



## Statutory Disclosures



## 1 Business & Financial Summary

### a) Manager's brief report on the activities of the REIT:

Embassy REIT was settled on March 30, 2017 at Bengaluru, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to a trust deed dated March 30, 2017 as amended on September 11, 2018. The Sponsors of Embassy REIT are Embassy Property Developments Private Limited ("Embassy Sponsor") and BRE/Mauritius Investments ("Blackstone Sponsor"). For further details please refer to pages 44-45 of this report.

Embassy REIT owns a high-quality office portfolio comprising of seven best-in-class office parks and four prime city center office buildings totalling 33.3 msf as of March 31, 2020. For further details on the properties please refer to pages 58-87 of this report.

Embassy REIT was listed on the BSE and NSE on April 1, 2019 after an initial public offering that was oversubscribed by 2.6 times.

With respect to the year ended March 31, 2020 our updates on Commercial offices, Development and Hospitality are set forth on pages 26-29 respectively.

The NAV of Embassy REIT as on March 31, 2020 was ₹ 374.64 basis the valuation report enclosed with this report on pages 302-341.

With respect to trading price, kindly refer to page 129 of this report.

Summary of the audited Standalone and Consolidated Financial Statements

Please refer to pages 158-299 of this report.

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

Please refer to pages 99-113 of this report.

## 3 Brief details of all the assets of the REIT including a break-up of real estate assets and other assets, location of the properties, area of the properties, current occupiers (not less than top 10 occupiers as per value of lease), lease maturity profile, details of under-construction properties, if any, etc.

### a. Real estate assets and other assets

Please refer to pages 58-87 of this report

### b. Location of the properties

Please refer to pages 58-87 of this report

### c. Area of the properties

Please refer to pages 58-87 of this report

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

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

Name of the Asset SPV	Name of the Occupier	Name of the Asset SPV	Name of the Occupier
Vikhroli Corporate Park Private Limited-247 Tech park	• Accelya Kale Solutions Limited	Earnest Towers Private Limited	• Executive Centre India Private Limited
	• DHL Global Forwarding Freight Shared Services (India) LLP		• FIFC Condominium
	• Future Retail Limited		• Google Cloud India Pvt. Ltd.
	• Gravitas Technology Private Limited		• Google India Private Limited
	• ICICI Lombard General Insurance Company Limited		• Impresario Entertainment and Hospitality Private Limited
	• Link Intime India Private Limited		• Kasa Food works
	• Oppo Mobiles India Private Limited		• Massive Restaurants Private Limited
	• Trendsutra Platform Services Private Limited		• McKinsey & Company India LLP
	• Vistra International Expansion (India) Private Limited		• Mirah Hospitality and Gourmet Solutions Private Limited
	• We Work India Management Private Limited		• Oracle India Private Limited
Embassy One-Four Seasons	• Korea Trade-Investment Promotion Agency	Galaxy Square Private Limited	• DXC Technology India Private Limited
	• The State of The Netherlands		• Elixir Softech Private Limited
Indian Express Newspapers (Mumbai) Pvt. Ltd.	• Blackstone Advisors India Private Limited		• Esaote Asia Pacific Diagnostic Private Limited
	• DBS Bank India Limited		• Fiserv India Private Limited
	• ECGC Limited		• HDFC Bank Limited
	• ENAM Holdings Private Limited		• Jubilant Foodworks Limited
	• JBF Industries Limited		• Mitel Communications Private Limited
	• McKinsey & Company, Inc.		• Next Gen Services
	• Proteus Ventures LLP		• Tata Consultancy Services Limited
	• Shardul Amarchand Mangaldas & Co.		• Xylem Water Solutions Private Limited
	• The Indian Hotels Company Limited		
	• Warburg Pincus India Private Limited		

## STATUTORY DISCLOSURES (CONTD.)

Name of the Asset SPV	Name of the Occupier
<b>Oxygen Business Park Private Limited</b>	• Devyani International Limited
	• ExlService.com (India) Private Limited
	• GlobalLogic India Private Limited
	• Jubilant Foodworks Limited
	• Maxwell Food & Beverages India
	• Newgen Software Technologies Limited
	• NTT Data Information Processing Services Private Limited
	• One World Retail
	• Optum Global Solutions (India) Private Limited
	• Sapient Consulting Private Limited
<b>Quadron Business Park Private Limited</b>	• Barclays Global Service Centre Private Limited
	• Cognizant Technology Solutions India Private Limited
	• E-CLERX Services Limited
	• Glow Energy
	• Humane Business Intelligence Technology Solutions Private Limited
	• Jubilant Foodworks Ltd.
	• Reliance Jio Infocomm Limited
	• Storybook Ventures Pvt. Ltd.
	• Vodafone Idea Limited

Name of the Asset SPV	Name of the Occupier
<b>Qubix Business Park Private Limited</b>	• Accenture Services Private Limited
	• Aker Powergas Subsea Private Limited
	• Cisco Systems (India) Private Limited
	• Crisil Limited
	• HCL Technologies Limited
	• KPIT Cummins Infosystems Limited
	• Larson & Toubro Infotech Limited
	• Persistent Systems Limited
	• Sciformix Technologies Private Limited
	• Tata Technologies Limited
<b>Manyata Promoters Private Limited</b>	• Alcatel-Lucent India Limited
	• ANSR Global Corporation Private Limited
	• Cerner HealthCare Solutions India Private Limited
	• Cognizant Technology Solutions India Private Limited
	• IBM India Private Limited
	• Legato Health Technologies LLP
	• Lowe's Services India Private Limited
	• Nokia Solutions & Networks India Private Limited
	• Nvidia Graphics Private Limited
	• Target Corporation India Private Limited

Name of the Asset SPV	Name of the Occupier
<b>Embassy Office Parks Private Limited</b>	• Access Healthcare Services Private Limited
	• Flextronics Technologies (India) Private Limited
	• IBM India Private Limited
	• Infosys BPM Limited
	• Larsen & Toubro Infotech Limited
	• Mercedes-Benz Research and Development India Private Limited
	• Nice Interactive Solutions India Private Limited
	• Nitor Infotech Private Limited
	• State Street HCL Services (India) Private
	• Tech Mahindra Limited

Additionally, for the top 10 occupiers of Embassy REIT, please refer to page 21 of this report.

For the lease maturity profile of each Asset SPV, please refer to pages 24 and 27 of this report.

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

Please refer page 25 of this report

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

Please refer to pages 302-341 of this report

**5 Details of changes during the year pertaining to:**

**a) Addition and divestment of assets including the identity of the buyers or sellers, purchase/sale prices and brief details of valuation for such transactions**

Embassy Property Developments Private Limited ("EPDPL") and Manyata Promoters Private Limited ("MPPL") have previously entered into arrangements where under 997,057 (Nine Hundred and Ninety Seven Thousand and Fifty Seven) square feet of commercial office space ("M3 Project") is being developed on land measuring 6 acres 25.46 guntas in Survey Nos. 39/1, 40/6, 35/3A, 39/2B, 35/2, 37/1 and 40/3, situated at Rachenahalli Village, Krishnarajapura Hobli, Bengaluru East Taluk, Bengaluru ("Project Land"). The Project Land is within a notified special economic zone, owned by EPDPL and leased to MPPL for an initial term of 30 (thirty) years, which is renewable for successive periods of 30 (thirty) years.

In furtherance to the existing M3 Project, the Board of the Manager of the Embassy REIT, by way of a circular resolution dated December 30, 2019, approved an arrangement between MPPL, an Asset SPV of Embassy REIT and EPDPL, a sponsor of Embassy REIT to co-develop and acquire leasable area of 597,789 sft in Block B of the existing M3 Project ("M3 Block B") located within the overall Embassy Manyata Business Park campus (an existing asset of Embassy REIT) situated at Rachenahalli Village, Krishnarajapura Hobli, Bengaluru "Bengaluru East, at a 9.25% yield upon" development completion within an estimated timeline of 39 (thirty nine) months from the execution of definitive documents i.e. March 31, 2023. The Board also approved the appointment of EPDPL to market and lease the M3 Block B as part of the transaction.

