

STATUTORY DISCLOSURES

1. Business & Financial Summary

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

Embassy REIT was settled on March 30, 2017 at Bengaluru, Karnataka, India as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to a trust deed dated March 30, 2017 as amended on September 11, 2018. The Sponsors of Embassy REIT are Embassy Property Developments Private Limited ("Embassy Sponsor") and BRE/Mauritius Investments ("Blackstone Sponsor"). For further details on the structure of Embassy REIT please refer to pages 14-15 of this report.

Embassy REIT owns a high-quality office portfolio comprising of eight best-in-class office parks and four prime city center office buildings totalling 42.4 msf as of March 31, 2021. For further details on the properties please refer to pages 60-95 of this report.

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

A brief overview and a quick glance at Embassy REIT activities for the financial year 2020-21 on Commercial offices, Development and Hospitality are set forth on pages 27-28 respectively.

The NAV of Embassy REIT as on March 31, 2021 was ₹ 387.54, basis the valuation report enclosed with this report on pages 323-358.

With respect to trading price, kindly refer to page 139 of this report.

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

Please refer to pages 164-319 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 98-123 of this report.

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

a. Real estate assets and other assets

Please refer to pages 60-95 of this report.

b. Location of the properties

Please refer to pages 60-95 of this report.

c. Area of the properties

Please refer to pages 60-95 of this report.

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

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

Name of the Asset SPV	Name of the Tenant
Vikhroli Corporate Park Private Limited - 247 Tech park	• Accelya Kale Solutions Limited
	• ATC Tires Private Limited.
	• DHL Global Forwarding Freight Shared Services (India) LLP
	• Future Generali India Life Insurance Co. Ltd
	• Gravitas Technology Private Limited
	• ICICI Lombard General Insurance Company Limited
	• Link Intime India Private Limited
	• Reliance Projects & Property Management Services Limited
	• Vistra International Expansion (India) Private Limited
	• WeWork India Management Private Limited
Embassy One-Four Seasons	• Korean Trade-Investment Promotion Agency
	• The State of The Netherlands
Indian Express Newspapers (Mumbai) Pvt Ltd	• Blackstone Advisors India Private Limited
	• DBS Bank India Limited.
	• Export Credit Guarantee Corporation of India
	• ENAM Holdings Private Limited
	• JBF Industries Limited
	• McKinsey & Company, Inc
	• NVP Venture Capital India Private Limited
	• Shardul Amarchand Mangaldas & Co.
	• The Indian Hotels Company Limited
	• Warburg Pincus India Private Limited

Name of the Asset SPV	Name of the Tenant
Earnest Towers Private Limited	• Executive Centre India Private Limited
	• FIFC Condominium
	• Google India Private Limited
	• Impresario Entertainment and Hospitality Private Limited
	• Kasa Foodworks
	• Massive Restaurants Private Limited
	• McKinsey & Company India LLP
	• Mirah Hospitality and Gourmet Solutions Private Limited
	• Oracle India Private Limited
	• Pernod Ricard India Private Limited
Galaxy Square Private Limited	• DXC Technology India Private Limited
	• Elixir Softech Private Limited
	• Esaote Asia Pacific Diagnostic Private Limited
	• Fiserv India Private Limited
	• HDFC Bank Limited
	• Jubilant Foodworks Limited
	• Mitel Communications Private Limited
	• Next Gen Services
	• Tata Consultancy Services Limited
	• Xylem Water Solutions India Private Limited
Oxygen Business Park Private Limited	• Bharti Airtel Limited
	• ExIService.com (India) Private Limited
	• Global Logic India Private Limited
	• Jubilant Foodworks Limited
	• MetLife Global Operations Support Center Private Limited
	• NTT Data Information Processing Services Private Limited
	• One World Retail
	• Optum Global Solutions (India) Private Limited
	• Sapient Consulting Private Limited
	• Vodafone Idea Limited

Name of the Asset SPV	Name of the Tenant
Quadron Business Park Private Limited	• Cognizant Technology Solutions India Private Limited
	• E-CLERX Services Limited
	• EIT Services India Limited
	• Glow Energy
	• Humane Business Intelligence Technology Solutions Private Limited
	• Luxoft India LLP Telstra Global Business Services LLP
	• Reliance Jio Infocomm Ltd
	• Storybook Ventures Pvt. Ltd.
	• Telstra Global Business Services LLP
	• Vodafone Idea Limited
Qubix Business Park Private Limited	• Accenture Services Private Limited
	• Aker Powergas Subsea Private Limited
	• Cisco Systems (India) Private Limited
	• Covance Scientific Services & Solutions Private Limited
	• Crisil Limited
	• HCL Technologies Limited
	• Larson & Toubro Infotech Limited
	• Persistent Systems Limited
	• Searce Logistics Analytics LLP
	• Tata Technologies Limited
Manyata Promoters Private Limited	• Alcatel-Lucent India Limited
	• ANSR Global Corporation Private Limited
	• Cerner HealthCare Solutions India Private Limited
	• Cognizant Technology Solutions India Private Limited
	• Global Technology and Consulting Major
	• L&T Technologies Services Limited
	• Lowe's Services India Private Limited
	• Nokia Solutions & Networks India Private Limited
	• Target Corporation India Private Limited
	• Wework India Management Private Limited

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Name of the Asset SPV	Name of the Tenant
Embassy Pune Techzone Private Limited	• Flextronics Technologies (India) Private Limited
	• IBM India Private Limited
	• Infosys BPM Limited
	• Larsen &Toubro Infotech Limited
	• Rockwell Automation India Private Limited
	• Nice Interactive Solutions India Private Limited
	• Nitor Infotech Private Limited
	• Tech Mahindra Limited
	• State Street HCL Services (India) Private Limited
	• Volkswagen India Private limited
Vikas Telecom Private Limited	• Bundl Technologies Private Limited
	• Cisco Systems India Private Limited
	• CSG Systems International (India) Private Limited
	• Flipkart Internet Private Limited
	• Great West Global Business Services
	• Mathworks India Private Limited
	• JP Morgan Services India Private Limited
	• Quest Global Engineering Services Private Limited
	• Sony India Private Limited
	• Wells Fargo International Solutions Private Limited

Additionally, for the top 10 tenants of Embassy REIT, please refer to page 16 of this report.

For the lease maturity profile of each Asset SPV, please refer to pages 26-29 of this report.

- e. Details of under-construction properties, if any, etc.**
Please refer to page 27 of this report.

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

Please refer to pages 323-358 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 REIT completed the acquisition of the property maintenance services business

in relation to Embassy Manyata Business Park, Bengaluru ("Embassy Manyata") and Embassy TechZone, Pune by Manyata Promoters Private Limited and Embassy Office Parks Private Limited ("Embassy TechZone") from Embassy Services Private Limited, an affiliate of Embassy Sponsor.

Embassy Manyata and Embassy TechZone are part of Embassy REIT's existing asset portfolio and the acquisition further integrates 20.3 msf of property maintenance business to the existing 9.9 msf properties already directly managed by Embassy REIT.

The consideration for the acquisition comprised non-convertible debentures of Manyata Promoters Private Limited and Embassy Office Parks Private Limited which were issued to Embassy Services Private Limited. Further, certain identified liabilities of Embassy Services Private Limited were assumed (and repaid). The acquisition cost of ₹ 4,740 million was funded through coupon bearing debt at the Embassy REIT level.

