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PROPERTY SHARE
INVESTMENT TRUST

# Final Scheme Offer Document

**(Section 1 -Details of the Trust and Section 2 - Details of the Scheme, in this Final Scheme Offer Document are collectively referred as PropShare Platina's Final Scheme Offer Document)**

*(Please scan this QR Code to view this Final Trust Offer Document)*

**FINAL TRUST OFFER DOCUMENT**
Dated: December 5, 2024
**Book Built Offer**

# PROPERTY SHARE INVESTMENT TRUST

Registered in the Republic of India as contributory, determinate and irrevocable trust on June 27, 2024, at Bangalore, Karnataka, India under the Indian Trusts Act, 1882 and as a small and medium real estate investment trust on August 5, 2024, under the Regulation 26(L)(1) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, having registration number IN/SM-REIT/24-25/0001

**Principal Place of Business**: 16th Floor, SKAV Seethalakshmi, 21/22, Kasturba Road, Bangalore 560001, India
**Tel:** +91 80 3100 3902; **Fax:** NA; Compliance Officer: Prashant Kataria; **E-mail:** compliance.officer@propertyshare.in; Website: www.propertyshare.in

| TRUSTEE | INVESTMENT MANAGER |
|---|---|
| AXIS TRUSTEE | PROPERTY SHARE |
| **Axis Trustee Services Limited** | **PropShare Investment Manager Private Limited** |

**GENERAL RISKS**

Investments in Units involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. For taking an investment decision, investors must rely on their own examination of the Property Share Investment Trust and the Offer. Prospective Investors are advised to read "*Risk Factors*" on page 12 to 26 before making an investment decision relating to the Offer. Each prospective investor is advised to consult its own advisors in respect of the consequences of an investment in the Units being issued pursuant to the Final Trust Offer Document. This Final Trust Offer Document has been prepared by the Investment Manager solely for providing information in connection with the Offer. The Securities and Exchange Board of India ("**SEBI**") and the Stock Exchange assume no responsibility for or guarantee the correctness or accuracy of any statements made, opinions expressed, or reports contained herein. Admission of the Units to be issued pursuant to the Offer for trading on the Stock Exchange should not be taken as an indication of the merits of the Property Share Investment Trust or of the Units. A copy of this Final Trust Offer Document has been delivered to SEBI and the Stock Exchange.

**INVESTMENT MANAGER'S ABSOLUTE RESPONSIBILITY**

The Investment Manager having made all reasonable inquiries, accepts responsibility for and confirms that this Final Trust Offer Document contains all information with regard to the Property Share Investment Trust and the Offer, which is material in the context of the Offer, that the information contained in this Final Trust Offer Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Final Trust Offer Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

Our Units of the schemes of the Trust are proposed to be listed on BSE Limited ("**BSE**") or National Stock Exchange of India Limited ("**NSE**") (BSE and NSE, collectively referred to as "**Stock Exchanges**" and individually referred to as "**Stock Exchange**").

# SECTION 1
# Details of the Trust
# (Final Trust Offer Document)

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## GENERAL

## NOTICE TO INVESTORS

All statements contained in this Final Trust Offer Document and any other final scheme offer document with respect to the schemes of the Property Share Investment Trust and Units are, in all material respects, true, accurate and not misleading. The opinions and intentions expressed in this Final Trust Offer Document and any other final scheme offer document with respect to the schemes of the Property Share Investment Trust, schemes under the Trust and the Units are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to the Trustee and the Investment Manager. There are no other facts in relation to the schemes of the Property Share Investment Trust, the schemes under the Trust, and the Units, the omission of which would, in the context of any offer being made by the Trust, make any statement in this Final Trust Offer Document and any final scheme offer documents issued by the Trust misleading in any material respect. Further, the Investment Manager has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Prospective investors acknowledge that they have not relied on the Lead Manager or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on his/her own examination of the Property Share Investment Trust, the schemes under the Trust and the merits and risks involved in investing in the Units. Prospective investors should not construe the contents of this Final Trust Offer Document and any final scheme offer documents issued by the Trust as legal, business, tax, accounting, or investment advice and accordingly, each investor is advised to consult its own advisors in respect of the consequences of an investment in Units being issued. Bidders are also advised to read "*Risk Factors*" on page 12 to 26 before taking an investment decision with respect to any offer being made by the Trust.

No person is authorized to give any information or to make any representation not contained in this Final Trust Offer Document and any final scheme offer documents issued by the Trust and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of the Property Share Investment Trust or its schemes or by or on behalf of the Lead Manager.

Unless otherwise stated, references in the section to "we", "our" and "us" (including in the context of any financial or operational information) are to the Property Share Investment Trust or its schemes, together with the Schemes and the relevant SPVs.

**The Offer is being made in accordance with the REIT Regulations and the SEBI Guidelines. However, Bidders from jurisdictions outside India should take note of the below:**

### Notice to Prospective Investors in the United States

The Units have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Final Trust Offer Document and any final scheme offer documents issued by the Trust or approved or disapproved the Units. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of the Property Share Investment Trust or its schemes and the terms of the Offer, including the merits and risks involved. The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**Securities Act**") or any other applicable law of the United States or with any securities regulatory authority of any state or other jurisdiction of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Units are being offered and sold in "offshore transactions" as defined in, and in reliance on, Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

### Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each an "**EEA Member State**"), no Units have been offered or will be offered pursuant to the Offer to the public in that EEA Member State prior to the publication of a prospectus in relation to the Units which has been approved by the competent authority in that EEA Member State or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in accordance with the EU Prospectus Regulation, except that it may make an offer to the public in that EEA Member State of any Units at any time under the following exemptions under the EU Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the EU Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the EU Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager(s) for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the Units shall require the Property Share Investment Trust or its schemes or any Lead Manager to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Units in any EEA Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Units to be offered so as to enable an investor to decide to purchase or subscribe for any Units, and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

**THE PROPERTY SHARE INVESTMENT TRUST OR ITS SCHEMES WILL CONSTITUTE AN ALTERNATIVE INVESTMENT FUND FOR THE PURPOSE OF THE EUROPEAN UNION DIRECTIVE ON ALTERNATIVE INVESTMENT FUND INVESTMENT MANAGERS (DIRECTIVE 2011/61/EU) ("AIFMD"). THE ALTERNATIVE INVESTMENT FUND INVESTMENT MANAGER ("AIFM") OF THE PROPERTY SHARE INVESTMENT TRUST OR ITS SCHEMES WILL BE THE INVESTMENT MANAGER.**

**UNITS MAY ONLY BE MARKETED TO PROSPECTIVE INVESTORS WHICH ARE DOMICILED OR HAVE A REGISTERED OFFICE IN A EUROPEAN ECONOMIC AREA ("EEA") MEMBER STATE ("EEA MEMBER STATE") IN WHICH THE MARKETING OF UNITS HAS BEEN REGISTERED OR AUTHORIZED (AS APPLICABLE) UNDER THE RELEVANT NATIONAL IMPLEMENTATION OF ARTICLE 42 OF AIFMD, AND IN SUCH CASES, ONLY TO EEA PERSONS WHICH ARE "PROFESSIONAL INVESTORS" OR ANY OTHER CATEGORY OF PERSON TO WHICH SUCH MARKETING IS PERMITTED UNDER THE NATIONAL LAWS OF SUCH EEA MEMBER STATE (EACH AN "EEA PERSON"). THIS FINAL TRUST OFFER DOCUMENT IS NOT INTENDED FOR, SHOULD NOT BE RELIED ON BY AND SHOULD NOT BE CONSTRUED AS AN OFFER (OR ANY OTHER FORM OF MARKETING) TO ANY OTHER EEA PERSON.**

**A "PROFESSIONAL INVESTOR" FOR THE PURPOSES OF AIFMD IS AN INVESTOR WHO IS CONSIDERED TO BE A PROFESSIONAL CLIENT OR WHICH MAY, ON REQUEST, BE TREATED AS A PROFESSIONAL CLIENT WITHIN THE RELEVANT NATIONAL IMPLEMENTATION OF ANNEX II OF DIRECTIVE 2004/39/EC (MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE).**

**A LIST OF JURISDICTIONS IN WHICH THE INVESTMENT MANAGER AND/OR THE PROPERTY SHARE INVESTMENT TRUST OR ITS SCHEMES HAVE BEEN REGISTERED OR AUTHORIZED (AS APPLICABLE) UNDER ARTICLE 42 OF AIFMD IS AVAILABLE FROM THE INVESTMENT MANAGER ON REQUEST. IF THE INVESTMENT MANAGER HAS NOT BEEN REGISTERED OR APPROVED IN A PARTICULAR EEA MEMBER STATE TO MARKET UNITS, THEN THE PROPERTY SHARE INVESTMENT TRUST OR ITS SCHEMES IS NOT BEING MARKETED TO ANY EEA PERSON AT SUCH DATE IN THAT EEA MEMBER STATE. TO THE EXTENT THAT AN AFFILIATE OF THE INVESTMENT MANAGER PROMOTES THE TRUST IN AN EEA MEMBER STATE, THEN SUCH PROMOTION IS BEING UNDERTAKEN FOR AND ON BEHALF OF THE INVESTMENT MANAGER IN SUCH CAPACITY.**

**Notice to Prospective Investors in the United Kingdom**

THE CONTENT OF THIS PROMOTION HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF THE FINANCIAL SERVICES AND MARKETS ACT, 2000 ("**FSMA**"). RELIANCE ON THIS PROMOTION FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED.

In relation to the United Kingdom ("**UK**"), no Units have been offered or will be offered pursuant to the Offer to the public in the UK prior to the publication of a prospectus in relation to the Units which has been approved by the Financial Conduct Authority in accordance with the UK Prospectus Regulation, except that it may make an offer to the public in the UK of any Units at any time under the following exemptions under the UK Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Units shall require the Property Share Investment Trust or its schemes or any Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

In the UK, the Offer is only addressed to, and is directed only at, "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation, who are also (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise lawfully be

communicated (all such persons being referred to as "**relevant persons**"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

For the purposes of this provision, the expression an "offer to the public" in relation to the Units in the UK means the communication in any form and by any means of sufficient information on the terms of the Offer and any Units to be offered so as to enable an investor to decide to purchase or subscribe for any Units, and the expression "**UK Prospectus Regulation**" means the UK version of Regulation (EU) No 2017/1129 as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

**Notice to Investors in certain other jurisdictions**

The distribution of this Final Trust Offer Document and any final scheme offer documents issued by the Trust, the issue of the Units and the offer of Units issued by the Trust in certain jurisdictions may be restricted by law. As such, this Final Trust Offer Document and any final scheme offer documents issued by the Trust does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. For more information, please refer to offer documents of any scheme issued by the Trust.

In particular, no action has been taken by the Investment Manager or the Lead Manager which would permit an Offer of the Units or distribution of this Final Trust Offer Document and any final scheme offer documents issued by the Trust in any jurisdiction, other than India. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Final Trust Offer Document and any final scheme offer documents issued by the Trust nor any offer materials in connection with the Units may be distributed or published in or from any country or jurisdiction that would require registration of the Units in such country or jurisdiction.

**Disclaimer**

Any person or entity investing in such issue, transaction, invitation, offer, or sale of securities by Property Share Investment Trust or its schemes should consult its own advisors before taking any decision in relation thereto. Neither the Lead Manager, nor their associates or affiliates have any responsibility or liability for such invitation, offer or sale of securities issue or transaction by Property Share Investment Trust or its schemes.

## DEFINITIONS AND ABBREVIATIONS

*This Final Trust Offer Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein.*

*References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.*

*The words and expressions used in this Final Trust Offer Document, but not defined herein shall have the meaning ascribed to such terms under the REIT Regulations, the SEBI Guidelines, the Depositories Act, and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, the terms not defined but used in the Final Scheme Offer Documents issued by the Trust and in other section of this Final Trust Offer Document, as applicable, shall have the meanings ascribed to such terms in these respective sections.*

*In this Final Trust Offer Document, unless the context otherwise requires, a reference to "we," "us" and "our" refers to the Trust, the Schemes and the SPVs (as the context requires) collectively.*

**General Terms, Definitions and Abbreviations**

| Term | Description |
|---|---|
| **REIT Related Terms** | |
| Associate | Associate shall have the meaning set forth in Regulation 2(1)(b) of the SEBI REIT Regulations |
| Associates of the Investment Manager | The identification of the associates of the Investment Manager has been determined basis evaluation of all criteria provided under the Regulation 2(1)(b) of the SEBI (REIT) Regulations, 2014, as amended. As per the definition of the associates under the Regulation 2(1)(b), following entities are associates of the Investment Manager:<br>a) AltInvest Online Platform Private Limited (formerly known as PropertyShare Online Platform Private Limited)<br>b) AltInvest Capital Advisors Private Limited (Formerly known as PropShare Capital Advisors Private Limited)<br>c) PropCap Property Management Private Limited<br>d) Nibodhitha Private Limited<br>e) PS UK Holdco Limited<br>f) Benyon SPV Propco Limited (formerly known known as Summit SPV Holdco Limited) |
| Auditor/ Statutory Auditor | ASA & Associates LLP, Chartered Accountants and statutory auditors of the Trust |
| Draft Trust Offer Document | Draft document related to details of the Property Share Investment Trust dated September 26, 2024, filed with SEBI and BSE and issued in accordance with the REIT Regulations. |
| Final Scheme Offer Document | The final scheme offer document to be issued in accordance with the provisions of the REIT Regulations and the SEBI Guidelines, including any addenda or corrigenda.<br>The final scheme offer document will be filed with SEBI and the Stock Exchange. |
| Investment Management Agreement | The investment management agreement dated June 27, 2024, entered into between the Trustee (on behalf of Trust) and the Investment Manager, amended on July 19, 2024 and November 5, 2024. |
| Investment Manager or IM | PropShare Investment Manager Private Limited |
| Lead Manager | ICICI Securities Limited |
| Scheme | A distinct and separate scheme of an SM REIT launched under this chapter for owning of real estate assets or properties through special purpose vehicles. |
| Settlor | PropShare Investment Manager Private Limited |
| Scheme Offer Document | The scheme offer document to be issued in accordance with the provisions of the REIT Regulations and the SEBI Guidelines, which will not have complete particulars of the Price Band and the Offer Price at which the Units will be offered and the size of the Offer, including any addenda or corrigenda.<br>The scheme offer document will be filed with SEBI and the Stock Exchange at least five Working Days prior to the Bid/ Offer Opening Date and shall become the final offer document which shall be filed with SEBI and the BSE Limited after the Pricing Date. |
| Trust | Property Share Investment Trust |
| Trustee | Axis Trustee Services Limited |
| Trust Deed | The trust deed dated June 27, 2024, as amended on July 19, 2024, entered into amongst the Settlor and the Trustee. |
| Final Trust Offer Document | The trust offer document to be issued in accordance with the provisions of the REIT Regulations and the SEBI Guidelines, including any addenda or corrigenda. |

