	394.46	646.99	792.05
	276.95	**270.79**	**216.52**	**547.74**	**575.63**	**447.12**	**1,123.37**	**899.81**

35 Other income

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Liabilities no longer required written back	6.47	-	24.00	6.48	5.49	26.02	11.97	128.84
Profit on sale of mutual funds	44.19	21.52	35.50	65.71	78.08	76.50	143.79	140.82
Net gain on disposal of Property, Plant and Equipment/ Investment Properties	-	4.58	-	4.58	-	-	4.58	-
Miscellaneous	2.05	115.57	64.04	117.62	39.91	78.89	157.53	99.80
	52.71	**141.67**	**123.54**	**194.39**	**123.48**	**181.41**	**317.87**	**369.46**

36 Cost of materials consumed

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchases	96.44	112.79	23.48	209.23	205.79	59.18	415.02	84.82
Add: Decrease/ (Increase) in inventory	5.20	(7.79)	0.35	(2.59)	(22.21)	(1.51)	(24.80)	(0.29)
	101.64	**105.00**	**23.83**	**206.64**	**183.58**	**57.67**	**390.22**	**84.53**

(all amounts in Rs. million unless otherwise stated)

37 Employee benefits expense *

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	166.77	124.09	57.34	290.86	202.80	112.29	493.66	199.32
Contribution to provident and other funds	10.50	9.00	4.59	19.50	14.25	7.67	33.75	12.64
Staff welfare	14.98	19.16	4.73	34.14	28.53	9.66	62.67	16.63
	192.25	**152.25**	**66.66**	**344.50**	**245.58**	**129.62**	**590.08**	**228.59**

* Refers to employee benefits expense of the hospitality segment.

38 Operating and maintenance expenses

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel (net)	244.86	201.25	139.96	446.11	442.55	299.40	888.66	554.44
Operating consumables	19.12	24.23	8.91	43.35	36.21	20.99	79.56	31.20
	263.98	**225.48**	**148.87**	**489.46**	**478.76**	**320.39**	**968.22**	**585.64**

39 Other expenses

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Property tax (net)	306.04	271.74	254.27	577.78	537.26	514.71	1,115.04	1,025.21
Rates and taxes*	14.76	19.91	20.12	34.67	46.69	31.16	81.36	92.94
Marketing and advertising expenses	87.39	48.74	36.79	136.13	135.32	59.84	271.45	111.04
Assets and other balances written off	-	-	6.11	-	-	6.11	-	6.11
Loss on sale of Property, Plant and Equipment/ Investment Properties (net)	-	-	0.88	-	7.86	15.71	7.86	15.71
Allowances for credit loss	1.77	-	0.09	1.77	-	(0.04)	1.77	1.76
Bad debts written off	-	-	0.80	-	0.42	0.80	0.42	0.80
Brokerage and commission	26.88	18.25	9.29	45.13	36.39	17.89	81.52	28.98
Travelling and conveyance	7.33	7.95	5.10	15.28	10.20	7.14	25.48	11.14
Corporate Social Responsibility (CSR) expenditure	9.09	28.36	58.84	37.45	89.10	94.02	126.55	111.52
Miscellaneous expenses	111.36	80.25	39.53	191.61	164.13	71.92	355.74	132.61
	564.62	**475.20**	**431.82**	**1,039.82**	**1,027.37**	**819.26**	**2,067.19**	**1,537.82**

* During the year ended 31 March 2022, the excess provision made of Rs.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 quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance								
- common area maintenance	600.82	556.69	481.52	1,157.51	1,031.17	953.51	2,188.68	1,921.34
- buildings	43.21	43.18	62.79	86.39	79.90	80.33	166.29	148.14
- machinery	144.66	96.80	117.13	241.46	200.61	192.85	442.07	391.22
- others	76.84	58.41	59.21	135.25	95.82	104.59	231.07	196.97
	865.53	**755.08**	**720.65**	**1,620.61**	**1,407.50**	**1,331.28**	**3,028.11**	**2,657.67**

(all amounts in Rs. million unless otherwise stated)

41 Finance costs (net of capitalisation)

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense								
- on borrowings from banks and financial institutions	896.06	797.74	612.67	1,693.80	1,551.37	1,148.94	3,245.17	1,847.98
- on lease deposits	105.88	97.72	137.03	203.60	270.96	272.56	474.56	546.24
- on lease liabilities	8.71	8.69	8.38	17.40	17.44	16.74	34.84	33.77
- on Non convertible debentures	1,525.84	1,548.04	1,170.02	3,073.88	2,932.18	2,374.48	6,006.06	3,831.21
Premium on redemption of debentures (Embassy REIT Series I NCD)	-	-	-	-	-	190.88	-	2,026.08
	2,536.49	**2,452.19**	**1,928.10**	**4,988.68**	**4,771.95**	**4,003.60**	**9,760.63**	**8,285.28**

Gross interest expense is Rs.2,691.75 million and Rs.10,371.51 million and interest capitalised is Rs.155.26 million and Rs.610.88 million for the quarter and year ended 31 March 2023 respectively.

42 Depreciation and amortisation

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment	269.01	271.18	200.84	540.19	541.60	372.10	1,081.79	712.08
Depreciation of investment properties*	2,671.70	2,023.64	1,332.24	4,695.34	3,387.79	2,657.25	8,083.13	5,284.00
Amortisation of intangible assets	529.50	530.75	491.16	1,060.25	1,058.99	983.69	2,119.24	1,968.55
	3,470.21	**2,825.57**	**2,024.24**	**6,295.78**	**4,988.38**	**4,013.04**	**11,284.16**	**7,964.63**

*During the financial year ended 31 March 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 Rs.564 million and Rs.2,513 million has been charged in the statement of profit and loss for the quarter and year ended 31 March 2023 respectively.

43 Tax expense*

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax	222.67	383.13	285.53	605.80	921.86	778.74	1,527.66	1,670.00
Deferred tax charge/ (credit)								
Deferred tax charge/ (credit)**	(165.03)	(16.63)	(904.00)	(181.66)	441.46	(1,214.37)	259.80	(2,022.92)
Minimum Alternate Tax credit entitlement (MAT)**	359.01	(102.85)	214.44	256.16	(485.50)	234.25	(229.34)	431.47
	416.65	**263.65**	**(404.03)**	**680.30**	**877.82**	**(201.38)**	**1,558.12**	**78.55**

*Tax expense for year ended 31 March 2023 includes Rs.541.98 million pertaining to previous year.

**Includes MAT credit written off and reversal of deferred tax asset amounting to Rs.328.27 million and Rs.346.23 million during the year respectively.

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44 Earnings Per Unit (EPU)

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

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

	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit after tax for calculating basic and diluted EPU	354.46	1,632.08	2,791.82	1,986.55	3,073.03	4,873.96	5,059.58	8,883.85
Weighted average number of Units (No. in million)	947.90	947.90	947.90	947.90	947.90	947.90	947.90	947.90
Earnings Per Unit								
- Basic (Rupees/unit)	0.37	1.72	2.95	2.10	3.24	5.14	5.34	9.37
- Diluted (Rupees/unit)*	0.37	1.72	2.95	2.10	3.24	5.14	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 quarter and year ended 31 March 2023 amounts to Rs.180.00 million and Rs.695.42 million respectively. There are no changes during the year in the methodology for computation of fees paid to Manager.

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 quarter and year ended 31 March 2023 amounts to Rs.62.30 million and Rs.239.47 million respectively. 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 Rs.0.10 million per month in respect of certain employees of Manager being deployed to the Embassy Office Parks REIT in connection with the operation and management of the assets of the Embassy REIT. Secondment fees for the quarter and year ended 31 March 2023 amounts to Rs.0.41 million and Rs.1.64 million respectively. There are no changes during the year in the methodology for computation of secondment fees paid to Manager.

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(all amounts in Rs. million unless otherwise stated)

46 Commitments and contingencies

Particulars	As at 31 March 2023	As at 31 March 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 31 March 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 31 March 2023	As at 31 March 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 50)	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 31 March 2023	As at 31 March 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**

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 Rs.172.28 million. The SPV has filed an appeal against the assessment order at the CIT (A) and has paid Rs.14.06 million under protest with balance demand stayed. Accordingly, the SPV has disclosed Rs.172.28 million (31 March 2022: Rs.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 (31 March 2022: Rs.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 Rs.26.82 million (31 March 2022: Rs. 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 Rs.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 Rs.3.76 million (31 March 2022: Rs.3.76 million) as contingent liability.

IENMPL: The SPV received a tax demand notice of Rs.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 Rs.9.25 million (31 March 2022: Rs.9.25 million) as contingent liability.

(all amounts in Rs. million unless otherwise stated)

46 Commitments and contingencies (continued)

Claims not acknowledged as debt in respect of Income Tax matters (continued)

VTPL:

(a) The SPV was reassessed u/s. 153C read with 143(3) of the Income Tax Act, 1961 for the AY 2003-04 and 2004-05. Certain additions u/s. 68 were made and tax demand of Rs.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 Rs.25.17 million (31 March 2022: Rs.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 Rs.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 Rs.10 million. The SPV has provided for the same in the financial statements and therefore disclosed Nil (31 March 2022: Rs. 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 Rs.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 Rs.1.87 million in the current financial year. Therefore, the SPV has disclosed Nil (31 March 2022: Rs.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 Rs.15.66 million was raised. Accordingly, the rectification application was filed u/s 154 of the Act. The Trust has therefore, disclosed Rs. 15.66 million (31 March 2022: Nil) as contingent liability.

iii) Claims not acknowledged as debt in respect of Indirect Tax matters

Particulars	As at 31 March 2023	As at 31 March 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 Rs.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 31 March 2012. Appeal has been filed before CESTAT dated 18 April 2016. The appeal is pending before CESTAT and the amount of Rs.522.04 million (31 March 2022: Rs.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 Rs.31.60 million for the period 1 April 2015 to 15 February 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 Rs.31.60 million (31 March 2022: Rs.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 Rs.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 Rs.102.38 million (31 March 2022: Rs.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 Rs.10.01 million, irregular availment of credit of Rs.6.87 million and non-payment of service tax of Rs.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 Rs.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 Rs.35.68 million (31 March 2022: Rs.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 Rs.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 Rs.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 Rs.29.05 million (31 March 2022: Rs.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 Rs.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 Rs.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 Rs.23.99 million (31 March 2022: Rs.23.99 million) as contingent liability.

UPPL:

The SPV had received show cause notices dated 3 July 2015 for demand due to irregular cenvat credit availed for Rs 23.04 million relating to period from 1 April 2011 to 31 March 2016. Responses have been filed and is pending before the Commissioner of Service Tax. Accordingly, the aforementioned demand of Rs.23.04 million (31 March 2022: Rs.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 Rs.4.31 million for the period 1 April 2015 to 15 February 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 Rs.4.31 million (31 March 2022: Rs.4.31 million) has been disclosed as contingent liability.

(all amounts in Rs. million unless otherwise stated)

46 Commitments and contingencies (continued)

iv) Claims not acknowledged as debt in respect of Property Tax matters

Particulars	As at 31 March 2023	As at 31 March 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 Rs.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 Rs.646.69 million (31 March 2022: Rs.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 Rs.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 Rs.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 Rs.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 24 July 2019 and 18 March 2021 were issued to pay a sum of Rs.78.56 million (including penalty) and Rs.27.25 million (including penalty) towards the differential property tax for the year 2018-19 and 2019-20 respectively and the SPV has paid Rs.35.26 million towards property tax demanded under protest. However, BBMP vide notice dated 17 June 2021 have returned the demand draft amount of Rs.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 Rs.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 Rs. 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 Rs.679.40 million (31 March 2022: Rs.679.40 million) has been disclosed in these financial statements. Pursuant to the return of the demand draft amounting to Rs.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 30 September 2022 directed the BBMP to accept the principal payment of Rs.9.08 million. Basis the order of the Hon'ble High Court of Karnataka, MPPL has deposited the principal payment of Rs.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 31 March 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 Rs.2.83 million (31 March 2022: Rs.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 Rs.0.68 million (31 March 2022: Rs.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 Rs.111.86 million from Office of the Commissioner of Service tax towards wrongly availed Cenvat credit during the period 1 April 2009 to 31 March 2011. Appeal has been filed before CESTAT. As at 31 March 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 Rs.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 INR 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 (categorized as operational debts) aggregating up to Rs.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 Rs.1,082.50 million (including interest up to September 2019) and interest thereon against EEPL. During the previous year ended 31 March 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 Rs.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. Subsequent to 31 March 2022 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 Rs.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.

46 Commitments and contingencies (continued)

Other matters (continued)

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 31 March 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'b1e 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 judgment 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 Rs.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 29 March 2022 issued by the BBMP for payment of the betterment charges amounting to Rs. 127.91 million along with interest amounting to INR 184.19 million. MPPL has paid the betterment charges of Rs. 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 Rs.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 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 Rs. 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 Rs. 0.89 million towards NOC charges and treated water charges and the NOC is received. The balance amount of Rs.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 Rs.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 Rs.17.91 million towards NOC charges and treated water charges and the balance amount of Rs.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 (31 March 2022: Rs.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 Rs.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 Rs.3.2 million and the said demand notice will be subject to outcome of the Writ Petition. The aforesaid Rs.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. Rs.65.67 million. SPV has paid the requisite fee of Rs.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.

(g) The Group had to meet export obligations in relation to EPCG credits availed during previous years 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.

(all amounts in Rs. million unless otherwise stated)

47 Financial instruments - Fair values

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

Particulars	Carrying value 31 March 2023	Fair Value 31 March 2023	Carrying value 31 March 2022	Fair Value 31 March 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.

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 31 March 2023 and year ended 31 March 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.

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(all amounts in Rs. million unless otherwise stated)

48 Operating segments

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker ('CODM') evaluates the Embassy Office Parks' performance and allocates resources based on an analysis of various performance indicators by operating segments. The accounting principles used in the preparation of the Condensed Consolidated Financial Statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

Operating segments of Embassy Office Parks Group are (i) Commercial Offices, (ii) Hospitality and (iii) Other segments. Other segments comprise Generation of Renewable Energy. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Net Operating Income ('NOI') is the key metric reported to the CODM for the purposes of assessment of the segment results. The same is defined as follows:

a) Commercial Offices segment:

NOI for Commercial Offices is defined as revenue from operations (which includes (i) facility rentals, (ii) maintenance services income, (iii) income from finance lease, and (iv) other operating income for Commercial Offices) less direct operating expenses (which includes (i) operating and maintenance expenses including common area maintenance expenses (ii) property taxes, (iii) rent and (iv) insurance).

b) Hospitality segment:

NOI for hospitality segment is defined as revenue from operations (which includes (i) room rentals, (ii) sale of food and beverages, (iii) other operating income from hospitality) less direct operating expenses (which includes (i) cost of materials consumed, (ii) employee benefits expenses, (iii) operating and maintenance expenses excluding property management fees and (iv) other expenses).

c) Other segment:

NOI for other segments is defined as revenue from operations (which includes income from generation of renewable energy) less direct operating expenses (which includes (i) operating and maintenance expenses and (ii) other expenses).

Certain income (such as interest, dividend and other income) and certain expenses (such as other expenses excluding direct operating expenses, depreciation, amortisation, impairment loss and finance cost) are not specifically allocable to segments and accordingly these expenses are adjusted against the total income of the Embassy Office Parks Group.

Further, the information relating to segment assets and segment liabilities are not regularly provided to CODM for review and hence the same is not disclosed.

Particulars	Total							
	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	**8,676.24**	**8,654.34**	**7,488.48**	**17,330.58**	**16,864.85**	**14,897.77**	**34,195.43**	**29,626.05**
Identifiable operating expenses	(1,874.16)	(1,605.14)	(1,238.63)	(3,479.30)	(3,053.33)	(2,435.08)	(6,532.63)	(4,714.71)
Net Operating Income (segment results for the	**6,802.08**	**7,049.20**	**6,249.85**	**13,851.28**	**13,811.51**	**12,462.69**	**27,662.80**	**24,911.34**
Other operating expenses	(592.22)	(497.59)	(508.55)	(1,089.80)	(1,129.25)	(901.22)	(2,219.05)	(1,930.44)
Interest, dividend and other income	329.66	412.47	340.06	742.13	699.11	628.53	1,441.24	1,269.27
Earnings before finance costs, depreciation, amortisation and tax	**6,539.52**	**6,964.08**	**6,081.36**	**13,503.61**	**13,381.38**	**12,190.00**	**26,884.99**	**24,250.17**
Share of profit after tax of equity accounted investee	238.29	209.41	258.77	447.70	329.80	499.22	777.50	962.14
Depreciation and amortisation expenses	(3,470.21)	(2,825.57)	(2,024.24)	(6,295.78)	(4,988.38)	(4,013.04)	(11,284.16)	(7,964.63)
Finance costs	(2,536.49)	(2,452.19)	(1,928.10)	(4,988.68)	(4,771.95)	(4,003.60)	(9,760.63)	(8,285.28)
Profit before tax	**771.11**	**1,895.73**	**2,387.79**	**2,666.85**	**3,950.85**	**4,672.58**	**6,617.70**	**8,962.40**
Tax expense	(416.65)	(263.65)	404.03	(680.30)	(877.82)	201.38	(1,558.12)	(78.55)
Other Comprehensive Income	3.51	-	0.83	3.51	-	0.83	3.51	0.83
Total comprehensive income for the period/ year	**357.97**	**1,632.08**	**2,792.65**	**1,990.06**	**3,073.03**	**4,874.79**	**5,063.09**	**8,884.68**

Particulars	Commercial Offices							
	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	7,148.33	7,383.41	6,857.34	14,531.74	14,658.04	13,724.76	29,189.78	27,512.07
Identifiable operating expenses	(1,144.86)	(1,020.04)	(997.40)	(2,164.91)	(1,995.57)	(1,942.92)	(4,160.48)	(3,861.47)
Net Operating Income (segment results for the period/ year)	**6,003.47**	**6,363.37**	**5,859.94**	**12,366.83**	**12,662.46**	**11,781.84**	**25,029.30**	**23,650.60**

Particulars	Hospitality							
	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	1,021.84	901.71	193.28	1,923.55	1,470.00	422.94	3,393.55	609.00
Identifiable operating expenses	(676.20)	(557.96)	(225.96)	(1,234.16)	(1,008.45)	(447.98)	(2,242.61)	(744.47)
Net Operating Income (segment results for the period/ year)	**345.64**	**343.75**	**(32.68)**	**689.39**	**461.55**	**(25.04)**	**1,150.94**	**(135.47)**

Particulars	Other Segment							
	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	506.07	369.22	437.86	875.29	736.81	750.07	1,612.10	1,504.98
Identifiable operating expenses	(53.10)	(27.13)	(15.27)	(80.23)	(49.31)	(44.18)	(129.54)	(108.77)
Net Operating Income (segment results for the period/ year)	**452.97**	**342.09**	**422.59**	**795.06**	**687.50**	**705.89**	**1,482.56**	**1,396.21**

(all amounts in Rs. million unless otherwise stated)

48 Operating segments (continued)

An analysis of CGU wise Segment Revenues and Segment Results is given below

For the quarter ended 31 March 2023

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	ECPL*	Total
Segment Revenue:															
Commercial Office Segment	-	2,859.72	386.91	-	-	196.19	299.08	371.61	154.98	222.88	373.84	312.82	1,970.31	-	7,148.33
Hospitality Segment	-	501.93	-	227.73	-	-	-	-	-	292.18	-	-	-	-	1,021.84
Others	-	-	-	-	506.07	-	-	-	-	-	-	-	-	-	506.07
Total	**-**	**3,361.65**	**386.91**	**227.73**	**506.07**	**196.19**	**299.08**	**371.61**	**154.98**	**515.06**	**373.84**	**312.82**	**1,970.31**	**-**	**8,676.24**
Net Operating Income (segment results)															
Commercial Office Segment	-	2,428.28	305.94	-	-	150.97	273.26	286.87	119.95	144.83	331.56	277.60	1,684.22	-	6,003.47
Hospitality Segment	-	189.83	-	86.94	-	-	-	-	-	68.87	-	-	-	-	345.64
Others	-	-	-	-	452.97	-	-	-	-	-	-	-	-	-	452.97
Total	**-**	**2,618.11**	**305.94**	**86.94**	**452.97**	**150.97**	**273.26**	**286.87**	**119.95**	**213.70**	**331.56**	**277.60**	**1,684.22**	**-**	**6,802.08**

*refer note 50

For the quarter ended 31 December 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	2,938.81	364.79	-	-	192.46	295.22	403.22	217.73	222.35	387.30	334.31	2,027.22	7,383.41
Hospitality Segment	-	449.03	-	211.85	-	-	-	-	-	240.83	-	-	-	901.71
Others	-	-	-	-	369.22	-	-	-	-	-	-	-	-	369.22
Total	**-**	**3,387.84**	**364.79**	**211.85**	**369.22**	**192.46**	**295.22**	**403.22**	**217.73**	**463.18**	**387.30**	**334.31**	**2,027.22**	**8,654.34**
Net Operating Income (segment results)														
Commercial Office Segment	-	2,510.65	304.03	-	-	162.55	269.89	342.57	189.75	160.26	345.19	300.76	1,777.72	6,363.37
Hospitality Segment	-	200.67	-	92.53	-	-	-	-	-	50.55	-	-	-	343.74
Others	-	-	-	-	342.09	-	-	-	-	-	-	-	-	342.09
Total	**-**	**2,711.32**	**304.03**	**92.53**	**342.09**	**162.55**	**269.89**	**342.57**	**189.75**	**210.80**	**345.19**	**300.76**	**1,777.72**	**7,049.20**

For the quarter ended 31 March 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	2,857.80	383.25	-	-	184.07	245.88	381.90	211.34	206.04	349.23	352.86	1,684.97	6,857.34
Hospitality Segment	-	17.53	-	73.27	-	-	-	-	-	102.48	-	-	-	193.28
Others	-	-	-	-	437.86	-	-	-	-	-	-	-	-	437.86
Total	**-**	**2,875.33**	**383.25**	**73.27**	**437.86**	**184.07**	**245.88**	**381.90**	**211.34**	**308.52**	**349.23**	**352.86**	**1,684.97**	**7,488.48**
Net Operating Income (segment results)														
Commercial Office Segment	-	2,430.41	308.02	-	-	147.72	228.77	306.44	183.02	142.68	312.04	322.53	1,478.31	5,859.94
Hospitality Segment	-	0.22	-	(6.15)	-	-	-	-	-	(26.75)	-	-	-	(32.68)
Others	-	-	-	-	422.59	-	-	-	-	-	-	-	-	422.59
Total	**-**	**2,430.63**	**308.02**	**(6.15)**	**422.59**	**147.72**	**228.77**	**306.44**	**183.02**	**115.93**	**312.04**	**322.53**	**1,478.31**	**6,249.85**

(all amounts in Rs. million unless otherwise stated)

48 Operating segments (continued)

An analysis of CGU wise Segment Revenues and Segment Results is given below

For the half year ended 31 March 2023

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	ECPL*	Total
Segment Revenue:															
Commercial Office Segment	-	5,798.52	751.70	-	-	388.65	594.30	774.83	372.70	445.23	761.14	647.13	3,997.54	-	14,531.74
Hospitality Segment	-	950.96	-	439.58	-	-	-	-	-	533.01	-	-	-	-	1,923.55
Others	-	-	-	-	875.29	-	-	-	-	-	-	-	-	-	875.29
Total	**-**	**6,749.48**	**751.70**	**439.58**	**875.29**	**388.65**	**594.30**	**774.83**	**372.70**	**978.24**	**761.14**	**647.13**	**3,997.54**	**-**	**17,330.58**
Net Operating Income (segment results)															
Commercial Office Segment	-	4,938.93	609.97	-	-	313.52	543.15	629.44	309.69	305.09	676.75	578.36	3,461.94	-	12,366.83
Hospitality Segment	-	390.50	-	179.47	-	-	-	-	-	119.42	-	-	-	-	689.39
Others	-	-	-	-	795.06	-	-	-	-	-	-	-	-	-	795.06
Total	**-**	**5,329.43**	**609.97**	**179.47**	**795.06**	**313.52**	**543.15**	**629.44**	**309.69**	**424.51**	**676.75**	**578.36**	**3,461.94**	**-**	**13,851.28**

*refer note 50

For the half year ended 30 September 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	5,862.11	745.40	-	-	355.38	569.37	794.61	434.76	416.83	692.33	650.19	4,137.05	14,658.04
Hospitality Segment	-	676.66	-	406.62	-	-	-	-	-	386.72	-	-	-	1,470.00
Others	-	-	-	-	736.81	-	-	-	-	-	-	-	-	736.81
Total	**-**	**6,538.77**	**745.40**	**406.62**	**736.81**	**355.38**	**569.37**	**794.61**	**434.76**	**803.55**	**692.33**	**650.19**	**4,137.05**	**16,864.85**
Net Operating Income (segment results)														
Commercial Office Segment	-	5,068.79	647.06	-	-	282.17	517.87	648.18	375.23	298.68	607.22	574.53	3,642.73	12,662.46
Hospitality Segment	-	209.75	-	179.53	-	-	-	-	-	72.27	-	-	-	461.55
Others	-	-	-	-	687.50	-	-	-	-	-	-	-	-	687.50
Total	**-**	**5,278.54**	**647.06**	**179.53**	**687.50**	**282.17**	**517.87**	**648.18**	**375.23**	**370.95**	**607.22**	**574.53**	**3,642.73**	**13,811.51**