The acquisition consideration was at a 8.5% discount to the average of two independent valuation reports with valuation undertaken by Mr. Manish Gupta, with value assessment services provided by CBRE South Asia Private Limited, Mr. Shubhendu Saha, with independent review report provided by Cushman and Wakefield India Private Limited.

The business acquisition enables full integration and overall alignment of property maintenance for two existing Embassy REIT assets and helps further enhance service delivery to the occupants of Embassy Manyata and Embassy TechZone.

Brief details of valuation:

Embassy Manyata & Techzone CAM Business

iVas Partners	₹ 4,992 million
Mr. Shubhendu Saha	₹ 5,366 million

The acquisition cost of ₹ 4,740 million was funded through coupon bearing debt at the Embassy REIT level. The acquisition consideration was at 8.5% discount to average of two independent valuation reports.

- Embassy REIT completed the acquisition of Embassy TechVillage assets ("ETV") from the Embassy Sponsor, members of the Blackstone group and other selling shareholders for an enterprise value of ₹ 97,824 million (\$1.3 billion). The ETV acquisition comprises c.6.1 msf of completed area, c.3.1 msf of under-construction area, of which 36% is pre-leased

to JP Morgan, and two proposed 518-keys Hilton hotels within the overall ETV campus.

The transaction marks the first large-scale acquisition by a REIT in India and solidifies the Embassy REIT's position in India's best performing office sub-markets. With this acquisition, Embassy REIT's leasable area grew 28% to 42.4 msf.

Brief details of valuation:

	ETV Acquisition
IVas Partners	₹ 102,292 million
Mr. Shubhendu Saha	₹ 102,817 million

The aggregate enterprise valuation of ₹ 97,824 million was at a 4.6% discount to the average of two independent valuation reports with valuation undertaken by iVAS Partners, represented by Mr Manish Gupta, with value assessment services undertaken provided by CBRE South Asia Private Limited, and undertaken by Mr. Shubhendu Saha, with the assessment and review report issued by Cushman & Wakefield India Private Limited.

During the year ended March 31, 2021, Embassy REIT acquired ETV by acquiring all of the equity interest in Vikas Telecom Private Limited ("VTPL"), Embassy Office Ventures Private Limited ("EOVPL") and Sarla Infrastructure Private Limited ("SIPL") together referred to as ("ETV Assets") held by the Embassy Sponsor, BREP entities and certain other third-party shareholders. The acquisition of equity interest in EOVP (which in turn holds 60% equity interest in VTPL) and SIPL has been completed with issue proceeds received of ₹ 36,852.02 million, by issue of 111,335,400 Units at a price of ₹ 331.00 per Unit through the Institutional Placement.

The acquisition of balance 40% equity interest in VTPL is completed through Preferential issue of 64,893,000 Units at a price of ₹ 356.70 per unit to the third party shareholders aggregating to ₹ 23,147.33 million.

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

Please refer to pages 323 to 358 of this report for Gross Asset Valuation and pages 175 and 227 for NAV respectively.

The below table indicates the change of Directors in Trustee/Manager/Sponsors for the year ended March 31, 2021

Entity	Nature of Change
Axis Trustee Services Limited ("Trustee")	No change in the composition of the board of directors
Embassy Office Parks Management Services Private Limited ("Manager")	No change in the composition of the board of directors
Embassy Property Developments Private Limited ("Embassy Sponsor")	No change in the composition of the board of directors
BRE/Mauritius Investments ("Blackstone Sponsor")	1. Resignation of Mr. Kimmo Tammela as a Director and appointment of Mr. Eugene Min w.e.f April 29, 2020; 2. Resignation of Mr. Richard Arlove as a director and appointment of Mr. Keni Lufor w.e.f September 24, 2020; 3. Resignation of Mr. Venkatesen Saminada Chetty as a director; and appointment of Mr. Devananda Naraidoo w.e.f January 06, 2021.

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

Please refer to pages 28-29 of this report with respect to the new leases for the financial year ended March 31, 2021. The occupancy of Embassy REIT as of March 31, 2021 was 88.9% as against the occupancy of 92.8% as of the start of this year. The WALE of Embassy REIT is set out at page 26.

The current list of key tenants is set out at page 16 of this Report.

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

Please refer to pages 198-201 of this report with respect to borrowings on a standalone basis as on March 31, 2021 and pages 271-277 of this report with respect to borrowings on a consolidated basis, as on March 31, 2021.

Please refer to pages 198-201 of this report with respect to repayment of borrowings on a standalone basis and pages 271-277 of this report with respect to repayment of borrowings on a consolidated basis. On a standalone basis as on March 31, 2021, the repayment of borrowings was NIL.

e. Sponsors, manager, trustee, valuer, directors of the Trustee/manager/sponsor, etc.

There were no change in the Sponsors*, Manager, and Trustee during the year ended March 31, 2021.

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

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

*Change in Blackstone Sponsor Group:

BRE/Mauritius Investments, a Sponsor of Embassy Group, along with other entities forming part of the Blackstone Sponsor Group, transferred Units held by them to the Embassy Office Parks Employee Welfare Trust in connection with the Employee Incentive Plan 2020 adopted by the Manager to Embassy REIT ("Transfer"). Pursuant to the Transfer, certain entities forming part of the Blackstone Sponsor Group by virtue of inter alia their Unitholding in the Embassy REIT, ceased to hold any Units in Embassy REIT.

As a consequence of the Transfer, the entities listed below shall no longer form part of the Blackstone Sponsor Group under Regulation 2(zta) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as they have ceased to hold any Units in the Embassy REIT:

- SG Indian Holding (NQ) Co. III Pte. Ltd
- BREP Asia SBS Oxygen Holding (NQ) Ltd
- BREP Asia SBS Holding-NQ CO XI Ltd
- BREP Asia SBS NTPL Holding (NQ) Ltd
- BREP Asia SBS HCC Holding (NQ) Ltd
- SG Indian Holding (NQ) Co. II Pte. Ltd
- BREP Asia SBS GML Holding (NQ) Ltd
- BREP VII SBS Oxygen Holding (NQ) Ltd
- BREP VII SBS HCC Holding (NQ) Ltd
- BREP VII SBS Holding-NQ CO XI Ltd
- BREP VII SBS NTPL Holding (NQ) Ltd
- BREP VII SBS GML Holding (NQ) Ltd

f. Clauses in trust deed, investment management agreement or any other agreement entered into pertaining to activities of REIT

No Change have been made to the trust deed and investment management agreement

g. Any other material change during the year

The composite scheme of arrangement involving Manyata Promoters Private Limited ("MPPL", an SPV of the REIT), Embassy Office Parks Private Limited ("EOPPL", a holding company of the REIT) and Embassy Pune Techzone Private Limited

("EPTPL") and their respective shareholders and creditors (the "Scheme"), pursuant to the receipt of requisite approvals from the Board of Approval for Special Economic Zones, has become operative on March 25, 2021, i.e. upon filing of the certified copy of the order dated February 11, 2021 of the National Company Law Tribunal, Mumbai approving the Scheme with the jurisdictional Registrar of Companies by each of MPPL, EOPPL and EPTPL, with the appointed date / effective date (as defined under the Scheme) of March 10, 2021.

Pursuant to the Scheme becoming effective from March 10, 2021: (i) MPPL has become a 100% directly-held holding company of the REIT, holding Embassy Manyata Business Park, 80% of the share capital of Embassy-Energy Private Limited, and 50% of the share capital of Golflinks Software Park Private Limited; (ii) EPTPL (which was a wholly-owned subsidiary of EOPPL) has become a 100% directly-held special purpose vehicle of the REIT, holding Embassy TechZone, Pune; and (iii) EOPPL stands dissolved without winding up.