| Term | Description |
|---|---|
| **General Terms** | |
| Audit Committee | The audit committee constituted by the Board pursuant to a resolution dated September 17, 2024, for the purpose of assisting the Board in fulfilling its fiduciary responsibilities towards the Investment Manager. |
| Distribution Policy | The distribution policy of the Trust adopted by the Investment Manager pursuant to a resolution of the IM Board dated September 17, 2024, and as amended from time to time. |
| Fiscal or FY | Year ending March 31 |
| Formation Transaction | The settlement of the Trust under the Indian Trusts Act, 1882, its registration as a small and medium real estate investment trust with SEBI and the transfer of the SPVs to any scheme issued by the Trust in accordance with the SEBI REIT Regulations. |
| Ind AS | Indian Accounting Standards |
| INR | Indian rupees |
| Investment Objects | The investment objectives of the Trust, as provided in the section titled "*Overview of the Trust*" on page 27. |
| IPO Committee | The IPO Committee constituted by the Board pursuant to a resolution dated November 19, 2024, for the purpose of assisting the Board to do all such acts, deeds, matters and things and execute all such other document/s, application/s, agreement/s, undertaking/s, deed/s, affidavits, declarations and certificates, etc., deemed necessary or desirable for such purpose of with respect to the Offer. |
| IT Act | Income Tax Act, 1961 |
| Lead Manager | Book running lead manager appointed by the Trustee with regards to initial public offering of units of any scheme(s) issued by the Trust. |
| Mn | Million |
| NA | Not Applicable |
| Nomination and Remuneration Committee | The nomination and remuneration committee constituted by the Board pursuant to a resolution dated September 17, 2024, for the purpose of formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees. |
| Parties to the Trust | Collectively, the Trustee, and the Investment Manager. |
| Risk Management Committee | The risk management committee constituted by the Board pursuant to a resolution dated September 17, 2024, for the purpose of assisting the Board in fulfilling its fiduciary responsibilities towards the Investment Manager in the best interest of all unitholders of the Trust and the Project SPV. The Risk Management Committee is in compliance with the applicable provisions of the REIT Regulations and the SEBI Listing Regulations. |
| Scheme offer document | Any document described or issued as a scheme offer document including any notice, circular, advertisement or other document inviting offers for subscription or purchase of units of a scheme from the public. |
| SM REIT or Small and Medium REIT | A REIT that pools money from investors under one or more schemes in accordance with sub-regulation (2) of regulation 26P of the REIT Regulations. |
| SPVs | Any company which is a wholly owned subsidiary of the scheme of the SM REIT and the SPV shall not have any other capital or ownership interest in it. |
| Stakeholders' Relationship Committee | The stakeholders' relationship committee constituted by the Board pursuant to a resolution dated September 17, 2024, to specifically look into the various aspects of interest of unitholders. |
| Unitholder | Any person who owns any Units in any Scheme under the Trust. |
| Units | An undivided beneficial interest in the Trust or any of the Scheme of the Trust, and all issued and allotted Units together represent the entire beneficial interest in the Trust. |
| Valuer | Any person who is a "registered valuer" under section 247 of the Companies Act, 2013 or as specified by SEBI from time to time. |
| We/Us/Our | Unless the context otherwise requires or implies the Trust, the Schemes and the SPVs. |
| **Operational and Financial Metrics** | |
| EBITDA | Earnings before interest, tax, depreciation and amortization excluding share of profit of equity accounted investees. |
| msf | Million square feet |
| NDCF | Net distributable cash flow |
| sf | Square feet |

## PRESENTATION OF FINANCIAL DATA AND OTHER INFORMATION

### Certain Conventions

All references in this Final Trust Offer Document and any final scheme offer documents issued by the Trust to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India or the relevant state government, as applicable.

Unless stated otherwise, all references to page numbers in this Final Trust Offer Document and any final scheme offer documents issued by the Trust are to the page numbers of this Final Trust Offer Document and any final scheme offer documents issued by the Trust.

References herein to "we", "our" and "us" are to the Trust, any schemes issued by the Trust and the SPVs.

### Financial Data

Unless stated otherwise or unless the context requires otherwise, the financial information included in the Final Trust Offer Document or any final scheme offer documents issued in relation to the Trust or any schemes under the Trust are or shall be derived from the Financial Statements which have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements, Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**") (the "**Guidance Notes**"), to the extent not inconsistent with SEBI (Real Estate Investment Trusts) Regulations, 2014, Securities Exchange Board of India Circular No. CIR/IMD/DF/141/2016 Relating to Disclosure of Financial Information in offer document for real estate investment trusts dated December 26, 2016 ("**SEBI Circular**") and other circulars issued thereunder ("**REIT Regulations**").

Further, this Final Trust Offer Document and any final scheme offer documents issued by the Trust may include projections prepared in accordance with the REIT Regulations and the SEBI Guidelines. Please refer to the sections entitled "Forward-Looking Statement" and "Risk Factors" on pages 8 and 12 to 26**.**

The FY for the Property Share Investment Trust and the Investment Manager commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular FY, are to the 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that calendar year.

In this Final Trust Offer Document and any final scheme offer documents issued by the Trust, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

The Projections are prepared and based on the measurement and recognition principles of Ind-AS as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of Companies Act. 2013.

### Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.

The currency rate between the Rupee and the USD (in Rupees per US$) shall be as per the RBI reference date corresponding to the date of the info set out.

Except otherwise specified or unless context requires otherwise, we have presented certain numerical information in this Final Trust Offer Document and any final scheme offer documents issued by the Trust in "million" or "billion" units. One million represents 1,000,000 and one billion represents 1,000,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Final Trust Offer Document and any final scheme offer documents issued by the Trust expressed in such denominations as provided in such respective sources.

Areas have been represented in square feet, square metres, acres, guntas and cents.

### Exchange Rates

This Final Trust Offer Document and any final scheme offer documents issued by the Trust contains conversion of certain other currency amounts into Indian Rupees. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

**Websites**

The information contained on our website, the websites of our Investment Manager, the Trustee, the Lead Manager, the SPVs or the other websites referenced in this Final Trust Offer Document and any final scheme offer documents issued by the Trust or that can be accessed through our websites or such other websites, neither constitutes part of this Final Trust Offer Document and any final scheme offer documents issued by the Trust, nor is it incorporated by reference therein (unless otherwise specified) and should not form the basis of any investment decision. For details of the websites of the Investment Manager and the Trustee. See "*General Information*" on pages 9 to 10.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Final Trust Offer Document and any final scheme offer documents issued by the Trust that are not statements of historical fact constitute "forward-looking statements". Bidders can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "likely to", "may", "objective", "plan", "potential", "project", "pursue", "propose", "seek to", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Trust and schemes of the Trust and the projections are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding the expected financial conditions, results of operations, business plans and prospects of the Property Share Investment Trust including the projections are forward-looking statements. These forward-looking statements include statements as to the business strategy, statement on projected revenue, projected EBITDA, projected cash flow from operating activities, projected net distributable cash flows, projected net operating income and profitability (including, without limitation, any financial or operating data, projections or forecasts), new business and other matters in relation to the Property Share Investment Trust discussed in this Final Trust Offer Document and any final scheme offer documents issued by the Trust that are not historical facts.

Any valuation report included in this Final Trust Offer Document and any final scheme offer documents issued by the Trust is also based on certain projections and estimates and should be read together with assumptions and notes thereto.

Actual results may differ materially from those suggested by the forward-looking statements or financial projections due to certain known or unknown risks or uncertainties associated with the Investment Manager's expectations with respect to, but not limited to, the actual growth in the real estate sector, consumer spending, the Investment Manager's ability to successfully implement the acquisitions of the SPVs, transaction and other restructuring strategy, growth and expansion plans, technological changes, cash flow projections, the outcome of any legal or regulatory proceedings and the future impact of new accounting standards, regulatory changes pertaining to the real estate sector in India and our Investment Manager's ability to respond to them, and general economic and political conditions in India which have an impact on our business activities or investments, changes in competition and the Investment Manager's ability to operate and maintain the portfolio. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could impact our business operations and financial conditions could materially differ from those that have been estimated.

Factors that could cause actual results, performance or achievements of the Property Share Investment Trust to differ materially include, but are not limited to, those discussed under "*Risk Factors*" and "*Industry Overview*" of any final scheme offer documents.

Forward-looking statements and financial projections reflect current views as of the date of this Final Trust Offer Document and final scheme offer documents issued by the Trust and are not a guarantee of future performance or returns to investors. There can be no assurance that the expectations reflected in the forward-looking statements and financial information will prove to be correct. These statements and projections are based on certain beliefs and assumptions, which in turn are based on currently available information. In accordance with the REIT Regulations, the calculations and assumptions underlying the projections prepared by the Investment Manager and examined by the Auditors in accordance with SAE 3400. The Projections have been prepared for inclusion in this Final Trust Offer Document for the purposes of this Offer, using a set of assumptions that include hypothetical assumptions about future events and management's actions that are not necessarily expected to occur, and have been approved by the board of directors of the Investment Manager. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and projections. In any event, these statements speak only as of the date of this Final Trust Offer Document or the respective dates indicated in this Final Trust Offer Document, and the Property Share Investment Trust, the Investment Manager and the Lead Manager undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise after the date of this Final Trust Offer Document. If any of these risks and uncertainties materialize, or if any of the Investment Manager's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Property Share Investment Trust could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to Property Share Investment Trust are expressly qualified in their entirety by reference to these cautionary statements.

## GENERAL INFORMATION

**The Property Share Investment Trust**

The Property Share Investment Trust was settled on June 27, 2024, at Bangalore, Karnataka, India as a contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated June 27, 2024 as amended on July 19, 2024. The Property Share Investment Trust was registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L (1) of the REIT Regulations having registration number IN/SM-REIT/24-25/0001. The Property Share Investment Trust has been settled by the Investment Manager for an aggregate initial sum of ₹0.02 million. Also, the first scheme of the Trust *i.e.* PropShare Platina has been settled by the Investment Manager.

The principal place of business of the Property Share Investment Trust is situated at 16th Floor, SKAV Seethalakshmi, 21/22, Kasturba Road, Bangalore 560001, India.

***Compliance Officer of the Property Share Investment Trust***

The compliance officer of the Property Share Investment Trust is Prashant Kataria. His contact details are as follows:

**Prashant Kataria**

16th Floor, SKAV Seethalakshmi,
21/22, Kasturba Road,
Bangalore, 560001, India.
Email: compliance.officer@propertyshare.in
Fax: NA
Tel: +91 80 3100 3902

**The Investment Manager**

***Registered office and address for correspondence***

**PropShare Investment Manager Private Limited**
10th Floor, SKAV Seethalakshmi,
21/22, Kasturba Road, Bangalore 560001

***Contact Person of the Investment Manager***

Kunal Moktan is the contact person of the Investment Manager. His contact details are as follows:

Name: Kunal Moktan
Tel: +91 80 3100 3901
E-mail: smreit.manager@psreit.in

**The Trustee**

***Registered Office***

**Axis Trustee Services Limited**
Axis House
Bombay Dyeing Mills, Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India
Tel: +91 22 6230 0451
E-mail: debenturetrustee@axistrustee.com
Website: www.axistrustee.com

***Address for correspondence***

Axis Trustee Services Limited
The Ruby, 2nd Floor, SW
29, Senapati Bapat Marg, Dadar West
Mumbai 400 028, Maharashtra, India

***Contact Person of the Trustee***

Anil Grover (operations head) is the contact person of the Trustee. His contact details are as follows:

Anil Grover – Operations Head
Direct line: +91 22 6230 0451

Fax: +91 22 6230 0700
E-mail: debenturetrustee@axistrustee.com

**Auditor**

ASA & Associates LLP, Chartered Accountants
53/B LOLS Citadel Level 2 & 3 1st Main Road
3rd Phase Sarakki Industrial Layout J P Nagar
Bangalore 560078
Tel:+91 98450 00946
E-mail: vinay.ks@asa.in
Firm Registration No: No. 009571N/N500006
Peer Review No.: 015057

**Indian Legal Counsel to Property Share Investment Trust and the Investment Manager**

**Cyril Amarchand Mangaldas**
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## BUSINESS OVERVIEW

### Overview

The Property Share Investment Trust ("**REIT**") is India's first registered Small and Medium Real Estate Investment Trust. The object and purpose of the REIT is to carry on the activity of a small and medium real estate investment trust through one or more Schemes, as permitted under the REIT Regulations. Each Scheme may have its own investment objectives, in accordance with the REIT Regulations. The investment of the Schemes shall only be in completed and revenue generating real estate properties through SPVs.

*PropShare Platina*

The PropShare Platina is the first scheme of the REIT and includes commercial office spaces in Bangalore. For further details, please refer "*Business, Property and Investment Manager Overview*" section of the "*Final Scheme Offer Document"*.

### Investment Objectives

The REIT aims to make investment or re-investments, including in completed and revenue generating real estate properties under Schemes through SPVs and other investments (including liquid assets and any business of operation and maintenance of any REIT Assets). The REIT will also hold amounts pending investment or distribution (Net Distributable Cash Flows distributed to the Unitholders of each Scheme), or as a reserve of the Scheme's anticipated obligations.

### Obligations

The REIT is managed by a dedicated and experienced team of employees of the Investment Manager, who have a rich experience in the real estate industry or real estate fund management.

## RISK FACTORS

*An investment in the Units involves a high degree of risk. Investors should carefully consider all the information in this Final Trust Offer Document and any final scheme offer documents issued by the Trust, including the risks and uncertainties described below, before making an investment in the Units. The risks described below are those that we consider to be most significant to our business, results of operations, cash flows and financial condition as of the date of this Final Trust Offer Document and any final scheme offer documents issued by the Trust. However, they are not the only ones relevant to us or our Units, the industry or geographies in which we operate. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition and consequently, the price of our Units could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our business, prospective investors should read this section in conjunction with the information otherwise set out in this Final Trust Offer Document and any final scheme offer documents issued by the Trust. In making an investment decision, prospective investors must rely on their own examination of us, and our business and the terms of any offer being made by the Trust including the merits and risks involved.*

*This Final Trust Offer Document also contains forward-looking statements that involve risks and uncertainties and assumptions. The actual results could differ significantly from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and in "Forward-Looking Statements" beginning on page* 8.

*For the definitions of technical terms, please see "Definitions and Abbreviations" on pages* 4 to 5.

**Risks Related to Our Business and Industry**

***1. Our revenues, results of operations, cash flows and financial condition may be adversely affected by low occupancy and rent levels of our commercial office spaces.***

We propose to derive a significant portion of our revenue from the leasing of space at our assets in India by entering into long term lease agreements which include provisions for tenant lock-in. The success of our business depends on our ability to maintain high occupancy levels, which affects the amount that we receive from leases based upon the amount of space we have leased. However, we may be unable to maintain occupancy levels and receive rent at desired levels from our tenants as a result of a number of factors, including those that are beyond our control, such as prevailing economic, income and demographic conditions in the relevant submarkets; prevailing rental levels in the submarkets where the assets are located; and changes in applicable regulatory schemes, including governmental policies relating to zoning and land use, among others. This may result in reduced tenant occupancy levels, cause tenants to cease operations or experience significant financial difficulties and therefore cause the actual rents we receive for the properties in our assets to be less than estimated market rents for future leasing, which would adversely affect our business, results of operations and cash flows. Our committed occupancy, turnover rental share percentage and minimum guaranteed rentals may depend on various factors including the location and design of the asset, the tenant mix, prevailing economic conditions and competition. Our inability to maintain and attract tenants to lease our commercial office space, or to maintain and evolve a favorable mix of tenants who are able to accommodate prevailing economic conditions and consumer demand, may have an adverse effect on our revenues, results of operations, cash flows and financial condition.