## STATUTORY DISCLOSURES (CONTD.)

Significant terms of the transaction	<p>The transaction is proposed to be completed within an estimated timeline of 39 (thirty nine) months (i.e. March 31, 2023) from the date of execution of the definitive agreements for an estimated aggregate consideration of ₹ 736.73 crore.</p> <p>The final acquisition cost will be determined upon completion of the building and lease-up basis actual achieved rent.</p> <p>The acquisition cost is to be funded through additional debt financing obtained by MPPL and would be paid in tranches linked to agreed milestones (including acquiring transferable development rights by EPDPL).</p>																							
Other details of the transaction	<p>The transaction is a related party transaction.</p> <p>The transaction has been undertaken on an arms' length basis.</p> <p>Further, the proposed transaction is a related party transaction as per Regulation 19 of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014. The value of the proposed transaction and all other related party transactions entered into by Embassy REIT in the financial year was less than 10% of the value of REIT assets. Accordingly, approval from the Unitholders was not required for the proposed transaction.</p>																							
Brief details of valuation	<p>Brief summary of valuation from the valuation report of Mr. Anuj Kumar (and value assessment services provided by Jones Lang LaSalle Property Consultants (India) Pvt. Ltd.);</p> <table><tr><td>Purpose of Valuation</td><td>Acquisition purpose as indicated by the Client</td></tr><tr><td>Interest Valued</td><td>Co-Development Rights</td></tr><tr><td>Date of Valuation</td><td>December 30, 2019</td></tr><tr><td>Date of Inspection</td><td>November 4, 2019 and December 18, 2019</td></tr><tr><td>Date of Valuation Report</td><td>December 30, 2019</td></tr><tr><td>Currency</td><td>Indian National Rupees (₹)</td></tr><tr><td>Prepared by</td><td>Mr. Anuj Kumar and Jones Lang LaSalle Property Consultants (India) Private Limited</td></tr><tr><td>Statement of Assets</td><td>Based on the information provided by the Client, the area details for the proposed additional area is 597,789 sq. ft. and the same is considered in this assessment.</td></tr><tr><td>Guideline Value/Ready Reckoner Rate</td><td><ul style="list-style-type: none"><li>Land Rate: ₹ 78,200 per sqm</li><li>Built-Up Rate: ₹ 62,800 per sqm</li></ul></td></tr><tr><td>Opinion on Market Value of the Project on Completed basis</td><td>₹ 8,793.24 million</td></tr><tr><td>Aspects, which may Affect the Market Value</td><td>The Value assessed is contingent on the buildability of the proposed additional area on the larger M3 land</td></tr></table>		Purpose of Valuation	Acquisition purpose as indicated by the Client	Interest Valued	Co-Development Rights	Date of Valuation	December 30, 2019	Date of Inspection	November 4, 2019 and December 18, 2019	Date of Valuation Report	December 30, 2019	Currency	Indian National Rupees (₹)	Prepared by	Mr. Anuj Kumar and Jones Lang LaSalle Property Consultants (India) Private Limited	Statement of Assets	Based on the information provided by the Client, the area details for the proposed additional area is 597,789 sq. ft. and the same is considered in this assessment.	Guideline Value/Ready Reckoner Rate	<ul style="list-style-type: none"><li>Land Rate: ₹ 78,200 per sqm</li><li>Built-Up Rate: ₹ 62,800 per sqm</li></ul>	Opinion on Market Value of the Project on Completed basis	₹ 8,793.24 million	Aspects, which may Affect the Market Value	The Value assessed is contingent on the buildability of the proposed additional area on the larger M3 land
Purpose of Valuation	Acquisition purpose as indicated by the Client																							
Interest Valued	Co-Development Rights																							
Date of Valuation	December 30, 2019																							
Date of Inspection	November 4, 2019 and December 18, 2019																							
Date of Valuation Report	December 30, 2019																							
Currency	Indian National Rupees (₹)																							
Prepared by	Mr. Anuj Kumar and Jones Lang LaSalle Property Consultants (India) Private Limited																							
Statement of Assets	Based on the information provided by the Client, the area details for the proposed additional area is 597,789 sq. ft. and the same is considered in this assessment.																							
Guideline Value/Ready Reckoner Rate	<ul style="list-style-type: none"><li>Land Rate: ₹ 78,200 per sqm</li><li>Built-Up Rate: ₹ 62,800 per sqm</li></ul>																							
Opinion on Market Value of the Project on Completed basis	₹ 8,793.24 million																							
Aspects, which may Affect the Market Value	The Value assessed is contingent on the buildability of the proposed additional area on the larger M3 land																							

Brief details of valuation	Assumptions, Qualifications, Limitations and Disclaimers	The assessment and opinion on Market Value is subject to assumptions, qualifications, limitations and disclaimers detailed in the Valuation Report, which are made in conjunction with those included under the Section 1.7 of the Valuation Report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgment and understanding of these statements. The assessment and opinion on Market Value is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this assessment and opinion on Market Value. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Project.
	Brief summary of valuation from the valuation report of Mr. Manish Gupta, Partner, iVAS Partners (and value assessment services provided by CBRE South Asia Pvt. Ltd.);	
	Property:	Subject property – Proposed Additional Area - M3 Project Phase II, Embassy Manyata, located in Outer Ring Road, Nagavara, Bengaluru, Karnataka
	Property Address:	Nagavara Village, Kasaba Hobli, Bengaluru North Taluk, Bengaluru District and Rachenahalli and Thanisandra Villages, Krishnarajapuram Hobli, Bengaluru East Taluk, Bengaluru District, Karnataka
	Land Area:	Based on review of the title report (prepared by King & Partridge, dated November 8, 2019 for M3 Block), the Valuer understands that the total land area of the subject property is approximately 6.636 Acres
	Client:	Embassy Office Parks Management Services Private Limited (in its capacity as Manager to the Embassy Office Parks REIT)
	Registered Owner:	Based on the inputs provided by the Client, the Valuer understands that the subject property is under the ownership of Embassy Property Developments Private Limited (EPDPL)
	Purpose:	Acquisition Purpose
	Interest Valued:	Co-development rights (based on review of the term sheet between Client and EPDPL)
	Basis of Valuation:	Market Value
	Town Planning:	The subject property is zoned for "Industrial Hi-tech" use and same has been adopted for the purpose of the valuation exercise. Further, the subject property is located along the mutation corridor (viz. Outer Ring Road), thereby allowing flexibility on the land use.

## STATUTORY DISCLOSURES (CONTD.)

Brief details of valuation	Brief Description:	<p>The subject property is proposed to be part of the second largest commercial office asset in India (in terms of scale), largest in Bengaluru and is a landmark in North Bengaluru. The property is accessible through the internal road within the larger development emanating from Nagavara Outer Ring Road. Further, the subject development is strategically located in proximity to micro-markets of Thanisandra &amp; Hennur Road which are amongst the fastest developing vectors in North Bengaluru.</p> <p>The Nagavara Outer Ring Road, connects the subject location to prominent locations such as Yeshwanthpur, KR Puram, Whitefield, Sarjapur Outer Ring Road, Old Madras road, etc. Further, it is located at a distance of 1-2 km from Nagavara Junction, 3-4 km from Hebbal Junction, 7-8 km from Yelahanka Junction, 11-14 km from MG Road (CBD) and 29-31 km from Kempegowda International Airport.</p> <p>As per information provided by the Client and the Co-developer agreement, it is understood that the leasable area for Block M3 is 997,057 sqft. However, the Client intends to revise the leasable area of Block M3 with an additional area of 597,789 sqft and this incremental area is considered as part of this valuation exercise. Further, as per information provided by the Client, it is understood that the above additional area will be acquired as part of Transferable Development Rights (TDR) and the cost towards the same has been factored as part of this appraisal.</p>
	Statement of Assets (sf):	Based on information provided by the Client & Architect certificates, the area details for the proposed additional area is 597,789 sqft and the same is considered for this valuation exercise.
	Valuation Approach:	Income Approach - Discounted Cash Flow Method
	Date of Valuation:	As per instruction from the Client, the date of assessment of cash flows is as of September 30, 2019 and the value is opined "As-if Completed". Based on review of the term sheet between Client and EPDPL, the Valuer understands that the proposed acquisition is for the asset to be acquired on an as completed basis. Accordingly, no development cost has been adopted as part of this valuation. Additionally, the proposed completion (viz. obtaining of occupancy certificate) is expected to be Q2, CY 2023 and the rental adopted for the purpose of this valuation is keeping in purview that date. Should the completion be before or after the date, the same would result in a change to the valuation.
	Date of Inspection:	October 31, 2019
	Date of Report:	December 30, 2019
	Purchase Price for the property:	NA
	Ready Reckoner Rate (as per documents published by State Government):	Land Rate: ₹ 78,200 per sqm of land area Built-up Rate: ₹ 62,800 per sqm of covered area