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

Please refer to page 27 of this report.

7. Details of outstanding borrowings and deferred payments of REIT including any credit rating(s), debt maturity profile, gearing ratios of the REIT on a consolidated and standalone basis as at the end of the year

Please refer to page 118 and pages 198-201 for standalone and pages 271-277 for consolidated of this report.

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

Please refer debt maturity profile on page 118 and for debt covenants refer pages 198-201 for standalone and pages 271-277 for consolidated of this report.

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

Please refer to pages 283 and 300-302 of this report.

10. 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

Particulars	31-Mar-20		31-Mar-21	
Units Outstanding	771,665,343		947,893,743	
Unit Price Performance for the Year (₹)	NSE	BSE	NSE	BSE
Opening Price: April 1, 2019 / 2020	308.00	300.00	351.00	350.20
Closing Price: March 31, 2020 /2021	350.74	351.51	325.45	325.43
52 Week High	512.00	518.00	397.40	397.70
52 Week Low	301.35	300.00	318.65	318.51

Particulars	31-Mar-20		31-Mar-21	
Market Capitalization (₹ Billion)				
March 31, 2020 / 2021	270.65	271.25	308.49	308.47
Trading Volume for the year				
Units (Million)	98.54	15.03	142.29	119.93
₹ Billion	38.28	5.94	49.75	40.79
ADTV for the year				
Units	398,951	60,856	571,461	481,639
₹ Million	154.99	24.06	199.79	163.81

Source: NSE (Designated stock exchange) and BSE

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

11. Related party transactions

- Refer to page 171 and 223 of this report which contains details of all related party transactions entered into by the Embassy REIT and its Asset SPVs during the financial year ended March 31, 2021 (excluding transactions between Embassy REIT and its Asset SPVs which are eliminated on consolidation).
- Refer to pages 205-209 of this report which contains details of all related party transactions entered into by Embassy REIT including monies lent by Embassy REIT to its holding companies and its Asset SPVs.

12. Details of fund-raising during the financial year ended March 31, 2021

The Debenture Committee of the Board of Directors of the Manager of Embassy REIT ("Debenture Committee"), in their meeting held on September 01, 2020, had approved the issue of rupee denominated, listed, rated, secured, redeemable, transferable, non-convertible debentures by Embassy REIT on a private placement basis for an aggregate amount of ₹ 15,000,000,000/- (Indian Rupees One Thousand Five Hundred Crores only) split into one or more tranches. Further, the Debenture Committee, at its meeting held on September 09, 2020, had approved the allotment of 7,500 rupee denominated, listed, rated, secured, redeemable, transferrable, non-convertible debentures of ₹ 10,00,000/- (Indian Rupees ten lakh) per debenture, aggregating to ₹ 750,00,00,000/- (Indian Rupees seven hundred and fifty crores 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.

Subsequently, the Debenture Committee, in their meeting held on October 27, 2020, had approved the allotment of 7,500 rupee denominated, listed, rated, secured, redeemable, transferrable, non-convertible debentures ("NCDs") of ₹ 10,00,000/- (Indian Rupees ten lakh) per debenture, aggregating to ₹ 750,00,00,000/- (Indian Rupees seven hundred and fifty crores 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 Debenture Committee, in their meeting held on January 12, 2021, had approved the issue of rupee denominated, listed, rated, secured, redeemable, transferable, non-convertible debentures by Embassy REIT on a private placement basis for an aggregate amount of ₹ 26,000,000,000/- (Rupees Two Thousand Six Hundred Crores only). Further, Debenture Committee, at its meeting held on January 15, 2021, had approved the allotment of 26,000 rupee denominated, listed, rated, secured, redeemable, transferrable, non-convertible debentures of ₹ 10,00,000/- (Indian Rupees ten lakh) per debenture, aggregating to ₹ 26,000,000,000/- (Indian Rupees Two Thousand Six Hundred crores only) on a private placement basis under Series III as per the terms and conditions as mentioned in the Information Memorandum for the said issue.

The above mentioned non-convertible debentures are listed on the Wholesale Debt Market (WDM) Segment of BSE Limited.

The Securities Committee of the Board of Directors of Embassy Office Parks Management Services Private Limited, the Manager of Embassy REIT, at its meeting held on December 22, 2020, had approved the issue and allotment of 111,335,400 units of Embassy REIT ("Units") to 129 successful eligible institutional investors, at the issue price of ₹ 331 per Unit, which includes a discount of ₹ 17.38 per Unit (i.e., 4.99%) on the floor price of ₹ 348.38 per Unit.

The Securities Committee of the Board of Directors of Embassy Office Parks Management Services Private Limited, the Manager of Embassy REIT, at its meeting held on December 24, 2020, had approved the issuance of 64,893,000 Units of the Embassy Office Parks REIT (the "Units") to Mr. Vasudev Garg, Mr. Chaitanya Garg and Ms. Radhika Garg (collectively, the "Allottees") on a preferential basis at a price of ₹ 356.70 per unit in accordance with the SEBI REIT Regulations and provisions of the circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/142 dated November 27, 2019 on guidelines for preferential issue of units and

institutional placement of units by a listed real estate investment trust issued by the Securities and Exchange Board of India, as amended.

13. Brief details of material and price sensitive information

Not applicable

14. 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

Legal and other information

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

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

I. Material title litigation pertaining to the Portfolio

For the purpose of this section, details of all pending material title litigation pertaining to the Portfolio have been disclosed. Other than as disclosed below, there are no pending material title litigations pertaining to the Portfolio as of March 31, 2021:

A. Embassy Manyata

a. MPPL has filed a writ petition against the BBMP and others seeking to inter-alia, quash (i) a circular from 2014 re-fixing the improvement charges under the Karnataka Municipal Corporations Act, 1976, and the Karnataka Municipal Corporations (Recovery of Improvement Expenses) Rules, 2009, and

(ii) a notice from 2015 demanding payment of betterment charges of ₹ 127.9 million. In 2016, the High Court of Karnataka has granted an interim stay on the impugned circular and notice. The matter is currently pending.

- b. A third party suit was filed against MPPL and other defendants (who are co-owners in joint possession with the plaintiff) in 2020 before the City Civil Court, Bengaluru seeking (i) 1/8th share of property by way of partition, out of which MPPL is only concerned with one land parcel; (ii) a declaration that the panchayth parikath alias partition deed dated February 20, 1997 and sale deeds executed in favour of MPPL are null and void. The matter is currently pending.
- c. A third party suit was filed against MPPL and other defendants in 2003 before the City Civil and Sessions Court, Bengaluru seeking 1/6th share of the property by way of partition and court on October 16, 2019 ordered that the plaintiff shall be entitled to the share of the compensation awarded by the government and separate possession of the property, it is to be noted that this order does not apply to those properties which are not owned by MPPL. Further, the matter was appealed by the respondent against the order dated October 16, 2019. The Matter was last heard on January 31, 2020 and the matter is yet to be listed for final hearing. Another respondent has also filed a miscellaneous petition before the City Civil Court on September 3, 2020 and the next date of hearing is scheduled for March 20, 2022.
- d. A third-party suit was filed against MPPL and other defendants on September 24, 2020 before the Prl. City and Sessions Judge, Bengaluru seeking possession of the property admeasuring 1 acre and 12 guntas forming part of Embassy Manyata. MPPL has filed its response to the complaint filed by the third party and the matter is currently pending.
- e. A third party writ petition was filed in 2003 against the State of Karnataka (Department of Industries and Commerce), Special Land Acquisition Officer, KIADB, MPPL and others, wherein the petitioner had questioned the acquisition proceedings initiated by the government at Nagavara Village by filing writ petition and thereon a writ appeal before the High Court of Karnataka in 2003 and 2004 respectively, both were rejected. Subsequently, a Special Leave Petition was also filed before Hon'ble Supreme Court which also came to be dismissed on September 3, 2004 and further a Review Petition was filed which was also dismissed on September 10,

2009. Currently, the same third party has filed this Writ Petition on September 19, 2019 before the High Court of Karnataka seeking (i) quashing of the awards proceedings initiated by respondents which has led to arbitrary determination of the compensation (ii) direct the state to pass an award and pay compensation under the provisions of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation And Resettlement Act, 2013; and (iii) quash the acquisition of property situated in Embassy Manyata. The matter is currently pending.