***2. Any future proposals to upgrade existing projects in our SPVs may be exposed to a number of risks and uncertainties which may adversely affect our business, financial condition, results of operations and cash flows.***

In the future, we may seek to expand or upgrade the existing projects in our SPVs. The upgradation of these projects involves various risks including regulatory risks, financing risks and the risk that these projects may ultimately prove to be unprofitable. These projects may pose significant challenges to our management, administrative, financial and operational resources.

Any reduction in actual leasable area pursuant to our upgradation, may affect their commercial viability, which may have an adverse effect on our business, financial condition, results of operations and cash flows. Any delays in completing our projects as scheduled could result in dissatisfaction among our tenants and consumers, resulting in negative publicity and reduced confidence for our projects. Additionally, we may not achieve the economic benefits expected of such projects. In the event there are any delays in the completion of such projects, our relevant approvals and leases may be terminated. As a result, we cannot assure you that our future upgradation work will be completed in a timely manner, within budget or at all.

***3. Tenant leases across our SPVs are subject to certain risk of default, non-renewal, early termination, adequate stamp duty payment, regulatory or legal proceedings or changes in applicable laws or regulations, thereby impacting leasing and other income.***

We propose to derive a substantial part of our revenue from long term lease rentals of our real estate properties in India. For details of key terms of lease deeds see the relevant final scheme offer documents issued by the Trust.

As part of our Lease Deeds, the tenants are generally required to furnish security deposits. The expiry or termination of such agreements may require us to refund any deposits to the tenants, which could temporarily impact the liquidity

of our SPVs. Further, any default by a tenant prior to the expiry of the lease arrangement may result in deductions in its security deposit. As a consequence, issues may arise with our tenants in relation to the quantum of deductions of the security deposits, which may result in our tenants refraining from handing over possession of the property to us. Legal disputes, if filed by us in this regard, may take several years to resolve and may involve considerable expense if they become the subject of court proceedings and their outcome may be uncertain.

Further, we will need to ensure that we lease our assets to marquee/stable tenants with sound financial background. In the event that any insolvency proceedings under the Insolvency and Bankruptcy Code, 2016 are initiated against our tenants, they may be subject to moratoriums which could prevent us from realizing our rental dues or further leasing our premises to any third parties.

Further, the rental rates of the assets depend upon various factors, including but not limited to prevailing supply and demand conditions as well as the quality and design of the assets. We cannot assure you that the demand for our properties will grow, or will remain stable, in the future. Our tenants' ability to generate anticipated revenues is subject to their underlying business performances and overall volatility in the economies, as well as seasonality in the tenants' business, which can have an impact on their ability to pay rents to us. There is no assurance that the Investment Manager will be able to procure new leases or renew existing leases at prevailing market rates. We also may enter into pre-committed lease arrangements with potential tenants and any changes to or delay in execution or non-execution of the final lease agreements or agreements to lease may adversely affect our business, cash flows and results of operations. As a result, if vacancies continue for a longer period of time than we expect or indefinitely, we may suffer reduced revenues, which may have a material adverse effect on our financial performance. Further, we cannot assure you that we will be able to continue to charge our tenants fees for maintenance of the common areas and other amenities or services at the prevailing or current rates. In the event that our tenants demand lower charges, dispute existing charges or the manner of computation of such charges, our ability to charge and/or recover such sums in future may be impacted.

Further, we also face competition from other owners or developers of retail or commercial office properties, who may be able to offer more competitive lease terms to our existing or potential retail or commercial tenants, which may make it difficult for us to find new retail or commercial tenants for our properties or renewing our existing lease agreements on terms favorable to us or at all. If we are unable to find new tenants or renew our leases promptly, or if the rentals upon such renewals or re-leasing are lower than our expected value or reserves, our results of operations, cash flows, financial condition and the value of our real estate would be adversely affected.

***4. We may be subject to risks inherent in acquiring ownership interests in properties which are part of a larger development or which share or have common areas.***

Some of the properties in which we may have an interest may be part of a larger development which comprises of other real estate components, such as residential or commercial units, or are adjacent to or incorporate common or other areas which are shared with owners of neighboring properties. Further we hold undivided interest and title to certain portions of the assets. Any asset enhancement works that we propose for our properties may require the consent and cooperation of these owners or co-owners, associations, condominiums and co-operative societies, which may not be forthcoming in a timely manner or at all, or on terms acceptable to us. Our inability to obtain the requisite consent of these owners may affect our ability to deal with our interests in some of our properties in a manner which achieves our objectives and in turn could have a material adverse impact on our business, financial condition, results of operations, cash flows and prospects. Our lack of control and rights to manage the shared or common areas at such properties means that we may not be able to ameliorate any shortcomings or deterioration of, or execute any enhancement works on, the shared or common areas. Further, we will also not be able to determine the service charges and sinking fund contributions towards maintenance and upkeep of the shared or common areas, any or all of which events, could have an adverse effect on our business, financial condition, results of operations and prospects. Also see, *"Risk Factors—If we are unable to maintain relationships with other stakeholders in our SPVs, our financial conditions and results of operation may be adversely affected*" on page 15.

***5. If the Indian real estate market weakens, our business, financial condition, results of operations and cash flows may be adversely affected.***

Our business is heavily dependent on the performance of the real estate market in India, particularly in the regions in which we operate or intend to operate in and could be adversely affected if real estate prices or market conditions deteriorate. Real estate markets are cyclical in nature, and a recession, slowdown or downturn in the real estate market as well as in specific sectors where our tenants are concentrated, increase in property taxes, availability of financing, rising interest rates, increasing competition, adverse changes in the financial condition of tenants, increased bargaining power of tenants, increased operating costs and outbreak of infectious disease such as COVID-19, among others, may lead to a decline in demand for our properties, which may adversely affect our business, financial condition, results of operations and cash flows. We cannot assure you that real estate prices will increase or that real estate prices in the areas where we operate or intend to operate in or in India in general, will not adversely fluctuate. As we generate most of our revenues from the lease of our projects, a decrease in rental prices of real estate could adversely affect our business, financial condition, results of operations and cash flows.

***6. The valuation reports obtained for our SPVs are based on various assumptions and may not be indicative of the true value of our assets.***

The valuation of real estate is inherently subjective due to, amongst other factors, the individual nature of each property, its location, the expected future rental revenues from that particular property and the valuation method adopted. We cannot assure you that the methodologies adopted, and the assumptions made for issuing the valuation report are accurate, and accordingly, reflect the right valuation of our SPVs. The valuation is an estimate and not a guarantee, and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. The assumptions made and conclusions derived may turn out to be inaccurate, which may affect the valuation of the SPVs. Further, there is no assurance that other methodologies would not have led to a different valuation. Further, we cannot assure you that the valuation prepared by the Valuer reflects the true value of the net future revenues of the SPVs. The Valuer has used certain assumptions which are subject to uncertainties and contingencies. For further details, see "*Regulatory Approvals"* and "*Legal and Other Information*" on pages 58 and 53, respectively.

Further, valuations do not necessarily represent the price at which a real estate asset would sell, since market prices of assets can only be determined by negotiation between a willing buyer and seller. As such, the value of an asset forming part of our SPVs may not reflect the price at which such asset could be sold in the market, and the difference between value and the ultimate sales price could be material. Additionally, the price at which we may be able to sell any assets in our SPVs in the future may be different from the initial acquisition value of such assets.

***7. We may be required to record significant charges to earnings in the future when we review our SPVs for potential impairment.***

As per Ind AS 36, we are required to assess (at the end of each reporting period) whether there is any indication that an asset may be impaired. If any such indication exists, we are required to estimate the recoverable amount of the asset and record impairment loss when the recoverable amount is lower than the carrying value of the asset to ensure that our assets are carried at no more than their recoverable amount. Various uncertainties, including deterioration in global economic conditions that result in upward changes in cost of capital, could impact expected cash flows to be generated by such assets, and may result in impairment of these assets in the future.

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

There may be various legal defects and irregularities in the title to the lands or development rights, right to use or other interests relating to the SPVs. These defects or irregularities may not be fully identified or assessed. The SPVs' rights or title in respect of these lands may be adversely affected by showing disregard to certain factors including but not limited to improperly executed, unregistered or insufficiently stamped conveyance instruments in the property's chain of title, unregistered encumbrances in favour of third parties, irregularities in the process followed by the land development authorities and other third parties who acquired the land or conveyed or mutation of the land in favour of the SPVs, irregularities or mismatches or lacuna in record-keeping and title documentation, non-issuance of public notice prior to acquisition or when the title report is issued or updated, the absence of conveyance by all right holders and/or absence of conveyance over the entire extent of underlying land, rights of adverse possessors, ownership claims of family members or co-owners or prior owners or other defects that we may not be aware of.

If defects are not cured, it may adversely affect the SPVs including the rentals which may also impact returns for the Unitholders.

Legal disputes in respect of land title in India can take several years and can entail considerable expense to resolve if they become the subject of court proceedings and their outcome can be uncertain. If such disputes are not resolved, the SPVs may be restricted from further development thereon.

***9. We may face certain risks relating to our reliance on third party operators in operating and managing our assets and on contractors and third parties in upgradation of our projects that may adversely affect our reputation, business, financial condition, results of operations and cash flows.***

Certain Portfolio assets are currently operated and managed by third parties which have significant decision-making authority with respect to the management of these properties. Accordingly, our ability to direct and control how certain of our properties are managed on a day-to-day basis may be limited because other parties will be engaged to perform this function. For instance, for the common area maintenance of our properties (including maintenance of common infrastructure), or facility management (including housekeeping, security, repairs and maintenance), we may rely on third party service providers over whom the Investment Manager has limited or no control. These service providers may further sub-contract some of the tasks assigned to them.

We may also rely on third party service providers for certain aspects of our business, including for certain information systems, technology, administration and maintenance of corporate secretarial records. Any interruption or deterioration in the performance of these third parties, failures of their information systems and technology, or termination of these

arrangements or other problems in our relationships with these third parties, could impair the quality of our operations, affect our reputation and adversely affect our business.

If we do not select, manage and supervise appropriate third parties to provide these services, or if we have any disagreements with such third parties that are not adequately resolved, our reputation and financial results may suffer. Despite our efforts to implement and enforce strong policies and practices regarding service providers, we may not successfully detect and prevent fraud, misconduct, incompetence or theft by our third-party operators. In addition, any removal or termination of third party operators would require us to seek new operators, which would create delays and adversely affect our operations. Poor performance by such third-party operators will reflect poorly on us and could significantly damage our reputation. In the event of fraud or misconduct by a third party, we could also be exposed to material liability and be held responsible for damages, fines or penalties and our reputation may suffer.

***10. We may not be able to achieve profitability and we can provide no assurance of our future operating results.***

We cannot assure you that we will be able to generate net profits in the future. We expect our costs and expenses to increase in absolute amounts as we continue to grow our business. We may not be able to increase our revenue enough to offset the increase in operating expenses. If we are unable to achieve and sustain profitability, or if we are unable to achieve the revenue growth that we expect from our growth strategies, it could have an adverse effect on our financial condition, results of operations and cash flows. Our ability to achieve profitability and positive cash flow from operating activities will depend on a mix of factors, some of which are beyond our control.

***11. If we are unable to maintain relationships with other stakeholders of our SPVs, our financial conditions and results of operation may be adversely affected.***

The operation of certain of our assets depends on our relationships with other partners and stakeholders. While the Investment Manager and our management team have had good relationships with partners, and other stakeholders, and will strive to maintain such relationships for future assets, we cannot assure you that the same level of relationship will be maintained in the future. Any deterioration of the relationship could have an adverse impact on the management of the SPVs and on the operations and maintenance of our SPVs, which could adversely affect our financial conditions and results of operation.

***12. We are exposed to a variety of risks associated with safety, security and crisis management.***

We are committed to ensure the safety and security of our tenants, employees and assets against natural and man-made threats. These include, but are not limited to, exceptional events such as extreme weather, civil or political unrest, violence and terrorism, serious and organized crime, fraud, employee dishonesty, cybercrime, pandemics, fire and day-to-day accidents, incidents, of guests and petty crime which impact the tenant, or employee experience, could cause loss of life, sickness or injury and result in compensation claims, fines from regulatory bodies, litigation and impact our reputation. Serious incidents or a combination of events could escalate into a crisis which, if managed poorly, could further expose us and our assets to significant reputational damage. Any accidents or any criminal activity at our properties may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Our SPVs, or our Investment Manager may (as principal employers) become liable to persons working at our premises in case of any accidental death or grievous injury. Further, any work stoppages, labor unrest and labor disputes could have a material impact on our operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable and could adversely affect our reputation and cause a loss of consumer confidence in our business. While we maintain insurance on property in amounts believed to be consistent with industry practices and our insurance policies cover physical loss or damage to our property arising from a number of specified risks including burglary, fire, landslides, earthquakes and other perils, we may not be able to maintain adequate insurance to cover all losses we may incur in our business operations.

***13. Inadequate property asset management could reduce the attractiveness of our SPVs and as a result, adversely affect our business, financial condition, results of operations and cash flows.***

Our business depends on the proper and timely management of our SPVs. For example, tenants in our SPVs depend upon the quality and effective management of the properties leased to them. Effective management includes the day-to-day operation of the asset, including activities such as regulation of traffic, cleanliness and security, availability of utilities and parking facilities. Although we propose to focus on management of assets in our SPVs in a number of ways, including by appointing Investment Managers and management teams of our Scheme, ineffective or inefficient management could adversely affect the attractiveness of our assets and as a result, adversely affect our business, financial condition, results of operations and cash flows.

***14. We track certain operational metrics with internal systems and tools, or that are based on management estimates and information provided by our tenants. Such metrics are subject to inherent challenges in measurement and may be incomplete or unreliable, which may adversely affect our business and reputation.***

We track certain operational metrics, including key business and non-Ind AS metrics such as EBITDA, EBITDA Margin, NDCF, NOI and NOI Margin, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions

on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate.

Further, certain information contained in this Final Trust Offer Document and any final scheme offer documents issued by the Trust, including our tenant sales, market rents and tenant sales per square foot data, among others, our funding requirements and our intended use of proceeds of any offering of units, are based on management estimates and internal management information systems, our business plan and data provided by our tenants and may not have been appraised by any bank, financial institution or independent agency. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. We may also have to revise our funding estimates, development plans (including the type of proposed development) and the estimated construction commencement and completion dates of our projects depending on future contingencies and events, including, among others: changes in laws and regulations; competition; receipt of statutory and regulatory approvals and permits; irregularities or claims with respect to title to land or agreements related to the acquisition of land; the ability of third parties to complete their services on schedule and on budget; delays, cost overruns or modifications to our future development and construction projects; commencement of new projects and new initiatives; and changes in our business plans due to prevailing economic conditions.