For the half year ended 31 March 2022

Particulars	Trust	MPPL	EPTPL	UPPL	EEPL	GSPL	ETPL	OBPL	QBPPL	QBPL	VCPPL	IENMPL	ETV	Total
Segment Revenue:														
Commercial Office Segment	-	5,763.14	761.21	-	-	383.13	485.45	747.64	410.94	400.18	676.84	713.63	3,382.59	13,724.76
Hospitality Segment	-	17.53	-	156.70	-	-	-	-	-	248.71	-	-	-	422.94
Others	-	-	-	-	750.07	-	-	-	-	-	-	-	-	750.07
Total	**-**	**5,780.67**	**761.21**	**156.70**	**750.07**	**383.13**	**485.45**	**747.64**	**410.94**	**648.89**	**676.84**	**713.63**	**3,382.59**	**14,897.77**
Net Operating Income (segment results)														
Commercial Office Segment	-	4,942.10	632.09	-	-	316.33	439.70	606.14	354.19	283.36	601.24	650.12	2,956.57	11,781.84
Hospitality Segment	-	0.22	-	0.35	-	-	-	-	-	(25.61)	-	-	-	(25.04)
Others	-	-	-	-	705.89	-	-	-	-	-	-	-	-	705.89
Total	**-**	**4,942.32**	**632.09**	**0.35**	**705.89**	**316.33**	**439.70**	**606.14**	**354.19**	**257.75**	**601.24**	**650.12**	**2,956.57**	**12,462.69**

(all amounts in Rs. million unless otherwise stated)

48 Operating segments (continued)

An analysis of CGU wise Segment Revenues and Segment Results is given below

For the year ended 31 March 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 50

For the year ended 31 March 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**

49 Related party disclosures

I. List of related parties

A. Parties to Embassy Office Parks REIT

Embassy Property Developments Private Limited - Co-Sponsor
BRE/ Mauritius Investments - Co-Sponsor
Embassy Office Parks Management Services Private Limited - Manager
Axis Trustee Services Limited - Trustee

BRE/ Mauritius Investments - Co-Sponsor

SG Indian Holding (NQ) Co. I Pte. Limited	BREP Asia SG Oxygen Holding (NQ) Pte Limited
BRE/Mauritius Investments II	BREP Asia HCC Holding (NQ) Pte Limited
BREP NTPL Holding (NQ) Pte Limited	BREP VII HCC Holding (NQ) Pte Limited
BREP VII NTPL Holding (NQ) Pte Limited	BREP VII SG Indian Holding (NQ) Co II Pte. Limited
BREP VII SG Oxygen Holding (NQ) Pte Limited	BREP Asia SG Indian Holding (NQ) Co II Pte. Limited
BREP GML Holding (NQ) Pte Limited	India Alternate Property Limited
BREP VII GML Holding (NQ) Pte Limited	

Directors & KMPs of the Manager (Embassy Office Parks Management Services Private Limited)

Directors	KMPs
Jitendra Virwani	Michael Holland - CEO (Upto 30 June 2022)
Tuhin Parikh	Vikaash Khdloya - CEO (w.e.f 1 July 2022)
Vivek Mehra	Aravind Maiya - CFO (Upto 31 May 2022)
Ranjan Pai	Abhishek Agrawal - Interim CFO (w.e.f 1 June 2022)
Anuj Puri	Deepika Srivastava - Compliance Officer and Company Secretary (Upto 29 September 2022)
Punita Kumar Sinha	Vinitha Menon - Compliance Officer and Company Secretary (w.e.f 26 January 2023)
Robert Christopher Heady	
Aditya Virwani	
Asheesh Mohta (alternate to Robert Christopher Heady)	

B. Joint Venture

Golflinks Software Park Private Limited

C. Other related parties with whom the transactions have taken place during the period

Technique Control Facility Management Private Limited	JV Holding Private Limited
Snap Offices Private Limited	VTV Infrastructure Management Private Limited
Lounge Hospitality LLP	Golflinks Embassy Business Park Management Services LLP
Wework India Management Private Limited	Babbler Marketing Private Limited
Embassy Shelters Private Limited	Embassy One Developers Private Limited
FIFC Condominium	Next Level Experiences LLP
Paledium Security Services LLP	Bangalore Paints Private Limited
Embassy Services Private Limited	Global Facade Solutions (w.e.f 30 August 2022)
Nexus Select Mall Management Private Limited	Embassy Real Estate Developments and Services Private Limited
Mac Charles India Ltd	G V Properties Private Limited
Blackstone Advisors India Private Limited	HVS Anarock Hotel Advisory Services Private Limited

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the period/ year

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Non-Convertible Debentures issued/ (redeemed) to								
Embassy Services Private Limited	-	-	-	-	-	(60.00)	-	(60.00)
Property Management fees								
Embassy Office Parks Management Services Private Limited	180.00	171.05	170.14	351.05	344.37	326.36	695.42	670.17
REIT Management fees								
Embassy Office Parks Management Services Private Limited	62.30	57.94	59.28	120.24	119.23	116.55	239.47	254.46
Secondment fees								
Embassy Office Parks Management Services Private Limited	0.41	0.41	0.39	0.82	0.82	0.78	1.64	1.56
Trustee fees								
Axis Trustee Services Limited	0.73	0.74	0.73	1.47	1.48	1.47	2.95	2.95
Distribution paid								
BRE/ Mauritius Investments	277.38	284.78	398.92	562.16	814.29	832.37	1,376.45	1,762.66
BRE/Mauritius Investments II	130.13	133.61	136.41	263.74	278.45	284.63	542.19	725.72
BREP Asia HCC Holding (NQ) Pte Ltd	74.61	76.60	97.98	151.21	200.01	204.44	351.22	456.26
BREP Asia SG Indian Holding (NQ) Co II Pte. Ltd	69.20	71.04	90.90	140.24	185.55	189.67	325.79	422.76
BREP Asia SG Oxygen Holding (NQ) Pte. Ltd.	84.93	87.19	111.56	172.12	227.71	232.77	399.83	518.78
BREP GML Holding (NQ) Pte. Ltd.	33.15	34.03	43.55	67.18	88.89	90.86	156.07	202.56
BREP NTPL Holding (NQ) Pte. Ltd	40.57	41.65	53.29	82.22	108.78	111.19	191.00	247.87
BREP VII GML Holding (NQ) Pte. Ltd	8.27	8.50	10.88	16.77	22.20	22.69	38.97	50.59
BREP VII HCC Holding (NQ) Pte Ltd	18.53	19.02	24.38	37.55	49.76	50.86	87.31	113.56
BREP VII NTPL Holding (NQ) Pte. Ltd.	10.12	10.40	13.31	20.52	27.17	27.77	47.69	61.91
BREP VII SG Indian Holding (NQ) Co II Pte. Ltd.	17.29	17.74	22.71	35.03	46.35	47.38	81.38	105.61
BREP VII SG Oxygen Holding (NQ) Pte. Ltd	21.22	21.77	27.87	42.99	56.88	58.15	99.87	129.60
Embassy Property Development Private Limited	518.08	620.62	590.36	1,138.70	1,207.39	1,230.84	2,346.09	2,501.52
India Alternate Property Limited	102.24	104.98	134.32	207.22	274.18	280.26	481.40	626.84
SG Indian Holding (NQ) Co I Pte. Ltd.	291.24	299.02	382.60	590.26	780.97	798.30	1,371.23	1,779.74
Rental guarantee income**								
Embassy Property Developments Private Limited	(8.27)	-	-	(8.27)	444.72	-	436.45	-
Contingent consideration paid								
Embassy Property Developments Private Limited	-	-	-	-	350.00	-	350.00	-
Investments in Debentures								
Golflinks Software Park Private Limited	-	-	-	-	9,500.00	-	9,500.00	-

**Given construction delays due to covid-19 pandemic, rental guarantee amounting to Rs.168.80 million in relation to SIPL SPV was waived off by the Board of Directors in its meeting dated 20 October 2022. During the quarter ended 31 March 2023, a credit note was issued to the extent of excess billing.

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the period/ year

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Acquisition of ECPL*								
JV Holdings Private Limited	14.44	-	-	14.44	-	-	14.44	-
Jitendra Virwani	0.63	-	-	0.63	-	-	0.63	-
Purchase of Investment Properties								
Babbler Marketing Private Limited	0.13	5.89	8.49	6.02	29.75	28.78	35.77	129.58
Embassy Services Private Limited	6.04	11.60	-	17.64	-	-	17.64	-
Global Facade Solutions	1.71	4.39	1.27	6.10	1.16	-	7.26	2.76
Bangalore Paints Private Limited	5.30	12.60	-	17.90	-	-	17.90	-
Wework India Management Private Limited	21.04	14.30	-	35.34	-	-	35.34	-
Project cost capitalised								
Embassy Property Developments Private Limited	45.83	32.64	169.99	78.47	75.65	271.97	154.12	513.00
Embassy Services Private Limited	19.71	-	46.46	19.71	-	48.66	19.71	59.12
Technique Control Facility Management Private Limited	3.81	-	1.66	3.81	-	1.66	3.81	1.66
Bangalore Paints Private Limited	0.27	-	-	0.27	-	-	0.27	-
Babbler Marketing Private Limited	0.17	-	-	0.17	-	-	0.17	-
Capital advances paid/ (refunded)								
Embassy Property Developments Private Limited	401.34	616.94	659.91	1,018.28	252.65	1,130.31	1,270.93	1,914.87
Wework India Management Private Limited	-	33.65	-	33.65	39.83	-	73.48	-
FIFC Condominium	3.18	1.62	-	4.80	3.23	5.72	8.03	5.72
Babbler Marketing Private Limited	-	-	-	-	12.41	-	12.41	25.77
Common area maintenance								
Embassy Services Private Limited	146.52	132.06	152.64	278.58	261.97	304.20	540.55	601.20
Golflinks Embassy Business Park Management Services LLP	-	-	0.07	-	-	1.67	-	11.69
FIFC Condominium	16.42	17.64	(3.32)	34.06	36.14	12.38	70.20	44.57
Paledium Security Services LLP	20.82	43.71	26.37	64.53	46.22	58.97	110.75	111.53
G V Properties Private Limited	-	-	2.54	-	-	8.35	-	8.35
Golflinks Software Park Private Limited	13.68	2.86	-	16.54	5.71	-	22.25	-
Wework India Management Private Limited**	16.62	0.64	-	17.26	0.78	-	18.04	-
Lounge Hospitality LLP	-	-	-	-	-	0.22	-	0.22
Technique Control Facility Management Private Limited	183.35	173.04	173.20	356.39	346.10	348.52	702.49	681.55
Repairs and maintenance- building								
Embassy Services Private Limited	0.80	1.13	22.81	1.93	0.87	22.81	2.80	22.81
Technique Control Facility Management Private Limited	(1.49)	1.84	-	0.35	1.49	-	1.86	0.28
Lounge Hospitality LLP	0.02	-	-	0.02	-	0.58	0.02	0.58
Global Facade Solutions	-	0.15	-	0.15	0.08	-	0.23	-

* Refer note 50.

** Represents the 10% management fee on business conducting agreement with Wework

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the period/ year

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance - plant and machinery								
Embassy Services Private Limited	0.14	(0.05)	0.02	0.09	0.08	0.03	0.17	0.07
Babbler Marketing Private Limited	(0.11)	-	-	(0.11)	0.16	-	0.05	-
Technique Control Facility Management Private Limited	0.75	(1.74)	1.46	(0.99)	4.57	1.99	3.58	3.06
Lounge Hospitality LLP	-	0.26	-	0.26	-	-	0.26	-
Repairs and maintenance - others								
Embassy Services Private Limited	(0.39)	0.39	-	-	0.50	-	0.50	0.05
Technique Control Facility Management Private Limited	3.29	2.88	0.94	6.17	3.28	2.73	9.45	3.94
Next Level Experiences LLP	-	-	-	-	0.17	-	0.17	-
Embassy Office Parks Management Services Private Limited	-	-	1.68	-	-	1.68	-	1.68
Power and fuel expenses								
Embassy Services Private Limited	7.58	29.86	21.73	37.44	57.73	46.02	95.17	78.67
Legal and professional charges								
Embassy Services Private Limited	4.58	2.31	6.53	6.89	12.28	11.48	19.16	23.38
Embassy One Developers Private Limited	-	-	0.59	-	0.80	1.40	0.80	2.39
Technique Control Facility Management Private Limited	0.72	-	0.16	0.72	3.12	1.22	3.84	1.29
HVS Anarock Hotel Advisory Services Private Limited	1.50	-	-	1.50	-	-	1.50	-
Security charges								
Embassy Services Private Limited	-	-	(3.23)	-	-	(0.21)	-	9.45
Paledium securities LLP	8.30	8.78	-	17.08	15.07	-	32.15	-
Trademark and license fees								
Embassy Shelters Private Limited	0.36	0.35	0.36	0.71	0.71	0.71	1.42	1.42
Amount billed*								
Wework India Management Private Limited	244.37	246.08	142.77	490.45	383.24	303.11	873.69	617.53
Rental and maintenance income								
Wework India Management Private Limited	47.69	-	-	47.69	-	-	47.69	-
FIFC Condominium	1.25	1.26	1.26	2.51	2.52	2.52	5.03	5.03
Embassy Services Private Limited	1.74	2.00	0.56	3.74	2.90	2.22	6.64	5.54
Nexus Select Mall Management Private Limited	5.19	4.71	-	9.90	4.72	-	14.62	-
Snap Offices Private Limited	11.46	11.84	9.32	23.30	22.82	21.47	46.12	44.25
Blackstone Advisors India Private Limited	20.70	20.72	19.77	41.42	40.54	39.67	81.96	79.22
Income from generation of renewable energy from the tenants of								
Golflinks Software Park Private Limited	104.32	79.84	86.52	184.15	153.71	142.78	337.87	265.42

* Of the total revenue, an amount of Rs.12.25 million, is accrued as revenue from Embassy Office Parks Management Services Private Limited by Wework based on the businsess conducting agreement entered between Wework and Quadron

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the period/ year

Particulars	For the quarter ended 31 March 2023	For the quarter ended 31 December 2022	For the quarter ended 31 March 2022	For the half year ended 31 March 2023	For the half year ended 30 September 2022	For the half year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue - Room rentals, sale of food and beverages								
Jitendra Virwani	0.23	0.36	0.17	0.59	0.59	0.78	1.18	3.03
Embassy Property Developments Private Limited	0.75	5.63	0.74	6.39	0.89	4.48	7.27	5.35
Embassy Office Parks Management Services Private Limited	0.71	2.27	1.15	2.98	2.22	3.52	5.20	3.52
Embassy Services Private Limited	0.12	0.50	0.02	0.62	0.05	0.02	0.67	12.69
Embassy One Developers Private Limited	0.15	0.16	1.07	0.31	1.07	5.78	1.38	5.78
Wework India Managment Private Limited	-	5.52		5.52	-		5.52	-
Others	0.60	1.21	0.64	1.81	1.14	-	2.96	2.29
Other operating income								
Embassy Property Developments Private Limited	171.60	171.60	171.60	343.20	343.20	343.20	686.40	686.40
Golflinks Software Park Private Limited	14.63	14.63	11.25	29.25	29.25	22.50	58.50	45.00
Interest income								
Golflinks Software Park Private Limited	84.98	91.42	-	176.40	187.25	-	363.65	-
Embassy Property Developments Private Limited	176.15	157.96	198.45	334.11	310.10	355.28	644.21	718.03
Security deposits received								
Wework India Management Private Limited	-	-	-	-	85.19	-	85.19	-
Redemption of investment in debentures								
Golflinks Software Parks Private Limited	300.00	442.17	-	742.17	600.00	-	1,342.17	-
Reimbursement of expenses (received)/ paid								
Embassy Services Private Limited	-	-	0.71	-	-	0.71	-	0.71
FIFC Condominium	(2.61)	-	-	(2.61)	-	(3.09)	(2.61)	(3.09)
Embassy One Developers Private Limited	(1.39)	(6.11)	(1.59)	(7.49)	0.80	(9.05)	(6.70)	(5.71)
Golflinks Software Parks Private Limited	-	-	-	-	(3.04)	-	(3.04)	-
Technique Control Facility Management Private Limited	(0.54)	0.39	-	(0.14)	0.29	-	0.15	-
Embassy Office Parks Management Services Private Limited	(1.17)	1.17	0.32	-	-	11.73	-	29.87
Nexus Select Mall Management Private Limited	0.48	(0.23)	-	0.25	(0.25)	-	-	-
VTV Infrastructure Management Private Limited	(0.30)	-	-	(0.30)	-	-	(0.30)	-
Marketing and advertising expenses								
Next Level Experiences LLP	0.19	0.88	-	1.07	10.85	-	11.92	-
Receivable written off								
Golflinks Embassy Business Park Management Services LLP	1.76	-	-	1.76	-	-	1.76	-
Miscellaneous expenses								
Embassy Services Private Limited	0.03	0.30	-	0.32	0.42	0.99	0.75	1.52
Embassy Property Developments Private Limited	0.43	-	-	0.43		-	0.43	-
Technique Control Facility Management Private Limited	(0.04)	0.04	0.67	-	-	0.03	-	0.69
Embassy Office Parks Management Services Private Limited	-	-	-	-	-	1.26	-	1.26
Paledium Security Services LLP	-	-	-	-	-	0.13	-	0.13
Lounge Hospitality LLP	2.50	2.50	2.49	5.00	5.00	5.00	10.00	10.00

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

III. Related party balances

Particulars	As at 31 March 2023	As at 31 March 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 51)	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 accrued interest)**		
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
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 Rs.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 50).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.

50 Asset acquisition

During the year ended 31 March 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 31 March 2023 ("Acquisition Date").

Embassy REIT acquired 100% of the equity share capital of ECPL comprising 733,800 fully paid-up equity shares of Rs.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 Rs. 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.

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 Rs.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.

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EMBASSY REIT

51 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 Rs.8,256 million, of which Rs.8,163.64 million has already been paid as of 31 March 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 Rs.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 Rs.11,636.93 million as at 31 March 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 31 March 2023, MPPL has a receivable of Rs.166.88 million from EPDPL towards receipt of compensation for Block A pertaining to year ended 31 March 2023. Based on the confirmation received from EPDPL, Group has considered the amount as recoverable.

Block B

During the financial year ended 31 March 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 Rs.7,367 million, of which Rs.5,411.90 million has already been paid as of 31 March 2023 (31 March 2022: Rs.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 31 March 2023, MPPL has a receivable of Rs.176.15 million from EPDPL towards receipt of interest for Block B pertaining to year ended 31 March 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 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.

52 The figures for the quarter and half year ended 31 March 2023 are the derived figures between the audited figures in respect of the year ended 31 March 2023 and the published year-to-date figures upto period ended 31 December 2022 and 30 September 2022, which were subject to limited review. Similarly, the figures for the quarter and half year ended 31 March 2022 are the derived figures between the audited figures in respect of the year ended 31 March 2022 and the published year-to-date figures upto period ended 31 December 2021 and 30 September 2021, which were subject to limited review.

53 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 Rs.10 each for every 3.72 class A equity shares of face value of Rs.10 each, fully paid-up held in EOVPL.
- VTPL has issued and allotted 1 fully paid-up ordinary share of face value of Rs.10 each for every 3.14 ordinary equity shares of face value of Rs.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.

54 Distributions

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

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:54:07 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:11:06 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:45:10 +05'30'

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

12th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru-560 001, India
Tel: +91 80 6648 9000

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 judgment, 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 Rs. 246,260.89 million. Further the REIT has granted loans to its subsidiaries amounting to Rs. 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 recognized. 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.

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), capitalization 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.

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 authorization 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 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 judgment 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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:15:56 +05'30'

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 23209567BGXVYH7236

Place: Bengaluru, India
Date: April 27, 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Standalone Balance Sheet
(all amounts in Rs. million unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 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	15	190.44	463.90
Other current liabilities	16	108.70	88.61
Liabilities for current tax (net)	17	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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:02:20 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:40:34 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 12:34:27 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Standalone Statement of Profit and Loss
(all amounts in Rs. million unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 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	24		
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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 13:02:49 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:40:56 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:35:23 +05'30'

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

Standalone Statement of Cash Flows
(all amounts in Rs. million unless otherwise stated)

EMBASSY REIT

	For the year ended 31 March 2023	For the year ended 31 March 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**
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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 13:03:19 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:41:11 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:35:42 +05'30'

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

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 31 March 2022	**947.90**	**288,262.11**
Balance as at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 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 31 March 2022	13,397.42
Less: Distribution to Unitholders during the year ended 31 March 2022 * ^	(20,948.45)
Balance as at 31 March 2022	**(30,233.92)**
Balance as at 1 April 2022	**(30,233.92)**
Add : Total comprehensive income for the year ended 31 March 2023	12,791.48
Less: Distribution to Unitholders during the year ended 31 March 2023 * ^^	(20,247.01)
Balance as at 31 March 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 31 March 2022 does not include the distribution relating to the quarter ended 31 March 2022, as the same was paid subsequent to the year ended 31 March 2022.

^^ The distribution for year ended 31 March 2023 does not include the distribution relating to the quarter ended 31 March 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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 13:03:54 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:41:24 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:36:00 +05'30'

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

EMBASSY REIT

A) Statement of Net Assets at fair value

S.No	Particulars	Unit of measurement	As at 31 March 2023		As at 31 March 2022	
			Book value	Fair value	Book value	Fair value
A	Assets	Rs in million	345,539.19	454,854.32	333,083.64	435,060.15
B	Liabilities	Rs in million	94,966.53	94,966.53	75,055.45	75,055.45
C	Net Assets (A-B)	Rs 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)	Rs	**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 31 March 2023 and as at 31 March 2022 along with book values of other assets and liabilities accounted in the respective SPV financial statements as at 31 March 2023 and as at 31 March 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 categorized 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 31 March 2023	As at 31 March 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.

B) Statement of Total Returns at fair value

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 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 31 March 2023.

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 13:04:15 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:41:37 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:36:18 +05'30'

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

(all amounts in Rs. million unless otherwise stated)

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

Sl No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 27 April 2023, have declared distribution to Unitholders of Rs. 5.61 per unit which aggregates to Rs.5,317.68 million for the quarter ended 31 March 2023. The distribution of Rs.5.61 per unit comprises Rs.0.86 per unit in the form of interest payment, Rs.2.81 per unit in the form of dividend and the balance Rs.1.94 per unit in the form of repayment of debt. Along with distribution of Rs.15,261.09 million/ Rs.16.10 per unit for the nine months ended 31 December 2022, the cumulative distribution for the year ended 31 March 2023 aggregates to Rs.20,578.77 million/ Rs.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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 13:04:36 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:41:54 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 12:36:37 +05'30'

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

(all amounts in Rs. 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%
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 : 31 March 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 joint venture	Activities	Shareholding (in percentage)
Golflinks Software Park Private Limited ('GLSP')	Development and leasing of office space and related interiors (Embassy Golflinks Business Park), located at Bengaluru	Kelachandra Holdings LLP (50%), MPPL: 50%

2. Significant accounting policies

2.1 Basis of preparation of 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 31 March 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 31 March 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 27 April 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 Rupees in Millions, except when otherwise indicated.

Statement of compliance to Ind-AS

These Standalone financial statements for the year ended 31 March 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 31 March 2023, but either not relevant or do not have an impact on the 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.

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 31 March 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 Rupees, 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 Rupees 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 judgments 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).

2. Significant accounting policies (continued)

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 Rs.34,659.98 million as at 31 March 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 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.

2. Significant accounting policies (continued)

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.

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2. Significant accounting policies (continued)

h) Financial instruments (continued)

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

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

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

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

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

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.

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.

2. Significant accounting policies (continued)

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:
- 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

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.

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2. Significant accounting policies (continued)

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.

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 recognizes 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 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.

2. Significant accounting policies (continued)

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 recognizes a liability to make cash distributions to unitholders when the distribution is authorized, and a legal obligation has been created. As per the REIT Regulations, a distribution is authorized when it is approved by the Board of Directors of the Manager. A corresponding amount is recognized 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

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.

2. Significant accounting policies (continued)

x) Earnings before finance costs, impairment loss and tax

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

y) Distribution Policy

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to the Unitholders not less than ninety percent of the net distributable cash flows ('NDCF') of Embassy Office Parks REIT and the current policy of the Manager is to comply with such requirement. The NDCF is calculated in accordance with the REIT Regulations and in the manner provided in the NDCF framework defined by the Manager. The Manager has made certain clarificatory amendments to the NDCF framework under the Distribution Policy to ensure that there is no ambiguity in computing the NDCF at Embassy REIT and SPV/Holdco level. The amended framework is approved by a special majority in the Unitholder's Meeting held on 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 31 March 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 31 March 2023	As at 31 March 2022
a)	**Trade, unquoted investments in subsidiaries (at cost) (refer note below and note 26)**		
	- 405,940,204 (31 March 2022: 405,940,204) equity shares of Umbel Properties Private Limited of Rs.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 (31 March 2022: 2,129,635) equity shares of Quadron Business Park Private Limited of Rs.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 (31 March 2022: 1,999) equity shares of Embassy Energy Private Limited of Rs.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 (31 March 2022: 8,703,248) equity shares of Embassy Pune Techzone Private Limited of Rs.10 each, fully paid up	12,083.50	12,083.50
	- 1,461,989 (31 March 2022: 1,461,989) equity shares of Manyata Promoters Private Limited of Rs.100 each, fully paid up	99,475.27	99,475.27
	- 271,611 (31 March 2022: 271,611) equity shares of Qubix Business Park Private Limited of Rs.10 each, fully paid	5,595.08	5,595.08
	- 1,884,747 (31 March 2022: 1,884,747) equity shares of Oxygen Business Park Private Limited of Rs.10 each, fully paid up	12,308.89	12,308.89
	- 154,633,789 (31 March 2022: 185,604,589) equity shares of Earnest Towers Private Limited of Rs.10 each, fully paid up (refer note (b) below)	10,590.24	10,590.24
	- 6,134,015 (31 March 2022: 6,134,015) equity shares of Vikhroli Corporate Park Private Limited of Rs.10 each, fully paid up	10,710.94	10,710.94
	- 254,583 (31 March 2022: 254,583) equity shares of Indian Express Newspapers (Mumbai) Private Limited of Rs.100 each, fully paid up	13,210.96	13,210.96
	- 107,958 (31 March 2022: 107,958) equity shares of Galaxy Square Private Limited of Rs.100 each, fully paid up	4,662.50	4,662.50
	- 65,15,036 (31 March 2022: 65,15,036) Class A equity shares of Vikas Telecom Private Limited of Rs.10 each, fully paid up (refer note 39)	50,695.45	50,695.45
	- 3,300 (31 March 2022: 3,300) equity shares of Sarla Infrastructure Private Limited of Rs.1,000 each, fully paid up	6,870.02	6,870.02
	- 733,800 (31 March 2022: Nil) equity shares of Embassy Construction Private Limited of Rs.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 (31 March 2022: Nil) 8.15% debentures of Rs 1 million each (refer note (e) below and note 26)	8,157.83	-
		246,260.89	**239,333.52**

a) The recoverable amounts of the investments in subsidiaries have been computed based on value in use of the underlying properties, computed semi-annually in March and September of each financial year. The value in use is determined by iVAS Partners, independent external property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE South Asia Private Limited based on discounted cash flow method. Impairment loss for year ended 31 March 2023 amounts to Rs.1,295.12 million (year ended 31 March 2022: Rs.857.48 million). As at 31 March 2023, an amount of Rs.5,428.17 million (31 March 2022: Rs.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 Rs.)	50.00
Total consideration payable to Trust on capital reduction (in Rs. 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 Rs.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 31 March 2022.