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

of filing an application for impleadment. The matter is currently pending.

- l. An original suit was filed by a third party in 2009 against MPPL and others before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre 16 guntas and 15 guntas situated at Nagavara Village, Bangalore, North Taluk, among others. The plaintiffs claim that the land parcels are their joint family properties and sought, inter-alia: (i) 1/3rd share of the properties by way of partition to the plaintiffs and possession of such property; and (ii) a declaration that the sale deed executed in favour of defendants (including MPPL) was null and void and is not binding on the plaintiffs. The matter is currently pending.
- m. An original suit was filed by third parties in 2010 against MPPL and certain others before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 18 guntas situated at Nagavara Village, Kasaba Hobli, Bangalore, North Taluk, among others. The plaintiffs claim that the land parcels are their joint family properties and sought, inter-alia: (i) 5/10th share in the land parcels by way of partition to the plaintiffs and possession of such property; (ii) a declaration that the transactions made by the defendants (including MPPL) are not binding on the plaintiffs; and (iii) order for mesne profit. The matter is currently pending.
- n. An original suit was filed by a third party in 2019 before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 18 guntas situated at Rachenahalli Village K.R. Puram, Hobli, Bangalore, East Taluk, Bangalore. The plaintiff claims that the land parcels are its ancestral properties and has sought inter-alia (i) 1/6th share of the land parcels by way of partition and possession of such property; and (ii) a declaration that certain sale deeds executed are not binding upon plaintiff's share. MPPL is not a party to the suit, however, MPPL is concerned with certain land parcels in relation to which the suit is filed as they form a part of Embassy Manyata and we are in the process of filing impleadment. The matter is currently pending.
- o. An original suit was filed by third parties in 2016 against MPPL and others before the City Civil Judge, Bangalore in relation to land parcels admeasuring 1 acre and 31 guntas situated at Nagawara Village, Kasaba Hobli, Bangalore, North Taluk and Kothanur Narayanapura (K.Narayanapura) village, Bengaluru, East Taluk, among others. The plaintiffs claim that the land parcels are their ancestral and hindu joint family properties and sought, inter-alia:

(i) legitimate share of the land parcels by way of partition to the plaintiffs and possession of such property; (ii) a declaration that the sale deed executed by certain defendants is not binding on the plaintiffs; and (iii) permanent injunction restraining certain defendants (including MPPL) from alienating or encumbering the land parcels to any third parties, pending disposal of the suit. The matter is currently pending.

B. Hilton at Embassy Golflinks

A third party has filed a suit against GLSP, UPPL Mac Charles (India) Limited and others in 2003 before the City Civil Court, Bengaluru, seeking specific performance of an agreement for sale for 94,000 square feet of land forming part of the larger parcel of land admeasuring 5 acres and 23 guntas situated at Challaghatta village. The court dismissed the suit in 2008. The plaintiff has challenged such dismissal in 2009 before the High Court of Karnataka in an appeal. GLSP and UPPL have been arraigned as respondents in the appeal. The High Court of Karnataka has recorded the submission made by GLSP and UPPL indicating that no encumbrance will be created on the suit property of 94,000 sft and the matter is currently pending.

C. Express Towers

- a. IENMPL has filed a writ petition against the Government of Maharashtra and the Collector, Mumbai in 2003 before the Bombay High Court, challenging the demand against IENMPL for payment of increased transfer charges in relation to a sub-lease. While transfer charges amounting to ₹ 0.12 million annually for 61 years as per Gol's letter were levied in 2001, the transfer charges were revised to ₹ 2.34 million in the same year by the Collector, Bombay. In 2004, the Bombay High Court passed an order staying the operation of demand for increased transfer charges, subject to IENMPL continuing to pay the original transfer charges. IENMPL has also undertaken that in the event of dismissal of petition they shall pay the demanded increased transfer charges. The matter is currently pending.
- b. IENMPL had initiated legal proceedings against a occupier before the Court of Small Causes, Mumbai in 2007 for eviction and recovery of possession of 2,150 square feet in Express Towers and for mesne profits. On November 15, 2011, the court directed the occupier to pay ₹ 0.26 million per month towards mesne profits for the period between March 1, 2007 and February 2010, and ₹ 0.29 million per month March 1, 2010 onward. An appeal by the occupier against this order before the Court of Small Causes was dismissed on May 6, 2015. Aggrieved, the occupier filed a

petition before the Bombay High Court. On August 28, 2017, the High Court passed an order directing the occupier to pay ₹ 225 per square foot per month from May 1, 2015 to continue the possession of the premises. The occupier continues to occupy the premises and pay rentals. The matter is currently pending.

- c. A criminal public interest litigation has been instituted by a third party against the state of Maharashtra and others in 2017 which has alleged irregularities in the manner in which Express Towers was being used, and the manner in which the shareholders of IENMPL have acquired the asset. IENMPL impleaded itself as party to this public interest litigation. The Bombay High Court had directed the third party to file an amended petition to, inter alia, include IENMPL as a party,. The matter is currently pending.

D. Embassy Golflinks

- a. Certain third parties have filed a suit for partition in 2005 against their family members and GLSP before the City Civil Court, Bengaluru, in respect of a property admeasuring 4 acres and 1 guntas, where GLSP is entitled to two acres and 21 guntas, forming part of Embassy Golflinks wherein the court passed a preliminary decree for partition. GLSP has filed an appeal in 2013 before the High Court of Karnataka challenging the decree. The High Court has passed interim orders in 2015 and stayed the decree. The matter came up for hearing on September 23, 2019 when GLSP filed a compromise petition and the matter was adjourned. The matter is currently pending.
- b. A third party individual has filed a suit before Court of the City Civil Judge, Bengaluru in 2005, against GLSP and others for declaring a sale deed allegedly executed in 2004 by him in favour of GLSP and another pertaining to a portion of land situated at Embassy Golflinks, as null and void on account of fraud and misrepresentation. The plaintiff died at the evidence stage and his alleged heir was not permitted to come on record by as the court rejected his application by passing an order in 2015. Aggrieved by the order, the alleged heir filed a civil revision petition before the High Court of Karnataka in 2015 which was subsequently converted into a writ petition and the next date of hearing is yet to be fixed. The matter is currently pending.
- c. Certain third parties have filed a suit in 2008 before the City Civil Court, Bengaluru in respect of a property admeasuring 1 acre and 21 guntas, forming part of Embassy Golflinks. The suit was dismissed in 2013 due