Any limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, cash flows and results of operations would be adversely affected.

***15. Non-compliance with, and changes in, environmental, health and safety laws and regulations could adversely affect the operations and maintenance of our properties and our financial condition.***

We are subject to environmental, health and safety regulations in the ordinary course of our business. If we face any environmental concerns during the operation and maintenance of a property in the future or if the Government introduces more stringent regulations, we may need to incur additional expenses or incur delays in our estimated timelines. Under these laws, owners and operators of property may be liable for the costs of removal or remediation of certain hazardous substances or other regulated materials on or in such property. These laws often impose such liability without regard to whether the owner or operator knew of, or was responsible for, any environmental damage or pollution and the presence of such substances or materials. The cost of investigation, remediation or removal of these substances may be substantial. Failure to comply with these laws can result in penalties or other sanctions. In the event that we are subject to any action or penalty by the relevant authorities in relation to any delays or deviations in the future, it could adversely impact our ability to continue operating the relevant project in a profitable manner, or at all. Compliance with new or more stringent environment laws or regulations or stricter interpretation of existing laws may require us to incur additional costs. We cannot assure you that future laws, ordinances or regulations will not impose any material environmental liability or that the current environmental condition of our assets will not be affected by existing conditions of the land, operations in the vicinity of the assets or the activities of unrelated third parties. In addition, we may be required to comply with various local, state and central fire, health, life-safety and similar regulations. Failure to comply with applicable laws and regulations could result in fines and/or damages, suspension of personnel, civil liability or other sanctions.

***16. We may be adversely affected if the SPVs are unable to obtain, maintain or renew all regulatory approvals that are required for their respective business.***

The SPVs require various approvals, licenses, registrations and permissions from the Government, local bodies and other regulators, for operating their respective business. A number of our approvals are subject to certain terms and conditions and we may not be in compliance with all such terms and conditions, and a failure to comply with these terms and conditions may result in an interruption of our business operations and may have a material adverse effect on our business operations, future financial performance and price of our Units. For details, see relevant final scheme offer document. As part of commercial understanding with tenants, certain approvals may be required to be procured by the tenants. We cannot assure you that they will obtain all such approvals. We may have not obtained certain approvals and some of our approvals may have expired in the ordinary course, and our SPVs may have either applied, or are in the process of applying for renewals of them. Certain approvals required to be obtained by SPVs may be untraceable.

Additionally, such local regulations may cause us to incur additional costs to renovate or maintain our properties in accordance with the particular rules and regulations. We cannot assure you that existing regulatory policies or any changes to such policies will not adversely affect us or the timing or cost of any future acquisitions, or that additional regulations will not be adopted that would increase such delays or result in additional costs.

Our business and growth strategies may be materially and adversely affected by our ability to obtain permits, licenses and approvals. Our failure to obtain or maintain such permits, licenses and approvals could have a material adverse effect on us.

***17. Our SPVs are subject to ongoing compliance requirements under various laws, and there may be instances of non-compliance.***

Our SPVs may be subject to the provisions of the Companies Act, regulations, guidelines and circulars issued by SEBI, RBI, stock exchanges, MCA and other regulatory authorities and government bodies, which, *inter alia*, prescribes various norms in relation to, *inter alia*, issuance of capital, corporate governance, related party transactions, corporate and stock exchange filings, appointment of key managerial personnel and secretarial record-keeping. While our SPVs will typically conduct their operations in a manner compliant in material respects with the regulatory framework applicable to them, but necessary corrective steps including rectification, settlement and/or compounding of such non compliances may be made by the relevant entities. We cannot assure you that we will not be subject to penalties or other regulatory action in this regard in the future or that such instances will not occur in the future. Any non-compliance, or delay in filing under applicable laws will subject the relevant SPVs to a penalty and/or regulatory action, which may have an impact on the results of operations and cash flows of such SPV.

**18. *There may be conflicts of interests between the Lead Manager and/or their associates and affiliates and the Investment Manager, the Trustee and/or their respective associates/affiliates.***

The Lead Manager and/or their associates and/or affiliates may be current or past tenants or may have and may continue to provide investment banking, financial, advisory and/or other services to the SPVs, the Investment Manager, and their respective associates and affiliates. The Lead Manager and/or their affiliates and associates may also have participated in or will participate (including as arrangers) in financings by the Trust or the SPVs, including any proposed debt issue after the listing of the Units. In addition, in the ordinary course of their commercial banking and investment banking activities, the Lead Manager and their respective associates and affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of their consumers, in debt or equity securities or Units, or related derivative instruments, of the Trust, the SPVs, the Investment Manager, the Trustee, and/or any of their respective group companies, affiliates or associates or any third parties. These may influence the Investment Manager's decisions regarding whether to undertake certain transactions with the Lead Manager and/or their associates/ affiliates.

***19. We may not be able to successfully meet working capital or capital expenditure requirements of our SPVs due to the unavailability of funding on acceptable terms.***

Our SPVs are subject to wear and tear and typically require regular capital expenditure in order to maintain their asset quality and apply new designs to attract new tenants and consumers. Our SPVs may require capital expenditure periodically for refurbishments, renovation and improvements beyond our current estimates and we may not be able to secure funding for such capital expenditure, in a timely manner or at all. In addition, we also require funding for capital upgradation projects, and in order to support our operations and growth strategy which may include acquiring additional properties or assets. We may not be able to recover any or all of such costs from our tenants or any other party. Our ability to raise funding is dependent on our ability to raise capital through fresh issue of Units and our ability to raise debt on acceptable terms.

Our ability to raise additional debt is subject to our consolidated borrowings and deferred payments not exceeding 49% of the value of our assets, as required under the REIT Regulations. In addition, the funding of real estate projects and real estate business is subject to extensive regulation and supervision resulting in limited fund-raising options available to us.

Pursuant to the REIT Regulations, we are required to obtain unit holders approval and credit rating for further borrowing, if our consolidated borrowings (excluding cash and cash equivalents) exceed 25% of the value of our assets.

Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, investor confidence, results of operations and cash flows, the amount and terms of our existing indebtedness, our credit ratings, the continued success of our upgradation work and SPVs and laws that are conducive to raising debt and equity. Factors such as decreases in the market rates for development projects, delays in the release of finances for certain projects in order to take advantage of future periods of more robust real estate demand; decreases in rental or occupancy rates for the commercial properties; financial difficulties of key contractors resulting in construction delays; and financial difficulties of key tenants in the commercial and retail properties could impact the availability of credit. Our inability to raise adequate finances may result in our results of operations, cash flows and business prospects being materially and adversely affected. Further, additional debt financing or the issuance of additional Units in order to support our operations may decrease distributable income and any issuance of additional Units may dilute existing Unitholders' entitlement to distributions.

***20. The assets in our SPVs may be subject to increases in direct expenses and other operating expenses. Renovation work, repair and maintenance or physical damage to the assets in our SPVs may disrupt our operations and collection of revenue from lease rentals or otherwise result in an adverse impact on our financial condition and results of operation.***

Our ability to make distributions to Unitholders could be adversely affected if direct expenses and other operating expenses increase due to various factors including, without limitation, increases in property tax, changes in tax policies and increases in repair and maintenance costs. Any withdrawal of tax benefits currently or subsequently enjoyed by us may adversely affect our financial condition and results of operation.

As our assets age, the costs of maintenance will increase and, without significant expenditure on refurbishment, the net gross asset value may decline. Consequently, the Net Asset Value per Unit may decline unless we acquire new assets. The quality and design of the assets in our SPVs have a direct influence over the demand for space in, and the rental rates of, the SPVs. In addition, due to the fact that the assets in our SPVs are positioned as premium properties, the costs of maintenance may be higher, and the need for rebuilding or refurbishment more frequent in order to maintain their market position as premium properties. The business and operations of the assets in our SPVs may suffer some disruption and it may not be possible to collect the full or any rental income on space affected by such upgradation works, if such works are extensive. We routinely undertake renovations and refurbishment of our assets and have faced disruptions in the rental of these assets from time to time.

***21. Unfavorable media coverage could harm our brand, business, financial condition, cash flows and results of operations.***

Unfavorable publicity could adversely affect our reputation. As our business continues to scale and public awareness of our brand increases, any future issues that draw media coverage could have an amplified negative effect on our reputation and brand. In addition, negative publicity related to any of our tenants, or joint development partners may damage our reputation, even if the publicity is not directly related to us. Any negative publicity that we may receive could diminish confidence in our brand and may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our business. As a result, any impairment or damage to our brand, including as a result of these or other factors, could adversely affect our business, reputation, cash flows, results of operations and financial condition. Many social media platforms publish their subscriber's or participant's content, often without filters on accuracy. The dissemination of inaccurate information regarding our business or brand online could harm our business, reputation, prospects, financial condition, trading price and operating results, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction.

***22. The Property Share Investment Trust does not own the trademark "Property Share Investment Trust" and the associated logo to be used by us for our business and our ability to use the trademark may be impaired.***

Property Share Investment Trust has made an application for the use of the trademark "*Property Share Investment Trust*" and the associated logo. Property Share Investment Trust's ability to use the trademark and the associated logo may be impaired if the trademark application will be rejected. Consequently, Property Share Investment Trust could be required to cease using "*Property Share Investment Trust*" and the associated logo, which may have an adverse effect on our operations.

Although we believe that our intellectual property rights do not infringe the intellectual property rights of any other party, we cannot assure you that infringement claims will not be asserted against us in the future. If we become liable to third parties for infringing their intellectual property rights, we could be required to pay a substantial damage award and be forced to immediately restrict our usage of such intellectual property.

Further, brands and trademark "Property Share" are licensed to the Investment Manager by AltInvest Online Platform Private Limited (formerly known as PropertyShare Online Platform Private Limited) parent company of the Investment Manager. For further details, please see "*Final Scheme Offer Document - Management Framework – Other Key Agreements – Trademark License Letter Agreement*". We cannot assure you that Investment Manager will continue to have the uninterrupted use and enjoyment of the trademarks or logo. The license may be terminated under certain circumstances, some of which we may not be able to control. Upon the termination of the license, Investment Manager will be required to cease the use of the relevant trademark within such mutually agreed time period from the date of termination. For further details, please see "*Final Scheme Offer Document - Management Framework*".

***23. If we are unable to compete effectively, our business, financial condition, results of operations and cash flows may be adversely affected.***

Our growth strategy relies heavily upon our ability to maintain our assets as leaders in their respective sub-markets. We operate our businesses in an intensely competitive and highly fragmented environment. We face significant competition in our business from a large number of Indian commercial office real estate.

The extent of the competition we face in a potential project depends on a number of factors, such as the sector, the size and type of project, the complexity, and location of the project, our ability to deliver a superior experience for our

tenants and consumers, and our reputation. In particular, competition from new or existing properties in the same submarkets as our assets markets could adversely affect our ability to grow footfalls, attract tenants and increase revenues at our assets. If we are unable to compete effectively against any commercial properties within proximity to, or in the same sub-market, our revenue would be reduced and our business, financial condition, results of operations and cash flows will be adversely affected. Increasing competition could result in price and supply volatility, which could cause our business, financial condition, results of operations and cash flows to be adversely affected.

Given the fragmented nature of the Indian real estate development industry, we often do not have adequate information about the upgradation projects our competitors are working on and accordingly, we may underestimate supply in the market. Demand for our services may not grow as anticipated in certain newer markets. If we are unable to grow our business in such markets effectively, our growth, business prospects, results of operations, cash flows and financial condition may be adversely affected.

***24. Our operating results may differ significantly from period to period which may adversely affect our business and financial condition.***

Our operating results may differ significantly from period to period due to factors such as difficulties in enhancing our developed properties, increase in our equity interest in certain SPVs, our ability to consummate the internal reorganization of our SPVs, our revenue recognition model, changes to the real estate market and/or inaccurate estimates of the resources and time required to complete capital and construction projects or maintain and operate existing assets. Due to the foregoing factors, it is possible that in some future financial periods our operating results may be significantly below the expectations of the market, analysts and investors and/or different from those in previous periods.

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

Real estate investments are relatively illiquid and such illiquidity may affect our ability to vary our investment Portfolio or liquidate part of our assets in response to changes in economic, property market or other conditions. Further, under the REIT Regulations, the minimum unitholding requirement applicable to the investment manager for the period of first three years commencing from the date of listing of units in the initial offer till the end of the third year from the date of listing of units in the initial offer, is as under:

(a) in a scheme of the SM REIT which has opted not to undertake leverage as per disclosures in the final scheme offer document filed for initial offer, the investment manager is required to hold at least 5% of the total outstanding units at all times;

(b) in a scheme of the SM REIT which has opted to undertake leverage as per disclosures in the final scheme offer document filed for initial offer, the investment manager is required to hold at least 15% of the total outstanding units at all times:

The investment manager is required to hold at least 5% of the total outstanding units in each scheme of the SM REIT, at all times, for a period of two years commencing from the fourth year of the date of listing of units in the initial offer till the end of fifth year from the date of listing of units issued in the initial offer.

The investment manager is required to hold at least 3% of the total outstanding units in each scheme of the SM REIT, at all times, for a period of five years commencing from the sixth year of the date of listing of units in the initial offer till the end of tenth year from the date of listing of units issued in the initial offer.

The investment manager is required to hold at least 2% of the total outstanding units in each scheme of the SM REIT, at all times, for a period of ten years commencing from the eleventh year of the date of listing of units in the initial offer till the end of twentieth year from the date of listing of units issued in the initial offer.

The investment manager is required to hold at least 1% of the total outstanding units in each scheme of the SM REIT, at all times, after the completion of twentieth year from the date of listing of units issued in the initial offer.

Additionally, any sale of property or shares of SPVs greater than 105% or less than 95% of the value of the SM REIT Assets will require the approval of Unitholders. We may also face difficulties in securing timely and commercially favorable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on our financial condition, results of operations and cash flows, with a consequential adverse effect on our ability to deliver expected distributions to Unitholders.

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

Our business is highly dependent on the financial, accounting, communications and other data processing systems of our Investment Manager. Such systems may fail to operate properly or become disabled as a result of tampering or a breach of the network security systems or otherwise. In addition, such systems are from time to time subject to cyberattacks, which may continue to increase in frequency in the future. Breaches of our network security systems could involve attacks that are intended to obtain unauthorized access to our proprietary information, destroy data or

disable, degrade or sabotage our systems, often through the introduction of computer viruses and other malicious code, cyberattacks and other means and could originate from a wide variety of sources, including unknown third parties. If such systems are compromised, do not operate properly or are disabled, we could suffer financial loss, a disruption of our business, liability to investors, regulatory intervention or reputational damage.