(all amounts in Rs. million unless otherwise stated)

3 Non-current investments (continued)

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

Name of Subsidiary	As at 31 March 2023	As at 31 March 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%	-

(e) Investment in debentures of joint venture entity

1. 9,500 (31 March 2022: Nil) unlisted, unrated, secured, redeemable, non-convertible debentures of Golflinks Software Parks Private Limited with face value of Rs.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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Prepayments	-	1.47
	-	**1.47**

6 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023 amounting to Rs.599.29 million (31 March 2022 : Rs.536.97 million).

(all amounts in Rs. million unless otherwise stated)

7 Current loans

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

9 Other current assets

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

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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 31 March 2022	**947.90**	**288,262.11**
As at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 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 Rupees.

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Embassy Office Parks REIT for each financial year. Accordingly, a portion of the Unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders funds could have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/146/2016 dated 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 31 March 2023		As at 31 March 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 Rs.300.00 each and 111,335,400 Units at a price of Rs.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 Sponsors	Units held by sponsor group				% Change during the year ended 31 March 2023
	No. of units as at 31 March 2023	% of total units as at 31 March 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%)
BRE/Mauritius Investments (Co sponsor including co-sponsor group) (refer note 26)	223,597,193	23.59%	300,597,191	31.71%	(8.12%)

11 Other equity

Particulars	As at 31 March 2023	As at 31 March 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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(all amounts in Rs. million unless otherwise stated)

12 Borrowings

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Secured		
Non-convertible debentures		
15,000 (31 March 2022 : 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022 : 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) (refer note B below and note 13)	-	25,808.89
3,000 (31 March 2022 : 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) (refer note C below)	2,981.13	2,975.64
31,000 (31 March 2022 : 31,000) Embassy REIT Series V, Non-Convertible debentures (NCD) 2021, face value of Rs.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 (31 March 2022 : Nil) Embassy REIT Series VI, Non-Convertible debentures (NCD) 2022, face value of Rs.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 (31 March 2022 : 15,000) Embassy REIT Series II NCD 2020, face value of Rs.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 Rs.1 million each amounting to Rs.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 05 November 2020 respectively.

Security terms:

The NCD's are secured against each of the following in favor 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 31 March 2023 (refer note 13).
6. The Trust has maintained security cover of 2.5 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 8 September 2020.

12 Borrowings (continued)

B. 26,000 (31 March 2022: 26,000) Embassy REIT Series III NCD 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 favor of the Security Trustee (holding for the benefit of the Debenture Trustee and ranking pari passu inter se the Debenture Holders) :

1. A first ranking charge by way of mortgage created by VTPL on the constructed buildings and related parcels identified as Block 1A, Block 2 and Block 7B, having an aggregate leasable area of 3,43,772 square meters and forming part of the development known as Embassy TechVillage together with portion of land admeasuring 101,859 square meters on which the aforesaid buildings are constructed.
2. A first ranking charge by way of mortgage created by QBPPL on the constructed buildings and related parcels identified as Block IT 1 and Block IT 2, having an aggregate leasable area of 42,163 square meters and forming part of the development known as Embassy Qubix together with portion of land admeasuring 23,028 square meters on which the aforesaid buildings are constructed.
3. A first ranking pari passu pledge created by the Embassy REIT, MPPL and EOVPL 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 15 February 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 15 February 2024, hence have been disclosed under short term borrowings as at 31 March 2023 (refer note 13).
6. The Trust has maintained security cover of 2.37 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 13 January 2021.

C. 3,000 (31 March 2022: 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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
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.
5. The Trust has maintained security cover of 5.21 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 3 September 2021.

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12 Borrowings (continued)

D. 20,000 (31 March 2022: 20,000) Embassy REIT Series V - Series A, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 18 October 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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

E. 11,000 (31 March 2022: 11,000) Embassy REIT Series V - Series B, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 18 October 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 agreed minimum aggregate nominal value of debentures being redeemed.
5. The Trust has maintained security cover of 2.62 times as at 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

(all amounts in Rs. million unless otherwise stated)

12 Borrowings (continued)

F. 10,000 (31 March 2022: Nil) Embassy REIT Series VI - Non-Convertible debentures (NCD) 2022, face value of Rs.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 Rs.1 million each amounting to Rs.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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 31 March 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	-	31 March 2023	9 October 2023	30 June 2023
Embassy REIT Series III NCD 2021	Secured	-	31 March 2023	15 February 2024	30 June 2023
Embassy REIT Series IV NCD 2021	Secured	-	31 March 2023	7 September 2026	30 June 2023
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	31 March 2023	18 October 2024	30 June 2023
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	31 March 2023	18 October 2026	30 June 2023
Embassy REIT Series VI NCD 2022	Secured	-	31 March 2023	5 April 2027	30 June 2023

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 31 March 2023	As at 31 March 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

12 Borrowings (continued)

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 31 March 2023 (in Rs.)	Rs.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)	Rs.20,000 million
Mandatory borrowing to be done through debt securities in FY (T) (b) = (25% of a)	Rs.5,000 million
Actual borrowing done through debt securities in FY (T) (c)	Rs.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

Details of penalty to be paid, if any, in respect to previous block (all figures in Rs 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 31 March 2023, including current maturities of long-term debt: Rs.9,971.02 million (31 March 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 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 2022**
Secured		
Non-convertible debentures		
15,000 (31 March 2022 : 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022 : 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.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 15 February 2024, hence have been disclosed under short term borrowings (refer note 12 (B)).

(all amounts in Rs. million unless otherwise stated)

14 Trade payables

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

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(all amounts in Rs. million unless otherwise stated)

18 Interest income

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

Reconciliation of tax expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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**

23 Auditor's remuneration

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 2023	For the year ended 31 March 2022
Profit after tax for calculating basic and diluted EPU (Rs. in million)	12,791.48	13,397.42
Weighted average number of Units (No. in million)	947.90	947.90
Earnings Per Unit		
- Basic (Rupees/unit)	13.49	14.13
- Diluted (Rupees/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 31 March 2023	As at 31 March 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 Rs.15.66 million was raised. Accordingly, the rectification application was filed u/s 154 of the Act. The Trust has therefore, disclosed Rs. 15.66 million (31 March 2022: Nil) as contingent liability.

b. Statement of capital and other commitments

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

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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: 28 March 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

(all amounts in Rs. million unless otherwise stated)

26 Related party disclosures

C Transactions during the year

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 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		
Golflinks Software Park Private Limited	9,500.00	-
Redemption of investment in debentures		
Golflinks 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	-
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 31 March 2023 of Rs.840 million (31 March 2022 : Nil).*

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

(all amounts in Rs. million unless otherwise stated)

26 Related party disclosures

C Transactions during the year

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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	-
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*

(all amounts in Rs. million unless otherwise stated)

26 Related party disclosures

D Closing balances

Particulars	As at 31 March 2023	As at 31 March 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	-
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 Rs.5,428.17 million (31 March 2022 : Rs.4,133.05 million).*

(all amounts in Rs. million unless otherwise stated)

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
	31 March 2023	31 March 2023	31 March 2022	31 March 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.

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 31 March 2023 and year ended 31 March 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.

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(all amounts in Rs. million unless otherwise stated)

27 Financial instruments (continued)

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

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				Total
		Within 1 year	1–3 years	3-5 years	More than 5 years	
31 March 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**
31 March 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**

Following table provides detailed ageing for trade payables:

As at 31 March 2023

Particulars	Unbilled dues	Not due	Outstanding for the following periods from due date of payments				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(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 31 March 2022

Particulars	Unbilled dues	Not due	Outstanding for the following periods from due date of payments				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(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**

(all amounts in Rs. million unless otherwise stated)

27 **Financial instruments (continued)**

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.

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 31 March 2023 and 31 March 2022 are as follows:

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

30 **Details of utilisation of proceeds of Institutional placement as on 31 March 2023 are as follows :**

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2022	Unutilised amount as at 31 March 2022	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 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**	**-**

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

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2022	Unutilised amount as at 31 March 2022	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 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**	**-**

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

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 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**	**-**

(all amounts in Rs. million unless otherwise stated)

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

Particulars	For year ended 31 March 2023	For year ended 31 March 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**

34 Segment Reporting

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

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

36 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.

37 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 31 March 2023 amounts Rs. 239.47 million. There are no changes during the year ended 31 March 2023 in the methodology for computation of fees paid to the Manager.

38 Secondment fees

Pursuant to the Secondment agreement dated 11 March 2019, the Manager is entitled to fees of Rs. 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 31 March 2023 amounts to Rs.1.64 million. There are no changes during the year ended 31 March 2023 in the methodology for computation of secondment fees paid to the Manager.

39 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.

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 Rs.10 each for every 3.72 class A equity shares of face value of Rs.10 each, fully paid-up held in EOVPL.
- VTPL had issued and allotted 1 fully paid-up ordinary share of face value of Rs.10 each for every 3.14 ordinary equity shares of face value of Rs.10 each, fully paid-up held in EOVPL.

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40 During the year ended 31 March 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 31 March 2023 ("Acquisition Date").

The Trust acquired 100% of the equity share capital of ECPL comprising 733,800 fully paid-up equity shares of Rs.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 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 Rs.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.

41 Distributions

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:05:57 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 2023

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

JITENDRA MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:42:14 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 12:38:13 +05'30'

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

12th Floor
"UB City" Canberra Block
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Tel: +91 80 6648 9000

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 Rs. 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 Rs. 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 judgment, 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.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">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)</td></tr>
<tr><td>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 Rs. 291,579.80 million (including properties under construction –Rs. 12,063.70 million) and carrying value of Property, plant and equipment is Rs. 29,838.94 million (including capital work in progress – Rs. 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 recognized.

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.</td><td>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.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Classification of Unitholders' funds as equity
(as described in note 20(a) of the consolidated Ind AS financial statements)</td></tr>
<tr><td>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.</td><td>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.</td></tr>
</table>

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), capitalization 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 authorization 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.

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 judgments 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 judgment and maintain professional skepticism 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 Rs. 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

ADARSH RANKA

Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:07:12 +05'30'

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 23209567BGXVYF8769

Place: Bengaluru, India
Date: April 27, 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Consolidated Financial Statements
Consolidated Balance Sheet
(all amounts in Rs. million unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:35:42 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:13:15 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:48:41 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Consolidated Financial Statements
Consolidated Statement of Profit and Loss
(all amounts in Rs. million unless otherwise stated)

	Note	For the year ended 31 March 2023	For the year ended 31 March 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		5.34	9.37
Diluted, attributable to the Unitholders of the Trust		5.34	9.37

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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:36:10 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:13:50 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:49:17 +05'30'

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

Consolidated Statement of Cashflow
(all amounts in Rs. million unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 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)**
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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:36:37 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:14:04 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:50:13 +05'30'

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

Consolidated Statement of Changes in Unitholder's Equity
(all amounts in Rs. million unless otherwise stated)

A.

Unit Capital	No in Million	Amount
Balance as on 1 April 2021	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 2022	**947.90**	**288,262.11**
Balance as on 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Balance as at 31 March 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 31 March 2022	8,883.85	-
Add: Other Comprehensive Income for the year ended 31 March 2022#	0.83	-
Less: Distribution to Unitholders during the year ended 31 March 2022*^	(20,948.45)	-
Balance as at 31 March 2022	**(29,395.21)**	**-**
Balance as on 1 April 2022	**(29,395.21)**	**-**
Add: Profit for the year ended 31 March 2023	5,059.58	-
Add: Other Comprehensive Income for the year ended 31 March 2023#	3.51	-
Less: Distribution to Unitholders during the year ended 31 March 2023*^^	(20,247.01)	-
Less: Transfer to debenture redemption reserve	(244.20)	
Add: Transfer from retained earnings	-	244.20
Balance as at 31 March 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 31 March 2022 does not include the distribution relating to the quarter ended 31 March 2022, as the same was paid subsequent to the year ended 31 March 2022.

^^ The distribution for year ended 31 March 2023 does not include the distribution relating to the quarter ended 31 March 2023, as the same will be paid subsequently.

Other comprehensive income comprises of gain/ (loss) on remeasurements of defined benefit liability (net) of Rs.3.51 million for the year ended 31 March 2023 (31 March 2022: Rs.0.83 million).

As per our report of even date attached

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:37:03 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:14:20 +05'30'

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

TUHIN ARVIND PARIKH
Digitally signed by TUHIN ARVIND PARIKH
Date: 2023.04.27 11:50:47 +05'30'

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

A) Statement of Net Assets at fair value

S.No	Particulars	Unit of measurement	As at 31 March 2023		As at 31 March 2022	
			Book Value	Fair value	Book Value	Fair value
A	Assets	Rs in millions	464,117.67	594,601.82	451,958.79	567,192.96
B	Liabilities	Rs in millions	220,434.69	220,294.35	193,091.89	193,819.45
C	Net Assets (A-B)	Rs in millions	**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)	Rs	**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 31 March 2023 and 31 March 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 categorized 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 31 March 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
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.

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Consolidated Financial Statements
Consolidated Statement of Net Assets at fair value
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)

A) Statement of Net Assets at fair value (continued)

3) Property wise break up of Fair value of Assets as at 31 March 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 31 March 2023 and 31 March 2022 as disclosed above are solely based on the fair valuation report of iVAS Partners, independent external registered property valuers appointed under Regulation 21 of REIT regulations, having appropriately recognised professional qualifications and recent experience in the location and category of the properties being valued in conjunction with value assessment services undertaken by CBRE South Asia Pvt Ltd ('CBRE').

For the purpose of fair valuation of assets, the Embassy Office Parks Group has fair valued its investment 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 Rs.64,045.35 million (refer note 6) on book value basis (net off impairment loss). The Goodwill of Rs.64,045.35 million (31 March 2022: Rs.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 Rs.53,207.28 million (31 March 2022: Rs.53,207.28 million), calculated as a difference between the tax effect of the fair value of the acquired assets and liabilities and their tax bases.

Notes:

(i) Other assets at book value includes cash and cash equivalents, debt investments in GLSP and other working capital balances which are not factored in the discounted 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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:38:41 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:15:37 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:51:16 +05'30'

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

(all amounts in Rs. million unless otherwise stated)

B) Statement of Total Returns at Fair value

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 2023 and 31 March 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 31 March 2023 and 31 March 2022 as compared with the values as at 31 March 2022 and 31 March 2021 net of cash spent on construction during the year. The fair values of the afore-mentioned assets as at 31 March 2023 and 31 March 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 31 March 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 31 March 2023.

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:39:11 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:15:52 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:51:43 +05'30'

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

(all amounts in Rs. million unless otherwise stated)

EMBASSY REIT

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

(i) Embassy Office Parks REIT- Standalone

Sl No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 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**

Note:

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

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:39:40 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:16:10 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:52:06 +05'30'

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

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the year ended 31 March 2023 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 Firms registration number: 101049W/E300004

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 12:40:10 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI
Digitally signed by JITENDRA MOHANDAS VIRWANI
Date: 2023.04.27 12:16:28 +05'30'

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

TUHIN ARVIND PARIKH
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Tuhin Parikh
Director
DIN: 00544890
Place: Mumbai
Date: 27 April 2023

Embassy Office Parks REIT
RN: IN/REIT/17-18/0001
Consolidated Financial Statements
Disclosure pursuant to SEBI circular No. CIR/IMD/DF/146/2016
(all amounts in Rs. million unless otherwise stated)
(ii) Calculation of net distributable cash flows at each Asset SPV and HoldCo

For the year ended 31 March 2022 pursuant to guidance under Paragraph 6 to SEBI circular No. CIR/IMD/DF/146/2016

Sl No	Particulars	EPTPL	MPPL	EEPL	UPPL	ETPL	GSPL	IENMPL	OBPPL	QBPL	QBPPL	VCPPL	VTPL*	EOVPL*	SIPL	Total
1	**Profit/(loss) after tax as per Statement of Profit and Loss (standalone) (A)**	**277.07**	**4,772.68**	**228.30**	**(372.19)**	**398.82**	**236.01**	**427.62**	**(73.63)**	**(1,378.00)**	**239.00**	**285.87**	**832.95**	**(844.57)**	**(132.06)**	**4,897.87**
	Adjustment:															
2	Add/(Less): Non-cash and other adjustments as per the Statement of Profit and Loss, including but not limited to:															
	• Depreciation, amortisation and impairment	504.38	2,314.45	364.78	228.36	198.58	102.52	238.23	313.15	324.48	60.81	145.30	1,377.06	690.00	-	6,862.10
	• Assets written off or liabilities written back	(0.21)	(11.22)	0.75	(4.82)	(5.00)	(2.32)	(0.29)	(2.18)	10.04	(3.06)	(0.96)	(6.51)	(0.10)	-	(25.88)
	• Current tax charge as per Statement of Profit and Loss	54.57	974.99	56.31	1.10	152.91	50.35	170.42	(0.20)	1.47	47.90	102.21	11.92	-	-	1,623.95
	• Deferred tax	(3.16)	(167.30)	93.99	(128.42)	(3.33)	(8.89)	(13.96)	(37.82)	(788.30)	28.51	(22.24)	(159.25)	-	1.31	(1,208.86)
	• MAT adjustments	(109.81)	-	(56.31)	-	-	-	-	-	645.87	(48.28)	-	-	-	-	431.47
	• Ind AS adjustments (straight lining, effective interest for finance costs, straight lining of security deposits etc)	19.02	106.62	-	-	14.52	7.92	40.67	41.76	(1.81)	(19.27)	78.78	109.12	-	(44.02)	353.31
	• Acquisition related costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Add: Interest on Shareholders Debt from Embassy REIT, charged to Statement of Profit and Loss	457.84	2,578.13	716.61	224.72	132.19	228.77	374.37	855.58	1,565.98	312.80	498.77	2,649.90	-	82.71	10,678.37
4	Add/(Less): Loss/(gain) on sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Add: Proceeds from sale of real estate investments, real estate assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:															
	• Applicable capital gains and other taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Related debts settled or due to be settled from sale proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Directly attributable transaction costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	• Proceeds reinvested or planned to be reinvested as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Add: Proceeds from sale of real estate investments, real estate assets or sale of shares of SPVs/ Holdcos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(16)(d) or any other relevant provisions of the REIT Regulations, if such proceeds are not intended to be invested subsequently	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 31 March 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 Firms registration number: 101049W/E300004

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:40:43 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:16:48 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:53:12 +05'30'

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

(all amounts in Rs. 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 3 August 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. 31 March 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 31 March 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 31 March 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 27 April 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 there under 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 Rupees in Millions, except when otherwise indicated.

Statement of compliance to Ind-AS

These Consolidated Financial Statements for the year ended 31 March 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. 31 March 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 01, 2022.

Reference to the Conceptual Framework – Amendments to Ind AS 103

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

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

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards. 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 31 March 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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2. Significant accounting policies

2.1 Basis of preparation of Consolidated Financial Statements (continued)

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, 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.

2. Significant accounting policies (continued)

Basis of Business Combination (continued)

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

b) Basis of measurement

The 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.

c) Use of judgments 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, judgment 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 judgment. 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 judgments, 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 recognized. 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.

2.2 Summary of significant accounting policies (continued)

c) Use of judgments and estimates (continued)

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment during the year ended 31 March 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. Judgment 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 Rs.47,810 million as at 31 March 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.

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2.2 Summary of significant accounting policies (continued)

e) Measurement of fair values

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

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

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

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

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

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

While measuring the fair value of an asset or liability, the Embassy Office Parks Group uses market observable data as far as possible. Fair values are categorised into different levels in a 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 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.

2.2 Summary of significant accounting policies (continued)

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 recognized 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.
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.

2.2 Summary of significant accounting policies (continued)

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 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.

2.2 Summary of significant accounting policies (continued)

l) Financial instruments (continued)

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.

2.2 Summary of significant accounting policies (continued)

l) Financial instruments (continued)

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.

2.2 Summary of significant accounting policies (continued)

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 reorganization; 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.

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.

2.2 Summary of significant accounting policies (continued)

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 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 recognizes 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.

2.2 Summary of significant accounting policies (continued)

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 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.

2.2 Summary of significant accounting policies (continued)

t) Employee benefits (continued)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Embassy Office Parks Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Embassy Office Parks Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Embassy Office Parks Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Assets or liabilities related to employee benefit arrangements acquired on Business Combination are recognised and measured in accordance with Ind AS 19 Employee Benefits.

u) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that 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.

2.2 Summary of significant accounting policies (continued)

v) Taxation (continued)

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Embassy Office Parks Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Tax impact of timing difference which arise during the tax holiday period are recognised only to the 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.

2.2 Summary of significant accounting policies (continued)

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.

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 31 March 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 31 March 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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(all amounts in Rs. million unless otherwise stated)

3 Property, plant and equipment
Reconciliation of carrying amounts for the year ended 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 2023 includes impairment loss of Rs.886.18 million (31 March 2022: Rs.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 Rs.31.37 million (31 March 2022: Rs.433.05 million) at a capitalisation rate which is the SPV specific Weighted Average Borrowing Cost (WABC).

4 Capital work-in-progress

Particulars	As at 31 March 2023	As at 31 March 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 31 March 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 31 March 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 31 March 2023 and 31 March 2022, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on original approved plan.

(all amounts in Rs. million unless otherwise stated)

5 Investment properties

Reconciliation of carrying amounts for the year ended 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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 31 March 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.

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.

(all amounts in Rs. million unless otherwise stated)

5 Investment properties (continued)

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 Rs.579.51 million (31 March 2022: Rs.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 Rs.27,064.78 million (31 March 2022: Rs.27,403.87 million) which is recorded under Land Leasehold. The corresponding lease liability amounting to Rs.362.47 million (31 March 2022: Rs.347.98 million) is recorded as a financial liability.

xii. Accumulated depreciation as at 31 March 2023 includes impairment loss of Rs.31.71 million (31 March 2022: Rs.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 31 March 2023	For the year ended 31 March 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**

xv. Refer Note 22 for information on charge created by the group on its investment property.

xvi. Refer Note 46 for disclosure of contractual commitments for the acquisition of investment property.

xvii. Refer Note 51 for disclosure of assets acquired under lease.

xviii. **Fair value disclosures:**

Particulars	Amount
Fair value as at 31 March 2023	445,500.09
Fair value as at 31 March 2022	433,225.00

The fair value of investment property as at 31 March 2023 and 31 March 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 categorized 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 belnded 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.

(all amounts in Rs. million unless otherwise stated)

6 Goodwill [refer note 2.1 (i) (b)]

As at 31 March 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 31 March 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 31 March 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 31 March 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 31 March 2022, the fair value of other assets acquired was revised by Rs.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 31 March 2022 with a corresponding impact in the fair value of the asset taken over.

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.

As at 31 March 2023 and 31 March 2022

	As at 31 March 2023			As at 31 March 2022		
CGU	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 Rs.3,641.88 million as at 31 March 2023 (31 March 2022: Rs. 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.

(all amounts in Rs. million unless otherwise stated)

6 Goodwill (continued)

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.

As a result of the annual fair valuation, no impairment loss was recognized in the Statement of Profit and Loss during the year ended 31 March 2023 and 31 March 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 31 March 2023			As at 31 March 2022		
	Discount rate - completed projects	Discount rate - under construction projects	Capitalization rate	Discount rate - completed projects	Discount rate - under construction projects	Capitalization 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%	0.13	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 Rs.116,795.56 million (31 March 2022: Rs.101,896.71 million). Following change in discount rate and capitalization 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.

CGU	As at 31 March 2023			As at 31 March 2022		
	Discount rate - completed projects	Discount rate - under construction projects	Capitalization rate	Discount rate - completed projects	Discount rate - under construction projects	Capitalization 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.