Brief details of valuation	Assessed Value:	The assessed value for the subject property is highlighted below
		<ul style="list-style-type: none"> <li>Value as if completed - ₹ 8,664 million</li> </ul>
	Any matters which may affect the property or its value	The Value assessed is contingent on the build ability of the proposed additional area on the larger M3 land
	The detailed valuation reports are available at the investor relations page of Embassy REIT website (www.embassyofficeparks.com).	

MPPL has executed Co-Developer Agreement, Development Management Agreement and Marketing Services Agreement with EPDPL on December 30, 2019 (Definitive Documents) to acquire leasable area of 597,789 sqft and as per the timeline set out in the Definitive Documents, MPPL has paid the first tranche of development consideration to EPDPL as per the Definitive Documents.

Further, MPPL has obtained a fairness opinion from Duff & Phelps opining that cap rate and interest rate spreads are financially fair.

**b) Valuation of assets (as per the full valuation reports) and NAV**

Please refer to pages 302-341 of this report for Gross Asset Valuation and page 217 for NAV respectively.

**6. Details of changes during the year pertaining to:**

**a) Letting of assets, occupancy, lease maturity, key occupiers, etc.**

Please refer to pages 26-27 of this report with respect to the new leases for the year ended March 31, 2020. The occupancy of Embassy REIT as of March 31, 2020 was 92.8% as against the occupancy of 94.3% as of the start of this year. The WALE of Embassy REIT is set forth on page 24. The current list of key occupiers is set forth on pages 20-21.

**b) Borrowings/repayment of borrowings (standalone and consolidated)**

Please refer to pages 191-192 and 204 of this report with respect to borrowings on a standalone basis as on March 31, 2020 and pages 257-260 of this report with respect to borrowings on a consolidated basis, as on March 31, 2020.

Please refer to pages 257-260 of this report with respect to repayment of borrowings on a consolidated basis, as on March 31, 2020. On the standalone basis, as on March 31, 2020, the repayment of borrowings was NIL.

**c) Sponsors, manager, trustee, valuer, directors of the trustee/ manager/ sponsor, etc.**

There was no change in the Sponsors, Manager and Trustee during the year ended March 31, 2020. Mr. Manish Gupta, partner, iVAS Partners, has been appointed as the valuer of Embassy REIT pursuant to a resolution passed by circulation on June 28, 2019 and approved by the Unitholders at their annual meeting held on July 25, 2019. CBRE South Asia Private Limited was the valuer as on March 31, 2019 and has currently been appointed to provide value assessment services to Embassy REIT.



## STATUTORY DISCLOSURES (CONTD.)

The below table indicates the change of Directors in Trustee/ Manager/ Sponsor for the year ended March 31, 2020

Entity	Nature of Change
Axis Trustee Services Limited ("TRUSTEE")	Appointed as Non -Executive Director (nominated By Axis Bank Limited)
1. Mr. Ganesh Sankaran	
2. Mr. Ram Bharoseylal Vaish	Resigned as Director
Embassy Office Parks Management Services Private Limited ("MANAGER")	Appointed as Alternate Director to Mr. Robert Christopher Heady
1. Mr. Asheesh Mohta	
Embassy Property Developments Private Limited ("Embassy Sponsor")	No change in the Composition of Directors
BRE/Mauritius Investments ("Blackstone Sponsor")	No change in the Composition of Directors

**d) Clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of REIT**

Not Applicable

**e) Any other material change during the year**

Not Applicable

**7 Update on development of under-construction properties, if any**

Please refer to page 25 of this report.

**8 Details of outstanding borrowings and deferred payments of REIT including any credit rating(s), debt maturity profile, gearing ratios of the REIT on a**

**11 Past performance of the REIT with respect to unit price, distributions and yield for the last 5 years, as applicable and Unit price quoted on the Designated Stock Exchanges at the beginning and end of the financial year, the highest and lowest unit price and the average daily volume traded during the financial year.**

**Embassy REIT Trading Snapshot**

Key Statistics		NSE	BSE
<b>Unit price</b>			
Listing: April 1, 2019	₹	300.00	300.00
Opening as of April 1, 2019	₹	308.00	300.00
Closing as of March 31, 2020	₹	350.74	351.51
52-week high	₹	512.00	518.00
52-week low	₹	301.35	300.00
<b>Market capitalisation</b>			
₹ billion		270.65	271.25
<b>Average daily trading volume (ADTV)</b>			
Units		398,951	60,856
₹ million		154.99	24.06

Source: NSE (Designated stock exchange) and BSE as of March 31, 2020 since listing

**12 Related party transactions**

- a) Refer to pages 286-288 of this report which contains details of all related party transactions entered into by the Embassy REIT and its Asset SPVs during the year ended March 31, 2020 (excluding transactions between Embassy REIT and its Asset SPVs which are eliminated on consolidation).
- b) Refer to pages 197-199 of this report which contains details of all related party transactions entered into by Embassy REIT including monies lent by Embassy REIT to its holding Company and its SPVs.

**13 Details of fund-raising during the year**

The Debenture Committee of the Board of Directors of the Manager of Embassy REIT has approved the issue of rupee denominated, listed, rated, secured, redeemable, non-convertible debentures by Embassy REIT on a private placement basis for an aggregate amount of ₹36,500,000,000/- (Rupees Three Thousand Six Hundred and Fifty crore only) split into Two Tranches i.e. Tranche A and Tranche B wherein Tranche A shall be for an aggregate amount of ₹30,000,000,000/- (Rupees Three Thousand crore only) and Tranche B shall be for an aggregate amount of ₹ 6,500,000,000/- (Six Hundred and Fifty crore only) on April 23, 2019.

Further on May 3, 2019, the Debenture Committee of the Board of Directors of the Manager of Embassy REIT has approved the allotment of 30,000 Secured Non-Convertible Debentures of ₹1,000,000/- (Rupees Ten Lakh only) each aggregating to ₹30,000,000,000/- (Rupees Three Thousand Crore only) on a private placement basis under Tranche A as per the terms and conditions as mentioned in the Information Memorandum for the said issue.

Further on November 22, 2019, the Debenture Committee of the Board of Directors of the Manager of Embassy REIT has approved the allotment of 6,500 Secured Non-Convertible Debentures of ₹1,000,000/- (Rupees Ten Lakh only) each aggregating to ₹6,500,000,000/- (Rupees Six Hundred Fifty Crore only) on a private placement basis under Tranche B as per the terms and conditions as mentioned in the Information Memorandum for the said issue.

The above-mentioned Non-Convertible Debentures were listed on the Wholesale Debt Market (WDM) Segment of BSE Limited.

**14 Brief details of material and price sensitive information**

Not applicable

**15 Brief details of material litigations and regulatory actions which are pending against the REIT, sponsor(s), manager or any of their associates and sponsor group(s) and the trustee if any, as at the end of the year**

Please see section on Legal and Other information.