to no representation on behalf of the plaintiffs. The plaintiffs filed a petition before the 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. Certain third parties have filed an application in 2007, before the Court of City Civil Judge, Bengaluru against GLSP and another third party seeking an injunction restraining them from alienating or creating any third party interest in a property admeasuring 2 acres and 14 guntas, forming part of Embassy Golflinks. The court passed an interim order in 2007 which has been subsequently vacated by the court and the matter is currently pending. The third party claimants have also filed a claim in 2009 against GLSP and others, before the High Court of Karnataka seeking appointment of an arbitrator and an arbitrator was appointed by an order in 2015. The claimants sought (i) performance of joint development agreements executed in 2004 and 2005, against GLSP and another individual, pertaining to the property before the arbitrator, and (ii) an injunction to restrain the respondents from alienating or creating any third-party interests in the building constructed on the property, before the arbitrator. The matter is currently pending.
- e. GLSP has filed a petition in 2014 before the High Court of Karnataka inter-alia, against a show cause notice issued under the Public Premises (Eviction of Unauthorised Occupation) Act, 1971, in relation to eviction of GLSP from certain parcels of land admeasuring 92 square meters, 274.86 square meters and 2,079.79 square meters in Domlur Village, Bengaluru, which as per the show cause notice allegedly belongs to the Department of Defence and seeking a direction against the BBMP and others to complete the construction of the road on the aforementioned lands. The High Court in 2014 directed BBMP to continue with the construction of the road in terms of certain agreements signed between the Department of Defence and BBMP and also restrained the respondents from acting upon the impugned notice or taking coercive steps against GLSP. The respondents have obtained a stay on such order in 2016 by way of an appeal filed in 2015 before the High Court of Karnataka. The stay order also stated that GLSP could not be evicted without the leave of court. In 2019, the High Court of Karnataka allowed the appeals.
- f. 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 thereafter filed an application seeking to restore the case and the summons are yet to be served on some of the respondents. The matter is currently pending.

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

E. Embassy Pune TechZone*

EPDPL has received a notice dated September 18, 2020 from the National Green Tribunal, Western Zone Bench, Pune indicating that a third party has filed an original application against EPDPL claiming that EPDPL has failed to obtain the relevant environmental clearances from the Environment Department, Ministry of Environmental and Forest and Climate Change, Government of India as per the Environmental Impact Assessment Notification dated September 14, 2006 for construction of the buildings. EOPPL has filed its response and the next date of hearing is scheduled for May 31, 2021.

F. Embassy TechVillage

- a. A third party individual filed a suit in 2017 against the 'Embassy Group' before the City Civil Court, Bangalore seeking a decree of permanent injunction against 'Embassy Group' from interfering with the alleged rights of the plaintiff in relation to a land parcel forming part of ETV. VTPL filed two interim applications for: (i) dismissal of the suit contending that 'Embassy Group' is not a valid legal entity; and (ii) impleading itself as party. Pursuant to an order dated December 16, 2017, the Civil Court rejected both the above applications

and rejected an interim application filed by the plaintiff seeking a temporary injunction against 'Embassy Group'. VTPL filed a civil revision petition and a writ petition before the High Court of Karnataka against the rejection of its applications. Pursuant to orders dated January 10, 2018, the High Court of Karnataka stayed the proceedings until the next date of hearing. The matters are currently pending.

The third party individual has also filed an appeal under the Karnataka Land Revenue Act, 1964 before the Assistant Commissioner, Bangalore, North Sub-Division challenging the endorsement dated October 29, 2015 issued by the Tahasildar, Bangalore East Taluk rejecting the claim of the plaintiff to a land parcel admeasuring 21 guntas. VTPL has impleaded itself as a party and filed a statement of objections. The matter is currently pending.

- b. A third party individual has filed a suit before City Civil Court, Bangalore against the 'Managing Director, Embassy Group of Company' seeking a decree of permanent injunction against the defendants from interfering with the peaceful possession of a land parcel. While VTPL has not claimed title over the disputed land parcel, the plaintiffs have alleged that the land parcel is at the edge of the property owned by VTPL. VTPL has impleaded itself as a party and has contended, inter-alia, that the land parcel has been acquired by the BBMP for a road. The matter is currently pending.
- c. Certain third parties have filed a suit before City Civil Court, Bengaluru against VTPL and its representatives seeking a decree of permanent injunction against the defendants from interfering with the peaceful possession of a land parcel. While VTPL has not claimed title over the disputed land parcel, the plaintiffs have alleged that the land parcel is at the edge of the property owned by VTPL. VTPL has impleaded itself as a party and has contended, inter-alia, that the land parcel has been acquired by the BBMP for a road. The matter is currently pending.

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

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

*The Hon'ble National Company Law Tribunal, Mumbai Bench, (the "NCLT"), vide its order dated February 11, 2021, sanctioned the Composite Scheme of Arrangement amongst EOPPL, EPTPL and MPPL ("Scheme"). The Scheme has been made operational by filing the order of the NCLT with the Registrar of Companies, Pune on, with effect from March 10, 2021. Pursuant to the Scheme becoming effective and operational, the TechZone Undertaking of EOPPL (i.e., business related to development, operations and maintenance of Embassy TechZone, Pune) has been transferred to EPTPL on a going concern basis.

For the purpose of pending civil/ commercial matters against Embassy REIT (Asset SPVs and Investment Entity), and Associates of Embassy REIT (excluding the Manager, the Sponsors, their respective Associates and the Blackstone Sponsor Group) matters exceeding ₹ 236.30 million (being 1% of the consolidated income as of March 31, 2021) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Embassy REIT has been disclosed.

Other than as disclosed below, there are no pending criminal litigation, regulatory actions or material civil/ commercial matters against any of the Asset SPVs or the Investment Entity or the Associates of Embassy REIT (excluding the Manager, the Sponsors, their respective Associates and the Blackstone Sponsor Group) as of March 31, 2021. Further, there is no litigation against Embassy REIT as of March 31, 2021.

A. MPPL

(a) Regulatory Proceedings

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 respectively, due to the changed guidelines. MPPL filed an application before the Development Commissioner, Manyata Embassy Business Park SEZ in 2016 seeking approval of its DG set unit as a SEZ unit with retrospective effect, which was not granted. Subsequently, MPPL filed an appeal before the Development Commissioner, Manyata Embassy Business Park SEZ seeking modification of the letter of approval granted by the Board of Approval, SEZ Section to classify MPPL's captive power plant as a SEZ unit, as it was not granted with retrospective effect, which was rejected. MPPL has filed a

writ petition in 2017 before the High Court of Karnataka to set aside the said order and a stay order has been granted.

(b) 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. Further, an appeal has been filed against the order in 2018 before the City Civil Court, Bengaluru. Both the matters have been shifted to Commercial Courts, Bengaluru as per notification dated August 17, 2020 issued by the City Civil Court, Bengaluru. The matter has been pending for hearing.