(all amounts in Rs. million unless otherwise stated)

7 Other intangible assets
Reconciliation of carrying amounts for the year ended 31 March 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 31 March 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 31 March 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 31 March 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 31 March 2023	**4,394.65**	**582.27**	**-**	**38.93**	**5,015.85**
Carrying amount (net)					
As at 31 March 2022	**7,397.52**	**2,911.30**	**3,641.88**	**27.30**	**13,978.00**
As at 31 March 2023	**5,432.26**	**2,765.73**	**3,641.88**	**24.48**	**11,864.35**

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(all amounts in Rs. million unless otherwise stated)

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 31 March 2023	As at 31 March 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 31 March 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 31 March 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 31 March 2023 and 31 March 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 31 March 2023	As at 31 March 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

	As at 31 March 2023	As at 31 March 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

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(all amounts in Rs. million unless otherwise stated)

10 Non-current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Trade, unquoted, measured at amortised cost		
Investment in debentures of joint venture (refer note 49)	8,157.82	-
9,500 (31 March 2022: Nil) 8.15% debentures of face value of Rs.1,000,000 each		
	8,157.82	**-**

Terms:

9,500 (31 March 2022: Nil) unlisted, unrated, secured, redeemable, non-convertible debentures of Golflinks Software Parks Private Limited with face value of Rs.1,000,000 each was issued on 6 April 2022. Outstanding as on 31 March 2023 of Rs.8,157.82 million (31 March 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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Advance tax, net of provision for tax	976.62	814.99
	976.62	**814.99**

13 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Stock of consumables	35.89	11.09
	35.89	**11.09**

15 Trade receivables ^

Particulars	As at 31 March 2023	As at 31 March 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 Rs.180.06 million (31 March 2022: Rs.523.36 million) (refer note 49).

^ refer note 47 for ageing schedule based on requirements of Schedule III.

(all amounts in Rs. million unless otherwise stated)

16A Cash and cash equivalents

Particulars	**As at 31 March 2023**	**As at 31 March 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 31 March 2023 amounting to Rs.599.29 million (31 March 2022: Rs.536.97 million).

^ Includes unspent Corporate Social Responsibility (CSR) balances amounting to Rs.0.03 million (31 March 2022: Rs.34.50 million) which has been deposited in separate escrow accounts.

Includes Rs.1,767.29 million (31 March 2022: Nil) which has been deposited in a seperate escrow account for closure of loan in an SPV. Refer note 22(ix)

16B Other bank balances

Particulars	**As at 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 2022**
Advance tax, net of provision for tax	-	307.19
	-	**307.19**

19 Other current assets

Particulars	**As at 31 March 2023**	**As at 31 March 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**

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 31 March 2022	**947.90**	**288,262.11**
As at 1 April 2022	**947.90**	**288,262.11**
Changes during the year	-	-
Closing balance as at 31 March 2023	**947.90**	**288,262.11**

Note:

(a) Terms/ rights attached to Units

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

Under the provisions of the REIT Regulations, Embassy Office Parks REIT is required to distribute to Unitholders not less than 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 31 March 2023		As at 31 March 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 Rs.300.00 each and 111,335,400 Units at a price of Rs.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:

Sponsor	Units held by sponsor group				% Change during the year ended 31 March 2023
	No. of units as at 31 March 2023	% of total units as at 31 March 2023	No. of units as at 31 March 2022	% of total units as at 31 March 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)%

Sponsor	Units held by sponsor group				% Change during the year ended 31 March 2022
	No. of units as at 31 March 2022	% of total units as at 31 March 2022	No. of units as at 31 March 2021	% of total units as at 31 March 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 31 March 2023	As at 31 March 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 recognized 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.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Non-convertible debentures		
15,000 (31 March 2022: 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022: 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note (ii) below]	-	25,808.89
3,000 (31 March 2022: 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note (iii) below]	2,981.13	2,975.64
31,000 (31 March 2022 : 31,000) Embassy REIT Series V, Non-Convertible debentures (NCD) 2021, face value of Rs.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 (31 March 2022 : Nil) Embassy REIT Series VI, Non-Convertible debentures (NCD) 2022, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) (refer note (vi) below)	9,956.75	-
4,950 (31 March 2022: Nil) VTPL Series I, Non-Convertible debentures (NCD) 2022, face value of Rs.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 (31 March 2022 : 15,000) Embassy REIT Series II NCD 2020, face value of Rs.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 Rs.1 million each amounting to Rs.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 05 November 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.

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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 8 September 2020.

22 Non-current Borrowings (continued)

(ii) 26,000 (31 March 2022 : 26,000) Embassy REIT Series III NCD 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 15 February 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 15 February 2024, hence have been disclosed under short term borrowings as at 31 March 2023 (refer note 27)

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

(iii) 3,000 (31 March 2022: 3,000) Embassy REIT Series IV, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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.

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

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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 3 September 2021.

(iv) 20,000 (31 March 2022: 20,000) Embassy REIT Series V - Series A, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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.

22 Non-current Borrowings (continued)

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 18 October 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 (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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

(v) 11,000 (31 March 2022: 11,000) Embassy REIT Series V - Series B, Non-Convertible debentures (NCD) 2021, face value of Rs.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 Rs.1 million each amounting to Rs.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 18 October 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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 18 October 2021.

(vi) 10,000 (31 March 2022: Nil) Embassy REIT Series VI , Non-Convertible debentures (NCD) 2022, face value of Rs.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 Rs.1 million each amounting to Rs.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 31 March 2023, which is higher than the limit of 2 times stipulated in the debenture trust deed dated 31 March 2022.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(vii) 4,950 (31 March 2022: Nil) VTPL Series I, Non-Convertible debentures (NCD) 2022, face value of Rs.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 Rs.1 million each amounting to Rs.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 31 March 2023 to the extent of available profits.

VTPL has maintained Security Cover of 2.08 times as at 31 March 2023, which is higher than the limit of 1.85 times stipulated in the debenture trust deed dated 29 August 2022.

(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	-	31 March 23	9 October 23	30 June 23
Embassy REIT Series III NCD 2021	Secured	-	31 March 23	15 February 24	30 June 23
Embassy REIT Series IV NCD 2021	Secured	-	31 March 23	7 September 26	30 June 23
Embassy REIT Series V NCD 2021 (Series A)	Secured	-	31 March 23	18 October 24	30 June 23
Embassy REIT Series V NCD 2021 (Series B)	Secured	-	31 March 23	18 October 26	30 June 23
Embassy REIT Series VI NCD 2022	Secured	-	31 March 23	05 April 27	30 June 23
VTPL Series I NCD 2022	Secured	-	31 March 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 31 March 2023	As at 31 March 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

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(ix) (a) Lender 1 [balance as at 31 March 2023: Rs.Nil million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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

The loan has been foreclosed in the month of February 2023

(b) Lender 2 [balance as at 31 March 2023: Rs.6,279.76 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.753.52 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.4,916.87 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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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(all amounts in Rs. million unless otherwise stated)

(e) Lender 5, 6, 7 and 8 [balance as at 31 March 2023: Rs.11,906.34 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.1,899.05 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.Nil million (31 March 2022: Rs.1,866.69 million)]

1. Exclusive mortgage of undivided share of land admeasuring approximately 9.83 acres and building being constructed thereon at Hudson & Ganges blocks and MLCP Building at Embassy TechZone, Pune ("Project")

2. Exclusive charge on the entire current assets including receivables of EPTPL in relation to the Project.

3. Exclusive charge on the Escrow Account established and maintained pursuant to Escrow Agreement of EPTPL.

Repayment and interest terms	As at 31 March 2023	As at 31 March 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.

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(h) Lender 11 [balance as at 31 March 2023: Rs.16,462.86 million (31 March 2022: Rs.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 31 March 2023	As at 31 March 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 31 March 2023: Rs.750 million (31 March 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 31 March 2023	As at 31 March 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.

(j) Lender 13 [balance as at 31 March 2023: Rs.Nil million (31 March 2022: Rs.497.10 million)]

Unsecured loan

Repayment and interest terms	As at 31 March 2023	As at 31 March 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 31 March 2023: Rs.2,385.50 million (31 March 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
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 31 March 2023	As at 31 March 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	-

(all amounts in Rs. million unless otherwise stated)

22 Non-current Borrowings (continued)

(l) Lender 15 [balance as at 31 March 2023: Rs.16,226.95 million (31 March 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 31 March 2023	As at 31 March 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 31 March 2023: Rs.1,244.10 million (31 March 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 31 March 2023	As at 31 March 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 31 March 2023: Rs.1,749.20 million (31 March 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 31 March 2023	As at 31 March 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 (31 March 2022: Nil) Optionally Convertible debentures (OCD), face value of Rs.100,000 each issued to EPDPL (Co-sponsors):

Repayment and interest terms	As at 31 March 2023	As at 31 March 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. The OCDs are subject to early redemption on the 30th business day following 31 December, 2023 at a premium of Rs. 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 31 December, 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.	109.00	-

(xi) Changes in liabilities arising from financing activities

Repayment and interest terms	As at 31 March 2023	As at 31 March 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 31 March 2023 and 31 March 2022.

(all amounts in Rs. million unless otherwise stated)

EMBASSY REIT

23 Other non-current financial liabilities

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Deferred tax assets (net) (refer note 52)	121.10	89.30
	121.10	**89.30**

Deferred tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 2022
Deferred lease rental	600.86	541.92
Advances from customers	-	18.89
	600.86	**560.81**

27 Short-term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of long-term debt		
Secured		
Non-convertible debentures		
15,000 (31 March 2022 : 15,000) Embassy REIT Series II, Non-Convertible debentures (NCD) 2020, face value of Rs.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 (31 March 2022 : 26,000) Embassy REIT Series III, Non-Convertible debentures (NCD) 2021, face value of Rs.1,000,000 each (net of issue expenses, at amortised cost) [refer note 22(ii)]	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 (31 March 2022: Nil) Optionally Convertible Debentures (OCD), face value of Rs.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**

(all amounts in Rs. million unless otherwise stated)

28 Trade payables ^

Particulars	**As at 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 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**

30 Current provisions

Particulars	**As at 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 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 31 March 2023**	**As at 31 March 2022**
Provision for income-tax, net of advance tax	111.83	80.12
	111.83	**80.12**

(all amounts in Rs. million unless otherwise stated)

33 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 2023	As at 31 March 2022
Trade receivables	503.96	605.81
Unbilled maintenance	278.62	238.28

Revenue recognised over a period of time	For the year ended 31 March 2023	For the year ended 31 March 2022
Maintenance services	4,394.56	4,429.19

34 Interest income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 2023	For the year ended 31 March 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 31 March 2023	For the year ended 31 March 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 31 March 2023	For the year ended 31 March 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.

(all amounts in Rs. million unless otherwise stated)

38 Operating and maintenance expenses

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Power and fuel (net)	888.66	554.44
Operating consumables	79.56	31.20
	968.22	**585.64**

39 Other expenses

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 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 31 March 2022, the excess provision made of Rs.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 31 March 2023**	**For the year ended 31 March 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 31 March 2023**	**For the year ended 31 March 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 Rs.10,371.51 million (31 March 2021:Rs.9,524.56 million) and interest capitalised is Rs.610.88 million (31 March 2022: Rs.1,239 million) for the year ended 31 March 2023.

42 Depreciation and amortisation

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 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 31 March 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 Rs.2,513 million has been charged in the statement of profit and loss for the year ended 31 March 2023 respectively.

43 Tax expense

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 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.

	For the year ended 31 March 2023	For the year ended 31 March 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 (Rupees/unit)	5.34	9.37
- Diluted (Rupees/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 31 March 2023 amounts to Rs.695.42 million (31 March 2022: Rs.670.17 million). There are no changes during the year in the methodology for computation of fees paid to Manager.

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 31 March 2023 amounts to Rs.239.47 million (31 March 2022: Rs.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 Rs.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 31 March 2023 amounts to Rs.1.64 million (31 March 2022: Rs.1.56 million). There are no changes during the year in the methodology for computation of secondment fees paid to Manager.

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(all amounts in Rs. million unless otherwise stated)

46 Commitments and contingencies

Particulars	As at 31 March 2023	As at 31 March 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 31 March 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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 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**

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 Rs.172.28 million. The SPV has filed an appeal against the assessment order at the CIT (A) and has paid Rs.14.06 million under protest with balance demand stayed. Accordingly, the SPV has disclosed Rs.172.28 million (31 March 2022: Rs.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 (31 March 2022: Rs.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 Rs.26.82 million (31 March 2022: Rs. 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 Rs.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 Rs.3.76 million (31 March 2022: Rs.3.76 million) as contingent liability.

IENMPL: The SPV received a tax demand notice of Rs.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 Rs.9.25 million (31 March 2022: Rs.9.25 million) as contingent liability.

(all amounts in Rs. million unless otherwise stated)

46 Commitments and contingencies (continued)

Claims not acknowledged as debt in respect of Income Tax matters (continued)

VTPL:

(a) The SPV was reassessed u/s. 153C read with 143(3) of the Income Tax Act, 1961 for the AY 2003-04 and 2004-05. Certain additions u/s. 68 were made and tax demand of Rs.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 Rs.25.17 million (31 March 2022: Rs.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 Rs.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 Rs.10 million. The SPV has provided for the same in the financial statements and therefore disclosed Nil (31 March 2022: Rs. 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 Rs.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 Rs.1.87 million in the current financial year. Therefore, the SPV has disclosed Nil (31 March 2022: Rs.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 Rs.15.66 million was raised. Accordingly, the rectification application was filed u/s 154 of the Act. The Trust has therefore, disclosed Rs. 15.66 million (31 March 2022: Nil) as contingent liability.

iii) Claims not acknowledged as debt in respect of Indirect Tax matters

Particulars	As at 31 March 2023	As at 31 March 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 Rs.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 31 March 2012. Appeal has been filed before CESTAT dated 18 April 2016. The appeal is pending before CESTAT and the amount of Rs.522.04 million (31 March 2022: Rs.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 Rs.31.60 million for the period 1 April 2015 to 15 February 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 Rs.31.60 million (31 March 2022: Rs.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 Rs.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 Rs.102.38 million (31 March 2022: Rs.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 Rs.10.01 million, irregular availment of credit of Rs.6.87 million and non-payment of service tax of Rs.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 Rs.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 Rs.35.68 million (31 March 2022: Rs.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 Rs.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 Rs.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 Rs.29.05 million (31 March 2022: Rs.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 Rs.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 Rs.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 Rs.23.99 million (31 March 2022: Rs.23.99 million) as contingent liability.

UPPL:

The SPV had received show cause notices dated 3 July 2015 for demand due to irregular cenvat credit availed for Rs 23.04 million relating to period from 1 April 2011 to 31 March 2016. Responses have been filed and is pending before the Commissioner of Service Tax. Accordingly, the aforementioned demand of Rs.23.04 million (31 March 2022: Rs.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 Rs.4.31 million for the period 1 April 2015 to 15 February 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 Rs.4.31 million (31 March 2022: Rs.4.31 million) has been disclosed as contingent liability.

(all amounts in Rs. million unless otherwise stated)

46 Commitments and contingencies (continued)

iv) Claims not acknowledged as debt in respect of Property Tax matters

Particulars	As at 31 March 2023	As at 31 March 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 Rs.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 Rs.646.69 million (31 March 2022: Rs.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 Rs.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 Rs.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 Rs.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 24 July 2019 and 18 March 2021 were issued to pay a sum of Rs.78.56 million (including penalty) and Rs.27.25 million (including penalty) towards the differential property tax for the year 2018-19 and 2019-20 respectively and the SPV has paid Rs.35.26 million towards property tax demanded under protest. However, BBMP vide notice dated 17 June 2021 have returned the demand draft amount of Rs.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 Rs.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 Rs. 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 Rs.679.40 million (31 March 2022: Rs.679.40 million) has been disclosed in these financial statements. Pursuant to the return of the demand draft amounting to Rs.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 Rs.9.08 million. Basis the order of the Hon'ble High Court of Karnataka, MPPL has deposited the principal payment of Rs.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 31 March 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 Rs.2.83 million (31 March 2022: Rs.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 Rs.0.68 million (31 March 2022: Rs.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 Rs.111.86 million from Office of the Commissioner of Service tax towards wrongly availed Cenvat credit during the period 1 April 2009 to 31 March 2011. Appeal has been filed before CESTAT. As at 31 March 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 Rs.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 INR 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 (categorized as operational debts) aggregating up to Rs.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 Rs.1,082.50 million (including interest up to September 2019) and interest thereon against EEPL. During the previous year ended 31 March 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 Rs.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 Rs.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.

46 Commitments and contingencies (continued)

Other matters (continued)

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 31 March 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'b1e 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 judgment 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 Rs.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 Rs. 127.91 million along with interest amounting to INR 184.19 million. MPPL has paid the betterment charges of Rs. 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 Rs.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 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 Rs. 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 Rs. 0.89 million towards NOC charges and treated water charges and the NOC is received. The balance amount of Rs.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 Rs.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 Rs.17.91 million towards NOC charges and treated water charges and the balance amount of Rs.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 (31 March 2022: Rs.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 Rs.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 Rs.3.2 million and the said demand notice will be subject to outcome of the Writ Petition. The aforesaid Rs.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. Rs.65.67 million. SPV has paid the requisite fee of Rs.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.

(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.

(all amounts in Rs. million unless otherwise stated)

47 Financial instruments - Fair values

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

Particulars	Carrying value 31 March 2023	Fair Value 31 March 2023	Carrying value 31 March 2022	Fair Value 31 March 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	58,318.25	-	46,025.09	-
Borrowings (including current maturities of long-term debt) - fixed	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.

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 31 March 2023 and year ended 31 March 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.

(all amounts in Rs. million unless otherwise stated)

47 Financial instruments (continued)

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 31 March 2023			As at 31 March 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.

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 31 March 2023	As at 31 March 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 31 March 2023		For the year ended 31 March 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 31 March 2023 and 31 March 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 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 31 March 2023

Particulars	Outstanding for the following periods from due date of payments						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	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**

(all amounts in Rs. million unless otherwise stated)

47 Financial instruments (continued)
As at 31 March 2022

Particulars	Outstanding for the following periods from due date of payments						
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	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	-	-	-	-	-	-	-
(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:-

	As at 31 March 2023	As at 31 March 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 31 March	**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	As at 31 March 2023	1,028.89	-	-	1,028.89
		As at 31 March 2022	890.02	-	-	890.02

iii. Cash and bank balances

The Group holds cash and cash equivalents of Rs.8,173.48 million (31 March 2022: Rs.5,884.49 million) and fixed deposits with bank of Rs.763.00 million (31 March 2022: Rs.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 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 31 March 2023	Contractual cash flows				
		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**

(all amounts in Rs. million unless otherwise stated)

47 Financial instruments (continued)

Particulars	Carrying value as at 31 March 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 for trade payables:
As at 31 March 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 31 March 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**

Financing Arrangements

The Group has access to the following undrawn borrowing facilities as at end of the reporting period:

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023 and 31 March 2022 are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt	144,619.06	119,883.45
GAV	514,141.14	493,673.00
Net debt to GAV	**28.13%**	**24.28%**

(all amounts in Rs. million unless otherwise stated)

48 Operating segments

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker ('CODM') evaluates the Embassy Office Parks' performance and allocates resources based on an analysis of various performance indicators by operating segments. The accounting principles used in the preparation of the 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 categorized based on items that are individually identifiable to that segment.

Net Operating Income ('NOI') is the key metric reported to the CODM for the purposes of assessment of the segment results. The same is defined as follows:

a) Commercial Offices segment:
NOI for Commercial Offices is defined as revenue from operations (which includes (i) facility rentals, (ii) maintenance services income, (iii) income from finance lease, and (iv) other operating income for Commercial Offices) less direct operating expenses (which includes (i) operating and maintenance expenses including common area maintenance expenses (ii) property taxes, (iii) rent and (iv) insurance).

b) Hospitality segment:
NOI for hospitality segment is defined as revenue from operations (which includes (i) room rentals, (ii) sale of food and beverages, (iii) other operating income from hospitality) less direct operating expenses (which includes (i) cost of materials consumed, (ii) employee benefits expenses, (iii) operating and maintenance expenses excluding property management fees and (iv) other expenses).

c) Other segment:
NOI for other segments is defined as revenue from operations (which includes income from generation of renewable energy) less direct operating expenses (which includes (i) operating and maintenance expenses and (ii) other expenses).

Certain income (such as interest, dividend and other income) and certain expenses (such as other expenses excluding direct operating expenses, depreciation, amortisation, impairment loss and finance cost) are not specifically allocable to segments and accordingly these expenses are adjusted against the total income of the Embassy Office Parks Group.

Further, the information relating to segment assets and segment liabilities are not regularly provided to CODM for review and hence the same is not disclosed.

Particulars	Commercial offices		Hospitality		Other Segment		Total	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 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**

(all amounts in Rs. million unless otherwise stated)

48 Operating segments (continued)

An analysis of CGU wise Segment Revenues and Segment Results is given below

For the year ended 31 March 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 31 March 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**

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 31 March 2023

Segment	**Commercial Offices**												**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 31 March 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

49 <u>Related party disclosures</u>

I. List of related parties

A. Parties to Embassy Office Parks REIT

Embassy Property Developments Private Limited - Co-Sponsor
BRE/ Mauritius Investments - Co-Sponsor
Embassy Office Parks Management Services Private Limited - Manager
Axis Trustee Services Limited - Trustee

BRE/ Mauritius Investments - Co-Sponsor

SG Indian Holding (NQ) Co. I Pte. Limited
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)

<u>Directors</u>

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)

<u>KMPs</u>

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

Golflinks 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

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the year

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 Rs.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.

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the year

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 Rs.12.25 million, is accrued as revenue from Embassy Office Parks Management Services Private Limited by Wework based on the businsess conducting agreement entered between Wework and Quadron

**Represents the 10% management fee on business conducting agreement with Wework

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

II Related party transactions during the year

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 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

(all amounts in Rs. million unless otherwise stated)

49 Related party disclosures (continued)

III. Related party balances

Particulars	As at 31 March 2023	As at 31 March 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
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 Rs.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.

(all amounts in Rs. million unless otherwise stated)

50 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 31 March 2023	For the year ended 31 March 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 31 March 2023	As at 31 March 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 31 March 2023	As at 31 March 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**

(iii) Net defined benefit obligations recognised in balance sheet:

Closing obligations	9.68	7.94
Closing fair value of plan assets	(0.04)	(0.03)
	9.64	**7.91**

Liability recognized in the balance sheet		
Net liability:	**9.65**	**7.91**
Non-current	8.20	7.64
Current	1.45	0.27

(all amounts in Rs. million unless otherwise stated)

50 Employee benefits (continued)

b. (i) Expense recognized in statement of profit and loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Service cost	5.10	3.71
Interest cost	0.49	0.54
Net gratuity cost	**5.59**	**4.25**

(ii) Remeasurements recognized in other comprehensive income:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 2023	For the year ended 31 March 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 31 March 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

Particulars	For the year ended 31 March 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 Rs.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 31 March 2023	As at 31 March 2022
Weighted average duration (based of discounted cashflows)	2 yrs to 18 yrs	3 yrs to 15 yrs

(iii) The expected future cash flows in respect of gratuity:

Projected benefits payable in future years from the reporting date	As at 31 March 2023	As at 31 March 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

(all amounts in Rs. million unless otherwise stated)

50 Employee benefits (continued)

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 recognized in the balance sheet

	As at 31 March 2023	As at 31 March 2022
Non-current	-	-
Current	11.60	5.97
Total	**11.60**	**5.97**

(ii) Expense recognized in statement of profit and loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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.

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(all amounts in Rs. million unless otherwise stated)

51 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 recognized 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 31 March 2023 and 31 March 2022 on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 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 31 March 2023 is Rs.23,798 million (31 March 2022: Rs.22,162.32 million).

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 31 March 2023 is Rs.217.58 million (31 March 2022: Rs.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 31 March 2023			As at 31 March 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:

	Balance as on 1 April 2022	Additions during the year	Deletions during the year	Depreciation for the year	Carrying amount as at 31 March 2023
Leasehold land	27,403.87	22.02	-	361.11	27,064.78
Total	**27,403.87**	**22.02**	**-**	**361.11**	**27,064.78**

	Balance as on 1 April 2021	Additions during the year	Deletions during the year	Depreciation for the year	Carrying amount as at 31 March 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 31 March 2023 and 31 March 2022.
Rental expense recorded for short-term leases was Nil (31 March 2022: Nil) for the year ended 31 March 2023.

The details of the lease liabilities of the Group is as follows:

	Balance as on 1 April 2022	Interest on Lease Liabilities	Lease Payments	Carrying amount as at 31 March 2023
Lease Liability	347.98	34.84	20.35	362.47
Total	**347.98**	**34.84**	**20.35**	**362.47**

	Balance as on 1 April 2021	Interest on Lease Liabilities	Lease Payments	Carrying amount as at 31 March 2022
Lease Liability	334.87	33.77	20.66	347.98
Total	**334.87**	**33.77**	**20.66**	**347.98**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2023 and 31 March 2022 on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 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.

(all amounts in Rs. million unless otherwise stated)

52 Deferred tax assets, deferred tax liabilities and tax expense

(a) Deferred tax balances

Particulars	**As at 31 March 2023**	**As at 31 March 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 Rs.725.33 million (31 March 2022: Rs. Nil).

(c) Reconciliation of Effective Tax Rate

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 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**

53 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 31 March 2023	**As at 31 March 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 31 March 2023**	**As at 31 March 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**

(all amounts in Rs. million unless otherwise stated)

b) Summarised Statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 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 31 March 2023	As at 31 March 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 Rs.	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**

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

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2022	Unutilised amount as at 31 March 2022	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 2023
Funding of consideration for the acquisition of the ETV SPVs,	34,068.14	34,068.14	-	-	-
Debt funding to the ETV SPVs for partial or full repayment or pre-	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**	**-**

55 Details of utilisation of proceeds of issue of Embassy REIT Series V NCD 2021 as on 31 March 2023 are as follows:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2022	Unutilised amount as at 31 March 2022	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 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**	**-**

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

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 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**	**-**

57 Details of utilisation of proceeds of issue of VTPL Series I NCD 2022 as on 31 March 2023 are as follows:

Objects of the issue as per the prospectus	Proposed utilisation	Actual utilisation upto 31 March 2023	Unutilised amount as at 31 March 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**	**-**

58 Asset acquisition

During the year ended 31 March 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 31 March 2023 ("Acquisition Date").