**16 Risk factors**

Risk Factors-Embassy Office Parks REIT

**Risk related to our organisation and structure**

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

## STATUTORY DISCLOSURES (CONTD.)

**Risks Related to our business and industry**

1. Our business is dependent on the Indian economy and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material adverse effect on our business.
2. Our business, financial condition, cash flows and results of operations and the trading price of our units have been and may continue to be adversely impacted by the outbreak of and the resulting disruptions caused by the coronavirus disease 2019 (COVID-19) pandemic. In the financial year ended March 31, 2020, it has adversely impacted our occupiers and our rental income during the month of March 2020 and may continue to do so for the next few months. It may adversely impact the ability of our SPVs to pay dividends or service debt payments (including to the REIT) and the ability of the REIT to service debt at its level and may adversely impact our NAV, NDCF and distributions to Unitholders. The spread of COVID-19 has led to disruption, uncertainty and volatility in the Indian and global markets, which may adversely affect our ability to access the equity and debt markets, cost of capital and liquidity.
3. We have a limited operating history and may not be able to operate our business successfully or generate sufficient cash flows to make or sustain distributions.
4. A significant portion of our revenues are derived from a limited number of large occupiers, occupiers in the technology sector and from a few integrated office parks. Any conditions that impact these occupiers, the technology sector or parks may adversely affect our business, revenue from operations and financial condition.
5. Occupier leases across our Portfolio are subject to the risk of non-renewal, non-replacement or early termination. Further, vacant properties could be difficult to lease, which could adversely affect our revenues.
6. Our business and profitability are dependent on the performance of the commercial real estate market in India generally and any fluctuations in market conditions may have an adverse impact on our financial condition.
7. The Independent Auditor's Report on projections of revenue from operations, net operating income, earnings before interest, tax, depreciation and amortisation, cash flow from operating activities

and net distributable cash flows (if any) and the underlying assumptions contain restrictions with respect to the purpose of the report and, use of the report by investors in the United States.

8. As GLSP does not qualify as an Asset SPV under the REIT Regulations, it is not required to comply with the mandatory distribution requirements under the REIT Regulations.
9. The valuation reports obtained for our Portfolio are based on various assumptions and may not be indicative of the true value of our assets.
10. We may be required to record significant changes to the earning in the future when we review our Portfolio for potential impairment.
11. Our contingent liability could adversely affect our financial condition, results of operations and cash flows.
12. We rely on third party operators to successfully operate and manage certain Portfolio Assets. Our results of operations may be adversely affected if we fail to effectively oversee the functioning of third-party operators.
13. Compliance with, and changes in, applicable laws (including without limitation environmental laws and regulations) could adversely affect the development of our properties and our financial condition.
14. If we are unable to maintain relationships with other stakeholders in our Portfolio, our financial conditions and results of operation may be adversely affected.
15. We may incur losses as a result of unforeseen or catastrophic events, including the emergence of pandemics, terrorist attacks, extreme weather events, natural disasters or other widespread health emergencies that could create economic and financial disruptions, and could lead to operational difficulties (including travel limitations) that could impair/impact our ability to manage our businesses.
16. We are exposed to a variety of risks associated with safety, security and crisis management.
17. We may be unable to successfully grow our business in new markets in India, which may adversely affect our growth, business prospects, results of operations and financial condition.

18. We may be adversely affected if the Asset SPVs and Investment Entity are unable to obtain, maintain or renew all regulatory approvals that are required for their respective business.
19. Some of our Portfolio Assets are located/has been historically located on land leased from the Government of Maharashtra, MMRDA, MIDC and NOIDA. The relevant Asset SPVs are required to comply with the terms and conditions provided in the respective lease agreements with such government bodies, failing which MMRDA, MIDC or NOIDA, as the case may be, may, impose penalties, terminate the lease or take over the premises.
20. We have entered into material related party transactions, the terms of which may be unfavorable to us or could involve conflicts of interest. The Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Manager, Embassy Sponsor or the Blackstone Sponsor Group on more favourable terms than those payable by us.
21. Our solar operations are dependent on the regulatory and policy environment affecting the renewable energy sector in India.
22. Our Asset SPVs and the Investment Entity are subject to ongoing compliance requirements under various laws, and there have been certain past instances of non-compliance.
23. Some of our Portfolio Assets are located on land notified as SEZs and the Asset SPVs are required to comply with the SEZ Act and the rules made thereunder.
24. The title and development rights or other interests over land where the Portfolio are located may be subject to legal uncertainties and defects, which may interfere with our ownership of the Portfolio and result in us incurring costs to remedy and cure such defects.
25. There can be no assurance that we will be able to successfully complete future acquisitions or efficiently manage the assets we have acquired or may acquire in the future. Further, any of our acquisitions in the future may be subject to acquisition related risks.
26. There may be conflicts of interests between the Manager, Embassy Sponsor, the

Blackstone Sponsor Group, the Blackstone Sponsor, the Trustee and/or their respective associates/affiliates.

27. We may not be able to successfully meet working capital or capital expenditure requirements of our Portfolio Assets due to the unavailability of funding on acceptable terms
28. We may invest in under construction real estate projects which may be adversely affected by delay in completion and cost overruns.
29. The audit report of our Statutory Auditors on the Consolidated Financial Statements may contain certain qualifications and matters of emphasis.
30. Our Portfolio Assets and the Investment Entity may be subject to increases in direct expenses and other operating expenses. Renovation work, repair and maintenance or physical damage to the Portfolio Assets and/or the assets of the Investment Entity may disrupt our operations and collection of rental income or otherwise result in an adverse impact on our financial condition and results of operation.
31. We may be subject to certain restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. The terms of such financing may limit our ability to make distributions to the Unitholders.
32. The Blackstone Sponsor has not entered into a deed of right of first offer in respect of any assets operated by the Blackstone Sponsor Group or other entities of the Blackstone Sponsor Group which could lead to potential conflicts of interest.
33. The ROFO Deed entered into with Embassy Sponsor is subject to various terms and conditions.
34. The brand "Embassy" is owned by Embassy Shelters Private Limited and licensed to us. Our license to use the "Embassy" trademark and logo may be terminated under certain circumstances and our ability to use the trademark and logo may be impaired. Further, for certain other Asset SPVs, we do not have registered trademarks in the name of the relevant SPVs.
35. We operate in a highly competitive environment and increased competitive pressure could adversely affect our business and the ability of the Manager to execute our growth strategy.

## STATUTORY DISCLOSURES (CONTD.)

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

37. There is outstanding litigation and regulatory actions involving Embassy Sponsor and its Associate that may adversely affect our business.

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

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

40. Security and IT risks may disrupt our business, result in losses or limit our growth.

41. Foreign Account Tax Compliance withholding may affect payments on the Units for investors.

42. We expect to be classified as a passive foreign investment Company for U.S. federal income tax purposes, which could result in materially adverse U.S. federal income tax consequences to U.S. investors in our Units.

#### Risks related to our relationships with the Sponsors and the Manager

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

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

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

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

conflicts of interest in making investment decisions on our behalf.

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

6. We depend on the Manager to manage our business and assets, and our results of operations, financial condition and ability to make distributions may be harmed if the Manager fails to perform satisfactorily, for which our recourse may be limited.

#### Risks related to India

1. Due to the REIT Regulations, it may be difficult for public Unitholders to remove the Trustee as Embassy Sponsor and the Blackstone Sponsor Group collectively hold a majority of the Units.

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

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

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

5. It may not be possible for Unitholders to enforce foreign judgements.

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

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

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

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

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

#### Risks related to the ownership of the Units

1. Trusts such as us may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.

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

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

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

5. Embassy REIT does not have any similar and comparable listed peer which is involved in the same line of business for comparison of performance and, therefore, investors must rely on their own examination of Embassy REIT for the purpose of investment.