In addition, we are highly dependent on information systems and technology. Our information systems and technology may not continue to be able to accommodate our growth, and the cost of maintaining such systems may increase from its current level. Such a failure to accommodate growth, or an increase in costs related to such information systems, could have a material adverse effect on us.

**Risks Related to our Organization and Structure**

***27.*** ***We do not provide any assurance or guarantee of any distributions to the Unitholders. We may not be able to make distributions to Unitholders in the manner described in this Final Trust Offer Document and any final scheme offer documents issued by the Trust or at all, and the level of distributions may decrease.***

There is no assurance or guarantee of any distributions to the Unitholders. Distributions to Unitholders will be based on the net distributable cash flows available for distribution. The assessment of the net distributable cash flows is based on pre-determined framework as per applicable regulations and as more specifically prescribed in the Distribution Policy, in consultation with financial and tax advisors, the results of which will be subject to limited review by our Auditors. For details of the REIT Regulations governing distributions, and details of our Distribution Policy, see "*Distribution*" on page 51.

Our ability to make distributions may be affected by several factors including the risk factors described in this Final Trust Offer Document, as well as, among other things:

- cash flows received from SPVs;
- any debt servicing requirements and other liabilities of the SPVs;
- fluctuations in the working capital needs of the SPVs;
- ability of our SPVs to borrow funds and access capital markets;
- the extent of lease concession, rent free periods, and incentives given to tenants to attract new tenants and/or retain existing tenants, if any;
- restrictions contained in and any payments under any agreements entered into by our SPVs including regulatory authorities from whom land is leased, if any;
- business and financial position of our SPVs, including any operating losses incurred by the assets held by the SPVs in any financial year;
- applicable laws and regulations, which may restrict the payment of dividends by the SPVs or other distributions;
- payments of tax and other legal liabilities, including costs arising on account of litigation; and
- discharging indemnity or other contractual obligations of the SPVs under their respective underlying contracts or similar obligations or any fines, penalties levied by regulatory authorities.

In the event of the inability to make such distributions, the Investment Manager and the Trustee may evaluate various options to make distributions to the Unitholders and utilize such surplus cash. We cannot assure you that the structures implemented will be effective in extracting such surplus cash for making distributions to the public. For further details, see "*Financial Indebtedness*" on page 52.

***28.*** ***The REIT Regulations impose restrictions on the investments made by us and require us to adhere to certain investment conditions, which may limit our ability to acquire and/or dispose of assets or explore new opportunities. Further, the regulatory framework governing real estate investment trusts in India is relatively new.***

The REIT Regulations require us to ensure compliance with certain requirements, including maintaining a specific threshold of investment in rent or income generating properties. There are also regulatory requirements which impose conditions on minimum unit holding of the Investment Manager entity and debt financing limits, which may constrain our ability to raise funds and limit our ability to make investments.

Failure to comply with these and other applicable requirements may present additional risks to us and lead to adverse consequences, including divestment of certain assets, delisting, other penalties and statutory actions which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

As the regulatory framework governing small and medium real estate investment trusts in India, including the REIT Regulations, comprises a relatively new set of regulations, interpretation and enforcement by regulators and courts involves uncertainties. Accordingly, the applicability of certain regulations to us, the Units, or debt and other securities or instruments issued by us may be unclear, which may increase compliance and legal costs and lead to business interruptions, thus impacting our ability to compete effectively or make distributions to Unitholders. Changes in regulation, interpretation and enforcement may make it more onerous for us to comply with the REIT Regulations.

**Risks Related to our Relationships with the Investment Manager**

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

We are required to maintain the eligibility conditions specified under the REIT Regulations on an ongoing basis. These eligibility conditions include, among other things, that (a) Investment Manager and the Trustee are separate entities, (b) the Investment Manager has a net worth of not less than as prescribed under the REIT Regulations (c) the Trustee is registered with the SEBI under Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and is not an associate of the Investment Manager, and (d) each of the Investment Manager and the Trustee are "fit and proper persons" as defined under Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations 2008 on an ongoing basis. We may not be able to ensure such ongoing compliance or any additional critical new compliance requirements by the Investment Manager and the Trustee, which could result in the cancellation of our registration.

***30. We depend on the Investment Manager and its personnel for our success and our results of operations, financial condition, cash flows and ability to make distributions may be harmed if the Investment Manager fails to perform satisfactorily, for which our recourse may be limited. We may not find a suitable replacement for the Investment Manager if the Investment Management Agreement is terminated or if key personnel cease to be employed by the Investment Manager or otherwise become unavailable to us.***

We are externally managed and advised by the Investment Manager, in accordance with the REIT Regulations and pursuant to the terms of the Investment Management Agreement. The Investment Manager is required to make investment decisions in respect of our underlying assets including any further investment or divestment of assets. For details, please see "*The Investment Manager*" on pages 28 to 31.

There is no assurance that the Investment Manager will be able to implement its investment decisions successfully or that it will be able to expand our Portfolio at any specified rate or to any specified size or to maintain distributions at projected levels. The Investment Manager may not be able to make acquisitions or investments on favorable terms or within a desired time frame, and it may not be able to manage the operations of its underlying assets in a profitable manner. Factors that may affect this risk may include, but are not limited to, changes in the regulatory framework in India, competition for assets, changes in the Indian regulatory or legal environment or macroeconomic conditions. Even if the Investment Manager is able to successfully grow the operating business of the underlying assets and to acquire further assets as desired, there can be no assurance that the Investment Manager will achieve its intended return on such acquisitions or capital investments. Additionally, there exists the risk that the SM REIT Management Fees payable to the Investment Manager may not create proper incentives or may induce the Investment Manager and its affiliates to make certain investments, that increase the risk of our Portfolio. The SM REIT Management Fees (which includes all type of fees charged by the Investment Manager, such as scheme management fee, property management fee, property acquisition fee, and divestment fee) are also not a product of an arm's length negotiation with any third party. Further, the Investment Manager will also undertake property management for our assets and any change in our relationship with the Investment Manager will also affect the services provided by the SPVs to their tenants.

We rely on certain key personnel to carry out our business and investment strategies, and the loss of the services of any of our key personnel, or our inability to recruit and retain qualified personnel in the future, could have an adverse effect on our business and financial results. In addition, the implementation of our business plan may require that we employ additional qualified personnel. competition for highly skilled investment managerial, investment, financial and operational personnel is intense. We cannot assure our Unitholders that we will be successful in attracting and retaining such skilled personnel. If we are unable to hire and retain qualified personnel as required, our growth and operating results could be adversely affected.

The Investment Manager may delegate certain of its functions to third parties. Should the Investment Manager, or any third party to whom the Investment Manager has delegated its functions, fail to perform its services effectively and in time, the value of our assets might be adversely affected and this may result in a loss of tenants, which will adversely affect distributions to Unitholders. Further, as the Investment Manager will be based in Bangalore, the diverse geographical locations of our employees, including our senior management, may reduce our operational efficiency.

In addition, we can offer no assurance that the Investment Manager will remain our Investment Manager or that we will continue to have access to the Investment Manager's officers and key personnel. If the Investment Management Agreement is terminated or if the Investment Manager defaults in the performance of its obligations thereunder, we

may be unable to contract with a substitute service provider on similar terms or at all, and the costs of substituting service providers may be substantial. For further details, see "*The Investment Manager—Key Terms of the Investment Management Agreement*" on pages 29 to 31.

**Risks Related to India**

***31. Political, macroeconomic, demographic and other changes and natural disasters, fires, epidemics, pandemics, acts of war, civil unrest and other events could adversely affect economic conditions in India.***

The Investment Manager is incorporated in India and the Property Share Investment Trust is registered in India, and our SPVs located in India. Consequently, our performance and the market price of the Units may be affected by interest rates, government policies, taxation, and other social, political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries, such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 pandemic;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of force majeure events such as but not limited to natural or man-made disasters (such as typhoons, flooding, earthquakes and fires) which may cause us to suspend our operations;
- prevailing regional or global economic conditions, including in India's principal export markets;
- balance of trade movements, including export demand and movements in key imports, including oil and oil products;
- other significant regulatory or economic developments in or affecting India or its real estate or consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Units.

***32. Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe, China and certain emerging economies in Asia. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence

and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Further, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Significant political, regulatory and economic uncertainty remains about how the precise terms of the relationship between the parties will differ from the terms before withdrawal, and more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European economies and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments. In addition, China is one of India's major trading partners and there are rising concerns of a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Risks resulting from a relapse in the Eurozone crisis or any future debt crisis in Europe or any similar crisis could have a detrimental impact on consumer confidence levels and global economic recovery. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth.

Recent changes in Bangladesh regime due to political crisis leading to escalating protests and financial instability could jeopardize its trade relations with India and led to instability in certain regional areas which might impact India's economic growth.

These developments, or the perception that any related developments could occur, have had and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, results of operations, cash flows and reduce the price of the Units.

***33. A downgrade in ratings of India, may affect the trading price of the Units.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating is Baa3 with a "stable" outlook (Moody's), BBB– with a "stable" outlook (S&P) and BBB– with a "negative" outlook (Fitch). Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business, cash flows and financial performance and the price of the Units.

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

The Trust is settled and registered in India. The Trustee and the Investment Manager are incorporated in India. All of our assets are located in India. Where investors wish to enforce foreign judgments in India, where our assets are or will be located, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including Singapore.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Code of Civil Procedure, 1908 ("**Civil Code**"). Furthermore, the Civil Code only permits enforcement of monetary decrees not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. Judgments or decrees from jurisdictions not recognized as a reciprocating territory by India cannot be enforced or executed in India except through a fresh suit upon judgment. Even if we or a Unitholder were to obtain a judgment in such a jurisdiction, we or it would be required to institute a fresh suit upon the judgment and would not be able to enforce such judgment by proceedings in execution. In addition, the party which has obtained such judgment must institute the new proceedings within three years of obtaining the judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a judgment rendered by a foreign court if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate outside India any amount recovered pursuant to the execution of the judgment.

Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, their directors and executive officers, and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

***35. We are subject to taxes and other levies imposed by the central and state governments in India, as well as other financial policies and regulations. Tax laws are subject to changes and differing interpretations, which may materially and adversely affect our operations and growth prospects.***

We are subject to a number of taxes and other levies imposed by the central and state governments in India, particularly Goods and Services Tax ("**GST**"), on lease of properties, as well as certain other taxes, duties or surcharges introduced on a permanent or temporary basis. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments in India may adversely affect our business, financial condition, results of operations and cash flows.

The current tax laws and regulations in India provide certain exemptions to interest/dividend income earned by business trusts from a special purpose vehicle. These exemptions could be modified or removed at any time or clarified in a manner adverse to Unitholders, which could adversely affect our profitability and the amount available for distribution to Unitholders. Tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action, including by retrospective legislation, by the governmental or tax authorities, may result in tax risks in the jurisdictions in which we operate being significantly higher than expected. For instance, while the Investment Manager intends to take measures to ensure that it is in compliance with all relevant tax laws, there is no assurance that the tax authorities will not take a position that differs from the position taken by us with regard to our tax treatment of various items. Any of the above events may result in a material, adverse effect on our business, financial condition, results of operations, cash flows and/or prospects and our ability to make distributions to the Unitholders. Tax authorities in India may also introduce additional or new regulations applicable to our business which could adversely affect our business and profitability.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Units in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹ 0.125 million arising from sale of Units of business trust. Accordingly, you may be subject to payment of long-term capital gains tax in India, on the sale of any Units held for more than 12 months.

Further, any gain realized on the sale of listed units held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Units will be exempted from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Units.

As per the Finance Act, 2023, gains shall be computed by a unitholder after reducing from its cost of acquisition any amount distributed by us which is not in the nature of dividends or interest or any other income. Securities Transaction Tax ("STT") will be levied on and collected by a domestic stock exchange on which the Units are sold.

***37. Our business and activities may be regulated by the Competition Act, 2002 and any breach thereof may invite sanctions.***

The Competition Act, 2002, as amended ("**Competition Act**"), prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Any breach of the provisions of Competition Act, may attract monetary penalties.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in the relevant market in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. In the event that any of the assets proposed to be acquired by us cross the prescribed thresholds, we cannot assure you that we will receive the necessary approvals from the CCI to consummate such transactions. Any prohibition or substantial penalties levied under the Competition Act could materially and adversely affect our financial condition and results of operations. Any adverse impact on our financial condition or operations due to the Competition Act may have a material adverse impact on our business, financial condition, results of operations, prospects and our ability to make distributions to the Unitholders.

**38.** ***Compliance with the European Union Directive on Alternative Investment Fund Investment Managers and the United Kingdom Regulation on Alternative Investment Fund Investment Managers may increase administrative and regulatory burdens on the Investment Manager and us.***

As used herein, the "AIFMD" refers to Directive 2011/61/EU of the European Parliament and of the Council of June 8, 2011 on Alternative Investment Fund Investment Managers, together with EU Commission delegated Regulation (EU) No. 231/2013 of December 19, 2012, supplementary Directive 2011/61/EU of the European Parliament and of the Council, and the national laws transposing Directive 2011/61/EU in any EEA Member State in which the Units are marketed. The "UK AIFMR" refers to the United Kingdom's (the "UK") Alternative Investment Fund Investment Managers Regulations 2013.

Among other things, the AIFMD regulates and imposes regulatory obligations in respect of the active marketing in the EEA by AIFMs (irrespective of whether they have their registered office in an EEA Member State or elsewhere) of AIFs (whether established in an EEA Member State or elsewhere). The Investment Manager is a non-EEA AIFM for the purposes of the AIFMD. Non-EEA AIFMs are currently not able to become authorized under the AIFMD. In order to market to investors domiciled or with a registered office in the EEA, non-EEA AIFMs must market AIFs in accordance with the applicable national private placement regimes of the EEA member states in which they wish to market and comply with a sub-set of requirements under the AIFMD (which are much more limited in scope than those applicable to AIFMs that are established in the EEA). These requirements are: (i) "point-of-sale" disclosures (as to which, please see Annex D), (ii) ongoing investor disclosures required pursuant to Articles 23(4) and (5) of the AIFMD (as to which, please see below), (iii) provision of information relating to the Property Share Investment Trust's investments and its assets under management to the regulators of any EEA Member State into which Units in the Property Share Investment Trust are actively marketed, and (iv) the "asset-stripping" rules (in the event that the Property Share Investment Trust acquires control of an EEA based portfolio company).

The information in respect of the Property Share Investment Trust required to be disclosed pursuant to Articles 23(4) and (5) of the AIFMD will be made available to each Unitholder, as follows: (a) the percentage of the Property Share Investment Trust's assets which are subject to special arrangements arising from their illiquid nature will be notified to the Unitholders; (b) any new arrangements for managing the liquidity of the Property Share Investment Trust will be provided without undue delay in a disclosure notice delivered to each Unitholder; (c) the current risk profile of the Property Share Investment Trust and the risk management systems employed by the Investment Manager to manage those risks may be provided in each annual report of the Property Share Investment Trust; (d) any changes to the maximum level of leverage which the Investment Manager may employ on behalf of the Property Share Investment Trust, as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement, will be provided without undue delay in a disclosure notice delivered to each Unitholder; and (e) the total amount of leverage employed by the Property Share Investment Trust may be provided in each annual report of the Property Share Investment Trust.