Embassy REIT acquired 100% of the equity share capital of ECPL comprising 733,800 fully paid-up equity shares of Rs.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 Rs. 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.

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	**3,876.72**

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 Rs.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.

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59 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 Rs.8,256 million, of which Rs.8,163.64 million has already been paid as of 31 March 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 Rs.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 Rs.11,636.93 million as at 31 March 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 31 March 2023, MPPL has a receivable of Rs.166.88 million from EPDPL towards receipt of compensation for Block A pertaining to year ended 31 March 2023. Based on the confirmation received from EPDPL, Group has considered the amount as recoverable.

Block B

During the financial year ended 31 March 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 Rs.7,367 million, of which Rs.5,411.90 million has already been paid as of 31 March 2023 (31 March 2022: Rs.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 31 March 2023, MPPL has a receivable of Rs.176.15 million from EPDPL towards receipt of interest for Block B pertaining to year ended 31 March 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 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.

60 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 Rs.10 each for every 3.72 class A equity shares of face value of Rs.10 each, fully paid-up held in EOVPL.
- VTPL has issued and allotted 1 fully paid-up ordinary share of face value of Rs.10 each for every 3.14 ordinary equity shares of face value of Rs.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 27 April 2023, have declared distribution to Unitholders of Rs.5.61 per unit which aggregates to Rs.5,317.68 million for the quarter ended 31 March 2023. The distribution of Rs.5.61 per unit comprises Rs.0.86 per unit in the form of interest payment, Rs.2.81 per unit in the form of dividend and the balance Rs.1.94 per unit in the form of repayment of debt. Along with distribution of Rs.15,261.09 million/ Rs.16.10 per unit for the nine months ended 31 December 2022, the cumulative distribution for the year ended 31 March 2023 aggregates to Rs.20,578.77 million/ Rs.21.71 per unit.

As per our report of even date attached

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

ADARSH RANKA Digitally signed by ADARSH RANKA Date: 2023.04.27 12:42:42 +05'30'

per **Adarsh Ranka**
Partner
Membership number: 209567
Place: Bengaluru
Date: 27 April 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 MOHANDAS VIRWANI Digitally signed by JITENDRA MOHANDAS VIRWANI Date: 2023.04.27 12:17:13 +05'30'

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

TUHIN ARVIND PARIKH Digitally signed by TUHIN ARVIND PARIKH Date: 2023.04.27 11:56:31 +05'30'

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

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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"UB City" Canberra Block
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Independent Auditor's Report on Security Cover, Compliance with Covenants and Book Value of Assets as at March 31, 2023 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated May 19, 2022 for submission to Stock Exchange and SBICAP Trustee Company Limited (the 'Debenture Trustees')

To
The Board of Directors,
Embassy Office Parks Management Services Private Limited ("Manager"),
[Acting in its capacity as Manager of Embassy Office Parks REIT],
Royal Oaks, Embassy Golf Links Business Park,
Off Intermediate Ring Road,
Bengaluru - 560071

1. This Report is issued in accordance with the terms of our master engagement agreement dated July 8, 2022, as amended with Embassy Office Parks Management Services Private Limited.

2. We S.R. Batliboi & Associates LLP, Chartered Accountants, are the Statutory Auditors of Embassy Office Parks REIT (hereinafter the "Trust") and have been requested by the Trust to examine the accompanying Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets" in relation to 7,500 listed, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche A), debentures having face value of Rs.1 million each amounting to Rs.7,500.00 million and 7,500 listed, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche B), debentures having face value of Rs.1 million each amounting to Rs.7,500.00 million (hereinafter together referred to as "NCDs") issued by the Trust, as at March 31, 2023 (hereinafter referred to as the "Statement") which has been prepared by the Management of the Manager ('the Management') from the audited consolidated financial results of the Trust as at and for the half year ended March 31, 2023 (hereinafter "audited consolidated financial results"), audited standalone financial results of the Trust as at and for the half year ended March 31, 2023 (hereinafter "audited standalone financial results") and other relevant records and documents maintained by the Trust as at and for the half year ended March 31, 2023, pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular"), and has been initialed by us for identification purpose only.

   This Report is required by the Trust for the purpose of submission with SBICAP Trustee Company Limited (hereinafter the 'Debenture Trustee') to ensure compliance with the SEBI Regulations and SEBI Circular in respect of the NCDs. The Trust has entered into an agreement dated September 08, 2020 with the Debenture Trustee ("DTD dated September 08, 2020" or "Trust deed"). The Management has represented to us that DTD dated September 08, 2020 has been amended vide letter dated July 5, 2021 issued by Debenture Trustee to the Trust.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The Management is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and SEBI Circular. The Management is also responsible for providing all relevant information to the Debenture Trustee and for complying with the financial covenants as prescribed in the DTD dated September 08, 2020.

Auditor's Responsibility

5. It is our responsibility to provide limited assurance and conclude as to whether the:
   (a) Trust has maintained hundred percent Security cover or higher Security cover as per the terms of the Trust deed;
   (b) Trust is in compliance with all the covenants (including financial covenants) as mentioned in the Trust Deed as on March 31, 2023; and
   (c) Book values of assets as mentioned in Column 'C' and Column 'F' of Annexure I to the Statement are in agreement with the books of accounts underlying the audited consolidated financial results of the Trust and book values of assets as mentioned in Column 'C' and Column 'F' of Annexure II to the Statement are in agreement with the books of accounts underlying the audited standalone financial results of the Trust, as at March 31, 2023.

6. We have audited standalone and consolidated financial results of the Trust for the year ended March 31, 2023, prepared by the Trust pursuant to the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") and issued unmodified conclusions dated April 27, 2023. We conducted our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India ("ICAI").

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information, the audited consolidated financial results or the audited standalone financial results of the Trust taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the audited consolidated financial results or the audited standalone financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:

    a) Obtained and read the Trust Deed and Information Memorandum dated September 04, 2020 (hereinafter together referred to as "Information Memorandum") pursuant to which the NCDs have been issued and noted that as specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020, which requires maintenance of LTV of Secured Assets at maximum of 49%.

    b) In relation to amount of "Total outstanding nominal value of the Debentures and accrued but unpaid Coupon" used in calculation of Security cover ratio and LTV of Secured Assets in the Statement, we have traced the amounts of underlying components of the said amount to the audited consolidated financial results of the Trust, audited standalone financial results of the Trust and audited books of account maintained by the Trust as on March 31, 2023.

    c) Obtained and read the list of security cover in respect of NCDs outstanding as per the Statement which is defined in the Statement as "aggregate value of the Mortgage Properties and the Portfolio Assets of IENPL as determined by a valuer in accordance with the REIT Regulations" in respect of 2020 NCDs (hereinafter "Secured Assets 2020 NCDs"), are hereinafter together referred to as "Secured Assets".

        i. In relation to Secured Assets 2020 NCDs, we have traced the value of such assets from the Statement to the Valuation Report dated April 24, 2023 issued by CBRE South Asia Private Limited.

    d) Obtained the list of security created in the register of charges maintained by the subsidiary companies of the Trust that have provided security in relation to 2020 NCDs and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA') by such companies in this regard. Traced the value of charge created against Secured Assets to the Security Cover in the attached Statement.

    e) The Management has represented to us that the Secured Assets have not been placed under lien or encumbrance for the purpose of obtaining any other loan. We have relied on the same and not performed any independent procedure in this regard.

    f) Examined and verified the arithmetical accuracy of the computation of security cover calculation in relation to NCDs in the accompanying Statement.

    g) In relation to 2020 NCDs, we have compared the Security Cover i.e. the LTV of Secured Assets with the LTV of Secured Assets required to be maintained as per DTD dated September 08, 2020 and noted that LTV of Secured Assets as at March 31, 2023 as calculated in the Statement is within the maximum limit as specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020.

h) With respect to 'Compliance with financial covenants' included in the attached Statement, we have performed following procedures:

(a) Obtained and verified the computation of Net Total Debt divided by EBITDA, Loan to Value Ratios, Total EBITDA of EPTPL and IENPL as defined in the Statement.

(b) In relation to the computation of Loan to Value Ratios and Net Total Debt divided by EBITDA, we have traced the amounts of underlying components of Net Total Debt and EBITDA to the audited consolidated financial results and other relevant records and documents maintained by the Trust as at and for the year ended March 31, 2023. Management has represented to us that as per terms of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust) the above calculation of EBITDA includes '50% of EBITDA of Golflinks Software Park Private Limited ("GLSP")'. We have relied on such management representation and have not performed any procedures in relation to such '50% of EBITDA of GLSP' included in the calculation of EBITDA. Further, in the calculation of the EBITDA, the management has represented to us that in relation to fit out rentals and rental support income, the entire contracted cash flows for the year ended March 31, 2023 as per the underlying agreements pertaining to such fit out rentals and rental support income is required to be considered as per terms of the DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust).

(c) As per terms of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust), the REIT's share of fair value of Golflinks Software Park Private Limited ('GLSP') property is required to be considered in Gross Asset Value only if the REIT incurs any financial indebtedness and utilises the proceeds of that financial indebtedness to on-lend to GLSP. Since, as at March 31, 2023, REIT has incurred financial indebtedness to on-lend to GLSP, the Gross Asset Value as calculated in the Statement includes the REIT's share of fair value of GLSP property in respect of 2020 NCDs.

We have traced the fair value of properties included in the calculation of the said Gross Asset Value to the fair value of the said properties as mentioned in the Valuation Report dated April 24, 2023 issued by CBRE South Asia Private Limited.

(d) In relation to the computation of Total EBITDA of EPTPL and IENPL as defined in the Statement, we have traced the underlying components of Total EBITDA of EPTPL and IENPL to the underlying amounts used in the preparation of amounts for the year ended March 31, 2023 as disclosed in the audited consolidated financial results, which have been used for calculation of Total EBITDA of EPTPL and IENMPL for the year ended March 31, 2023. As per terms of DTD dated September 08, 2020, the issuer shall ensure that the Mortgage Properties and the Portfolio Assets of IENPL contribute atleast INR 2,250 million to the EBITDA of Embassy Office Parks Private Limited ('EOPPL') and IENPL. Pursuant to the composite scheme of arrangement approved by National Company Law Tribunal during the year ended March 31, 2021, EOPPL has transferred its commercial office business to Embassy Pune Techzone Private Limited (‘EPTPL’). Accordingly, EPTPL's EBITDA has been considered for the calculation of Total EBITDA of EPTPL and IENPL, instead of EOPPL's EBITDA.

i) With respect to ‘Security cover as per SEBI circular dated May 19, 2022’ included in the attached Statements, we have performed the following procedures:

(i) With respect to ‘Annexure I - consolidated security cover computation’ (hereinafter referred to as “Annexure I” to the Statement, we have performed the following procedures:

(1) Traced the book value of assets as mentioned in Column C of the Annexure I from the books of accounts and other relevant records and documents maintained by the Trust underlying the audited consolidated financial results.

(2) Management has represented to us that the amount required to be mentioned in Column C of the Annexure I in line item Property, Plant and Equipment is the carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the books of account maintained by the subsidiaries of the Trust (that own such assets) as at March 31, 2023 and the said amount is accordingly mentioned by the management in the said line item. We have relied on such management representation in this regard.

(3) Annexure I has been prepared by the management and we have not performed any procedures in relation to the said Annexure I other than as mentioned in (1) and (2) above.

ii. With respect to ‘Annexure II- standalone security cover computation’ (hereinafter referred to as “Annexure II” to the Statement, we have performed the following procedures:

(1) Traced the book value of assets as mentioned in Column C of the Annexure II from the books of accounts and other relevant records and documents maintained by the Trust underlying the audited standalone financial results.

(2) Annexure II has been prepared by the management and we have not performed any procedures in relation to the said Annexure II other than as mentioned in (1) above.

j) With respect to covenants other than those mentioned in paragraph 10(h) above i.e. “Compliance with all covenants other than financial covenants” as mentioned in the Statement, the management has represented and confirmed that the Trust has complied with all the other covenants including affirmative, informative and negative covenants, as prescribed in the Trust Deed. We have relied on the same and not performed any independent procedure in this regard.

k) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:
    a) The Trust has maintained hundred percent security cover or higher security cover as per the terms of the Trust Deed.
    b) The Trust is in compliance with all the covenants (including financial covenants) as mentioned in the Trust deed; and
    c) Book values of assets as mentioned in Column 'C' and Column 'F' of Annexure I to the Statement are in agreement with the books of account underlying the audited consolidated financial results of the Trust and book values of assets as mentioned in Column 'C' and Column 'F' of Annexure II to the Statement are in agreement with the books of account underlying the audited standalone financial results of the Trust, as at March 31, 2023.

Restriction on Use

12. The Report has been issued at the request of the Trust, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Stock Exchange and Debenture Trustee and is not to be used or referred to by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:40:55 +05'30'

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 23209567BGXVYC7973

Place: Bengaluru
Date: April 27, 2023

Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

This statement contains details of maintenance of security cover including compliance status with financial convenants as at and for the half-year ended March 31, 2023 ("The Statement") in respect of Listed, Secured, Redeemable and Non-Convertible Debentures ('NCDs') issued by the Trust with particular reference to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter 'SEBI Regulations') and Securities and Exchange Board of India ("SEBI") circular dated May 19, 2022 in relation to 7,500 listed, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche A), debentures having face value of Rs.1 million each amounting to Rs.7,500.00 million and 7,500 listed, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche B), debentures having face value of Rs.1 million each amounting to Rs.7,500.00 million (hereinafter together referred to as "2020 NCDs"). The financial convenants in relation to 2020 NCDs have been specified in the Debenture Trust Deed dated September 08, 2020 entered between the Trust and SBICAP Trustee Company Limited ("DTD dated September 08, 2020") in relation to 2020 NCDs. DTD dated September 08, 2020 has been amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust.

1) Maintenance of security cover

Security cover calculation in relation to 2020 NCDs

The requirement to maintain security cover is specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020, which requires maintenance of LTV of Secured Assets at less than or equal to 49%.

Calculation of LTV of Secured Assets as per para 2.26 of Schedule 6 of DTD dated September 08, 2020:

$$\text{LTV of Secured Assets} = \frac{\text{total outstanding nominal value of the Debentures and accrued but unpaid Coupon on a Financial Covenant Testing Date}}{\text{aggregate value of the Mortgage Properties and the Portfolio Assets of IENPL as determined by a valuer in accordance with the REIT Regulations}}$$

$$\text{LTV of Secured Assets} = \frac{(A)}{(B)} = 44.54\%$$

Total outstanding nominal value of the Debentures and accrued but unpaid Coupon as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
7,500 listed, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche A), debentures having face value of Rs. 1 million each	7,500.00
7,500 listed, secured, redeemable and non-convertible Embassy REIT Series II NCD 2020 (Tranche B), debentures having face value of Rs. 1 million each	7,500.00
Accrued but unpaid Coupon as at March 31, 2023	-
Total outstanding nominal value of the Debentures and accrued but unpaid Coupon on a Financial Covenant Testing Date = (A)	**15,000.00**

Aggregate value of the Mortgage Properties and the Portfolio Assets of IENPL as determined by a valuer in accordance with the REIT Regulations as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Mortgage Properties	15,427.50
Portfolio Assets of IENPL	18,251.89
Aggregate value of the Mortgage Properties and the Portfolio Assets of IENPL = (B)	**33,679.38**

LTV of Secured Assets as at March 31, 2023 as calculated above is 44.54% which is within the maximum limit of 49% as specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020.

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Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

2) Compliance status with financial covenants:

As per terms of the the para 2.26 of Schedule 6 of DTD dated September 08, 2020, the financial covenants required to be complied with by the trust as under:

I. Net Total Debt divided by EBITDA shall be less than or equal to 5.0x

Calculation of Net Total Debt divided by EBITDA as per para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust):

$$\text{Net Total Debt divided by EBITDA} = \frac{(A)}{(B)} = 4.72$$

Net Total Debt as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate amount of all outstanding Financial Indebtedness of the REIT Group, including without limitation,	
Borrowings (non-current)	1,04,206.84
Borrowings (current)	43,848.12
Less:	
Consolidated cash (the aggregate amount of cash and Cash Equivalent Investments (REIT Group) (classified as "available for sale") of the REIT Group	(8,099.37)
Net Total Debt = (A)	**1,39,955.59**

Calculation of EBITDA for the year ended March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Revenue from operations	37,263.60
Add: Other income	1,960.43
Less: Liquidated damages	-
Less: Net change in fair value of financial assets	-
Less: Profit on retirement of assets	(4.58)
Less: Foreign exchange gain	-
Less: O&M expenses	(1,445.65)
Less: Other expenses	(8,113.07)
Add: Loss on retirement of assets	7.86
Add: Fair value loss on financial instruments at fair value	-
Add: Foreign exchange loss	-
EBITDA = (B) (refer note a below)	**29,668.59**

Note a: As per terms of para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust) for the calculation of EBITDA of Rs. 29,668.59 million above, in relation to fit out rentals and rental support income, the entire contracted cash flows as per the underlying agreements pertaining to such fit out rentals and rental support income has been considered for the year ended March 31, 2023.

Note b: As per terms of para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust) the above calculation of EBITDA includes 50% of EBITDA of Golflinks Software Park Private Limited.

Net Total Debt divided by EBITDA as calculated above is 4.72 times, which is within the maximum limit of 5 times as specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust).

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Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

II. Loan to Value Ratio shall be less than or equal to 40%

Calculation of Loan to Value Ratio as per para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust):

$$\text{Loan to Value Ratio} = \frac{\text{the Net Total Debt}}{\text{the Gross Asset Value}}$$

$$\text{Loan to Value Ratio} = \frac{(A)}{(B)} = 27.22\%$$

(A) = The Net Total Debt as at March 31, 2023 is Rs. 139,955.59 million. Refer calculation under **(2)(I)** above.

Gross Asset Value as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate value of all the assets under the REIT Group as assessed by the valuer, as defined under Regulation 2(1)(zzb) of the REIT Regulations, as amended from time to time (refer note a below)	5,14,141.57
Gross Asset Value = (B) (refer note a below)	**5,14,141.57**

Note a: As per terms of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust), the REIT's share of fair value of Golflinks Software Park Private Limited ('GLSP') property is required to be considered in Gross Asset Value only if the REIT incurs any financial indebtedness and utilises the proceeds of that financial indebtedness to on-lend to GLSP. Since, as at March 31, 2023, REIT has incurred financial indebtedness to on-lend to GLSP, the Gross Asset Value as calculated above includes the REIT's share of fair value of GLSP property.

Loan to Value Ratio as at March 31, 2023 as calculated above is 27.22%, which is within the maximum limit of 40% as specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust).

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Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

III. The issuer shall ensure that the Mortgage Properties and the Portfolio Assets of IENPL contribute atleast INR 2,250 million to the EBITDA of Embassy Pune Techzone Private Limited ('EPTPL') and Indian Express Newspapers (Mumbai) Private Limited ('IENPL') hereinafter "Total EBITDA of EPTPL and IENPL"

Calculation of Total EBITDA of EPTPL and IENPL for the year ended March 31, 2023 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust) is as under:

Amounts in Rs. million

Particulars	EPTPL	IENPL	Total
Revenue from operations	1,496.65	1,294.69	2,791.34
Add: Other income	11.36	13.18	24.54
Less: Liquidated damages	-	-	-
Less: Net change in fair value of financial assets	-	-	-
Less: Profit on retirement of assets	-	-	-
Less: Foreign exchange gain	-	-	-
Less: O&M expenses	(249.68)	(146.14)	(395.82)
Less: Other expenses	(89.97)	(65.31)	(155.28)
Add: Loss on retirement of assets	3.44	-	3.44
Add: Fair value loss on financial instruments at fair value	-	-	-
Add: Foreign exchange loss	-	-	-
Total EBITDA of EPTPL and IENPL (refer note a below)	**1,171.80**	**1,096.43**	**2,268.23**

Note a: As per terms of para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust), the issuer shall ensure that the Mortgage Properties and the Portfolio Assets of IENPL contribute atleast INR 2,250 million to the EBITDA of Embassy Office Parks Private Limited ('EOPPL') and IENPL. Pursuant to the composite scheme of arrangement approved by National Company Law Tribunal during the year ended March 31, 2021, EOPPL has transferred its commercial office business to EPTPL. Accordingly, EPTPL's EBITDA has been considered for the calculation above instead of EOPPL's EBITDA.

Total EBITDA of EPTPL and IENPL as calculated above is Rs. 2,268.23 million, which is higher than the minimum limit of Rs.2,250 million as specified in para 2.26 of Schedule 6 of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by SBICAP Trustee Company Limited to the Trust).

3) Compliance with all covenants other than financial covenants

The Trust has complied with all other covenants as prescribed in the DTD dated September 08, 2020

4) Security Cover as per SEBI Circular dated May 19, 2022

The calculation of security cover as specified in SEBI Circular dated May 19, 2022, is enclosed as Annexure I and Annexure II to this Statement.

We confirm that the aforesaid information is true and correct.

For Embassy Office Parks REIT

ABHISHEK AGRAWAL

Digitally signed by ABHISHEK AGRAWAL
Date: 2023.04.27 13:26:06 +05'30'

Abhishek Agrawal
Interim Chief Financial Officer

Place: Bengaluru
Date: April 27, 2023

Embassy Office Parks REIT ("the Trust")

Annexure I - consolidated security cover computation

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment (refer note a and note c below)			54,091.31			21,586.33	2,24,460.48		3,00,138.11					
	Commercial Buildings of Embassy TechZone identified as Missisipi (Block 1), Colorado (Block 2), Congo (Block 3), Rhine (Block 5), Food court, Mekong (Block 6) and Nile (Block 11)	5,463.93							5,463.93	15,427.50	-	-	-	15,427.50
	Portfolio assets of IENPL.	3,148.32							3,148.32	18,251.89	-	-	-	18,251.89
Capital Work-in- Progress (refer note b below)			3,030.47		-	2,302.55	7,335.37	-	12,668.38					
Right of Use Assets					-	-		-						
Goodwill					-	-	64,045.35	-	64,045.35					
Intangible Assets					-	-	11,864.35	-	11,864.35					
Intangible Assets under Development					-	-	-	-	-					
Investments			31,238.99		-	-	-	-	31,238.99					
Loans					-	-	-	-	-					
Inventories					-	-	35.89	-	35.89					
Trade Receivables					-	-	503.96	-	503.96					
Cash and Cash Equivalents					-	-	8,173.48	-	8,173.48					
Bank Balances other than Cash and Cash Equivalents					-	-	580.10	-	580.10					
Others					-	-	26,256.81	-	26,256.81					
Total		**8,612.25**	**88,360.77**	**-**	**-**	**23,888.87**	**3,43,255.79**	**-**	**4,64,117.67**					
LIABILITIES														
Debt securities to which this certificate pertains	Series II NCD 2020 (Tranche A and B)	15,000.00		No		-		(37.55)	14,962.45					
Other debt sharing pari-passu charge with above debt		*not to be filled*					-		-					
Other Debt			79,695.39	No			-		79,694.39					
Subordinated debt							-		-					
Borrowings							-		-					
Bank			9,201.41	No		44,196.71	-		53,398.12					
Debt Securities									-					
Others							2,43,682.98		2,43,682.98					
Trade payables							473.69		473.69					
Lease Liabilities							362.47		362.47					
Provisions							21.25		21.25					
Others							71,522.32		71,522.32					
Total		**15,000.00**	**88,896.80**			**44,196.71**	**3,16,062.71**	**(37.55)**	**4,64,117.67**					
Cover on Book Value	**Series II NCD 2020 (Tranche A and B)**	0.57												
Cover on Market Value	**Series II NCD 2020 (Tranche A and B)**	2.25												
		Exclusive Security Cover Ratio	**0.57**		**Pari-Passu Security Cover Ratio**	-				-				

Notes:

a. Amounts shown in line item Property, Plant and Equipment in the above table include amounts pertaining to Investment Property

b. Amounts shown in line item Capital Work-in- Progress in the above table include amounts pertaining to Investment Property Under Development

c. Amount shown in Column C of the above table in line item Property, Plant and Equipment represents the carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the books of account maintained by the subsidiaries of the Trust (that own such assets) as at March 31, 2023. Amount shown in Column H of the above table for line item Property, Plant and Equipment represents the difference between carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the Unaudited Condensed Consolidated Financial Statements of the Trust as at March 31, 2023 and the amount shown for such assets in Column C in the line item Property, Plant and Equipment.