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

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

8. Any future issuance of Units by us or sale of Units by Embassy Sponsor, Blackstone Sponsor Group or any of other significant Unitholders may materially and adversely affect the trading price of the Units.

9. Our rights and the rights of the Unitholders to recover claims against the Manager or the Trustee are limited.

10. NAV per Unit may be diluted if further issues are priced below the current NAV per Unit.

11. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Manager and us.

#### 17 Information of the contact person of the REIT

Mr. Ramesh Periasamy  
Company Secretary & Compliance Officer  
Royal Oaks, Embassy GolfLinks Business Park,  
Off Intermediate Ring Road, Bengaluru – 560 071  
Tel.: +9180 3322 2222 Fax: +9180 3322 2223

#### Compliance under FEMA

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

#### Auditor's report

Please refer to pages 158-163 and 206-211 of this report.

#### Legal and Other Information

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

"Associates" of a person shall be as defined under the Companies Act, 2013, or under applicable accounting standards, and shall also include: (i) any person directly or indirectly controlled by the said person; (ii) any person who directly controls the said person; (iii) where the said person



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is a Company or a body corporate, any person(s) who is designated as a promoter of the Company or body corporate and any other Company or body corporate with the same promoter; and (iv) where the said person is an individual, any relative of the individual. With respect to the Manager and the Sponsors, only entities which directly control the Sponsors or the Manager, as applicable, have been considered under (ii).

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

For the purpose of this section, details of all pending material title litigation pertaining to the Portfolio have been disclosed. Other than as disclosed below, there are no pending material title litigations pertaining to the Portfolio as of March 31, 2020

**A. Embassy Manyata**

- (a) MPPL has filed a writ petition against the BBMP and others seeking to *inter alia*, quash (i) a circular from 2014 re-fixing the improvement charges under the Karnataka Municipal Corporations Act, 1976, and the Karnataka Municipal Corporations (Recovery of Improvement Expenses) Rules, 2009, and (ii) a notice from 2015 demanding payment of betterment charges of ₹127.9 million. In 2016, the High Court of Karnataka has granted an interim stay on the impugned circular and notice.
- (b) A third party suit was filed against MPPL and other defendants (who are co-owners in joint possession with the plaintiff) in 2020 before the High Court of Karnataka seeking (i) 1/8th share of property by way of partition; (ii) a declaration that the panchayth parikath alias partition deed dated February 20, 1997, sale deeds executed in favour of MPPL are void ab-initio and (iii) award of mesne profit to the plaintiff. The matter was heard on January 28, 2020 and was ordered for issuance of summons and interlocutory application to the defendants.

**B. Hilton at Embassy GolfLinks**

A third party has filed a suit against GLSP, UPPL and Mac Charles (India) Limited and others in 2003 before the City Civil Court, Bengaluru, seeking specific performance of an agreement for sale for 94,000 sft of land forming part of the larger parcel of land admeasuring 5 acres and 23 guntas situated at Challaghatta village. The court dismissed the suit in 2008. The plaintiff has challenged such dismissal in 2009 before

the High Court of Karnataka in an appeal. GLSP and UPPL have been arraigned as respondents in the appeal. The High Court of Karnataka has recorded the submission made by GLSP & UPPL indicating that no encumbrance will be created on the suit property of 94,000 sft.

**C. Express Towers**

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

February 27, 2019. The last date of hearing in the said matter was on August 5, 2019 wherein the matter was adjourned.

**D. Embassy GolfLinks**

- (a) Certain third parties have filed a suit for partition in 2005 against their family members and GLSP before the City Civil Court, Bengaluru, in respect of a property admeasuring 4 acres and 1 guntas, where GLSP is entitled to two acres and 21 guntas, forming part of Embassy GolfLinks wherein the court passed a preliminary decree for partition. GLSP has filed an appeal in 2013 before the High Court of Karnataka challenging the decree. The High Court has passed interim orders in 2015 and stayed the decree. The matter came up for hearing on September 23, 2019 wherein it was adjourned.
- (b) A third party individual has filed a suit before Court of the City Civil Judge, Bengaluru in 2005, against GLSP and others for declaring a sale deed allegedly executed in 2004 by him in favour of GLSP and another pertaining to a portion of land situated at Embassy GolfLinks, as null and void on account of fraud and misrepresentation. The plaintiff died at the evidence stage and his alleged heir was not permitted to come on record by as the court rejected his application by passing an order in 2015. Aggrieved by the order, the alleged heir filed a civil revision petition before the High Court of Karnataka in 2015 which was subsequently converted into a writ petition. The matter is currently pending.
- (c) Certain third parties have filed a suit in 2008 before the City Civil Court, Bengaluru in respect of a property admeasuring 1 acre and 21 guntas, forming part of Embassy GolfLinks. The suit was dismissed in 2013 due to no representation on behalf of the plaintiffs. The plaintiffs filed a petition before the City Civil Judge, Bengaluru in 2013 to set aside the dismissal order and restore the suit, along with an application for condonation of delay. GLSP has filed objections to the petition.
- (d) A third party has filed a suit against GLSP and others before the City Civil Court, Bengaluru in 2004, directing (i) certain defendants apart from GLSP to execute sale deeds in respect of a property admeasuring 1 acre and 36 guntas, forming part of Embassy GolfLinks in favour of the plaintiff by virtue of an agreement to sell executed in 1995 and, (ii) grant of permanent injunction to restrain all the defendants from interfering with the property or in the alternative,

refund ₹3.96 million to the plaintiffs. Pursuant to a writ petition filed by one of the defendants, the High Court of Karnataka has stayed the suit in 2014. The City Civil Court, Bengaluru on January 7, 2020 has ordered defendants excluding GLSP, to refund ₹3.96 million with interest from the date of the agreement until its realisation to the plaintiffs within three (3) months.

- (e) Certain third parties have filed an application in 2007, before the Court of City Civil Judge, Bengaluru against GLSP and another third party seeking an injunction restraining them from alienating or creating any third party interest in a property admeasuring 2 acres and 14 guntas, forming part of Embassy GolfLinks. The court passed an interim order in 2007 which has been subsequently vacated by the court and the matter is currently pending. The third party claimants have also filed a claim in 2009 against GLSP and others, before the High Court of Karnataka seeking appointment of an arbitrator and an arbitrator was appointed by an order in 2015. The claimants sought (i) performance of joint development agreements executed in 2004 and 2005, against GLSP and another individual, pertaining to the property before the arbitrator, and (ii) an injunction to restrain the respondents from alienating or creating any third-party interests in the building constructed on the property, before the arbitrator. The case has been called for arguments on March 30, 2020.
- (f) GLSP has filed a petition in 2014 before the High Court of Karnataka *inter alia*, against a show cause notice issued under the Public Premises (Eviction of Unauthorised Occupation) Act, 1971, in relation to eviction of GLSP from certain parcels of land admeasuring 92 sqm, 274.86 sqm and 2,079.79 sqm in Domlur Village, Bengaluru, which as per the show cause notice allegedly belongs to the Department of Defence and seeking a direction against the BBMP and others to complete the construction of the road on the aforementioned lands. The High Court in 2014 directed BBMP to continue with the construction of the road in terms of certain agreements signed between the Department of Defence and BBMP and also restrained the respondents from acting upon the impugned notice or taking coercive steps against GLSP. The respondents have obtained a stay on such order in 2016 by way of an appeal filed in 2015 before the High Court of Karnataka. The stay order also stated that GLSP cannot be evicted without the leave of court. The High Court of Karnataka in 2019 has disposed the appeal.

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(g) A third party has filed a suit before the City Civil Court, Senior Division, Rural District against GLSP and others alleging that the defendants and GLSP have colluded with each other to sell certain parcels of land belonging to the petitioner, admeasuring 12 guntas, 1 acre 9 guntas and 15 guntas respectively and forming part of Embassy GolfLinks to GLSP. The petitioner has alleged that the sale deed executed in 2003 is not binding on the petitioner. The suit was dismissed in 2016 for default by the petitioner. The petitioner has there after filed an application seeking to restore the case and the summons are yet to be served on some of the respondents.