In addition, it is possible that some EEA member states will elect in the future to restrict or prohibit the marketing of non-EEA AIFs to investors based in those jurisdictions. Any such restrictions or prohibitions may make it more difficult for the Property Share Investment Trust to raise its targeted amount of commitments.

In light of the foregoing, the AIFMD could have an adverse effect on the Investment Manager or the Property Share Investment Trust by, among other things, increasing the regulatory burden and costs of doing business in the EEA members states, imposing extensive disclosure obligations on companies located in EEA member states, if any, in which the Property Share Investment Trust invests, and potentially disadvantaging the Property Share Investment Trust as an investor in portfolio companies located in EEA member states as compared to competitors (e.g., those not in the alternative investment space) that may not be in scope of the AIFMD. The European Securities and Markets Authority ("**ESMA**") has recently also consulted on the possible extension of the passport for marketing and managing under AIFMD to non-EEA based Investment Managers (the marketing and managing passports under AIFMD are currently only available to certain types of EEA based Investment Managers).

ESMA provided advice to the European Commission in July 2015 and July 2016 on whether, amongst other things, the passporting regime should be extended to the management and/or marketing of AIFs by non-EEA AIFMs. The European Commission is currently considering whether the passport should be extended. It is currently not clear what the impact would be for the Investment Manager or the Property Share Investment Trust of any decision by the European Commission to extend the passporting regime. If the AIFMD national private placement regimes (where implemented) continue to exist in parallel with an extension of the passporting regime, then the Investment Manager may continue to market under AIFMD national private placement regimes or choose to "opt-in" to rely on the passporting regime (which would likely mean an increase in regulatory and compliance costs to comply with the conditions of the passporting regime). If the AIFMD national private placement regimes are removed, then the Investment Manager would likely need to "opt-in" to the passporting regime for any AIFMD marketing of the Property Share Investment Trust (which would likely mean an increase in regulatory and compliance costs for the Property Share Investment Trust).

Following the withdrawal of the UK from the European Union and subject to compliance with the UK AIFMR, AIFMs may market AIFs to professional investors who are domiciled or have a registered office within the UK pursuant to

the UK national private placement regime. The UK AIFMR currently imposes compliance obligations that are broadly similar to those detailed in the above paragraphs in connection with a non-EEA AIFM marketing an AIF pursuant to the national private placement regimes of certain EEA member states. If within scope of the UK AIFMR, these compliance obligations on an AIFM include, among other things, rules relating to the remuneration of certain personnel, minimum regulatory capital requirements, restrictions on use of leverage, restrictions on early distributions ("asset stripping" rules), the appointment of a depositary, disclosure and reporting requirements to both investors and home state regulators, and independent valuation of the assets of an AIF. Where information is provided in response to an own-initiative request by a prospective UK investor, such investor will not benefit from any protections or rights under the UK AIFMR in respect of any resulting subscription for limited partner interests.

## OVERVIEW OF THE TRUST

### The Property Share Investment Trust

The Property Share Investment Trust was settled on June 27, 2024, at Bangalore, Karnataka, India as contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated June 27, 2024 as amended on July 19, 2024. The Property Share Investment Trust was registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L (1) of the REIT Regulations having registration number IN/SM-REIT/24-25/0001. The Property Share Investment Trust has been settled by the Investment Manager for an aggregate initial sum of ₹0.02 million. Also, the first scheme of the Trust *i.e.* PropShare Platina has been settled by the Investment Manager.

The principal place of business of the Property Share Investment Trust is situated at 16th Floor, SKAV Seethalakshmi, 21/22, Kasturba Road, Bangalore 560001, India.

### Investment objectives

The object and purpose of the Property Share Investment Trust is to carry on the activity of a small and medium real estate investment trust, as permissible under the REIT Regulations and applicable law, to raise funds through the Property Share Investment Trust, to make investments in accordance with the REIT Regulations and the investment strategy set out in the Final Trust Offer Document and to carry on the activities as may be required for operating the Property Share Investment Trust, including incidental and ancillary matters thereto.

The investment objective of the Property Share Investment Trust shall be to make investments as a small and medium real estate investment trust as permissible in terms of the REIT Regulations. The investment of the Property Share Investment Trust shall only be in accordance with the REIT Regulations, including in such schemes and special purpose vehicles or real estate properties (whether completed or otherwise) thereunder, securities in India or transferable development rights as permitted under the REIT Regulations. The Property Share Investment Trust will achieve its objectives through multiple schemes thereunder. The principal investment objective of the Property Share Investment Trust is to own, operate and invest in rent or income generating retail real estate assets and any other assets in India in accordance with the REIT Regulations.

As on the date of this Final Trust Offer Document (in accordance with the REIT Regulations), the Property Share Investment Trust is not permitted to undertake any activity which is prohibited under the REIT Regulations.

Subject to the restrictions and requirements of applicable law, the Property Share Investment Trust may not carry on any other principal activity.

## THE INVESTMENT MANAGER

### The Investment Manager

PropShare Investment Manager Private Limited is the Investment Manager of the Property Share Investment Trust. The Investment Manager is a private limited company incorporated in India under the Companies Act, 2013 pursuant to a certificate of incorporation dated April 2, 2024, issued by the Registrar of Companies, Karnataka at Bangalore. For details in relation to the registered office address, correspondence address, contact person and contact details, please see the section entitled "*General Information*" on pages 9 to 10.

***Background of the Investment Manager***

The Investment Manager was incorporated as a private limited company at Bangalore, under the Companies Act, 2013 on April 2, 2024. The IM is relying on the experience of its key managerial personnel, namely Kunal Moktan and Hashim Qadeer Khan, who each have more than five years of experience in real estate industry or real estate fund management, in accordance with the proviso to Regulation 26J(2)(iii).

In accordance with the eligibility criteria specified under the REIT Regulations, the Investment Manager had a net worth of not less than ₹200 million as on November 16, 2024. The Investment Manager, as on the date of this Final Trust Offer Document satisfies the above requirement. As required under the REIT Regulation, the key managerial personnel of the Investment Manager (namely Kunal Moktan and Hashim Qadeer Khan) have more than five years of experience in real estate industry or real estate fund management.

The Investment Manager confirms that it has and undertakes to ensure that it will at all times maintain adequate infrastructure, and sufficient key personnel and resources to perform its functions, duties and responsibilities with respect to the management of the Property Share Investment Trust, in accordance with the REIT Regulations, the Investment Management Agreement and applicable law.

Neither the Investment Manager nor any of the promoters or directors of the Investment Manager (i) are debarred from accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other real estate investment trust or any infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; or (iii) are in the list of willful defaulters published by the RBI.

***Board of Directors of the Investment Manager***

The board of directors of the Investment Manager is entrusted with the responsibility for the overall management of the Investment Manager. The following table sets forth details regarding the board of directors of the Investment Manager:

| S. No | Name | DIN |
|---|---|---|
| 1. | Kunal Moktan (Non-Independent Director) | 05009696 |
| 2. | Hashim Qadeer Khan (Non-Independent Director) | 07301820 |
| 3. | Benjamin Oliver Speat Cassey (Non-Independent Director) | 10682880 |
| 4. | Jagdish Chandra Sharma (Independent Director) | 01191608 |
| 5. | Rachna Dikshit (Independent Director) | 08759332 |
| 6. | Ramakrishnan Seshan (Independent Director) | 09676297 |

***Brief profiles of the Directors of the Investment Manager***

**Kunal Moktan**

Kunal Moktan is a non-independent director of the Investment Manager. He holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and a bachelor's degree in commerce from the Bangalore University. He has over fifteen years of work experience buying, managing and selling real estate. He has previously worked for over seven years with the Blackstone Group. He co-founded Property Share in 2016 and has served as chief investment officer cum chief executive officer.

**Hashim Qadeer Khan**

Hashim Qadeer Khan is a non-independent director of the Investment Manager. He holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad and a bachelor's degree in technology from the Indian Institute of Technology, Kanpur. He has eight years of experience investing in real estate at Property Share. He has previously worked with the Al Shaya Group, a middle eastern conglomerate. He co-founded Property Share in 2016 and has served as chief technology officer since then.

**Benjamin Oliver Speat Cassey**

Ben Cassey is a non-independent director of the Investment Manager. He holds a Master of Science degree in property management and investment from Napier University, Edinburgh and holds a bachelor's degree from University of Bristol. He

has extensive experience in UK real estate and has previously worked at First Alliance Properties, a UK based real estate firm prior to which he worked at Goodman UK Ltd. He is a chartered surveyor and director of Inflection Real Estate, which specializes in UK commercial real estate.

**Jagdish Chandra Sharma**

Jagdish Chandra Sharma is an independent director of the Investment Manager. He holds a bachelor's degree in commerce from St Xavier's College, Calcutta and is a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He was employed with Sobha Limited, a leading real estate developer, for over 20 years including over 9 years as vice chairman and managing director. He was awarded the 'Best CEO in Real Estate' award by NDTV in 2014.

**Rachna Dikshit**

Rachna Dikshit is an independent director of the Investment Manager. She holds a master's degree in arts from University of Allahabad and a bachelor's degree in arts from University of Lucknow. She has worked in the banking and financial services industry including holding senior positions in the Reserve Bank of India. She is also a director at various corporations including Capital Small Finance Bank Limited, India SME Asset Reconstruction Company Limited, India Shelter Finance Corporation Limited and various others.

**Ramakrishnan Seshan**

Ramakrishnan Seshan is an independent director of the Investment Manager. He holds a post graduate diploma in business management from Indian Institute of Management, Calcutta and a bachelor's degree in arts from University of Delhi. He has worked for over twenty years in the retail banking and wealth management industry including over eleven years as head of wealth and private banking at HSBC India prior to which he worked at HDFC Bank as executive vice president.

**Brief Profiles of the key personnel of the Investment Manager**

Kunal Moktan and Hashim Qadeer Khan are the key personnel of the Investment Manager.

**Kunal Moktan**

Kunal is non-independent director of the Investment Manager and designated as Chief Financial Officer. For further details, kindly refer the paragraph above titled "*The Investment Manager - Brief profiles of the Directors of the Investment Manager*" on page 28.

**Hashim Qadeer Khan**

Hashim Qadeer Khan is a non-independent director of the Investment Manager and designated as Chief Executive Officer. For further details, kindly refer the paragraph above titled "*The Investment Manager - Brief profiles of the Directors of the Investment Manager*" on page 28.

**Key terms of the Investment Management Agreement**

The Trustee and Investment Manager have executed the Investment Management Agreement, under which various powers, duties, rights, and liabilities of the Investment Manager have been prescribed in terms of the REIT Regulations. The Investment Manager is empowered to take all decisions in relation to the investments of Property Share Investment Trust and the management and administration of the trust fund (which includes the initial corpus, capital contributions and any additions, accretions or reductions to the Property Share Investment Trust and the SM REIT Assets) as may be incidental or necessary for the advancement or fulfilment of the investment objectives of the Property Share Investment Trust in accordance with the REIT Regulations.

The Investment Manager is empowered inter alia to accept subscriptions to Units of the Scheme or any debt instruments or other securities issued by the Property Share Investment Trust or its Scheme(s) in accordance with the REIT Regulations and issue and allot Units, debt securities and other securities pertaining to the particular Scheme including by way of a bonus issue, qualified institutional placement, rights issue, preferential issue, as the case may be, to Unit Holders and other security holders and undertake all related activities.

The Investment Manager has the power to exercise all rights of the SM REIT in relation to the shareholding of the SM REIT in the SPVs and other assets, if any, underlying the Trust Fund, including voting rights, rights to appoint directors (in consultation with the Trustee), whether pursuant to securities held by it, or otherwise, in such manner as it deems to be in the best interest of the SM REIT, and in accordance with the REIT Regulations and Applicable Law.

Additionally, the Investment Manager is also empowered to, in consultation with the Trustee, appoint Valuers, Auditors, registrar and transfer agent, merchant bankers, Credit Rating Agency and any other intermediary or service provider or agent, as may be applicable with respect to the activities pertaining to the SM REIT and/or its Scheme(s) as per the provisions of the REIT Regulations and Applicable Law.

The Investment Manager has, inter alia, the power to: (a) acquire, hold, scrutinize, transfer, pledge, manage, trade and dispose of, exchange and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to the SM REIT Assets and any shares, stocks, convertibles, debentures, bonds and other equity or equity-related securities and other debt or mezzanine securities of all kinds issued by any SPV whether in physical or de-materialised form, including power to hypothecate, pledge or create encumbrances of any kind on such SM REIT Assets or securities held by the Property Share Investment Trust in such SPVs to be used as collateral security for any borrowings by Property Share Investment Trust or its SPVs (b) keep the Trust Fund in deposit with banks or other institutions or in such other instruments or form as permitted under the REIT Regulations; (c) accept capital contributions towards the Trust Fund and/ or Scheme Corpus; (d) collect and receive the profit, interest, dividend, repayment of principal of debt or equity or equity securities, return of capital of any type by the SPVs or distribution in any other form and any income of Property Share Investment Trust as and when the same may become due and receivable; (e) invest in liquid assets in accordance with the REIT Regulations; (f) to give, provide and agree to provide to any Scheme/SPV financial assistance in the form of investment in share capital of any class including ordinary, preference, participating, non-participating, voting, non-voting or other class, and in the form of investment in securities convertible into share capital; and (g) to invest, acquire, purchase, hold, divest, sale, hypothecate, pledge or otherwise transfer land and buildings and immovable properties of any kind under any Schemes including any rights and interests therein.

The Investment Manager has the power to pay Scheme Expenses attributable to a Scheme from the Scheme Corpus, on behalf of the SM REIT/ Scheme, in accordance with the terms of the Scheme Documents. The Investment Manager shall also have the power to utilize any tax credits available to the SM REIT/ Scheme, prior to making any such payment of taxes or expenses.

Subject to applicable law, no Unit Holder shall be entitled to inspect or examine the SM REIT's premises or properties without the prior permission of the Investment Manager. Further, no Unit Holder shall be entitled to require discovery of any information with respect to any detail of the SM REIT's/ Scheme's activities or any matter which may be related to the conduct of the business of the SM REIT/Scheme and which information may, in the opinion of the Investment Manager adversely affect the interests of the SM REIT, Scheme or other Unit Holders.

The Investment Manager may cause the buyback of Units of a Scheme from the Unit Holders in accordance with Applicable Law, if so, directed by the Trustee.

The Investment Manager shall ensure that the valuation of the SM REIT Assets is done by the Valuer(s) in such manner and within the timeframes as prescribed in the REIT Regulations.