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Embassy Office Parks REIT ("the Trust")
Annexure II - standalone security cover computation

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment (refer note a below)					-	-	-	-	-					
Capital Work-in- Progress (refer note b below)					-	-	-	-	-					
Right of Use Assets					-	-	-	-	-					
Goodwill					-	-	-	-	-					
Intangible Assets					-	-	-	-	-					
Intangible Assets under Development					-	-	-	-	-					
Investments			66,390.66		-	99,475.27	55,100.50		2,20,966.43					
	Investments made by the Trust in equity shares of Embassy Pune TechZone Private Limited and equity shares of Indian Express Newspapers (Mumbai) Private Limited	25,294.46				-		-	25,294.46	39,144.25				39,144.25
Loans			24,604.19		-	22,721.19	36,096.02		83,421.40					
	Unsecured loan given by the Trust to Embassy Pune TechZone Private Limited and to Indian Express Newspapers (Mumbai) Private Limited	10,439.44				-		-	10,439.44		10,439.44			10,439.44
Inventories					-	-	-	-	-					
Trade Receivables					-	-	-	-	-					
Cash and Cash Equivalents					-	-	5,280.15	-	5,280.15					
Bank Balances other than Cash and Cash Equivalents					-	-		-	-					
Others					-	-	137.31	-	137.31					
Total		**35,733.90**	**90,994.85**	**-**	**-**	**1,22,196.46**	**96,613.98**	**-**	**3,45,539.19**					
LIABILITIES														
Debt securities to which this certificate pertains	Series II NCD 2020 (Tranche A and B)	15,000.00		No		-		(37.55)	14,962.45					
Other debt sharing pari-passu charge with above debt							-		-					
Other Debt			48,819.50	No		30,875.89	-		79,695.39					
Subordinated debt							-		-					
Borrowings									-					
Bank		not to be filled							-					
Debt Securities									-					
Others									2,50,572.66					
Trade payables							7.76		7.76					
Lease Liabilities							-		-					
Provisions							1.82		1.82					
Others							299.11		299.11					
Total		**15,000.00**	**48,819.50**		**-**	**30,875.89**	**308.69**	**(37.55)**	**3,45,539.19**					
Cover on Book Value	**Series II NCD 2020 (Tranche A and B)**	2.38												
Cover on Market Value	**Series II NCD 2020 (Tranche A and B)**	3.31								-				
		Exclusive Security Cover Ratio	**2.38**		**Pari-Passu Security Cover Ratio**	-				-				

Notes:
a. Amounts shown in line item Property, Plant and Equipment in the above table include amounts pertaining to Investment Property
b. Amounts shown in line item Capital Work-in- Progress in the above table include amounts pertaining to Investment Property Under Development

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Independent Auditor's Report on Security Cover, Compliance with Covenants and Book Value of Assets as at March 31, 2023 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated May 19, 2022 for submission to Stock Exchange and IDBI Trusteeship Services Limited (the 'Debenture Trustees')

To
The Board of Directors,
Embassy Office Parks Management Services Private Limited ("Manager"),
[Acting in its capacity as Manager of Embassy Office Parks REIT],
Royal Oaks, Embassy Golf Links Business Park,
Off Intermediate Ring Road,
Bengaluru - 560071

1. This Report is issued in accordance with the terms of our master engagement agreement dated July 8, 2022, as amended with Embassy Office Parks Management Services Private Limited.

2. We S.R. Batliboi & Associates LLP, Chartered Accountants, are the Statutory Auditors of Embassy Office Parks REIT (hereinafter the "Trust") and have been requested by the Trust to examine the accompanying Statement showing "Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets" in relation to 26,000 listed, secured, redeemable and non-convertible Embassy REIT Series III NCD 2021, debentures having face value of Rs.1 million each amounting to Rs.26,000.00 million (hereinafter referred to as "NCDs") issued by the Trust, as at March 31, 2023 (hereinafter referred to as the "Statement") which has been prepared by the Management of the Manager ('the Management') from the audited consolidated financial results of the Trust as at and for the half year ended March 31, 2023 (hereinafter "audited consolidated financial results"), audited standalone financial results of the Trust as at and for the half year ended March 31, 2023 (hereinafter "audited standalone financial results") and other relevant records and documents maintained by the Trust as at and for the half year ended March 31, 2023, pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular"), and has been initialed by us for identification purpose only.

   This Report is required by the Trust for the purpose of submission with IDBI Trusteeship Services Limited (hereinafter the 'Debenture Trustee') to ensure compliance with the SEBI Regulations and SEBI Circular in respect of the NCDs. The Trust has entered into an agreement dated January 13, 2021 with Debenture Trustee ("DTD dated January 13, 2021" or "Trust deed"). The Management has represented to us that DTD dated January 13, 2021 has been amended vide letter dated June 17, 2021 issued by Debenture Trustee to the Trust and letter dated December 17, 2021 executed between the Trust and Debenture Trustee.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the

Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The Management is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and SEBI Circular. The Management is also responsible for providing all relevant information to the Debenture Trustee and for complying with the financial covenants as prescribed in the DTD dated January 13, 2021.

Auditor's Responsibility

5. It is our responsibility to provide limited assurance and conclude as to whether the:
   - (a) Trust has maintained hundred percent Security cover or higher Security cover as per the terms of the Trust deed;
   - (b) Trust is in compliance with all the covenants (including financial covenants) as mentioned in the Trust Deed as on March 31, 2023; and
   - (c) Book values of assets as mentioned in Column 'C' and Column 'F' of Annexure I to the Statement are in agreement with the books of accounts underlying the audited consolidated financial results of the Trust and book values of assets as mentioned in Column 'C' and Column 'F' of Annexure II to the Statement are in agreement with the books of accounts underlying the audited standalone financial results of the Trust, as at March 31, 2023.

6. We have audited standalone and consolidated financial results of the Trust for the year ended March l31, 2023, prepared by the Trust pursuant to the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") and issued unmodified conclusions dated April 27, 2023. We conducted our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India ("ICAI").

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information, the audited consolidated financial results or the audited standalone financial results of the Trust taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the audited consolidated financial results or the audited standalone financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially

lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:

a) Obtained and read the Trust Deed and Information Memorandum dated October 22, 2020 (hereinafter together referred to as "Information Memorandum") pursuant to which the NCDs have been issued and noted that as specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021, which requires maintenance of LTV of Secured Assets at maximum of 49%.

b) In relation to amount of "Total outstanding nominal value of the Debentures and accrued but unpaid Coupon" used in calculation of Security cover ratio and LTV of Secured Assets in the Statement, we have traced the amounts of underlying components of the said amount to the audited consolidated financial results of the Trust, audited standalone financial results of the Trust and audited books of account maintained by the Trust as on March 31, 2023.

c) Obtained and read the list of security cover in respect of NCDs outstanding as per the Statement which is defined in the Statement as "aggregate value of the Mortgage Properties (VTPL) and the Portfolio Assets of EEPL as determined by a valuer in accordance with the REIT Regulations" in respect of 2021 NCDs – Series III (hereinafter "Secured Assets 2021 NCDs – Series III").

   i. In relation to Secured Assets 2021 NCDs – Series III, as represented to us by management, the amount of 'Mortgage Properties (VTPL)' is obtained by the management from CBRE South Asia Private Limited by way of email communication. We have relied on such management representation and not performed any procedures in this regard. In relation to "Portfolio Assets of EEPL", we have traced the value of such assets from the Statement to the Valuation Report dated April 24, 2023 issued by CBRE South Asia Private Limited.

d) Obtained the list of security created in the register of charges maintained by the subsidiary companies of the Trust that have provided security in relation to 2021 NCDs – Series III and 'Form No. CHG-9' filed with Ministry of Corporate Affairs ('MCA') by such companies in this regard. Traced the value of charge created against Secured Assets to the Security Cover in the attached Statement.

e) The Management has represented to us that the Secured Assets have not been placed under lien or encumbrance for the purpose of obtaining any other loan. We have relied on the same and not performed any independent procedure in this regard.

f) Examined and verified the arithmetical accuracy of the computation of security cover calculation in relation to NCDs in the accompanying Statement.

g) In relation to 2021 NCDs – Series III, we have compared the Security Cover i.e. the LTV of Secured Assets with the LTV of Secured Assets required to be maintained as per DTD dated January 13, 2021 and noted that LTV of Secured Assets as at March 31, 2023 as calculated in the Statement is within the maximum limit as specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021.

h) With respect to 'Compliance with financial covenants' included in the attached Statement, we have performed following procedures:

   (i) Obtained and verified the computation of Net Total Debt divided by EBITDA, Loan to Value Ratios, Total EBITDA of VTPL and EEPL.

   (ii) In relation to the computation of Loan to Value Ratios and Net Total Debt divided by EBITDA, we have traced the amounts of underlying components of Net Total Debt and EBITDA to the audited consolidated financial results and other relevant records and documents maintained by the Trust as at and for the year ended March 31, 2023. Management has represented to us that as per terms of DTD dated September 08, 2020 (as amended vide letter dated July 5, 2021 issued by

SBICAP Trustee Company Limited to the Trust) and DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited), the above calculation of EBITDA includes ‘50% of EBITDA of Golflinks Software Park Private Limited (“GLSP”)’. We have relied on such management representation and have not performed any procedures in relation to such ‘50% of EBITDA of GLSP’ included in the calculation of EBITDA. Further, in the calculation of the EBITDA, the management has represented to us that in relation to fit out rentals and rental support income, the entire contracted cash flows for the year ended March 31, 2023 as per the underlying agreements pertaining to such fit out rentals and rental support income is required to be considered as per terms of the DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited).

(iii) As per terms of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited), the REIT's share of fair value of Golflinks Software Park Private Limited ('GLSP') property is required to be considered in Gross Asset Value only if the REIT incurs any financial indebtedness and utilises the proceeds of that financial indebtedness to on-lend to GLSP. Since, as at March 31, 2023, REIT has incurred financial indebtedness to on-lend to GLSP, the Gross Asset Value as calculated in the Statement includes the REIT's share of fair value of GLSP property in respect of 2021 NCDs – Series III.

(iv) In relation to the computation of Total EBITDA of VTPL and EEPL as defined in the Statement, we have relied on management representation and not performed any procedures in relation to ‘Calculation of EBITDA of Mortgaged properties of VTPL’. Further, in relation to ‘Calculation of EBITDA of Portfolio assets of EEPL’ we have traced the underlying components of the said calculation to the underlying amounts used in the preparation of amounts for the year ended March 31, 2023 as disclosed in the audited consolidated financial results, which have been used for ‘Calculation of EBITDA of Portfolio assets of EEPL’ for the year ended March 31, 2023.

i) With respect to ‘Security cover as per SEBI circular dated May 19, 2022’ included in the attached Statements, we have performed the following procedures:

(i) With respect to ‘Annexure I - consolidated security cover computation’ (hereinafter referred to as “Annexure I” to the Statement, we have performed the following procedures:

(1) Traced the book value of assets as mentioned in line item “Portfolio assets of EEPL” in Column C of the Annexure I from the books of accounts and other relevant records and documents maintained by the Trust underlying the audited consolidated financial results. In relation to calculation of amount specified in Column C of the Annexure 1 in line item “Commercial buildings of Block 1A, Block 2 and Block 7B of Embassy Tech Village” provided in note d to Annexure 1, we have traced the book values of line items “Book value of Buildings pertaining to Block 1A, Block 2 and Block 7B of Embassy Tech Village” and “Secured land” to the books of accounts and other relevant records and documents maintained by the Trust underlying the audited consolidated financial results and we have not performed any other procedures in relation to such calculation.

(2) Management has represented to us that the amount required to be mentioned in Column C of the Annexure I in line item Property, Plant and Equipment is the carrying amount of Property,

Plant and Equipment and Investment Property items (provided as security) as per the books of account maintained by the subsidiaries of the Trust (that own such assets) as at March 31, 2023 and we understand from management that the said amount is accordingly mentioned by the management in the said line item. We have relied on such management representation in this regard.

(3) Annexure I has been prepared by the management and we have not performed any procedures in relation to the said Annexure I other than as mentioned in (1) and (2) above.

(ii) With respect to 'Annexure II- standalone security cover computation' (hereinafter referred to as "Annexure II" to the Statement, we have performed the following procedures:

(1) Traced the book value of assets as mentioned in Column C of the Annexure II from the books of accounts and other relevant records and documents maintained by the Trust underlying the audited standalone financial results.

(2) Annexure II has been prepared by the management and we have not performed any procedures in relation to the said Annexure II other than as mentioned in (1) above.

j) With respect to covenants other than those mentioned in paragraph 10(h) above i.e. "Compliance with all covenants other than financial covenants" as mentioned in the Statement, the management has represented and confirmed that the Trust has complied with all the other covenants including affirmative, informative and negative covenants, as prescribed in the Trust Deed. We have relied on the same and not performed any independent procedure in this regard.

k) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:

a) The Trust has maintained hundred percent security cover or higher security cover as per the terms of the Trust Deed.
b) The Trust is in compliance with all the covenants (including financial covenants) as mentioned in the Trust deed; and
c) Book values of assets as mentioned in Column 'C' and Column 'F' of Annexure I to the Statement are in agreement with the books of account underlying the audited consolidated financial results of the Trust and book values of assets as mentioned in Column 'C' and Column 'F' of Annexure II to the Statement are in agreement with the books of account underlying the audited standalone financial results of the Trust, as at March 31, 2023.

Restriction on Use

12. The Report has been issued at the request of the Trust, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustees and is not to be used or referred to by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

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

ADARSH RANKA
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Date: 2023.04.27 13:42:29 +05'30'

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 23209567BGXVYD7551

Place: Bengaluru
Date: April 27, 2023

Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

This statement contains details of maintenance of security cover including compliance status with financial covenants as at and for the half-year ended March 31, 2023 ("The Statement") in respect of Listed, Secured, Redeemable and Non-Convertible Debentures ('NCDs') issued by the Trust with particular reference to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter 'SEBI Regulations') and Securities and Exchange Board of India ("SEBI") circular dated May 19, 2022 in relation to 26,000 listed, secured, redeemable and non-convertible Embassy REIT Series III NCD 2021, debentures having face value of Rs.1 million each amounting to Rs.26,000.00 million (hereinafter referred to as "2021 NCDs - Series III"). The financial covenants in relation to 2021 NCDs - Series III have been specified in the Debenture Trust Deed dated January 13, 2021 entered between the Trust and and IDBI Trusteeship Services Limited ("DTD dated January 13, 2021"). DTD dated January 13, 2021 has been amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited.

1) Maintenance of security cover

Security cover calculation in relation to 2021 NCDs - Series III

The requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021, as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited, which requires maintenance of LTV of Secured Assets at less than or equal to 49%.

Calculation of LTV of Secured Assets as per para 2.27 of Schedule 5 of DTD dated January 13, 2021:

$$\text{LTV of Secured Assets} = \frac{\text{total outstanding nominal value of the Debentures and accrued but unpaid Coupon on a Financial Covenant Testing Date}}{\text{aggregate value of the Mortgage Properties (VTPL) and the Portfolio Assets of EEPL as determined by a valuer in accordance with the REIT Regulations}}$$

$$\text{LTV of Secured Assets} = \frac{(A)}{(B)} = 42.26\%$$

Total outstanding nominal value of the Debentures and accrued but unpaid Coupon as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
26,000 listed, secured, redeemable and non-convertible Embassy REIT Series III NCD 2021, debentures having face value of Rs. 1 million each	26,000.00
Accrued but unpaid Coupon as at March 31, 2023	-
Total outstanding nominal value of the Debentures and accrued but unpaid Coupon on a Financial Covenant Testing Date (A)	26,000.00

Aggregate value of the Mortgage Properties (VTPL) and the Portfolio Assets of EEPL as determined by a valuer in accordance with the REIT Regulations as at March 31, 2023 is as under (refer note a below):

Amounts in Rs. million

Particulars	Amount
Mortgage Properties (VTPL)	53,007.10
Portfolio Assets of EEPL	8,513.70
Aggregate value of the Mortgage Properties (VTPL) and the Portfolio Assets of EEPL = (B)	**61,520.81**

Note a: Pursuant to letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited, Qubix Business Park Private Limited (a subsidiary/ special purpose vehicle of the Trust) has mortgaged certain property as security in connection with 2021 NCDs - Series III. However, such mortgaged property is not included in definition of Aggregate value of the Mortgage Properties (VTPL) and the Portfolio Assets of EEPL as per terms of letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited. Accordingly, the same is excluded in calculation of Aggregate value of the Mortgage Properties (VTPL) and the Portfolio Assets of EEPL of Rs. 61,520.81 million above.

LTV of Secured Assets as at March 31, 2023 as calculated above of 42.26% is within the maximum limit of 49% as specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021 as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited.

Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

2) Compliance status with financial covenants :

As per terms of para 2.27 of Schedule 5 of DTD dated January 13, 2021, the financial covenants required to be complied with by the Trust are as under:

I. Net Total Debt divided by EBITDA shall be less than or equal to 5.0x

Calculation of Net Total Debt divided by EBITDA as per para 2.27 of Schedule 5 of DTD dated January 13, 2021

$$\text{Net Total Debt divided by EBITDA} = \frac{(A)}{(B)} = 4.72$$

Net Total Debt as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate amount of all outstanding Financial Indebtedness of the REIT Group, including without limitation, accrued	
Borrowings (non-current)	1,04,206.84
Borrowings (current)	43,848.12
Less:	
Consolidated cash (the aggregate amount of cash and Cash Equivalent Investments (REIT Group) (classified as "available for sale") of the REIT Group	(8,099.37)
Net Total Debt = (A)	**1,39,955.59**

Calculation of EBITDA for the year ended March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Revenue from operations	37,263.60
Add: Other income	1,960.43
Less: Liquidated damages	-
Less: Net change in fair value of financial assets	-
Less: Profit on retirement of assets	(4.58)
Less: Foreign exchange gain	-
Less: O&M expenses	(1,445.65)
Less: Other expenses	(8,113.07)
Add: Loss on retirement of assets	7.86
Add: Fair value loss on financial instruments at fair value	-
Add: Foreign exchange loss	-
EBITDA = (B) (refer note a below)	**29,668.59**

Note a: As per terms of para 2.27 of Schedule 5 of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited) for the calculation of EBITDA of Rs. 29,668.59 million above, in relation to fit out rentals and rental support income, the entire contracted cash flows as per the underlying agreements pertaining to such fit out rentals and rental support income has been considered for the year ended March 31, 2023.

Note b: As per terms of para 2.27 of Schedule 5 of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited) the above calculation of EBITDA includes 50% of EBITDA of Golflinks Software Park Private Limited.

Net Total Debt divided by EBITDA as calculated above is 4.72 times, which is within the maximum limit of 5 times as specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021.

Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

II. Loan to Value Ratio shall be less than or equal to 40%

Calculation of Loan to Value Ratio as per para 2.27 of Schedule 5 of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited):

$$\text{Loan to Value Ratio} = \frac{\text{the Net Total Debt}}{\text{the Gross Asset Value}}$$

$$\text{Loan to Value Ratio} = \frac{(A)}{(B)} = 27.22\%$$

(A) = The Net Total Debt as at March 31, 2023 is Rs. 139,955.59 million. Refer calculation under **(2)(I)** above.

Gross Asset Value as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate value of all the assets under the REIT Group as assessed by the valuer, as defined under Regulation 2(1)(zzb) of the REIT Regulations, as amended from time to time (refer note a below)	5,14,141.57
Gross Asset Value = (B) (refer note a below)	**5,14,141.57**

Note a: As per terms of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust), the REIT's share of fair value of Golflinks Software Park Private Limited ('GLSP') property is required to be considered in Gross Asset Value only if the REIT incurs any financial indebtedness and utilises the proceeds of that financial indebtedness to on-lend to GLSP. Since, as at March 31, 2023, REIT has incurred financial indebtedness to on-lend to GLSP, the Gross Asset Value as calculated above includes the REIT's share of fair value of GLSP property.

Loan to Value Ratio as at March 31, 2023 as calculated above is 27.22%, which is within the maximum limit of 40% as specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited).

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Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

III. The issuer shall ensure that the Mortgage Properties of VTPL and the Portfolio Assets of EEPL contribute atleast INR 4,000 million to the EBITDA of Vikas Telecom Private Limited ('VTPL') and Embassy Energy Private Limited ('EEPL') hereinafter "Total EBITDA of VTPL and EEPL"

Calculation of Total EBITDA of VTPL and EEPL for the year ended March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Calculation of EBITDA of Mortgaged properties of VTPL	Calculation of EBITDA of Portfolio assets of EEPL	Total
Revenue from operations	3,905.15	1,612.10	5,517.25
Add: Other income	169.26	32.34	201.60
Less: Liquidated damages	-	-	-
Less: Net change in fair value of financial assets	-	-	-
Less: Profit on retirement of assets	-	-	-
Less: Foreign exchange gain	-	-	-
Less: O&M expenses	(453.99)	(65.06)	(519.05)
Less: Other expenses	(218.55)	(106.49)	(325.04)
Add: Loss on retirement of assets	-	-	-
Add: Fair value loss on financial instruments at fair value	-	-	-
Add: Foreign exchange loss	-	-	-
Total EBITDA of VTPL and EEPL	**3,401.88**	**1,472.89**	**4,874.77**

Total EBITDA of VTPL and EEPL as calculated above is Rs. 4,874.77 million, which is higher than the minimum limit of Rs.4,000 million specified in para 2.27 of Schedule 5 of DTD dated January 13, 2021 (as amended vide letter dated June 17, 2021 issued by IDBI Trusteeship Services Limited to the Trust and letter dated December 17, 2021 executed between the Trust and IDBI Trusteeship Services Limited).

3) Compliance with all covenants other than financial covenants

The Trust has complied with all other covenants as prescribed in the DTD dated January 13, 2021

4) Security Cover as per SEBI Circular dated May 19, 2022

The calculation of security cover as specified in SEBI Circular dated May 19, 2022, is enclosed as Annexure I and Annexure II to this Statement.

We confirm that the aforesaid information is true and correct.

For Embassy Office Parks REIT

ABHISHEK AGRAWAL

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Date: 2023.04.27 13:37:37 +05'30'

Abhishek Agrawal
Interim Chief Financial Officer

Place: Bengaluru
Date: April 27, 2023

Embassy Office Parks REIT ("the Trust")

Annexure I - consolidated security cover computation

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	**Description of asset for which this certificate relate**	**Exclusive Charge**	**Exclusive Charge**	**Pari- Passu Charge**	**Pari- Passu Charge**	**Pari- Passu Charge**	**Assets not offered as Security**	**Elimination (amount in negative)**	**(Total C to H)**	**Related to only those items covered by this certificate**				
		Debt for which this certificate being issued	**Other Secured Debt**	**Debt for which this certificate being issued**	**Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)**	**Other assets on which there is pari-Passu charge (excluding items covered in column F)**		**Debt amount considered more than once (due to exclusive plus pari passu charge)**		**Market Value for Assets charged on Exclusive basis**	**Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)**	**Market Value for Pari passu charge Assets**	**Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)**	**Total Value(=K+L+M+N)**
												Relating to Column F		
		Book Value	**Book Value**	**Yes/ No**	**Book Value**	**Book Value**								
ASSETS														
Property, Plant and Equipment (refer note a and note c below)			46,639.37			21,586.33	2,24,240.08		2,92,465.78					
	Commercial buildings of Block 1A, Block 2 and Block 7B of Embassy Tech Village (refer note d below)	10,712.72							10,712.72	53,007.10	-	-	-	53,007.10
	Portfolio assets of EEPL	5,571.86							5,571.86	8,513.70				8,513.70
Capital Work-in- Progress (refer note b below)			3,030.47		-	2,302.55	7,335.37	-	12,668.38					
Right of Use Assets					-	-		-						
Goodwill					-	-	64,045.35	-	64,045.35					
Intangible Assets					-	-	11,864.35	-	11,864.35					
Intangible Assets under Development					-	-	-	-	-					
Investments			31,238.99		-	-	-	-	31,238.99					
Loans					-	-	-	-	-					
Inventories					-	-	35.89	-	35.89					
Trade Receivables					-	-	503.96	-	503.96					
Cash and Cash Equivalents					-	-	8,173.48	-	8,173.48					
Bank Balances other than Cash and Cash Equivalents					-	-	580.10	-	580.10					
Others					-	-	26,256.81	-	26,256.81					
Total		**16,284.58**	**80,908.83**	**-**	**-**	**23,888.87**	**3,43,035.39**	**-**	**4,64,117.67**					
LIABILITIES														
Debt securities to which this certificate pertains	2021 NCDs - Series III	26,000.00		No		-		(89.43)	25,910.57					
Other debt sharing pari-passu charge with above debt							-		-					
Other Debt			68,747.27	No			-		68,746.27					
Subordinated debt							-		-					
Borrowings							-		-					
Bank		*not to be filled*	9,201.41	No		44,196.71			53,398.12					
Debt Securities									-					
Others							2,43,682.98		2,43,682.98					
Trade payables							473.69		473.69					
Lease Liabilities							362.47		362.47					
Provisions							21.25		21.25					
Others							71,522.32		71,522.32					
Total		**26,000.00**	**77,948.68**			**44,196.71**	**3,16,062.71**	**(89.43)**	**4,64,117.67**					
Cover on Book Value	**2021 NCDs - Series III**	0.63												
Cover on Market Value	2021 NCDs - Series III	2.37												
		Exclusive Security Cover Ratio	**0.63**		**Pari-Passu Security Cover Ratio**	-				-				

Notes:

a. Amounts shown in line item Property, Plant and Equipment in the above table include amounts pertaining to Investment Property

b. Amounts shown in line item Capital Work-in- Progress in the above table include amounts pertaining to Investment Property Under Development

c. Amount shown in Column C of the above table in line item Property, Plant and Equipment represents the carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the books of account maintained by the subsidiaries of the Trust (that own such assets) as at March 31, 2023. Amount shown in Column H of the above table for line item Property, Plant and Equipment represents the difference between carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the Unaudited Condensed Consolidated Financial Statements of the Trust as at March 31, 2023 and the amount shown for such assets in Column C in the line item Property, Plant and Equipment.

d. Amount shown in column C for line item "Commercial buildings of Block 1A, Block 2 and Block 7B of Embassy Tech Village" under the heading Property, Plant and Equipment is calculated as below:

Particulars	Amount
Book value of Buildings pertaining to Block 1A, Block 2 and Block 7B of Embassy Tech Village	10,492.32
Book value of Land pertaining to commercial buildings in project Embassy Tech Village owned by VTPL (hereinafter referred to as "Secured land")	509.05
Less: Book value of land (other than land pertaining to Block 1A, Block 2 and Block 7B of Embassy Tech Village)	288.66
Amount shown in column C for line item "Commercial buildings of Block 1A, Block 2 and Block 7B of Embassy Tech Village in above table	**10,712.72**

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Embassy Office Parks REIT ("the Trust")

Annexure II - standalone security cover computation

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment (refer note a below)					-	-	-	-	-					
Capital Work-in- Progress (refer note b below)					-	-	-	-	-					
Right of Use Assets					-	-	-	-	-					
Goodwill					-	-	-	-	-					
Intangible Assets					-	-	-	-	-					
Intangible Assets under Development					-	-	-	-	-					
Investments			40,322.31		-	99,475.27	55,100.50		1,94,898.08					
	Investments made by the Trust in equity shares of Vikas Telecom Private Limited and equity shares of Embassy Energy Private Limited	51,362.81				-		-	51,362.81	95,408.63				95,408.63
Loans			16,869.03		-	22,721.19	36,096.02		75,686.24					
	Unsecured loan given by the Trust to Vikas Telecom Private Limited and to Embassy Energy Private Limited	18,174.60				-		-	18,174.60		18,174.60			18,174.60
Inventories					-	-	-	-	-					
Trade Receivables					-	-	-	-	-					
Cash and Cash Equivalents					-	-	5,280.15	-	5,280.15					
Bank Balances other than Cash and Cash Equivalents					-	-		-	-					
Others					-	-	137.31	-	137.31					
Total		**69,537.41**	**57,191.34**	**-**	**-**	**1,22,196.46**	**96,613.98**	**-**	**3,45,539.19**					
LIABILITIES														
Debt securities to which this certificate pertains	2021 NCDs - Series III	26,000.00		No		-		(89.43)	25,910.57					
Other debt sharing pari-passu charge with above debt		not to be filled					-		-					
Other Debt			37,871.38	No		30,875.89	-		68,747.27					
Subordinated debt							-		-					
Borrowings									-					
Bank									-					
Debt Securities									-					
Others									2,50,572.66					
Trade payables							7.76		7.76					
Lease Liabilities							-		-					
Provisions							1.82		1.82					
Others							299.11		299.11					
Total		**26,000.00**	**37,871.38**		**-**	**30,875.89**	**308.69**	**(89.43)**	**3,45,539.19**					
Cover on Book Value	**2021 NCDs - Series III**	2.67												
Cover on Market Value	2021 NCDs - Series III	4.37								-				
		Exclusive Security Cover Ratio	**2.67**		**Pari-Passu Security Cover Ratio**	-				-				

Notes:

a. Amounts shown in line item Property, Plant and Equipment in the above table include amounts pertaining to Investment Property

b. Amounts shown in line item Capital Work-in- Progress in the above table include amounts pertaining to Investment Property Under Development

ABHISHEK AGRAWAL Digitally signed by ABHISHEK AGRAWAL Date: 2023.04.27 13:38:09 +05'30'

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No.24, Vittal Mallya Road
Bengaluru-560 001, India
Tel: +91 80 6648 9000

Independent Auditor's Report on Security Cover, Compliance with Covenants and Book Value of Assets as at March 31, 2023 under Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated May 19, 2022 for submission to Stock Exchange and Catalyst Trusteeship Limited (the 'Debenture Trustees')

To
The Board of Directors,
Embassy Office Parks Management Services Private Limited ("Manager"),
[Acting in its capacity as Manager of Embassy Office Parks REIT],
Royal Oaks, Embassy GolfLinks Business Park,
Off Intermediate Ring Road,
Bengaluru - 560071

1. This Report is issued in accordance with the terms of our master engagement agreement dated July 8, 2022, as amended with Embassy Office Parks Management Services Private Limited.