(h) GLSP received a notice from a third party individual alleging that certain third parties were the absolute owners of land in possession of GLSP admeasuring 2 acres and 8 guntas in Bengaluru. The IX Additional City Civil and Sessions Judge, pursuant to a preliminary decree in 2017, granted the petitioner half a share in the land. GLSP was not made a party to the above suit filed by the third party. GLSP has filed an appeal in the High Court of Karnataka to set aside the decree of the IX Additional City Civil and Sessions Judge and to remand the suit to the trial court by impleading GLSP as a defendant. Currently, the matter is in the admission stage and the High Court of Karnataka has requested that the lower court records to be produced before it.

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

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

For the purpose of pending civil/commercial matters against the Embassy REIT (Asset SPVs and Investment Entity) and Associates of the Embassy REIT (excluding the Manager, the Sponsors, their respective Associates and the Blackstone Sponsor Group), matters exceeding ₹214.70 million (being 1% of the consolidated income of the Embassy REIT as of Financial Year March 31, 2020) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of the Embassy REIT has been disclosed.

Other than as disclosed below, there are no pending criminal litigation, regulatory actions

or material civil/commercial matters against any of the Asset SPVs or the Investment Entity or the Associates of the Embassy REIT (excluding the Manager, the Sponsors, their respective Associates and the Blackstone Sponsor Group) as of March 31, 2020. Further, there is no litigation against the Embassy REIT as of March 31, 2020.

### A. MPPL

#### Regulatory Proceedings

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

Subsequently, MPPL filed an appeal before the Development Commissioner, Manyata Embassy Business Park SEZ seeking modification of the letter of approval granted by the Board of Approval, SEZ Section to classify MPPL's captive power plant as a SEZ unit, as it was not granted with retrospective effect, which was rejected. MPPL has filed a writ petition in 2017 before the High Court of Karnataka to set aside the said order and a stay order has been granted and the stay continues to be in force.

(b) MPPL has also received a demand order dated October 9, 2017 to pay a sum of ₹ 760.07 million (including penalty) towards the differential property tax based on the total survey report for certain blocks for the period 2008-09 to 2017-18. An appeal has been filed before the

Joint Commissioner, BBMP, Bytarayanapura, Bengaluru objecting the total survey report and property tax assessment notice arising therefrom. However, the appeals preferred by SPV was disposed on January 3, 2018 as per the orders passed by the Appellate Authority and pursuant to the orders of the Appellate Authority a new demand notice dated January 3, 2018 was issued to pay a sum of ₹ 860.39 million towards the differential property tax for the period 2008-09 to 2017-18. MPPL is in the process of challenging the order dated January 3, 2018 passed by the Appellate Authority before the District Judge i.e. Principal City Civil Judge, Bengaluru.

### (c) Other Material Litigation

Certain third parties have filed a petition against MPPL and others before an arbitral tribunal in 2018, where such third parties have prayed for an award directing MPPL and others, in accordance with a memorandum of agreement entered into between the third parties and MPPL to pay, (i) ₹90 million along with interest at 18% per annum from September 3, 2008 to date of realisation (ii) ₹7.52 million as interest on delayed payment of ₹70 million calculated for specified periods mentioned therein, and (iii) ₹19.39 million as interest on delayed payment of ₹40 million calculated for specified periods mentioned therein. An order was passed on September 7, 2018 allowing part of the claim. Additionally, an execution petition was filed before the City Civil Court in 2019 by the award holder. However, this execution petition has been stayed pursuant to an appeal filed against the order in 2019 before the City Civil Court, Bengaluru. The matter came up for arguments on February 28, 2020 and the counsels for the petitioner and respondent have requested time for arguments.

### EEPL

#### Regulatory Proceedings

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

filed writ petitions in 2018 in the High Court of Karnataka against the State of Karnataka, the Karnataka Electricity Regulatory Commission, Bengaluru Electricity Supply Company Limited, Gulbarga Electricity Supply Company Limited and Karnataka Power Transmission Corporation Limited. The High Court of Karnataka by way of an order dated May 24, 2018 has directed interim stay on the Commission's order. In the event of cancellation of the aforesaid exemption, EEPL would incur an estimated loss of approximately ₹1053.50 million over a ten year period. The Bengaluru Electricity Supply Company Limited filed an interlocutory application on June 18, 2018, seeking recalling of order dated May 24, 2018 of the High Court of Karnataka, and Karnataka Electricity Regulatory Commission has filed common preliminary objections on September 27, 2018 and requested the High Court of Karnataka to dismiss the writ petition filed by EEPL and others. The High Court of Karnataka, by way of an order dated March 13, 2019, allowed the writ petitions filed by EEPL and others, and quashed the order dated May 14, 2018 issued by the Karnataka Electricity Regulatory Commission. EEPL has filed the Caveat Petition for receiving notifications in case any suit/appeal is filed by any of the parties to the said petition. Karnataka Electricity Regulatory Commission has filed a common writ appeal against the said order. However, EEPL has not been made a party to the said appeal. In the event an adverse order is passed in the said appeal, EEPL may also be affected.

(b) The Karnataka Electricity Regulatory Commission has issued an order in 2018 pursuant to which banking facilities available to non-renewable energy certificate based renewable energy generators were reduced from a period of one year to six months, and restrictions were imposed on the extent of banked energy which could be withdrawn during the peak time of day. EEPL filed a writ petition against the Karnataka Electricity Regulatory Commission and others before the High Court of Karnataka. The High Court of Karnataka pursuant to an order dated August 9, 2018 granted an interim stay on the commission's order. Pursuant to an order dated July 24, 2019, the High Court of Karnataka has allowed the writ petition and quashed the order dated January 9, 2018 issued by the Karnataka Electricity Regulatory Commission with a direction to Karnataka Electricity Regulatory Commission to reconsider the matter. Karnataka Electricity Regulatory Commission has filed a common appeal against EEPL and all other



## STATUTORY DISCLOSURES (CONTD.)

companies before the Division Bench of the High Court of Karnataka.

**Other Material Litigation**

- (a) EEPL has received a demand notice under the Insolvency and Bankruptcy Code, 2016 on February 28, 2019 from a third party subcontractor, engaged by IL&FS Development Company (IEDCL), the parent Company of ISPL, which was itself engaged by ISPL as a contractor for Embassy Energy. The demand notice alleges that unpaid amounts (categorised as operational debts) aggregating up to ₹ 1,008.1 million are due to the sub-contractor directly from EEPL for the various works claimed to have been undertaken at the site of Embassy Energy, on the basis of certain correspondence with EEPL. The demand notice requires payment within 10 days of the letter, failing which the subcontractor may initiate a corporate insolvency resolution process against EEPL. EEPL has by its letter dated March 1, 2019, refuted all such claims *inter alia* on the basis that the payments are due from ISPL (and/or its parent entity) to the sub-contractor and not from EEPL, and therefore the sub-contractor has no claim against EEPL. By its letters dated March 18, 2019, the subcontractor has responded to the letter from EEPL, denying all statements made by EEPL and reiterating that the unpaid amounts are due from EEPL, without prejudice to any action, including criminal, that may be taken under law including the Insolvency and Bankruptcy Code, 2016 against EEPL, IEDCL, ISPL and certain representatives of these entities, including Jitendra Virwani. EEPL has also written to ISPL in relation to deficiencies in services required to be contractually provided by ISPL. ISPL has responded to EEPL denying the allegations in such letters. The lenders of ISPL have also written to EEPL in relation to certain payments made by EEPL to ISPL under the deferred payment agreement dated March 3, 2017. EEPL has responded to the lenders stating that they are not party to the arrangements between EEPL and ISPL and should approach ISPL directly. The third party sub-contractor has filed an application as an operational creditor for initiation of proceedings under the Insolvency and Bankruptcy Code, 2016 ("Code") before the NCLT, Bengaluru against EEPL. The matter is in the preliminary hearing stage before the NCLT, Bengaluru and has not been admitted.
- (b) In relation to Embassy Energy, ISPL has identified 465.77 acres of land for Embassy Energy. The approval obtained by EEPL from the Government of Karnataka for the establishment of Embassy

Energy requires that the land is purchased and the solar project is established only after obtaining conversion of the use of the land for non-agricultural purposes. EEPL is required to obtain approval from the local authorities to purchase the land for the solar project under Section 109 of the Karnataka Land Reforms Act, 1961 which is deemed conversion of agricultural land and no further approvals are necessary. EEPL directly or through land aggregators has executed agreements for sale and powers of attorney with various land owners for 465.77 acres of land. Applications for approval under Section 109 have been made for 464.51 acres of land and such approvals have been received for 442.20 acres. EEPL has executed sale deeds in respect of 254.47 acres of land. Of the 254.47 acres of land for which sale deeds have been executed, payment of conversion fine is pending.