B. EEPL

Regulatory Proceedings

The Karnataka Electricity Regulatory Commission has issued orders in 2005, 2008 and 2014 granting exemption to all solar power generators in Karnataka that achieved commercial operation date between April 1, 2013 and March 31, 2018 from paying certain charges such as, inter alia, payment of wheeling and banking charges, cross subsidy surcharges, transmission losses and wheeling losses for a period of ten years from the date of commissioning. The Commission issued an order in 2018 withdrawing the aforementioned exemption available to Karnataka's power generators, including EEPL. Subsequently, EEPL and others have filed writ petitions in 2018 in the High Court of Karnataka against the State of Karnataka, the Karnataka Electricity Regulatory Commission, Bangalore Electricity Supply Company Limited, Gulbarga Electricity Supply Company Limited and Karnataka Power Transmission Corporation Limited. In the event of cancellation of the aforesaid exemption, EEPL would incur an estimated loss of approximately ₹ 1,053.50 million over a ten year period. The High Court of Karnataka by way of an order dated May 24, 2018 has directed interim stay on the Commission's order withdrawing the aforesaid exemptions. The Bangalore Electricity Supply Company Limited filed an interlocutory application on June 18, 2018, seeking vacating of the interim order dated May 24, 2018 passed by the

High Court of Karnataka, and Karnataka Electricity Regulatory Commission has filed common preliminary objections on September 27, 2018 and requested the High Court of Karnataka to dismiss the writ petition filed by EEPL and others. The High Court of Karnataka, by way of an order dated March 13, 2019, allowed the writ petitions filed by EEPL and others, and quashed the order dated May 14, 2018 issued by the Karnataka Electricity Regulatory Commission. EEPL has filed a caveat petition for receiving notifications in case any intra court writ appeal filed by any of the parties to the said petition, before the Division Bench of the High Court of Karnataka. Karnataka Electricity Regulatory Commission has filed a common writ appeal against the said order, against EEPL & Others. Electricity Supply Companies have also filed writ appeals against some of the petitioners, but no appeal has been filed against EEPL.

Other Material Litigation

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

the lenders stating that they are not party to the arrangements between EEPL and ISPL and should approach ISPL directly. The sub-contractor has thereafter filed an application under Section 9 of the Code before the Bengaluru bench of National Company Law Tribunal claiming debt of ₹ 997.59 million and interest thereon against EEPL. The third party sub-contractor vide a letter dated January 2, 2020 served the notice of hearing in the captioned matter for initiation of insolvency proceedings under Section 9 of the Insolvency and Bankruptcy Code, 2016 before the NCLT, Bengaluru pursuant to its order dated December 16, 2019. The petitioner has filed a claim as an operational creditor of IEDCL for an amount of ₹ 1,008.10 million dues to the sub-contractor. The matter is in the admission stage before the NCLT, Bengaluru and is pending.

During the pendency of the suit, the entire prepayment amount of ₹ 7.77 billion has made by EEPL to ISPL and pursuant to the same all definitive agreements executed between parties, except the operations and management agreement shall be terminated.

- b. In relation to Embassy Energy, ISPL has identified 465.77 acres of land for Embassy Energy. The approval obtained by EEPL from the Government of Karnataka for the establishment of Embassy Energy requires that the land is purchased and the solar project is established only after obtaining conversion of the use of the land for non-agricultural purposes. EEPL is required to obtain approval from the local authorities to purchase the land for the solar project under Section 109 of the Karnataka Land Reforms Act, 1961 which is deemed conversion of agricultural land and no further approvals are necessary. EEPL directly or through land aggregators has executed agreements for sale and powers of attorney with various land owners for 465.77 acres of land. Applications for approval under Section 109 have been made for 465.77 acres of land and such approvals have been received for 442.54 acres. EEPL has executed sale deeds in respect of 254.47 acres of land. Of the 254.47 acres of land for which sale deeds have been executed, payment of conversion fee is pending.

C. GLSP

Regulatory Proceedings

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

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

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

D. IENMPL

Certain other matters

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

E. Embassy Techvillage

Regulatory Proceedings

a. The Director, SEZ Section, Gol issued guidelines in 2009 which laid down that captive power plants in IT/ ITES SEZs were to be classified as separate units and were entitled to avail fiscal benefits under the Special Economic Zones Act, 2005 including the benefit of exemption from the levy of excise duty under the Central Excise Act, 1994, on the goods supplied to them. However, in 2015, a new circular was issued which withdrew all such benefits and incentives extended to the captive power plants set up in a SEZ with effect from April 1, 2015. In 2016, new guidelines were

issued which restored the benefits and exemptions given under the 2009 circular. However, the exemptions and benefits were prospective in nature and did not apply to SEZ developers, such as VTPL for the period between the 2015 circular and the 2016 guidelines. By way of its letter dated March 3, 2016, the diesel supplier providing high speed diesel to VTPL, informed VTPL that amount payable due to excise duty on supply of diesel to VTPL was ₹ 4.31 million, due to the changed guidelines. VTPL filed an application before the Development Commissioner, Vikas Telecom SEZ in 2016 seeking approval of its DG set unit as a SEZ unit with retrospective effect, which was not granted. Subsequently, VTPL filed an appeal before the Board of Approval, SEZ Section in 2016 seeking modification of the letter of approval granted by the Board of Approval, SEZ Section to classify VTPL's captive power plant as a SEZ unit, as it was not granted with retrospective effect, which was rejected. VTPL has filed a writ petition in 2017 before the High Court of Karnataka to set aside the said order and a stay order was granted.

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

challenging inter-alia, the government order dated February 12, 2016 and the demand note against VTPL seeking to, inter-alia, (i) quash the demand notice dated September 29, 2020; and (ii) issue of no-objection certificate to VTPL. Pursuant to an order dated November 30, 2020, the High Court of Karnataka granted an ad-interim stay on the demand notice dated September 29, 2020 in relation to certain charges and instructed VTPL to pay the prescribed fee for issuance of no objection certificate. Accordingly, VTPL has made the requisite payment hereunder and received the NOC from BWSSB. The matter is currently pending.

(ii) Other Material Litigation

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

III. Material litigation and regulatory action pending against Embassy Sponsor

With respect to Embassy Sponsor, details of all pending regulatory actions and criminal matters against Embassy Sponsor have been disclosed. For the purpose of pending civil/ commercial matters against Embassy Sponsor matters exceeding ₹ 410.50 million (being 5% of the total consolidated revenue of Embassy Sponsor for the Financial Year 2021) have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Embassy REIT has been disclosed. Other than as disclosed below, there is no pending criminal litigation, regulatory actions or material civil/commercial matters against Embassy Sponsor as of March 31, 2021.

Criminal Litigation

A charge sheet has been filed by the Central Bureau of Investigation against various individuals and the companies including Embassy Realtors Private Limited (which subsequently merged with Embassy Sponsor) and its founder, Jitendra (Jitu) Virwani in 2014, who have been named as accused number 12 and 11 respectively. As part of allegations made against the various others accused, there have also been allegations of corruption and irregularities in 2004 with relation to certain land development and housing projects awarded by the Government of Andhra Pradesh and the Andhra Pradesh Housing Board to a consortium in which, Embassy Realtors Private Limited, was holding a minority stake. The

offences alleged against Embassy Sponsor and Jitendra Virwani are under the Indian Penal Code, 1860, including, inter-alia, Sections 120 (b) & 420. Jitendra Virwani filed a criminal petition in the High Court of Telangana and Andhra Pradesh seeking an interim order of stay against the proceedings in the trial court; the High Court has exempted the personal appearance of Jitendra Virwani instead of staying the further proceedings. Subsequently, Embassy Sponsor has filed a criminal petition in the High Court of Telangana and Andhra Pradesh in 2016 seeking to inter-alia quash the proceedings pending before the Special Court for CBI cases at Hyderabad. An interim order of stay has been granted by the High Court in favour of Embassy Sponsor in this regard until the date of the next hearing. Embassy Sponsor and Jitendra Virwani were also named as respondents in proceedings initiated by the Directorate of Enforcement under the Prevention of Money Laundering Act, 2002 in relation to the same subject matter and an order for the provisional attachment of certain movable assets of Embassy Sponsor and Jitendra Virwani was passed in January 2018. The Adjudicating Authority has in June 2018 passed an order to the effect that such alleged assets were not involved in the money laundering and has revoked the attachment of such assets. The Directorate of Enforcement has filed an appeal before the Appellate Tribunal at New Delhi and the Appellate Tribunal has dismissed the Appeal filed by the Enforcement Directorate and confirmed the orders passed by the Adjudicating Authority. Aggrieved by the Orders passed by the Appellate Tribunal at New Delhi, the Enforcement Directorate has filed an appeal before the High Court of Telangana at Hyderabad and the said Appeal is pending before the High Court at Hyderabad.