The Investment Manager shall undertake the management of the SM REIT Assets, including lease management, providing support services, maintenance of the SM REIT Assets or such other activities needed for operation and maintenance of assets of the SM REIT, regular structural audits, regular safety audits, either by itself or through any other persons appointed as agents in accordance with the respective agreements, operations that may be executed between the Investment Manager (or any other person nominated by the Investment Manager) and/ or SM REIT and/or respective SPVs, as the case may be.

The Investment Manager is required to convene meetings of the Unit Holders of the Schemes in accordance with the REIT Regulations and maintain records pertaining to the meetings in accordance with the REIT Regulations.

Additionally, the Investment Manager shall declare Distributions to Unit Holders of the Scheme(s) in accordance with the REIT Regulations.

Further, the Investment Manager shall submit to the Trustee (a) quarterly reports on the activities of the SM REIT including receipts for all funds received by it and for all payments made, status of compliance with the REIT Regulation; (b) valuation reports for each Scheme as required under the REIT Regulations within the time period specified under the REIT Regulation; (c) decision to acquire or sell or develop any property or project or expand existing completed properties or projects along with the rationale for the same.

The Investment Manager shall be responsible for all activities pertaining to the issue and listing of the Units of the Schemes in accordance with applicable law including: (a) preparation of the offer documents to be filed in relation to the Schemes in compliance with the provisions of the REIT Regulations and other Applicable Law; (b) filing the offer documents to be filed with SEBI and the Stock Exchange within the prescribed time period; (c) dealing with all matters up to allotment of Units of the Schemes to the Unitholders; (d) obtaining in-principle approval and final listing and trading approval from the Stock Exchange; and (e) ensuring that the minimum public holding of the Units of each Scheme, value of the assets of each Scheme and number of Unit Holders forming part of the public, at all times after listing is in accordance with the REIT Regulations; and (f) dealing with all matters relating to the issue and listing of the Units of the Schemes as specified under the REIT Regulations and any guidelines as may be issued by SEBI in this regard. The Investment Manager shall within the time period prescribed under the REIT Regulations, submit annual reports and half yearly reports to all the relevant Unit Holders of the Schemes electronically or provide physical copies and to the designated stock exchanges, as may be required under applicable law.

The Investment Manager shall not incur any liability for any act or omission which may result in a loss to a Unitholder (by reason of any depletion in the value of the Trust Fund, for the non-recoverability or non-realisability of any of the investments by the SM REIT or other assets forming part of the trust fund or otherwise), except in the event that such loss (as determined by the court of competent jurisdiction) is a result of fraud or gross negligence or willful misconduct on the part of the Investment Manager.

Specifically, the Investment Manager shall be, inter alia, liable in the following cases: (a) where distributions are not made within the period prescribed under the REIT Regulations, to pay interest to the Unit Holders at the rate as may be prescribed in the REIT Regulations until such distributions are made, and such interest shall not be recovered in the form of fees or any other form payable to the Investment Manager by the SM REIT; (b) where the Investment Manager fails to allot, or list the Units, or refund the money within the time prescribed under the REIT Regulations to pay interest to the relevant Unit Holders to the Scheme for which Units are proposed to be allotted/listed at the rate as may be prescribed under the REIT Regulations, until such time as the allotment/ listing/refund, and such interest shall not be recovered in the form of fees or any other form payable to the Investment Manager by the SM REIT; or; (c) where the Investment Manager contravenes any of the provisions of the SEBI Act, REIT Regulations.

In addition to the fees, distributions and expense reimbursements, the Trustee (in its capacity as Trustee of the REIT) shall solely from the SM REIT Assets, indemnify and hold harmless the Investment Manager and its respective officers, directors, shareholders, partners, members, employees, advisors and agents from and against any claims, losses, costs, damages, liabilities, suits, proceedings and expenses, including legal fees, suffered or incurred by them by reason of their activities on behalf of the SM REIT and/or its Scheme(s), unless such losses have resulted from fraud, gross negligence, willful misconduct, dishonest acts of commissions or omissions, reckless disregard of duty or material breach of duties under the Investment Management Agreement and applicable law.

In accordance with the terms of the Investment Management Agreement, the Investment Manager shall not be personally liable for any losses (including indirect or consequential losses), costs, damages or expenses incurred in any way arising from anything which the Investment Manager does or fails to do during the course of discharge of its duties as an Investment Manager to Property Share Investment Trust except to the extent such losses result from fraud, gross negligence, willful misconduct, dishonest acts of commissions or omissions, reckless disregard of duty or material breach of duties of the Investment Manager under the Investment Management Agreement and applicable law (as determined by a court of competent jurisdiction).

The appointment of the Investment Manager of the SM REIT and consequently, this Agreement may be terminated by the Trustee or the Unit Holders, in accordance with the procedure specified under the REIT Regulations and the Deed.

Subject to the other provisions of the Investment Management Agreement, the Investment Management Agreement shall continue during the term of the SM REIT and shall terminate upon dissolution of the SM REIT.

Unit Holders may apply in writing to the Trustee for the removal of the Investment Manager and appointment of another investment manager to the SM REIT, subject to prior approval of SEBI and compliance with applicable law.

Subject to the approval of such percentage of Unitholders of all outstanding Schemes as may be prescribed, and in accordance with the REIT Regulations, the Investment Management Agreement, may be terminated: (a) by the Investment Manager by delivery of a written notice to the Trustee at any time, subject to appointment of a new investment manager in accordance with clause 5.7 of the Investment Management Agreement and the REIT Regulations; or (b) by the Trustee by delivery of a written notice to the Investment Manager at any time, (i) upon breach of any of the terms, covenants, conditions or provisions of the Investment Management Agreement by the Investment Manager and a failure of the Investment Manager to remedy the said breach within a period of 60 days, (ii) if a receiver is appointed to all or a substantial portion of the assets of the Investment Manager; (iii) if SEBI does not grant a certificate of registration to the SM REIT, in accordance with the REIT Regulations; or (c) by any party by delivery of a written notice to the other party upon the bankruptcy of such other party or if winding up or liquidation proceedings are commenced against such other party (and such proceedings persist for a period of more than three months). In the event (i) that the initial public offer of any Units by the SM REIT does not occur within the time period stipulated in the REIT Regulations or such other date as may be mutually agreed to between the Investment Manager and the Trustee; or (ii) in the event of cancellation of registration of the Property Share Investment Trust by SEBI; or (iii) of winding up of Property Share Investment Trust, the Investment Management Agreement shall automatically terminate without any liability to either party.

The Investment Manager is entitled to receive a Scheme Management Fee which shall be percentage of the assets of the scheme or of the gross proceeds (including the Investment Manager's contribution) from the scheme's offer ("**Gross Proceeds**"); or of the distributions; or of assets under management; or of the lease rentals, each for such specified period as may be described in the scheme documents and as set out in Schedule I with respect to such scheme. The Investment Manager is also entitled to receive a Property Acquisition Fee, which is equivalent to such agreed percentage of the purchase price or Gross Proceeds, or value of such REIT asset acquired by the scheme as certified by an independent valuer as may be described in the offer documents. The fees may be paid out of the funds available, or reserves created with the Property Share Investment Trust or in Units. If the fees are paid in Units, the issue price of such Units shall be at the prevailing market price as determined in accordance with the REIT Regulations and applicable law. For details, please *'Management Framework' section* of the Final Scheme Offer Document.

**Investment Manager employee incentivization plan**

In order to incentivize the eligible employees of the Investment Manager, a Unit-based benefit scheme or plan may be adopted by the Investment Manager, in compliance with applicable laws.

## THE TRUSTEE

### The Trustee

Axis Trustee Services Limited is the Trustee of the Property Share Investment Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee having registration number IND000000494 which is valid until suspended or cancelled by SEBI. The Trustee is a wholly owned subsidiary of Axis Bank Limited. For details in relation to the registered office address, correspondence address, contact person and contact details, see "*General Information*" on pages 9 to 10.

#### *Background of the Trustee*

As a registered debenture trustee, the Trustee ensures compliance with statutory requirements. The Trustee is involved in varied facets of debenture and bond trusteeships, including, advisory functions and management functions. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders.

The Trustee is also involved in providing services as (i) debenture trustee; (ii) security trustee; (iii) facility agent; (iv) escrow agency; (v) custody services; (vi) trust and retention account; (vii) securitization trustee; (viii) share monitoring trustee; (ix) lender repayment trustee; (x) digital escrow agency; and (xi) trustee of REITs, InvITs, AIFs and family trust etc., in the domestic market.

The Trustee confirms that it has and undertakes to ensure that it will at all times, maintain adequate infrastructure personnel and resources to perform its functions, duties and responsibilities with respect to the Property Share Investment Trust in accordance with the REIT Regulations, the Trust Deed and other applicable law.

The Trustee is not an Associate of the Investment Manager. Further, neither the Trustee nor any of the promoters or directors of the Trustee (i) are debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, manager or trustee of any other real estate investment trust, or infrastructure investment trust which is debarred from accessing the capital market under any order or directions made by SEBI; or (iii) is in the list of willful defaulters published by the RBI.

#### *Board of Directors of the Trustee*

The board of directors of the Trustee is entrusted with the responsibility for the overall management of the Trustee. The details regarding the board of directors of the Trustee are set out below:

| Sr. No. | Name | DIN | Profile |
|---|---|---|---|
| 1. | Deepa Rath | 09163254 | Deepa Rath is the managing director on the board of directors of the Trustee and the chief executive officer of the Trustee. |
| 2. | Prashant Joshi | 08503064 | Prashant is an additional director (non-executive) on the Board of the Axis Trustee Services Limited. |
| 3. | Arun Mehta | 08674360 | Arun Mehta is a director on the board of directors of the Trustee. |
| 4. | Pramod Kumar Nagpal | 10041946 | Pramod Kumar Nagpal is a director on the board of directors of the Trustee. |

### Key terms of the Trust Deed

PropShare Investment Manager Private Limited ("**Settlor**") and the Trustee have executed the Trust Deed, under which various powers, duties, rights, and liabilities of the Trustee have been prescribed in terms of the Indian Trusts Act, the REIT Regulations, as amended or supplemented including any guidelines, circulars, notifications, and clarifications framed or issued thereunder.

The Trustee is empowered to determine, in accordance with the Investment Management Agreement, the investment objectives of the SM REIT, distributions to Unit Holders, oversee voting of Unit Holders and give effect to any *inter se* voting arrangements between/amongst the Unit Holders as notified to the Trustee, make such reserves out of the income or capital as it may deem proper, appoint an investment manager to manage the SM REIT by execution of an investment management agreement and to delegate its powers to the investment manager.

In terms of the Trust Deed, the Trustee shall review the reports as required under the REIT Regulations and Applicable Law, as submitted by the Investment Manager. In the event such reports are not submitted in a timely manner, the Trustee, after due follow-up, shall make relevant intimations to SEBI.

Subject to the advice of the Investment Manager, the Trustee has the power to pay Scheme Expenses attributable to a Scheme from the Scheme Corpus, on behalf of the SM REIT/ Scheme, in accordance with the terms of the Scheme Documents. The Trustee shall have the power to utilize any tax credits available to the Schemes/ SM REIT, prior to making any such payment of taxes or expenses.

The Trustee may cause the buyback of Units of the Schemes from the Unit Holders of such Schemes in accordance with Applicable Law.

The Trustee shall have the following powers and authorities exercisable pursuant to the advice of the Investment Manager, inter alia, the power; (i) to borrow funds or incur financial indebtedness through any mode including by way of issuance of debt securities, subordinated debt or other securities or instruments permitted under the REIT Regulations or other Applicable Law from any Person or authority (whether Government or otherwise, whether Indian or overseas), on such terms and conditions and for such periods and for the purpose of the SM REIT/the SPVs/its Scheme(s) as may be permitted under the REIT Regulations and approved by the Unit Holders (if such approval is required), and offer such security as it may deem fit, for the purpose of making such borrowing; (ii) to institute, conduct, compromise, compound, or abandon, upon such terms which the Trustee may deem expedient, any legal proceedings for or on behalf of or in the name of the SM REIT and/or the Schemes, and to defend, compound or otherwise deal with any such proceedings against the SM REIT, its Schemes and also to compound and allow time for payment or satisfaction of any equity due and of any claims, damages or demands by or against the SM REIT or its Schemes and to refer any differences to arbitration and observe and perform any awards thereof; (iii) to make and give receipts, releases and other discharges for moneys payable to or by the SM REIT and for the claims and demands of or against the SM REIT or its Schemes; (iv) to enter into all such negotiations and contracts, Scheme documents and any other agreements, deeds, instruments and any amendments, supplements or modifications thereto and, execute and do all such acts, deeds and things for or on behalf of or in the name of the SM REIT or its Schemes as the Trustee may consider expedient for or in relation to any of the matters or otherwise for the purposes of the SM REIT or its Schemes; (v) to sign, seal, execute, deliver and register according to Applicable Law all deeds, documents, agreements, and assurances in respect of the SM REIT and its schemes; and (vi) to act as a custodian of the capital, assets, property of the SM REIT and its Schemes and hold the same in trust for the Unit Holders in accordance with the Trust Deed and the REIT Regulations.

The Trustee shall ensure that all such acts, deeds and things are done for the attainment of the investment objectives of the SM REIT and its Schemes and in compliance with the REIT Regulations, to secure the best interests of the Unit Holders.

The Trustee shall periodically review the status of the Unit Holders' complaints and their redressal undertaken by the Investment Manager in accordance with the REIT Regulations.

Further, in case of change in Investment Manager due to removal or otherwise, the Trustee shall, prior to such change, obtain approval from the Unit Holders of the SM REIT and SEBI as may be required under Applicable Law and the Trustee shall appoint a new investment manager within the time period prescribed under the REIT Regulations.

The Investment Manager shall intimate the Trustee prior to any change in control of the Investment Manager to enable the Trustee to seek prior approval from the Unit Holders of the SM REIT and SEBI in this regard as may be required under Applicable Law and shall ensure that no such change is given effect to, until the approval of the Unitholders of the SM REIT and SEBI has been obtained, or the Investment Management Agreement is terminated and a new investment manager has been appointed in accordance with the terms hereof, or in compliance with any other requirement under the REIT Regulations and applicable law.

The Trustee shall ensure that the activity of the SM REIT and its Schemes is being operated in accordance with the provisions of the Trust Deed, REIT Regulations, other applicable law and the Scheme Documents and in case of any discrepancy, it shall inform SEBI immediately in writing.

In terms of the Trust Deed, the Trustee is entitled to reimburse itself and shall be entitled to charge the SM REIT and/or its Scheme(s), from its Trust Fund, for the expenses, outgoings, taxes, levies, and liabilities (including indemnity obligations, if any).

The Trustee shall ensure that Distributions are made by the Scheme(s) to the Unit Holders, from time to time, in the manner set out in the Trust Deed and the REIT Regulations and shall ensure that the Investment Manager makes, timely declaration of the Distributions to the Unit Holders.