2. We S.R. Batliboi & Associates LLP, Chartered Accountants, are the Statutory Auditors of Embassy Office Parks REIT (hereinafter the "Trust") and have been requested by the Trust to examine the accompanying Statement showing "Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets" in relation to debentures issued by the Trust, as at March 31, 2023 (hereinafter referred to as the "Statement") which has been prepared by the Management of the Manager ('the Management') from the audited consolidated financial results of the Trust as at and for the half year ended March 31, 2023 (hereinafter "audited consolidated financial results"), audited standalone financial results of the Trust as at and for the year ended March 31, 2023 (hereinafter "audited standalone financial results") and other relevant records and documents maintained by the Trust as at and for the half year ended March 31, 2023, pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular"), and has been initialed by us for identification purpose only.

   This Report is required by the Trust for the purpose of submission with Catalyst Trusteeship Limited (hereinafter the 'Debenture Trustee') to ensure compliance with the SEBI Regulations and SEBI Circular in respect of its debentures having face value of Rs. 1 million each ('Debentures'). The Trust has entered into following agreements with Debenture Trustee which are hereinafter referred to as "Trust Deeds":

   (i) Agreement dated September 03, 2021 ("DTD dated September 03, 2021") in relation to 3,000 listed, secured, redeemable and non-convertible Embassy REIT Series IV NCD 2021 debentures having face value of Rs.1 million each amounting to Rs.3,000.00 million (hereinafter referred to as "2021 NCDs – Series IV").

   (ii) Agreement dated October 18, 2021 ("DTD (Series A) dated October 18, 2021") in relation to 20,000 listed, secured, redeemable and non-convertible Embassy REIT Series V NCD 2021 (Series A) debentures having face value of Rs.1 million each amounting to Rs.20,000.00 million (hereinafter referred to as "2021 NCDs – Series V (Series A)").

(iii) Agreement dated October 18, 2021 ("DTD (Series B) dated October 18, 2021") in relation to 11,000 listed, secured, redeemable and non-convertible Embassy REIT Series V NCD 2021 (Series B), debentures having face value of Rs.1 million each amounting to Rs.11,000.00 million (hereinafter referred to as "2021 NCDs – Series V (Series B)"). 2021 NCDs – Series V (Series A) and 2021 NCDs – Series V (Series B) are hereinafter together referred to as "2021 NCDs - Series V".

(iv) Agreement dated March 31, 2022 ("DTD dated March 31, 2022") in relation to 10,000 listed, secured, redeemable and non-convertible Embassy REIT Series VI NCD 2022, debentures having face value of Rs.1 million each amounting to Rs.10,000.00 million (hereinafter referred to as "2022 NCDs - Series VI").

(v) 2021 NCDs – Series IV, 2021 NCDs – Series V and 2022 NCDs - Series VI are hereinafter together referred to as "NCDs".

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The Management is also responsible for ensuring that the Trust complies with all the relevant requirements of the SEBI Regulations and SEBI Circular. The Management is also responsible for providing all relevant information to the Debenture Trustee and for complying with the financial covenants as prescribed in the DTDs dated September 03, 2021, October 18, 2021 and March 31, 2022 (hereinafter referred to as "the DTDs").

Auditor's Responsibility

5. It is our responsibility to provide limited assurance and conclude as to whether the:

   (a) Trust has maintained hundred percent Security cover or higher Security cover as per the terms of the Trust deed;

   (b) Trust is in compliance with all the covenants (including financial covenants) as mentioned in the Trust Deed as on March 31, 2023; and

   (c) Book values of assets as mentioned in Column 'C' and Column 'F' of Annexure I to the Statement are in agreement with the books of accounts underlying the audited consolidated financial results of the Trust and book values of assets as mentioned in Column 'C' and Column 'F' of Annexure II to the Statement are in agreement with the books of accounts underlying the audited standalone financial results of the Trust, as at March 31, 2023.

6. We have audited standalone and consolidated financial results of the Trust for the year ended March 31, 2023, prepared by the Trust pursuant to the requirements of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with SEBI Circular No. CIR/IMD/DF/146/2016 dated December 29, 2016 (the "REIT regulations") and issued unmodified conclusions dated April 27, 2023. We conducted our audit in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India ("ICAI").

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information, the audited consolidated financial results or the audited standalone financial results of the Trust taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the audited consolidated financial results or the audited standalone financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we have performed the following procedures in relation to the Statement:

    a) Obtained and read the Trust Deeds and Information Memorandum dated January 12, 2021, Information Memorandum dated September 02, 2021, Information Memorandum dated October 12, 2021 and Information Memorandum dated March 30, 2022 issued by the Trust (hereinafter together referred to as "Information Memoranda") pursuant to which the NCDs have been issued.

        i. We noted that in relation to 2021 NCDs – Series IV, the requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD dated September 03, 2021, which requires maintenance of LTV of Secured Assets at maximum of 49%.

        ii. We noted that in relation to 2021 NCDs – Series V, the requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD dated October 18, 2021, which requires maintenance of LTV of Secured Assets at maximum of 49%.

        iii. We noted that in relation to 2022 NCDs - Series VI, the requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD dated March 31, 2022, which requires maintenance of Security cover ratio of more than or equal to 2.0x.

    b) In relation to amount of "Total outstanding Financial Indebtedness of a secured SPV" used in the Statement in the calculation of Security cover ratio (i.e. LTV of Secured Assets) in relation to 2021 NCDs – Series IV, we have traced the amounts of underlying components of the said amount to the unaudited condensed consolidated financial statements of the Trust and other relevant records and documents maintained by the Trust as on March 31, 2023.

    c) In relation to amount of "Total outstanding nominal value of the Debentures and accrued but unpaid Coupon" used in calculation of Security cover ratio and LTV of Secured Assets in the Statement, we have traced the amounts of underlying components of the said amount to the audited consolidated financial results of the Trust, audited standalone financial results of the Trust and audited books of account maintained by the Trust as on March 31, 2023.

d) Obtained and read the list of security cover in respect of NCDs outstanding as per the Statement which is defined in the Statement as “aggregate value of the Mortgage Properties as determined by a valuer in accordance with the REIT Regulations” in respect of 2021 NCDs – Series IV (hereinafter “Secured Assets 2021 NCDs – Series IV”), “aggregate value of the Mortgage Properties (Series A) as determined by a valuer in accordance with the REIT Regulations” in respect of 2021 NCDs – Series V (Series A) (hereinafter “Secured Assets 2021 NCDs – Series V (Series A)”), “aggregate value of the Mortgage Properties (Series B) as determined by a valuer in accordance with the REIT Regulations” in respect of 2021 NCDs – Series V (Series B) (hereinafter “Secured Assets 2021 NCDs – Series V (Series B)”) and “Value of assets provided as security” in respect of 2022 NCDs - Series VI (hereinafter “Secured Assets 2022 NCDs – Series VI”). Secured Assets 2020 NCDs, Secured Assets 2021 NCDs – Series III, Secured Assets 2021 NCDs – Series IV, “Secured Assets 2021 NCDs – Series V (Series A) and “Secured Assets 2021 NCDs – Series V (Series B) and “Secured Assets 2022 NCDs – Series VI” are hereinafter together referred to as “Secured Assets”.

i. In relation to Secured Assets 2021 NCDs – Series IV, as represented to us by management, the amount of ‘Aggregate value of the properties under mortgage as determined by a valuer’ is obtained by the management from CBRE South Asia Private Limited by way of email communication. We have relied on such management representation and not performed any procedures in this regard.

ii. In relation to Secured Assets 2021 NCDs - Series V (Series A) and Secured Assets 2021 NCDs – Series V (Series B), as represented to us by management, the amounts of “Mortgage Properties (Series A)” and “Mortgage Properties (Series B)” are obtained by the management from CBRE South Asia Private Limited by way of email communication. We have relied on such management representation and not performed any procedures in this regard.

iii. In relation to Secured Assets 2022 NCDs – Series VI, in the calculation of “Value of assets provided as security”, in relation to “Value of 50% shareholding in Golflinks Software Park Private Limited held by Manyata Promoters Private Limited ("MPPL")” we have traced the “Fair value of 50% of property owned by Golflinks Software Park Private Limited as determined by a valuer” from the Statement to the Valuation Report dated April 24, 2023 issued by CBRE South Asia Private Limited. Further, we have traced the “Carrying amount of debentures issued by Golflinks Software Park Private Limited to the Trust outstanding as at September 30, 2022” to the audited consolidated financial results of the Trust. The method of computation of “Value of 50% shareholding in Golflinks Software Park Private Limited held by Manyata Promoters Private Limited” is as represented to us by the management and we have relied on such representation.

e) Obtained the list of security created in the register of charges maintained by the subsidiary companies of the Trust that have provided security in relation to Secured Assets 2021 NCDs – Series IV, Secured Assets 2021 NCDs – Series V (Series A), Secured Assets 2021 NCDs – Series V (Series B) and Secured Assets 2022 NCDs – Series VI, and ‘Form No. CHG-9’ filed with Ministry of Corporate Affairs (‘MCA’) by such companies in this regard. Traced the value of charge created against Secured Assets to the Security Cover in the attached Statement.

f) The Management has represented to us that the Secured Assets have not been placed under lien or encumbrance for the purpose of obtaining any other loan. We have relied on the same and not performed any independent procedure in this regard.

g) Examined and verified the arithmetical accuracy of the computation of security cover calculation in relation to NCDs in the accompanying Statement.

h) In relation to 2021 NCDs – Series IV, we have compared the Security Cover i.e. the LTV of Secured Assets with the LTV of Secured Assets required to be maintained as per DTD dated September 3, 2021 and noted that LTV of Secured Assets as at March 31, 2023 as calculated in the Statement is within the maximum limit as specified in para 2.27 of Schedule 5 of DTD dated September 3, 2021. In relation to 2021 NCDs – Series V (Series A) and in relation to 2021 NCDs – Series V (Series B), we have compared the Security Cover i.e. the LTV of Secured Assets with the LTV of Secured Assets required to be maintained as per DTD dated October 18, 2021 and noted that the LTV of Secured Assets as at March 31, 2023 as calculated in the Statement is within the maximum limit as specified in para 2.27 of Schedule 5 of the respective DTD dated October 18, 2021. In relation to 2022 NCDs – Series VI, we have compared the Security cover ratio as required to be maintained as per the DTD dated March 31, 2022 and notes that the Security Cover ratio as at March 31, 2023 as calculated in the statement is maintained as specified in para 2.27 of Schedule 5 of the respective DTD dated March 31, 2022.

i) With respect to 'Compliance with financial covenants' included in the attached Statement, we have performed following procedures:

i. Obtained and verified the computation of Net Total Debt divided by EBITDA, Loan to Value Ratios, Total Debt to EBITDA Ratio of Operational Assets as defined in the Statement.

ii. In relation to the computation of Loan to Value Ratios and Net Total Debt divided by EBITDA, we have traced the amounts of underlying components of Net Total Debt and EBITDA to the audited consolidated financial statements and other relevant records and documents maintained by the Trust as at and for the year ended March 31, 2023. Management has represented to us that as per terms of all the DTDs the above calculation of EBITDA includes '50% of EBITDA of Golflinks Software Park Private Limited ("GLSP")'. We have relied on such management representation and have not performed any procedures in relation to such '50% of EBITDA of GLSP' included in the calculation of EBITDA. Further, in the calculation of the EBITDA, the management has represented to us that in relation to fit out rentals and rental support income, the entire contracted cash flows for the year ended March 31, 2023 as per the underlying agreements pertaining to such fit out rentals and rental support income is required to be considered as per terms of all the DTDs entered.

iii. In relation to the computation of Total EBITDA of VTPL and EEPL as defined in the Statement, we have relied on management representation and not performed any procedures in relation to 'Calculation of EBITDA of Mortgaged properties of VTPL'. Further, in relation to 'Calculation of EBITDA of Portfolio assets of EEPL' we have traced the underlying components of the said calculation to the underlying amounts used in the preparation of amounts for the half year ended March 31, 2022 and half year ended September 30, 2022 as disclosed in the audited consolidated financial results, which have been used for 'Calculation of EBITDA of Portfolio assets of EEPL' for the year ended September 30, 2022.

iv. The Management has represented to us that as per DTD dated September 3, 2021 the Trust is required to be comply with certain financial covenants in relation to EBITDA of Sarla Infrastructure Private Limited (hereinafter referred to as "SIPL") a subsidiary of the Trust (as mentioned in para 2.27 of Schedule 5 of DTD dated September 3, 2021), from March 31, 2023 onwards and hence there are no financial covenants to be complied with by the Trust under DTD dated September 3, 2021 in relation to EBITDA of SIPL as at September 30, 2022.

v. In relation to calculation of Total Debt of MPPL we have traced the underlying components used in the said computation to the underlying amounts used in the preparation of audited consolidated financial results and other relevant records and documents maintained by the Trust as at and for the year ended March 31, 2023. Further, in relation to 'EBITDA of Operational Assets of MPPL' we have traced the underlying components of 'EBITDA of Operational Assets of MPPL' to the underlying amounts used in the preparation of amounts for the half year ended March 31, 2022 and half year ended September 30, 2022 as disclosed in the audited consolidated financial results, which have been used for calculation of 'EBITDA of Operational Assets of MPPL' for the year ended September 30, 2022. Management has represented to us that in calculating EBITDA of Operational Assets of MPPL, the Trust has not considered dividend income from Golflinks Software Park Private Limited, since the Trust is of the view that the same does not form part of EBITDA of Operational Assets of MPPL as per terms of DTD (Series A) dated October 18, 2021 and DTD (Series B) dated October 18, 2021.

j) With respect to 'Security cover as per SEBI circular dated May 19, 2022' included in the attached Statements, we have performed the following procedures:

(i) With respect to 'Annexure I - consolidated security cover computation' (hereinafter referred to as "Annexure I" to the Statement, we have performed the following procedures:

(1) Traced the book values of 'Secured assets Series IV' and 'Secured assets Series VI' as defined in the Annexure I and as mentioned in Column C of the Annexure I from the books of accounts and other relevant records and documents maintained by the Trust underlying the audited consolidated financial results. In relation to calculation of amount specified in Column C of the Annexure 1 for items 'Security Series VA' and 'Security Series VB' as defined in the Annexure I and as provided by management in notes (d) and (e) to Annexure I, respectively, we have traced the amounts of 'Secured Buildings VA', 'Secured Buildings VB' and 'Manyata Land VA' to the books of accounts and other relevant records and documents maintained by the Trust underlying the audited consolidated financial results and we have not performed any other procedures in relation to such calculation.

(2) Management has represented to us that the amount required to be mentioned in Column C of the Annexure I in line item Property, Plant and Equipment is the carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the books of account maintained by the subsidiaries of the Trust (that own such assets) as at March 31, 2023 and we understand from management that the said amount is accordingly mentioned by the management in the said line item. We have relied on such management representation in this regard.

(3) Annexure I has been prepared by the management and we have not performed any procedures in relation to the said Annexure I other than as mentioned in (1) and (2) above.

(ii) With respect to 'Annexure II- standalone security cover computation' (hereinafter referred to as "Annexure II" to the Statement, we have performed the following procedures:

(1) Traced the book value of assets as mentioned in Column C and Column F of the Annexure II from the books of accounts and other relevant records and documents maintained by the Trust underlying the audited standalone financial results.

(2) Annexure II has been prepared by the management and we have not performed any procedures in relation to the said Annexure II other than as mentioned in (1) above.

k) With respect to covenants other than those mentioned in paragraph 10(h) above i.e. "Compliance with all covenants other than financial covenants" as mentioned in the Statement, the management has represented and confirmed that the Trust has complied with all the other covenants including affirmative, informative and negative covenants, as prescribed in the Trust Deed. We have relied on the same and not performed any independent procedure in this regard.

l) Performed necessary inquiries with the Management and obtained necessary representations.

Conclusion

11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that:

a) The Trust has maintained hundred percent security cover or higher security cover as per the terms of the Trust Deed.
b) The Trust is in compliance with all the covenants (including financial covenants) as mentioned in the Trust deed; and
c) Book values of assets as mentioned in Column 'C' and Column 'F' of Annexure I to the Statement are not in agreement with the books of account underlying the audited consolidated financial results of the Trust and book values of assets as mentioned in Column 'C' and Column 'F' of Annexure II to the Statement are not in agreement with the books of account underlying the audited standalone financial results of the Trust, as at March 31, 2023.

Restriction on Use

12. The Report has been issued at the request of the Trust, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Stock Exchange and Debenture Trustees and is not to be used or referred to by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this certificate for events and circumstances occurring after the date of this report.

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

ADARSH RANKA
Digitally signed by ADARSH RANKA
Date: 2023.04.27 13:53:46 +05'30'

per Adarsh Ranka
Partner
Membership Number: 209567

UDIN: 23209567BGXVYE8939

Place: Bengaluru
Date: April 27, 2023

Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

This statement contains details of maintenance of security cover including compliance status with financial covenants as at the half-year ended March 31, 2023 ("The Statement") in respect of Listed, Secured, Redeemable and Non-Convertible Debentures ('NCDs') issued by the Trust with particular reference to Regulation 56(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter 'SEBI Regulations') and Securities and Exchange Board of India ("SEBI") circular dated May 19, 2022 in relation to 3,000 listed, secured, redeemable and non-convertible Embassy REIT Series IV NCD 2021 debentures having face value of Rs.1 million each amounting to Rs.3,000 million (hereinafter referred to as "2021 NCDs - Series IV"), 20,000 listed, secured, redeemable and non-convertible Embassy REIT Series V NCD 2021 (Series A), debentures having face value of Rs.1 million each amounting to Rs.20,000.00 million (hereinafter referred to as "2021 NCDs - Series VA)") and 11,000 listed, secured, redeemable and non-convertible Embassy REIT Series V NCD 2021 (Series B), debentures having face value of Rs.1 million each amounting to Rs.11,000.00 million (hereinafter referred to as "2021 NCDs - Series VB") (hereinafter together referred to as "2021 NCDs - Series V") and 10,000 listed, secured, redeemable and non-convertible Embassy REIT Series VI NCD 2022, debentures having face value of Rs.1 million each amounting to Rs.10,000.00 million (hereinafter referred to as "2022 NCDs - Series VI"). The financial covenants in relation to 2021 NCDs - Series IV have been specified in the Debenture Trust Deed dated September 3, 2021 entered between the Trust and Catalyst Trusteeship Limited ("DTD dated September 3, 2021"). The financial covenants in relation to 2021 NCDs - Series VA have been specified in the Debenture Trust Deed dated October 18, 2021 entered between the Trust and Catalyst Trusteeship Limited ("DTD (Series A) dated October 18, 2021"). The financial covenants in relation to 2021 NCDs - Series VB have been specified in the Debenture Trust Deed dated October 18, 2021 entered between the Trust and Catalyst Trusteeship Limited ("DTD (Series B) dated October 18, 2021"). The financial covenants in relation to 2022 NCDs - Series VI have been specified in the Debenture Trust Deed dated March 31, 2022 entered between the Trust and Catalyst Trusteeship Limited ("DTD dated March 31, 2022").

1) Maintenance of security cover

a) Security cover calculation in relation to 2021 NCDs - Series IV

The requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD dated September 03, 2021, which requires maintenance of LTV of Secured Assets at less than or equal to 49%.

Calculation of LTV of Secured Assets as per para 2.27 of Schedule 5 of DTD dated September 03, 2021:

$$\text{LTV of Secured Assets} = \frac{\text{total outstanding Financial Indebtedness of a secured SPV on a Financial Covenant Testing Date}}{\text{aggregate value of the Mortgage Properties as determined by a valuer in accordance with the REIT Regulations}}$$

$$\text{LTV of Secured Assets} = \frac{(A)}{(B)} = 19.20\%$$

Total outstanding Financial Indebtedness of a secured SPV on a Financial Covenant Testing Date as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Corporate guarantee given by Sarla Infrastructure Private Limited on behalf of the Trust	3,000.00
Total outstanding Financial Indebtedness of a secured SPV on a Financial Covenant Testing Date = (A)	3,000.00

Aggregate value of the Mortgage Properties as determined by a valuer in accordance with the REIT Regulations as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate value of the properties under mortgage as determined by a valuer	15,624.20
Aggregate value of the Mortgage Properties = (B)	**15,624.20**

LTV of Secured Assets as at March 31, 2023 as calculated above is 19.20 % , which is within the maximum limit of 49% as specified in para 2.27 of Schedule 5 of DTD dated September 03, 2021.

Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

b) Security cover calculation in relation to 2021 NCDs - Series V (Series A)

The requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021, which requires maintenance of LTV of Secured Assets at less than or equal to 49%.

Calculation of LTV of Secured Assets as per para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021:

$$\text{LTV of Secured Assets} = \frac{\text{total outstanding nominal value of the Debentures (Series A) and accrued but unpaid Coupon on a Financial Covenant Testing Date}}{\text{aggregate value of the Mortgage Properties (Series A) as determined by a valuer in accordance with the REIT Regulations}}$$

$$\text{LTV of Secured Assets} = \frac{(A)}{(B)} = 40.19\%$$

Total outstanding nominal value of the Debentures (Series A) and accrued but unpaid Coupon as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
20,000 listed, secured, redeemable and non-convertible Embassy REIT Series V NCD 2021 (Series A), debentures having face value of Rs. 1 million each	20,000.00
Accrued but unpaid Coupon as at March 31, 2023	-
Total outstanding nominal value of the Debentures (Series A) and accrued but unpaid Coupon on a Financial Covenant Testing Date = (A)	**20,000.00**

Aggregate value of the Mortgage Properties (Series A) as determined by a valuer in accordance with the REIT Regulations as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Mortgage Properties (Series A)	49,767.79
Aggregate value of the Mortgage Properties (Series A) = (B)	**49,767.79**

LTV of Secured Assets as at March 31, 2023 as calculated above is 40.19%, which is within the maximum limit of 49% as specified in para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021.

c) Security cover calculation in relation to 2021 NCDs - Series V (Series B)

The requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021, which requires maintenance of LTV of Secured Assets at less than or equal to 49%.