Regulatory Proceedings

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

by discharging effluents in the lake, around which they are developing residential and commercial projects. The matter is currently pending for hearing.

- c. Embassy Sponsor has received a notice from the Competition Commission of India in 2018 inquiring into its acquisition of over 70% of the shareholding of Mac Charles (India) Limited as a combination. Embassy Sponsor has replied to the notice inter alia submitting that the transaction does not constitute a combination within the meaning of Section 5 of the Competition Act, 2002 since Mac Charles (India) Limited was eligible to avail the de minimus exemption for combinations under the provisions of the Competition Act, 2002. Embassy Sponsor has replied to the above notice and has not received any response thereafter.
- d. The Maharashtra Pollution Control Board pursuant to a notice in 2011 has filed a criminal case in 2012 before the Chief Judicial Magistrate Court, Pune against Embassy Sponsor and another accused for violating environmental laws by carrying out construction at plot no. 3, Rajiv Gandhi Infotech Park, Pune without obtaining prior clearance. The court issued summons in 2012, against which Embassy Sponsor has filed a criminal writ petition in the Bombay High Court.
- e. In 2015, Embassy Sponsor filed an application with the Bangalore Development Authority ("BDA") for the issue of a development plan in relation to certain property owned by MPPL. The BDA issued the development plan. Subsequently, the Embassy Sponsor as the co-developer of the property filed an application with the BDA for a modified development plan in connection with the use of TDR rights. In February 2020, the Karnataka state government issued amendments to the relevant regulations in relation to levy of fees, cess and surcharges for modified development plans. Subsequently, the BDA issued two demand notices dated September 24, 2020 to the Embassy Sponsor to pay ₹ 121 million towards various charges in connection with the modified development plan. The Embassy Sponsor has filed a writ petition against the State of Karnataka and others before the High Court of Karnataka, inter-alia, to set aside the demand notices issued by the BDA and declare the amendments as ultra vires. Subsequently, BDA issued a letter dated March 10, 2021 to Embassy Sponsor. On March 17, 2021, Embassy Sponsor has paid ₹ 0.04 million to the BDA towards issuance of modified development plan. The matter is currently pending.

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

With respect to the Associates of Embassy Sponsor, details of all pending regulatory actions and criminal matters against the Associates of Embassy Sponsor have been disclosed. For the purpose of pending civil/ commercial matters against Associates of Embassy Sponsor, (excluding the Asset SPVs and the Investment Entity) matters exceeding 5% of the total consolidated revenue of Embassy Sponsor as of March 31, 2021 have been considered material and proceedings where the amount is not determinable but the proceeding is considered material by the Manager from the perspective of Embassy REIT has been disclosed. Other than as disclosed below, there is no pending criminal litigation, regulatory actions or material civil/ commercial matters against the Associates of Embassy Sponsor as of March 31, 2021.

Regulatory Proceedings

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

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

Other Material Litigation

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

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

As of March 31, 2021, Blackstone Sponsor, its Associates and Blackstone Sponsor Group do not have any regulatory actions, criminal matters, or material civil/commercial litigation, i.e., in excess of USD 6.94 million (being 5% of the income of the Blackstone Sponsor for the calendar year ended December 31, 2020) pending against them.

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

As of March 31, 2021, 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 2020 have been considered material.

VII. Material litigation and regulatory action pending against the Trustee

As of March 31, 2021, the Trustee does not have any regulatory actions, criminal matters, or material civil/commercial litigation, i.e., in excess of ₹ 9.19 million (Indian Rupees Nine Million and Nineteen Thousand Only) (being 5% of the income of the profit after tax of the Trustee for the Financial Year 2019-2020) 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, 2021 are as follows:

Nature of case	Number of cases	Amount involved (in ₹ million)
Embassy REIT (Asset SPVs and Investment Entity)		
Direct Tax	21	440.27
Indirect Tax	14	769.80
Property Tax	4	3,418.89
Embassy Sponsor - EPDPL		
Direct Tax	5	172.97
Indirect Tax	3	309.63
Property Tax	Nil	Nil
Key Persons (Board of Directors) of the Embassy Sponsor		
Direct Tax	3	669.56
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Blackstone Sponsor		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Key Persons (Board of Directors) of the Blackstone Sponsor		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Manager - EOPMSPL		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Blackstone Sponsor Group		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Associates of the Manager*		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil
Associates of the Embassy Sponsor		
Direct Tax	25	280.22
Indirect Tax	18	728.69
Property Tax	Nil	Nil
Associates of the Blackstone Sponsor#		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Property Tax	Nil	Nil

* Excludes Associates of the Sponsors

Excludes the Blackstone Sponsor Group

15. Risk factors

Risk Factors-Embassy Office Parks REIT

Risk related to our organisation and structure

1. The Portfolio has certain liabilities, which liabilities if realised may impact the trading price of the units, our profitability and our ability to make distributions.
2. We have incurred external debt at Embassy REIT level. Additionally, we may incur further debt and a significant amount of such future debt may be utilised in the operation and development of our business. Consequently, our cash flows and operating results could be adversely affected by required repayments or related interest and other risks of our debt financing. Our inability to service debt may impact distributions to Unitholders.
3. We do not provide any assurance or guarantee of any distributions to the Unitholders. We may not be able to make distributions to Unitholders and the level of distributions may decrease. Our historical distributions may not be indicative of future distributions.

4. The REIT Regulations impose restrictions on the investments made by us and require us to adhere to certain investment conditions, which may limit our ability to acquire and/or dispose of assets or explore new opportunities. The laws governing REITs in India are in their early stages and relatively untested.
5. The holding and financing structure of the Portfolio may not be tax efficient.

Risks Related to our business and industry

1. Our business is dependent on the Indian economy and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material adverse effect on our business.
2. Our business, financial condition, cash flows and results of operations and the trading price of our units have been and may continue to be adversely impacted by the outbreak of and the resulting disruptions caused by the coronavirus disease 2019 (COVID-19) pandemic and any government action (lockdown etc.). During the financial year ended March 31, 2021, it has adversely impacted our tenants and our rental income for the whole year 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 tenants, tenants in the technology sector and from a few integrated office parks. Any conditions that impact these tenants, the technology sector or parks may adversely affect our business, revenue from operations and financial condition.
5. Tenant leases across our Portfolio are subject to the risk of non-renewal, non-replacement or early termination. Further, vacant properties could be difficult to lease, which could adversely affect our revenues.
6. Our business and profitability are dependent on the performance of the commercial real

estate market in India generally and any fluctuations in market conditions may have an adverse impact on our financial condition.