**B. GLSP****Regulatory Proceedings**

GLSP and its occupier have received a notice in 2017 from the Karnataka State Pollution Control Board stating that the sewage treatment plant at Embassy GolfLinks was inspected by the relevant officials and was found to not be operating in accordance with the standards stipulated pursuant to an order passed by the National Green Tribunal and a public notice issued by the Karnataka State Pollution Control Board detailing revised standards required to be adopted for such plants in 2017. GLSP was called upon to show cause as to why action should not be initiated against it under the Water Act, 1974 and related legislations within 30 days from the date of the notice. GolfLinks Embassy Business Park Management Services LLP has responded to the notice stating that it is in the process of complying with the observations and requesting for a period of five to seven months for compliance and to grant consent.

**C. IENMPL**

- (a) IENMPL has received a notice from the Collector, Mumbai in 2008 alleging violations of the terms of the lease deed such as use of premises for purposes other than the permitted use; carrying out construction/repair work without the approval of the state architect; and granting licenses to use to third parties without payment of transfer charges. IENMPL has responded to this notice in 2008 confirming compliance with the terms of the lease deed and there has been no further correspondence in this regard since 2008.

An order NO. CSLR/REV-1/LND2540(236)/BBR-III order/5th floor 2019/3563 has been received on March 6, 2019 by IENMPL requiring payment, within 21 days, of ₹16.27 million towards regularisation of a prior sub-lease of an erstwhile occupier; and that IENMPL submit, within one month, details of other transfers and leave and licenses for regularisation. The order also states that due to alleged breaches of terms and conditions, further investigation and necessary action may be taken under Section 53 of Maharashtra Land Revenue Act, 1966 (which authorises the Collector to pass an order for eviction, provided that the Company is found to be in breach of the terms of the lease); and that IENMPL has the right to prefer an appeal before the Maharashtra Revenue Tribunal. Subsequently, IENMPL has paid the aforesaid amount.

Furthermore, IENMPL has, vide its letter dated April 1, 2019, made an application to the office of the Collector, Mumbai City, seeking conversion of the said Land from Leasehold Land to freehold, that is, Class-I Occupancy Land and has paid the requisite fee towards the same. The office of the Collector, Mumbai City, vide its Order bearing no. CSLR/Ma.Sha.-2/Fort1910/Occupancy Class-1/Conversion/2019 dated August 23, 2019, was, after regularising the usage of the said Property, pleased to convert the rights to or in the said Property from leasehold into freehold by nature.

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

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

With respect to the Embassy Sponsor, details of all pending regulatory actions and criminal matters against the Embassy Sponsor have been disclosed.

For the purpose of pending civil/commercial matters against the Embassy Sponsor matters exceeding ₹724.6 million (being 5% of its total consolidated revenue for the Financial Year 2019) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of the Embassy REIT has been disclosed.

Other than as disclosed below, there is no pending criminal litigation, regulatory action or material civil/commercial matter against the Embassy Sponsor as of March 31, 2020.

**Criminal Litigation**

A charge sheet has been filed by the Central Bureau of Investigation against various individuals and the companies including Embassy Realtors Private Limited (which subsequently merged with the Embassy Sponsor) and its founder, Jitendra (Jitu) Virwani in 2014, who have been named as accused number 12 and 11 respectively. As part of allegations made against the various others accused, there have also been allegations of corruption and irregularities in 2004 with relation to certain land development and housing projects awarded by the Government of Andhra Pradesh and the Andhra Pradesh Housing Board to a consortium in which, Embassy Realtors Private Limited, was holding a minority stake. The offences alleged against the Embassy Sponsor and Jitendra Virwani are under the Indian Penal Code, 1860, including, *inter alia*, Sections 120 (b) & 420. Jitendra Virwani filed a criminal petition in the High Court of Telangana and Andhra Pradesh seeking an interim order of stay against the proceedings in the trial court; the High Court has exempted the personal appearance of Jitendra Virwani instead of staying the further proceedings. Subsequently, the Embassy Sponsor has filed a criminal petition in the High Court of Telangana and Andhra Pradesh in 2016 seeking to *inter alia* quash the proceedings pending before the Special Court for CBI cases at Hyderabad. An interim order of stay has

## STATUTORY DISCLOSURES (CONTD.)

been granted by the High Court in favour of the Embassy Sponsor in this regard until October 18, 2019. The Embassy Sponsor and Jitendra Virwani were also named as respondents in proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002 in relation to the same subject matter and an order for the provisional attachment of certain movable assets of the Embassy Sponsor and Jitendra Virwani was passed in January 2018. The Adjudicating Authority has in June 2018 passed an order to the effect that such alleged assets were not involved in the money laundering and has revoked the attachment of such assets. The Directorate of Enforcement has filed an appeal before the Appellate Tribunal at New Delhi and the Appellate Tribunal has dismissed the Appeal filed by the Enforcement Directorate and confirmed the orders passed by the Adjudicating Authority. Aggrieved by the Orders passed by the Appellate Tribunal at New Delhi, the Enforcement Directorate has filed an appeal before the High Court of Telangana at Hyderabad and the said Appeal is pending before the High Court at Hyderabad.

**Regulatory Proceedings**

- (a) The Deputy Commissioner (Registration) and District Registrar, Bengaluru has by an order passed in 2017 directed the Embassy Sponsor to make payment of stamp duty of ₹93.22 million and registration fee of ₹16.50 million pertaining to a sale agreement for residential properties in Bengaluru. Embassy Sponsor filed an appeal before the Karnataka Appellate Tribunal, Bengaluru ("KAT") in 2018 challenging the order which was dismissed in 2019. The KAT directed the Embassy Sponsor to pay an amount of ₹100.97 million. The Embassy Sponsor has filed a writ petition before the High Court of Karnataka challenging the orders passed by the KAT and also sought an interim order of stay against the order of the KAT.
- (b) A third party individual has filed an application before the National Green Tribunal, Chennai in 2015 against the State of Karnataka, and several other builders including Embassy Sponsor, alleging that builders are polluting the Bellandur lake and surrounding environment by discharging effluents in the lake, around which they are developing residential and commercial projects. The matter is currently pending for hearing.
- (c) The Embassy Sponsor has received a notice from the Competition Commission of India in

2018 inquiring into its acquisition of over 70% of the shareholding of Mac Charles (India) Limited as a combination. The Embassy Sponsor has replied to the notice *inter alia* submitting that the transaction does not constitute a combination within the meaning of Section 5 of the Competition Act, 2002 since Mac Charles (India) Limited was eligible to avail the de minimis exemption for combinations under the provisions of the Competition Act, 2002.

- (d) The Maharashtra Pollution Control Board pursuant to a notice in 2011 has filed a criminal case in 2012 before the Chief Judicial Magistrate Court, Pune against the Embassy Sponsor and another accused for violating environmental laws by carrying out construction at plot no. 3, Rajiv Gandhi Infotech Park, Pune without obtaining prior clearance. The court issued summons in 2012, against which Embassy Sponsor has filed a criminal writ petition in the Bombay High Court.