Calculation of LTV of Secured Assets as per para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021:

$$\text{LTV of Secured Assets} = \frac{\text{total outstanding nominal value of the Debentures (Series B) and accrued but unpaid Coupon on a Financial Covenant Testing Date}}{\text{aggregate value of the Mortgage Properties (Series B) as determined by a valuer in accordance with the REIT Regulations}}$$

$$\text{LTV of Secured Assets} = \frac{(A)}{(B)} = 38.12\%$$

Total outstanding nominal value of the Debentures (Series B) and accrued but unpaid Coupon as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
11,000 listed, secured, redeemable and non-convertible Embassy REIT Series V NCD 2021 (Series B), debentures having face value of Rs. 1 million each	11,000.00
Accrued but unpaid Coupon as at March 31, 2023	-
Total outstanding nominal value of the Debentures (Series B) and accrued but unpaid Coupon on a Financial Covenant Testing Date = (A)	**11,000.00**

Aggregate value of the Mortgage Properties (Series B) as determined by a valuer in accordance with the REIT Regulations as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Mortgage Properties (Series B)	28,859.55
Aggregate value of the Mortgage Properties (Series B) = (B)	**28,859.55**

LTV of Secured Assets as at March 31, 2023 as calculated above is 38.12%, which is within the maximum limit of 49% as specified in para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021.

Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

d) Security cover calculation in relation to 2022 NCDs - Series VI

The requirement to maintain security cover is specified in para 2.27 of Schedule 5 of DTD dated March 31, 2022, which requires maintenance of Security cover ratio of more than or equal to 2.0x which is applicable from March 31, 2023.

The following formula is used to calculate security cover ratio of the Trust in relation to 2022 NCDs - Series VI:

Security cover ratio = The amount that is the aggregate of (A) 50% (fifty per cent.) (or, if higher, the percentage of Share Capital of Golflinks then held by the REIT Group) of the Adjusted Gross Asset Value of Golflinks and (B) total outstanding nominal value of the Golflinks NCDs then held by the Issuer and all accrued but unpaid interest or coupon (however described) in respect of such Golflinks NCDs.
/
Total outstanding nominal value of the Debentures and accrued but unpaid Coupon

Security cover ratio = $\frac{(A)}{(B)}$ = 3.91

Value of assets provided as security as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Value of 50% shareholding in Golflinks Software Park Private Limited held by Manyata Promoters Private Limited ("MPPL") (refer note a below)	30,918.11
Carrying amount of debentures issued by Golflinks Software Park Private Limited to the Trust outstanding as at March 31, 2023	8,156.11
Value of assets provided as security = (A)	**39,074.22**

Total outstanding nominal value of the Debentures and accrued but unpaid Coupon as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
10,000 listed, secured, redeemable and non-convertible Embassy REIT Series VI NCD 2022, debentures having face value of Rs.1 million each	10,000.00
Accrued but unpaid Coupon as at March 31, 2023	-
Total outstanding nominal value of the Debentures and accrued but unpaid Coupon = (B)	**10,000.00**

Note a: Value of 50% shareholding in Golflinks Software Park Private Limited held by MPPL is calculated as below:

Particulars	Amount
Fair value of property owned by Golflinks Software Park Private Limited as determined by a valuer	69,992.32
Less: Carrying amount of debentures issued by Golflinks Software Park Private Limited to the Trust outstanding as at March 31, 2023.	(8,156.11)
Net amount	**61,836.21**
Value of 50% shareholding in Golflinks Software Park Private Limited held by MPPL = 50% of net amount as calculated above	**30,918.11**

Security cover ratio as at March 31, 2023 as calculated above is 3.91 times, which is more than the minimum security cover of 2 times as required to be maintained by the Trust.

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Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

2) Compliance status with financial covenants :

a) As per terms of para 2.27 of Schedule 5 of DTD dated September 3, 2021, the financial covenants required to be complied with by the Trust are as under:

I. Net Total Debt divided by EBITDA shall be less than or equal to 5.5x

Calculation of Net Total Debt divided by EBITDA as per para 2.27 of Schedule 5 of DTD dated September 3, 2021:

$$\text{Net Total Debt divided by EBITDA} = \frac{(A)}{(B)} = 4.72$$

Net Total Debt as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate amount of all outstanding Financial Indebtedness of the REIT Group, including without limitation, accrued	
Borrowings (non-current)	1,04,206.84
Borrowings (current)	43,848.12
Less:	
Consolidated cash (the aggregate amount of cash and Cash Equivalent Investments (REIT Group) (classified as "available for sale") of the REIT Group	(8,099.37)
Net Total Debt = (A)	**1,39,955.59**

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Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

Calculation of EBITDA for the year ended March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Revenue from operations	37,263.60
Add: Other income	1,960.43
Less: Liquidated damages	-
Less: Net change in fair value of financial assets	-
Less: Profit on retirement of assets	(4.58)
Less: Foreign exchange gain	-
Less: O&M expenses	(1,445.65)
Less: Other expenses	(8,113.07)
Add: Loss on retirement of assets	7.86
Add: Fair value loss on financial instruments at fair value	-
Add: Foreign exchange loss	-
EBITDA = (B) (refer note a below)	**29,668.59**

Note a: As per terms of DTD dated September 03, 2021 for the calculation of EBITDA of Rs. 29,668.59 million above, in relation to fit out rentals and rental support income, the entire contracted cash flows as per the underlying agreements pertaining to such fit out rentals and rental support income has been considered for the year ended March 31, 2023.

Note b: As per terms of DTD dated September 03, 2021 for the above calculation of EBITDA includes 50% of EBITDA of Golflinks Software Park Private Limited.

Net Total Debt divided by EBITDA as calculated above is 4.72 times, which is within the maximum limit of 5.5 times as specified in para 2.27 of Schedule 5 of DTD dated September 03, 2021

II. Loan to Value Ratio shall be less than or equal to 40%

Calculation of Loan to Value Ratio as per para 2.27 of Schedule 5 of DTD dated September 3, 2021:

$$\text{Loan to Value Ratio} = \frac{\text{the Net Total Debt}}{\text{the Gross Asset Value}}$$

$$\text{Loan to Value Ratio} = \frac{(A)}{(B)} = 27.22\%$$

(A) =The Net Total Debt as at March 31, 2023 is Rs. 1,39,955.59 million. Refer calculation under (2)(a)(I) above.

Gross Asset Value as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Aggregate value of all the assets under the REIT Group as assessed by the valuer, as defined under Regulation 2(1)(zzb) of the REIT Regulations, as amended from time to time (refer note a below)	5,14,141.57
Gross Asset Value = (B) (refer note a below)	**5,14,141.57**

Note a: As per terms of DTD dated September 03, 2021, the REIT's share of fair value of Golflinks Software Park Private Limited ('GLSP') property is required to be considered in Gross Asset Value only if the REIT incurs any financial indebtedness and utilises the proceeds of that financial indebtedness to on-lend to GLSP. Since, as at March 31, 2023, REIT has incurred financial indebtedness to on-lend to GLSP, the Gross Asset Value as calculated above includes the REIT's share of fair value of GLSP property.

Loan to Value Ratio as at March 31, 2023 as calculated above is 27.22%, which is within the maximum limit of 40% as specified in para 2.27 of Schedule 5 of DTD dated September 03, 2021.

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Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

III. The issuer shall ensure that the Mortgage Properties of SIPL contribute atleast INR 500 million to the EBITDA of Sarla Infrastructure Private Limited ('SIPL').

Particulars	Calculation of EBITDA of Mortgaged properties of SIPL
Revenue from operations	1,356.86
Add: Other income	64.76
Less: Liquidated damages	-
Less: Net change in fair value of financial assets	-
Less: Profit on retirement of assets	-
Less: Foreign exchange gain	-
Less: O&M expenses	(129.20)
Less: Other expenses	(99.49)
Add: Loss on retirement of assets	-
Add: Fair value loss on financial instruments at fair value	-
Add: Foreign exchange loss	-
Total EBITDA of SIPL	**1,192.93**

Total EBITDA of Mortgage Properties of SIPL as calculated above is Rs. 1,192.93 million, which is higher than the minimum limit of Rs.500 million specified in para 2.27 of Schedule 5 of DTD dated September 3, 2021.

b) As per terms of para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021, the financial covenants required to be complied with by the Trust are as under:

I. Net Total Debt divided by EBITDA shall be less than or equal to 5.5x

Calculation of Net Total Debt divided by EBITDA as per para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021

$$\text{Net Total Debt divided by EBITDA} = \frac{(A)}{(B)} = 4.72$$

(A) =The Net Total Debt as at March 31, 2023 is Rs. 1,39,955.59 million. Refer calculation under (2)(a)(I) above.

(B) = EBITDA is Rs.29,668.59 million. Refer calculation under (2)(a)(I) above.

Net Total Debt divided by EBITDA as calculated above 4.72 times is within the maximum limit of 5.5 times as specified in para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021.

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Embassy Office Parks REIT ("the Trust" or "the REIT")
Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

II. Loan to Value Ratio shall be less than or equal to 40%

Calculation of Loan to Value Ratio as per para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021

$$\text{Loan to Value Ratio} = \frac{\text{the Net Total Debt}}{\text{the Gross Asset Value}}$$

$$\text{Loan to Value Ratio} = \frac{(A)}{(B)} = 27.22\%$$

(A) =The Net Total Debt as at March 31, 2023 is Rs. 1,39,955.59 million. Refer calculation under (2)(a)(I) above.

(B) = Gross Asset Value as at March 31, 2023 is Rs 5,14,141.57 million. Refer calculation under (2)(a)(II) above and note a below.

Loan to Value Ratio as at March 31, 2023 as calculated above is 27.22%, which is within the maximum limit of 40% as specified in para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021.

III. The issuer shall ensure that the Total Debt to EBITDA ratio of Operational Assets shall be less than or equal to 7 times.

Calculation of Total Debt to EBITDA Ratio of Operational Assets as per para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021

$$\text{Total Debt to EBITDA Ratio of Operational Assets} = \frac{\text{the aggregate outstanding amount of Permitted Indebtedness (MPPL) as set out in paragraph (f) of the definition of Permitted Indebtedness (MPPL) on a Financial Covenant Testing Date as per DTD (Series A) dated October 18, 2021 and DTD (Series B) dated October 18, 2021 (the same is referred to in the below calculation as "Total debt of MPPL")}}{\text{the EBITDA (for the immediately preceding 12 month period) generated by the Operational Assets on such Financial Covenant Testing Date}}$$

$$\text{Total Debt to EBITDA Ratio of Operational Assets} = \frac{(A)}{(B)} = 6.10$$

Calculation of Total Debt of MPPL as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Corporate Guarantee Series V (Series A)	20,000.00
Corporate Guarantee Series V (Series B)	11,000.00
BOB LRD Facility	2,385.50
ICICI LRD Facility	6,279.76
Axis LRD Facility	15,465.58
ICICI Overdraft Facility	753.52
Axis Overdraft Facility	997.28
Total Debt of MPPL = (A)	**56,881.64**

Calculation of EBITDA of Operational Assets of MPPL for the year ended March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Total
Revenue from operations	12,567.87
Add: Other income (refer note a below)	129.71
Less: Liquidated damages	-
Less: Net change in fair value of financial assets	-
Less: Profit on retirement of assets	-
Less: Foreign exchange gain	-
Less: O&M expenses	(1,856.19)
Less: Other expenses	(1,513.08)
Add: Loss on retirement of assets	-
Add: Fair value loss on financial instruments at fair value	-
Add: Foreign exchange loss	-
EBITDA of Operational Assets of MPPL = (B)	**9,328.31**

Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

Note a: In calculating EBITDA of Operational Assets of MPPL, the Trust has not considered dividend income from GLSP of Rs. 920 million for year ended March 31, 2023, since the Trust is of the view that the same does not form part of EBITDA of Operational Assets of MPPL as per terms of DTD (Series A) dated October 18, 2021 and DTD (Series B) dated October 18, 2021.

Total Debt to EBITDA of Operational Assets as at March 31, 2023 as calculated above of is 6.10 times, which is within the maximum limit of 7 times as specified in para 2.27 of Schedule 5 of DTD (Series A) dated October 18, 2021 and para 2.27 of Schedule 5 of DTD (Series B) dated October 18, 2021

c) As per terms of para 2.27 of Schedule 5 of DTD dated March 31, 2022, the financial covenants required to be complied with by the Trust are as under:

I. Net Total Debt divided by EBITDA shall be less than or equal to 5.5x

Calculation of Net Total Debt divided by EBITDA as per para 2.27 of Schedule 5 of DTD dated March 31, 2022

$$\text{Net Total Debt divided by EBITDA} = \frac{(A)}{(B)} = 4.72$$

(A) = The Net Total Debt as at March 31, 2023 is Rs. 1,39,955.59 million. Refer calculation under (2)(a)(I) above.

(B) = EBITDA is Rs.29,668.59 million. Refer calculation under (2)(a)(I) above.

Net Total Debt divided by EBITDA as calculated above is 4.72 times, which is within the maximum limit of 5.5 times as specified in para 2.27 of Schedule 5 of DTD dated March 31, 2022

II. Security cover ratio shall be more than or equal to 2.0x

The following formula is used to calculate security cover ratio of the Trust in relation to 2022 NCDs - Series VI:

$$\text{Security cover ratio} = \frac{\text{The amount that is the aggregate of (A) 50\% (fifty per cent.) (or, if higher, the percentage of Share Capital of Golflinks then held by the REIT Group) of the Adjusted Gross Asset Value of Golflinks and (B) total outstanding nominal value of the Golflinks NCDs then held by the Issuer and all accrued but unpaid interest or coupon (however described) in respect of such Golflinks NCDs.}}{\text{Total outstanding nominal value of the Debentures and accrued but unpaid Coupon}}$$

$$\text{Security cover ratio} = \frac{(A)}{(B)} = 3.91$$

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Embassy Office Parks REIT ("the Trust" or "the REIT")

Statement showing 'Security Cover as per the terms of Debenture Trust Deed, Compliance with Covenants and book value of assets'

Value of assets provided as security as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
Value of 50% shareholding in Golflinks Software Park Private Limited held by Manyata Promoters Private Limited ("MPPL") (refer note a below)	30,917.25
Carrying amount of debentures issued by Golflinks Software Park Private Limited to the Trust outstanding as at March 31, 2023	8,157.83
Value of assets provided as security = (A)	**39,075.08**

Total outstanding nominal value of the Debentures and accrued but unpaid Coupon as at March 31, 2023 is as under:

Amounts in Rs. million

Particulars	Amount
10,000 listed, secured, redeemable and non-convertible Embassy REIT Series VI NCD 2022, debentures having face value of Rs.1 million each	10,000.00
Accrued but unpaid Coupon as at March 31, 2023	-
Total outstanding nominal value of the Debentures and accrued but unpaid Coupon = (B)	**10,000.00**

Note a: Value of 50% shareholding in Golflinks Software Park Private Limited held by MPPL is calculated as below:

Particulars	Amount
Fair value of property owned by Golflinks Software Park Private Limited as determined by a valuer	69,992.32
Less: Carrying amount of debentures issued by Golflinks Software Park Private Limited to the Trust outstanding as at March 31, 2023.	(8,157.83)
Net amount	**61,834.49**
Value of 50% shareholding in Golflinks Software Park Private Limited held by MPPL = 50% of net amount as calculated above	**30,917.25**

Security cover ratio as at March 31, 2023 as calculated above is 3.91 times, which is more than the minimum security cover of 2 times as required to be maintained by the Trust.

Hence, The Trust has complied with all the financial covenants as prescribed in the DTD dated DTD dated September 03, 2021, DTD (Series A) dated October 18, 2021, DTD (Series B) dated October 18, 2021 and DTD dated March 31, 2022.

3) Compliance with all covenants other than financial covenants

The Trust has complied with all other covenants as prescribed in the DTD dated September 03, 2021, DTD (Series A) dated October 18, 2021, DTD (Series B) dated October 18, 2021 and DTD dated March 31, 2022.

4) Security Cover as per SEBI Circular dated May 19, 2022

The calculation of security cover as specified in SEBI Circular dated May 19, 2022, is enclosed as Annexure I and Annexure II to this Statement.

We confirm that the aforesaid information is true and correct.

For Embassy Office Parks REIT

ABHISHEK AGRAWAL

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Abhishek Agrawal

Interim Cheif Financial Officer

Place: Bengaluru
Date: April 27, 2023

Embassy Office Parks REIT ("the Trust")
Annexure I - consolidated security cover computation

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)
											Relating to Column F			
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment (refer note a and note c below)			40,906.13			21,586.33	2,24,460.48		2,86,952.93					
	2021 NCDs - Series IV: Commercial Building being Block 9 of Embassy TechVillage (hereinafter referred to as "Secured assets Series IV")	8,166.00							8,166.00	15,624.20	-	-	-	15,624.20
	2021 NCDs - Series VA: Commercial buildings of Blocks F3, F2, G1, G2, G1& G2, G3, D4, E1, Mfar - Green Phase 4 of Embassy Manyata (hereinafter referred to as "Security Series VA")	9,436.79							9,436.79	49,767.79				49,767.79
	2021 NCDs - Series VB: Commercial buildings of Blocks L5,B, E2, H2, Mfar - Philips of Embassy Manyata (hereinafter referred to as "Security Series VB")	4,194.63							4,194.63	28,859.55	-	-	-	28,859.55
Capital Work-in- Progress (refer note b below)			3,030.47		-	2,302.55	7,335.37	-	12,668.38					
Right of Use Assets					-	-		-						
Goodwill					-	-	64,045.35	-	64,045.35					
Intangible Assets					-	-	11,864.35	-	11,864.35					
Intangible Assets under Development					-	-	-	-	-					
Investments	**2022 NCDs - Series VI:** - Pledge over investments made by the Trust in debentures of Golflinks Software Park Private Limited - Pledge over investments made by MPPL in Golflinks Software Park Private Limited (Above assets are hereinafter referred to as "Secured assets Series VI")	31,238.99			-	-	-	-	31,238.99	39,074.22				39,074.22
Loans					-	-	-	-	-					
Inventories					-	-	35.89	-	35.89					
Trade Receivables					-	-	503.96	-	503.96					
Cash and Cash Equivalents					-	-	8,173.48	-	8,173.48					
Bank Balances other than Cash and Cash Equivalents					-	-	580.10	-	580.10					
Others					-	-	26,256.81	-	26,256.81					
Total		**53,036.42**	**43,936.59**	**-**	**-**	**23,888.87**	**3,43,255.79**	**-**	**4,64,117.67**					
LIABILITIES														
Debt securities to which this certificate pertains	2021 NCDs - Series IV	3,000.00		No		-		(18.87)	2,981.13					
	2021 NCDs - Series VA	20,000.00		Yes				(70.93)	19,929.07					
	2021 NCDs - Series VB	11,000.00		Yes				(53.18)	10,946.82					
	2022 NCDs - Series VI	10,000.00		No				(43.25)	9,956.75					
Other debt sharing pari-passu charge with above debt							-		-					
Other Debt			50,844.07	No			-		50,844.07					
Subordinated debt							-		-					
Borrowings							-		-					
Bank		*not to be filled*	9,201.41	No		44,196.71			53,397.12					
Debt Securities									-					
Others							2,43,682.98		2,43,682.98					
Trade payables							473.69		473.69					
Lease Liabilities							362.47		362.47					
Provisions							21.25		21.25					
Others							71,522.32		71,522.32					
Total		**44,000.00**	**60,045.48**			**44,196.71**	**3,16,062.71**	**(186.23)**	**4,64,117.67**					

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Cover on Book Value	**2021 NCDs - Series IV**	2.72												
	2021 NCDs - Series VA	0.47												
	2021 NCDs - Series VB	0.38												
	2022 NCDs - Series VI	3.12												
Cover on Market Value	**2021 NCDs - Series IV**	5.21												
	2021 NCDs - Series VA	2.49												
	2021 NCDs - Series VB	2.62												
	2022 NCDs - Series VI	3.91												
		Exclusive Security Cover Ratio	**1.21**		**Pari-Passu Security Cover Ratio**	-				-				

Notes:
a. Amounts shown in line item Property, Plant and Equipment in the above table include amounts pertaining to Investment Property
b. Amounts shown in line item Capital Work-in- Progress in the above table include amounts pertaining to Investment Property Under Development
c. Amount shown in Column C of the above table in line item Property, Plant and Equipment represents the carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the books of account maintained by the subsidiaries of the Trust (that own such assets) as at March 31, 2023. Amount shown in Column H of the above table for line item Property, Plant and Equipment represents the difference between carrying amount of Property, Plant and Equipment and Investment Property items (provided as security) as per the Unaudited Condensed Consolidated Financial Statements of the Trust as at March 31, 2023 and the amount shown for such assets in Column C in the line item Property, Plant and Equipment.

d. Amount shown in column C for Security Series VA is calculated as below:

Particulars	Amount
Book value of Buildings pertaining to Blocks F3, F2, G1, G2, G1& G2, G3, D4, E1, Mfar - Green Phase 4 of Embassy Manyata (hereinafter referred to as "Secured Buildings VA")	9,119.71
Book value of Land pertaining to commercial buildings in project Embassy Manyata (hereinafter referred to as "Manyata Land VA")	1,121.69
Less: Book value of land (other than land pertaining to Blocks F3, F2, G1, G2, G1& G2, G3, D4, E1, Mfar - Green Phase 4 of Embassy Manyata)	(804.61)
Amount shown in column C for line item Security Series VA	**9,436.79**

e. Amount shown in column C for Security Series VB is calculated as below:

Particulars	Amount
Book value of Buildings pertaining to Blocks L5, B, E2, H2, Mfar - Philips of Embassy Manyata (hereinafter referred to as "Secured Buildings VB")	4,034.94
Book value of Land pertaining to to commercial buildings in project Embassy Manyata (hereinafter referred to as "Manyata Land VA")	1,121.69
Less: Book value of land (other than land pertaining to Blocks L5, B, E2, H2, Mfar - Philips of Embassy Manyata)	(962.00)
Amount shown in column C for line item Security Series VB	**4,194.63**

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Embassy Office Parks REIT ("the Trust")
Annexure II - standalone security cover computation

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		Debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+ N)
												Relating to Column F		
		Book Value	Book Value	Yes/ No	Book Value	Book Value								
ASSETS														
Property, Plant and Equipment (refer note a below)					-	-	-	-	-					
Capital Work-in- Progress (refer note b below)					-	-	-	-	-					
Right of Use Assets					-	-	-	-	-					
Goodwill					-	-	-	-	-					
Intangible Assets					-	-	-	-	-					
Intangible Assets under Development					-	-	-	-	-					
Investments			76,657.27		-	-	55,100.50		1,31,757.77					
	2021 NCDs - Series IV: Investments made by the Trust in equity shares of Sarla Infrastructure Private Limited	6,870.02	-	-	-	-	-	-	6,870.02	14,634.91				14,634.91
	2021 NCDs - Series VA: Investments made by the Trust in equity shares of Manyata Promoters Private Limited	-	-	-	99,475.27	-	-	-	99,475.27			1,60,662.47		1,60,662.47
	2021 NCDs - Series VB: Investments made by the Trust in equity shares of Manyata Promoters Private Limited	-	-	-	99,475.27	-	-	(99,475.27)	-			1,60,662.47		1,60,662.47
	2022 NCDs - Series VI: Investment in debentures issued by Golflinks Software Park Private Limited to the Trust	8,157.83	-	-	-	-	-	-	8,157.83		8,157.83			8,157.83
Loans			28,614.04				36,096.02		64,710.06					
	2021 NCDs - Series IV: Unsecured loan given by the Trust to Sarla Infrastructure Private Limited	6,429.59	-	-	-	-	-	-	6,429.59		6,429.59			6,429.59
	2021 NCDs - Series VA: Unsecured loan given by the Trust to Manyata Promoters Private Limited	-	-	-	22,721.19	-	-	-	22,721.19				22,721.19	22,721.19
	2021 NCDs - Series VB: Unsecured loan given by the Trust to Manyata Promoters Private Limited	-	-	-	22,721.19	-		(22,721.19)	-		-		22,721.19	22,721.19
Inventories					-	-	-	-	-					
Trade Receivables					-	-	-	-	-					
Cash and Cash Equivalents					-	-	5,280.15	-	5,280.15					
Bank Balances other than Cash and Cash Equivalents					-	-	-	-	-					
Others					-	-	137.31	-	137.31					
Total		**21,457.44**	**1,05,271.31**	**-**	**2,44,392.92**	**-**	**96,613.98**	**(1,22,196.46)**	**3,45,539.19**					
LIABILITIES														
Debt securities to which this certificate pertains	2021 NCDs - Series IV	3,000.00		No		-		(18.87)	2,981.13					
	2021 NCDs - Series VA			Yes	20,000.00	-		(70.93)	19,929.07					
	2021 NCDs - Series VB			Yes	11,000.00	-		(53.18)	10,946.82					
	2022 NCDs - Series VI	10,000.00		No		-		(43.25)	9,956.75					
Other debt sharing pari-passu charge with above debt							-		-					
Other Debt			50,844.07	No		-	-		50,844.07					
Subordinated debt							-		-					
Borrowings									-					
Bank		not to be filled							-					
Debt Securities									-					
Others									2,50,572.66					
Trade payables							7.76		7.76					
Lease Liabilities							-		-					
Provisions							1.82		1.82					
Others							299.11		299.11					
Total		**13,000.00**	**50,844.07**		**31,000.00**	**-**	**308.69**	**(186.23)**	**3,45,539.19**					
Cover on Book Value	**2021 NCDs - Series IV**	4.43												
	2021 NCDs - Series VA				2.83									
	2021 NCDs - Series VB				2.83									
	2022 NCDs - Series VI	0.82												

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Cover on Market Value	**2021 NCDs - Series IV**	7.02												
	2021 NCDs - Series VA				4.12									
	2021 NCDs - Series VB				4.12									
	2022 NCDs - Series VI	0.82												
		Exclusive Security Cover Ratio	**1.65**		**Pari-Passu Security Cover Ratio**	2.83				-				

Notes:
a. Amounts shown in line item Property, Plant and Equipment in the above table include amounts pertaining to Investment Property
b. Amounts shown in line item Capital Work-in- Progress in the above table include amounts pertaining to Investment Property Under Development

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