7. The Current Portfolio is undergoing certain internal restructuring, including a scheme of arrangement filed for the merger of EOVPL into VTPL and applications for reduction of share capital filed by VCPPL and ETPL. There can be no assurance that the approvals and consents for such restructuring will be received or that such restructuring will be completed in a timely manner or at all.
8. The Independent Auditor's Report on projections of revenue from operations, net operating income, earnings before interest, tax, depreciation and amortization, 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.
9. 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.
10. The valuation reports obtained for our Portfolio are based on various assumptions and may not be indicative of the true value of our assets.
11. We may be required to record significant changes to the earning in the future when we review our Portfolio for potential impairment.
12. Our contingent liability could adversely affect our financial condition, results of operations and cash flows.
13. 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.
14. 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.
15. If we are unable to maintain relationships with other stakeholders in our Portfolio, our financial conditions and results of operation may be adversely affected.
16. 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.
17. We are exposed to a variety of risks associated with safety, security and crisis management.
 18. 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.
 19. 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.
 20. Some of our Portfolio Assets are located on land leased from the MMRDA, MIDC, NOIDA and KIADB. The relevant Asset SPVs are required to comply with the terms and conditions provided in the respective lease agreements with such government bodies, failing which MMRDA, MIDC, NOIDA or KIADB, as the case may be, may, impose penalties, terminate the lease or take over the premises.
 21. 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.
 22. Our solar operations are dependent on the regulatory and policy environment affecting the renewable energy sector in India.
 23. 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.
 24. 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.
 25. The title, leasehold rights and development rights or other interests over land where the Portfolio are located may be subject to legal uncertainties and defects, which may interfere with our ownership and/or leasehold rights of the Portfolio and result in us incurring costs to remedy and cure such defects.
 26. 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.
 27. 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.
 28. 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.
 29. We may invest in under construction real estate projects which may be adversely affected by delay in completion and cost overruns.
 30. The audit report of our Statutory Auditors on the Consolidated Financial Statements may contain certain qualifications and matters of emphasis.
 31. 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.
 32. 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.
 33. Recent disruptions in the financial markets and current economic conditions could adversely affect our ability to service existing indebtedness. We may require additional debt financing in order to continue to grow our business, which may not be available on acceptable terms, or at all.
 34. Except in relation to a portion of the Embassy TechVillage campus which has not been acquired by Embassy REIT, The Blackstone Sponsor has not entered into a deed of right of first offer in respect of any assets operated by the Blackstone Sponsor Group or other entities of the Blackstone Sponsor Group which could lead to potential conflicts of interest.

35. The ROFO Deed entered into with Embassy Sponsor, in respect of certain identified existing assets and the potential future asset pipeline, is subject to various terms and conditions. Further, the Embassy Sponsor may undertake corporate restructuring exercises, including mergers and amalgamations with third-party entities, which may impact the potential future asset pipeline under the ROFO Deed.
36. 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.
37. 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.
38. We may experience a decline in realised rent rates from time to time, which may adversely affect our business, results of operations, cash flows and distributions.
39. We may not be able to maintain adequate insurance to cover all losses we may incur in our business operations.
40. There is outstanding litigation and regulatory actions involving Embassy Sponsor and its Associate that may adversely affect our business.
41. Our business may be adversely affected by the illiquidity of real estate investments.
42. Lease deeds with some of our tenants are not adequately stamped or registered, and consequently, we may be unable to successfully litigate over the said agreements in the future and penalties may be imposed on us.
43. Security and IT risks may disrupt our business, result in losses or limit our growth.
44. Foreign Account Tax Compliance withholding may affect payments on the Units for investors.
45. We expect to be classified as a passive foreign investment company for U.S. federal income tax purposes, which could result in materially adverse U.S. federal income tax consequences to U.S. investors in our Units.

Risks related to our relationships with the Sponsors and the Manager

1. We and parties associated with us are required to maintain the eligibility conditions specified under Regulation 4 of the REIT Regulations as well as the Certificate of Registration on an ongoing basis. We may not be able to ensure such ongoing compliance by Embassy Sponsor, the Blackstone Sponsor, the Manager, the Blackstone Sponsor Group and the Trustee, which could result in the cancellation of our registration.
2. Our Sponsors will be able to exercise significant influence over certain of our activities and the interests of the Sponsors may conflict with the interests of other Unitholders or the interests of the Sponsors may conflict with each other.
3. Conflicts of interest may arise out of common business objectives shared by the Manager, Embassy Sponsor, the Blackstone Sponsor, the Blackstone Sponsor Group and us.
4. Certain principals and employees may be involved in and have a greater financial interest in the performance of other real estate investments, projects and businesses of Embassy Group or Blackstone and such activities may create conflicts of interest in making investment decisions on our behalf.
5. We depend on the Manager and its personnel for our success. We may not find a suitable replacement for the Manager if the Investment Management Agreement is terminated or if key personnel cease to be employed by the Manager or otherwise become unavailable to us.
6. We depend on the Manager to manage our business and assets, and our results of operations, financial condition and ability to make distributions may be harmed if the Manager fails to perform satisfactorily, for which our recourse may be limited. In addition, the Manager may also provide property management services to entities outside the Embassy REIT Assets in the future subject to applicable law.

Risks related to India

1. 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.
6. It may not be possible for Unitholders to enforce foreign judgments.
5. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations and growth prospects.
6. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units.
7. Land is subject to compulsory acquisition by the government and compensation in lieu of such acquisition may be inadequate.
8. We may be subject to the Competition Act, which may require us to receive approvals from the Competition Commission of India (CCI) prior to undertaking certain transactions.
9. Our ability to raise funding is dependent on our ability to raise capital through a fresh issue of Units and or our ability to raise debt on acceptable terms. Further, debt securities issued by us may not qualify as eligible securities that can be held by certain types of investors, and certain lenders may be unable to extend loans to us due to regulatory and other restrictions, which may make it more difficult for us to raise funds and may increase the cost of borrowings.

Risks related to the ownership of the Units

1. Trusts like Embassy REIT may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
2. We are subject to ongoing reporting requirements as a listed entity. 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 limited as compared to those made to or available to the shareholders of a company that has listed its equity shares upon a recognised stock exchange in India.
3. Fluctuations in the exchange rate of the Indian Rupee with respect to other currencies will

affect the foreign currency equivalent of the value of the Units and any distributions.

4. Unitholders are unable to request for the redemption of their Units.
5. The Units may experience price and volume fluctuations and there may not be an active or liquid market for the Units.
6. There can be no assurance on the trading price of the Units and the price of the Units may decline.
7. Any future issuance of Units by us or sale of Units by Embassy Sponsor, Blackstone Sponsor Group or any of other significant Unitholders may materially and adversely affect the trading price of the Units. The Embassy Sponsor and certain members of the Blackstone Sponsor Group have pledged a portion of their Units. We cannot assure you that we will not issue further Units or that the Unitholders, including the Embassy Sponsor, the Blackstone Sponsor Group, and other significant Unitholders, will not dispose of, pledge or otherwise encumber their Units.
8. Our rights and the rights of the Unitholders to recover claims against the Manager or the Trustee are limited.
9. NAV per Unit may be diluted if further issues are priced below the current NAV per Unit.
10. Compliance with the European Union Directive on Alternative Investment Fund Managers may increase administrative and regulatory burdens on the Manager and us.

16. Information of the contact person of the REIT

Ms. Deepika Srivastava

Company Secretary & Compliance Officer
Royal Oaks, Embassy Golflinks Business Park,
Off Intermediate Ring Road, Bengaluru – 560 071
Ph: T: +91 80 3322 2222 F: +91 80 3322 2223

17. Compliance under FEMA:

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

18. Summary of full valuation report capturing key aspects of the report

Please refer to pages 323-358 of this report.

19. Auditor's report

Please refer to pages 164-169 and 216-221 of this report.