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

With respect to the Associates of Embassy Sponsor, details of all pending regulatory actions and criminal matters against the Associates of the Embassy Sponsor have been disclosed.

For the purpose of pending civil commercial matters against the Associates of the Embassy Sponsor, (excluding the Asset SPVs and the Investment Entity) matters exceeding 5% of the total consolidated revenue of the Embassy Sponsor as of March 31, 2019 have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of the Embassy REIT has been disclosed.

Other than as disclosed below, there is no pending criminal litigation, regulatory actions or material civil/commercial matters against the Associates of the Embassy Sponsor as of March 31, 2020.

**Regulatory Proceedings**

- (a) Concord India Private Limited received a notice in 2008 from the Range Forest Officer, Bengaluru regarding initiation of proceedings in the High Court of Karnataka for the alleged unauthorised occupation of 78 acres forest land in a plantation reserved forest in Bengaluru. The Company has filed a writ petition in 2008 to quash the notice pursuant to which the court ordered in 2012 that

the occupied area was not forest land. The Range Forest Officer has filed a writ appeal in the High Court of Karnataka in 2012 against the order and the Company has also filed a writ petition in the High Court of Karnataka in 2012 against the State of Karnataka challenging old notifications of the Karnataka State Government declaring the occupied area as an industrial area instead of as a de-reserved reserve forest area for non-forest activity. The said case has been disposed vide judgement dated July 23, 2019.

- (b) Le Meridien Hotel, Bengaluru (owned by Mac Charles (India) Limited) has received a notice in 2013 from the Employees' Provident Fund Organisation to show cause why damages on belated remittance should not be levied. The hotel agreed to the delay in payment except for certain periods. The Assistant Provident Fund Commissioner in 2016 ordered the hotel to pay belated remittance of ₹0.11 million within stipulated time along with interest payable. The hotel has filed an appeal in 2016 before the Employees Provident Fund Appellate Tribunal, Bengaluru challenging the order and the tribunal granted interim stay.
- (c) J.V. Holdings Private Limited has received a notice in 2014 from the RBI to show cause why action should not be initiated against it for doing business as an NBFC in violation of the Reserve Bank of India Act, 1934. The Company filed its reply to the RBI and the RBI in 2016 directed it to either merge with another NBFC, wind up its business or register as an NBFC. The RBI also directed the Company in 2017 to exit partnerships it is invested in to qualify as a core investment Company. In 2018, the RBI has asked J. V. Holdings Private Limited to submit its response on the status of complying with the notice. The Company has replied to the RBI stating that it has commenced provision of marketing services and that the proposed income from such business activity will be such that the Company will not be an NBFC by March 31, 2019. The Company has ceased undertaking non-banking financial business as on March 31, 2019.
- (d) Udhyaman Investments Private Limited has received a notice in 2015 from the RBI to provide clarifications to determine whether it is an NBFC. The Company clarified that it does not qualify as an NBFC and the matter is currently pending.
- (e) Certain oil suppliers supplying oil to the SEZ operated by Vikas Telecom Private Limited have

received a demand notice for a sum of ₹4,309,200 from the Customs Department alleging that they have not obtained SEZ unit approval for the year 2015 for the DG area of the SEZ and were hence ineligible to claim the tax exemption on supply of diesel to the SEZ. The oil suppliers have requested that Vikas Telecom Private Limited either provide them with the SEZ unit approval or pay the demand amount. Vikas Telecom Private Limited has filed an appeal before the SEZ Commissioner seeking SEZ unit approval with retrospective effect from 2015. The SEZ Commissioner has rejected the contention and has provided SEZ unit approval with prospective effect. Vikas Telecom Private Limited has filed a writ petition before the High Court of Karnataka seeking to quash the order passed by the SEZ Commissioner and seeking that the SEZ Commissioner be directed to provide the SEZ unit approval with retrospective effect. Vikas Telecom Private Limited has obtained an interim order granting a stay on the demand notice.

**Other Material Litigation**

- (a) A suit was filed by third party individuals in 2016 against Nam Estates Private Limited, Udhyaman Investments Private Limited and others before the Civil Judge, Devanahalli, Bengaluru seeking partition and separate possession with respect to 1/9th share of a property admeasuring 120 acres in Bengaluru.
- (b) A suit was filed by third party individuals in 2016 against Nam Estates Private Limited, and others before the Civil Judge, Devanahalli, Bengaluru seeking partition and separate possession of a property admeasuring 120 acres in Bengaluru.
- (c) A suit was filed by third parties in 2018 against Nam Estates Private Limited and another before the Principal Civil Judge (Senior Division), Devanahalli, Bengaluru, claiming possession of a property admeasuring 120 acres in Bengaluru.
- (d) A suit was filed by a third party against several parties including DSRK for specific performance of alleged oral agreement (for 46.91 acres of land at Sholinganallur). The plaintiff has sought for execution and registration of the sale deeds in its favor.
- (e) A suit was filed by a third party in 2007 against GV Properties Private Limited and others before the City Civil Court, alleging that land owned by him admeasuring 5 acres and 11 guntas were alienated to GV Properties Private Limited without his knowledge.



## STATUTORY DISCLOSURES (CONTD.)

(f) A suit was filed by a third party against certain third parties before the City Civil Court, Bengaluru seeking a permanent injunction against utilisation of 155,000 sft of land situated at Bengaluru. Swire Properties Private Limited was impleaded by the plaintiffs in the suit at a later stage alleging that Swire Properties Private Limited was also infringing upon the said land parcels.

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

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

As of March 31, 2020, the Blackstone Sponsor, its Associates and the Blackstone Sponsor Group do

not have any regulatory actions, criminal matters, or material civil/commercial litigation, i.e. in excess of USD 1.6 million (being 5% of the income of the Blackstone Sponsor for the financial year ended March 31, 2020 pending against them.

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

As of March 31, 2020, the Manager and its Associates (to the extent that such Associates are not Associates of the Sponsors) do not have any regulatory actions, criminal matters, or other material civil/commercial litigation pending against them. For the purposes of civil/commercial matters against the Manager and its Associates (to the extent that such Associates are not Associates of the Sponsors), matters involving amounts exceeding 5% of the revenue of the Manager for the Financial Year Financial Year 2019-20 have been considered material.

#### VII. Material litigation and regulatory action pending against the Trustee

As of March 31, 2020, the Trustee does not have any regulatory actions, criminal matters, or material civil/commercial litigation, i.e., in excess of 9.20 Million (being 5% of the income of the profit after tax of the Trustee for the Financial Year 2019-20) pending against it.

#### VIII. Taxation Proceedings

Details of all direct tax, indirect tax and property tax matters against the Relevant Parties as of March 31, 2020 are as follows:

Nature of the case	Number of cases	Amount involved (in ₹ million)
<b>Embassy REIT (Asset SPVs and Investment Entity)</b>		
Direct Tax	41	425.41
Indirect Tax	15	932.45
Property Tax	2	3,313.08
<b>Total</b>	<b>58</b>	<b>4670.94</b>
<b>Embassy Sponsor</b>		
Direct Tax	7	179.97
Indirect Tax	3	309.63
Property Tax	Nil	Nil
<b>Total</b>	<b>10</b>	<b>482.60</b>

Nature of the case	Number of cases	Amount involved (in ₹ million)
<b>Blackstone Sponsor</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Manager</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Blackstone Sponsor Group</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Associates of the Manager*</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Associates of the Embassy Sponsor</b>		
Direct Tax	46	251.18
Indirect Tax	24	728.80
Property Tax	Nil	Nil
<b>Total</b>	<b>70</b>	<b>979.98</b>
<b>Associates of the Blackstone Sponsor#</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>Trustee</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

Excludes Associates of the Sponsors

# Excludes the Blackstone Sponsor Group.