In addition to the fee, Distributions and expense reimbursements described in the Trust Deed, the Trust Fund shall be utilized to indemnify and hold harmless the Trustee, the Investment Manager and any of their respective officers, directors, shareholders, partners, members, employees, advisors and agents in compliance with the provisions of the Trust Deed and the REIT Regulations from and against any claims, losses, costs, damages, liabilities and expenses, including legal fees suffered or incurred by them by reason of their activities on behalf of the SM REIT suffered or incurred by the Trustee in relation to any proceedings, unless such losses resulted from fraud, gross negligence or willful misconduct of the aforementioned indemnified parties as determined by a court of competent jurisdiction.

The Trustee shall not be liable to the Unitholders for doing or failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request announcement or similar action (whether of binding legal effect or not) which may be taken or made by any

Person or body acting with or purporting to exercise the authority of any government (which legally or otherwise) it shall be directed or requested to do or perform or to forbear from doing or performing.

Additionally, the Trustee shall not be responsible to any Unit Holder for the authenticity of any signature affixed to any document or be in any way liable for any forged or unauthorized signature on or for acting upon or giving effect to any such forged or unauthorized signature.

The Trustee is not prevented from acting as a trustee of other trusts or alternative investment funds or venture capital funds or private equity funds or real estate investment trusts or infrastructure investment trusts or private trusts or customized fiduciary trusts separate and distinct from the SM REIT and retaining for its own use and benefit all remuneration, profits, and advantages which it may derive therefrom, as permitted under Applicable Law.

The Trustee shall not incur any liability for doing or (as the case may be) failing to do any act or thing which may result in a loss to a Unit Holder (by reason of any depletion in the value of the Trust Fund or otherwise), except in the event that such loss is a direct result of gross negligence, fraud or willful misconduct on the part of the Trustee as determined by a court of competent jurisdiction, whose decision is final and non-appealable.

The Trustee shall not be under any liability on account of anything done or omitted to be done or suffered by the Trustee in good faith in accordance with, or in pursuance of any request or advice of the Investment Manager.

The liability of the Trustee shall be limited to the extent of the fees received by it, in all circumstances whatsoever except in case of any gross negligence or willful misconduct or fraud on the part of the Trustee as settled by a court of competent jurisdiction, whose decision is final and non-appealable.

No Unit Holder shall be entitled to inspect or examine the SM REIT's premises or properties without the permission of the Trustee, who shall give such permission, if necessary, in consultation with the Investment Manager. Further, no Unit Holder shall be entitled to require discovery of any information respecting any detail of the SM REIT's or the Scheme's activities or any matter which may relate to the conduct of the business of the SM REIT, or the Scheme and which information may, in the opinion of the Trustee and the Investment Manager adversely affect the interests of the SM REIT or its Unit Holders.

The Unit Holders, post the initial public offer by the Scheme of the SM REIT, shall have the right to call for certain matters to be subject to their consent, in accordance with the REIT Regulations and Applicable Law.

The Unitholders may, in accordance with the provisions of the Scheme Documents and applicable law, transfer any of the Units to an investor where such investor accepts all the rights and obligations of the transferor and the Trustee, or the Investment Manager shall give effect to such transfer in accordance with Applicable Law.

The Trustee shall also ensure that the Investment Manager obtains the consent of the Unit Holders for the matters prescribed under the REIT Regulations in accordance with the provisions of the REIT Regulations.

The SM REIT is subject to dissolution and termination in accordance with and subject to the REIT Regulations and applicable law: (i) if the SM REIT fails to make any offer of Units, by way of public issue within the time period stipulated in the REIT Regulations or any other time period as specified by SEBI (whichever is earlier), in which case the REIT shall surrender its certificate to SEBI and cease to operate as a small and medium real estate investment trust, unless the period is extended by SEBI; (ii) if all Schemes are delisted, the SM REIT shall surrender its certificate to SEBI and cease to operate as a small and medium real estate investment trust; (iii) it is impossible to continue with the SM REIT or if the Trustee on advice of the Investment Manager deems it impracticable to continue the REIT; (iv) upon the liquidation of SM REIT Assets; (v) where SEBI has passed a direction for the winding up of the SM REIT or if the SM REIT is required to be wound up pursuant to the REIT Regulations; (vi) in the event SEBI refuses to grant a certificate of registration to the SM REIT, due to any reason whatsoever; (vii) illegality of the SM REIT.

## CORPORATE GOVERNANCE

*The section below is a summary of the corporate governance framework in relation to Property Share Investment Trust, implemented by the Investment Manager.*

### 1. Investment Manager

### 1.1 *Board of Directors*

*Composition of the Board of Directors of the Investment Manager*

In addition to applicable provisions of the Companies Act and the REIT Regulations, the board of directors of the Investment Manager shall adhere to the following:

(i) The Board shall comprise not less than six directors and have at least one female independent director;

(ii) Not less than half of the Board shall comprise independent directors (who are not directors or members of the governing board of the manager or investment manager of another REIT or SM REIT registered under the REIT Regulations). The remaining directors shall be appointed in accordance with the provisions of the Companies Act; and

(iii) The chairman, if any, of the Board should be a non-executive director.

As of the date of this Final Trust Offer Document and any scheme documents issued by the Trust, the board of directors of the Investment Manager is compliant with all the aforementioned requirements.

*Quorum*

In terms of the REIT Regulations, the quorum for each meeting of the Board shall be one-third of the total strength of the Board or three directors, whichever is higher, including at least one independent director.

Participation of the directors by video conferencing or by other audio-visual means shall be counted for the purpose of quorum and shall be recorded by the Investment Manager.

*Frequency of meetings*

The Board should meet at least four times every year, with a maximum gap of 120 days between any two meetings. Additionally, the Board should meet prior to any meeting of the unitholders and approve the agenda for unitholders' meetings.

*Remuneration of Directors*

*Sitting fees:* The directors of the Investment Manager will receive sitting fees for attending board meetings and meetings of the committees, in accordance with the Companies Act.

The remuneration payable to the independent directors shall be within the overall limit of the fee payable to the Investment Manager.

### 1.2 *Committees of the board of directors*

| Name of committee | Composition | Present members | Quorum voting | Frequency of meetings |
|---|---|---|---|---|
| Audit Committee | The Audit Committee shall comprise of at least three members, with at least 2/3rd of the Audit Committee comprising independent directors. The chairperson of the Audit Committee shall be an independent director. All members of the Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise. The company secretary of the Manager shall act as the secretary to the Audit Committee. | (i) Jagdish Chandra Sharma (Chairman);<br>(ii) Kunal Moktan (Member); and<br>(iii) Rachna Dikshit (Member). | The quorum shall either be two members or one third of the members of the audit committee, whichever is greater, including at least two independent directors in attendance. | The audit committee should meet at least four times every year, with a maximum gap of 120 days between any two meetings. |

| Name of committee | Composition | Present members | Quorum voting | Frequency of meetings |
|---|---|---|---|---|
| Stakeholders' Relationship Committee | The Stakeholders' Relationship Committee shall comprise of at least three directors, with at least one independent director also being a member. The chairperson of the Stakeholders' Relationship Committee shall be an independent Director. | (i) Jagdish Chandra Sharma (Chairman);<br>(ii) Hashim Qadeer Khan (Member); and<br>(iii) Benjamin Oliver Speat Cassey (Member). | The quorum shall either be two members or one third of the members of the Stakeholders' Relationship Committee whichever is greater, including at least one independent director in attendance. | The Stakeholders' Relationship Committee shall meet at least once in a year. |
| Nomination and Remuneration Committee | The Nomination and Remuneration Committee shall comprise of at least three directors. All members shall be non-executive directors; and at least 2/3rd of the directors shall be independent directors. | (i) Rachna Dikshit (Chairman);<br>(ii) Ramakrishnan Seshan (Member); and<br>(iii) Jagdish Chandra Sharma (Member). | The quorum shall be either two members or one third of the members of the Nomination and Remuneration Committee, whichever is greater. | The Nomination and Remuneration Committee shall meet at least once in a year. |
| Risk Management Committee | The Risk Management Committee shall consist of at least three members with majority being directors on the Board. At least one member of the Risk Management Committee shall be an independent director. The chairperson of the Risk Management Committee shall be a member of the Board and senior executives of the Investment Manager may be members of the Risk Management Committee. | (i) Hashim Qadeer Khan (Chairman);<br>(ii) Kunal Moktan (Member); and<br>(iii) Ramakrishnan Seshan (Member). | The quorum shall either be two members or one third of the members of the Risk Management Committee, whichever is greater, including at least one member of the Board in attendance. | The Risk Management Committee shall meet at least twice in a year. The meetings shall be conducted in such a manner that on a continuous basis not more than 210 days shall elapse between any two consecutive meetings. |
| IPO Committee | The IPO Committee shall have minimum three members. | (i) Kunal Moktan (Chairman);<br>(ii) Hashim Qadeer Khan (Member); and<br>(iii) Rachna Dikshit (Member); | The quorum shall be at least 50% of the members of the IPO Committee.<br>All matters shall be approved by at least a simple majority of the members. | The IPO Committee shall meet as frequently as required in connection with the Offer. |

For details of the terms of reference of each committee, please see below:

*Audit Committee*

*Terms of reference of the Audit Committee, inter alia, include:*

(i) oversight of the Property Share Investment Trust's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Giving recommendations to the Board regarding appointment, re-appointment, remuneration and terms of appointment of the statutory auditor of the Property Share Investment Trust and the audit fee, subject to the approval of the Unitholders;

(iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of the sub-section (3) of Section 134 of the Companies Act;

- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) and qualifications in the draft audit report;

(v) reviewing, with the management, all periodic financial statements, including but not limited to quarterly, half yearly and annual financial statements of the Property Share Investment Trust, whether standalone or consolidated or in any other form as may be required under applicable law, before submission to the Board for approval;

(vi) reviewing, with the management, the statement of uses/application of funds raised through an issue of units by the Property Share Investment Trust (including but not limited to public issue, rights issue, preferential issue, private placement etc.) and any issue of debt securities and the statement of funds utilised for purposes other than those stated in the offer documents/ notice, and making appropriate recommendations to the Board for follow-up action;

(vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(viii) approval or any subsequent modification of transactions of the Property Share Investment Trust with related parties;

(ix) scrutiny of loans including inter-corporate loans and investments of the Property Share Investment Trust;

(x) reviewing all valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;

(xi) evaluating internal financial controls and risk management systems of the Property Share Investment Trust;

(xii) reviewing, with the management, performance of statutory auditors of the Property Share Investment Trust, adequacy of the internal control systems, as necessary;

(xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) discussion with internal auditors of any significant findings and follow up there on;

(xv) reviewing the findings of any internal investigations in relation to the Property Share Investment Trust, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

(xvi) discussing with statutory auditors and valuers prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/ valuation discussion to ascertain any area of concern;

(xvii) reviewing and monitoring the independence and performance of the valuer of the Property Share Investment Trust;

(xviii) looking into the reasons for substantial defaults in the payment to the depositors, debenture holders and creditors;

(xix) reviewing the functioning of the whistle blower mechanism;

(xx) approving of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(xxi) reviewing the utilization of loans and/ or advances from/investment by the Property Share Investment Trust in the Project SPV exceeding INR 100 crore or 10% of the asset size of the Project SPV, whichever is lower;

(xxii) considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Property Share Investment Trust and its unitholders; and

(xxiii) carrying out any other function as is mentioned in the terms of reference of the audit committee.

The audit committee shall mandatorily review the following information:

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

(b) management letters / letters of internal control weaknesses issued by the statutory auditors;

(c) internal audit reports relating to internal control weaknesses;

(d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and

(e) statement of deviations:

- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the LODR Regulations; and
- annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the LODR Regulations.

*Stakeholders' Relationship Committee*

*Terms of reference of the stakeholders' relationship committee, inter alia, include:*

(i) consider and resolve grievances of the unitholders, including complaints related to the transfer of units, non-receipt of annual report, general meetings and non-receipt of declared distributions;

(ii) review of measures taken for effective exercise of voting rights by Unitholders;

(iii) review of adherence to the service standards adopted by the Property Share Investment Trust in respect of various services being rendered by the registrar and unit transfer agent;

(iv) review of the various measures and initiatives taken by the Property Share Investment Trust for ensuring timely receipt of distributions /annual reports/statutory notices by the unitholders; and

(v) any other activities as may be delegated by the board of directors or described under any law to be attended by the Stakeholders' relationship committee.

*Nomination and Remuneration Committee*

*Terms of reference of the Nomination and Remuneration Committee, inter alia, include:*

(i) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(ii) for every appointment of an independent director, evaluation of the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the NRC may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

(iii) formulation of criteria for evaluation of performance of independent directors and the Board, which shall include performance of the directors, and fulfilment of the independence criteria as specified in the applicable law and their independence from the management;

(iv) devising a policy on diversity of Board;

(v) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

(vi) determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and

(vii) recommend to the Board, all remuneration, in whatever form, payable to senior management.

(viii) the nomination and remuneration committee of the investment manager shall be responsible for the administration and superintendence of the unit-based employee benefit scheme.

(ix) the nomination and remuneration committee shall formulate the detailed terms and conditions of the unit-based employee benefit scheme.

(x) the nomination and remuneration committee of the investment manager shall frame suitable policies and procedures to ensure compliance with all securities laws particularly the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 by the investment manager, its directors, its key managerial personnel, recipients of units under the unit based employee benefit scheme, employee benefit trust and trustee of the employee benefit trust.

*Risk Management Committee*

*Terms of reference of the Risk Management Committee, inter alia, include:*

(i) to formulate a detailed risk management policy which shall include:

- a framework for identification of internal and external risks specifically faced by the Property Share Investment Trust, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
- measures for risk mitigation including systems and processes for internal control of identified risks; and
- a business continuity plan.

(ii) to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Property Share Investment Trust;

(iii) to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(iv) to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(v) to keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(vi) the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and

(vii) the Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

*IPO Committee*

*Terms of reference of the IPO Committee, inter alia, include:*

(i) to formulate a detailed risk management policy which shall include:

- To make applications, where necessary, to such authorities or entities as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions and sanctions as may be required with respect to the Offer;
- To authorise any Director of the Board, or other officer or officers of the Investment Manager, including by the grant of power of attorney, to do such acts, deeds and things as such authorized person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment and transfer of units of the schemes under the Trust;
- To give or authorise the giving by concerned persons on behalf of the Investment Manager of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- To seek, if required, the consent of the lenders, parties with whom each of the special purpose vehicles under the schemes have entered into various commercial and other agreements, all

concerned government and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Offer.

- To negotiate, finalise, approve and file, where applicable, the draft scheme offer document, the scheme offer document and the final scheme offer document, the preliminary and final international wrap (including any notices, amendments, addenda, corrigenda or supplements thereto), as finalized in consultation with the lead managers, in accordance with all applicable law, rules, regulations and guidelines, with the SEBI and the Stock Exchanges and such other authorities, as may be applicable, and to make necessary amendments or alterations, therein with respect to the Offer;

- withdrawing the draft scheme offer document, the scheme offer document and the final scheme offer document or not proceeding with the Offer at any stage, after consultation with the lead managers in accordance with the applicable laws;

- To decide on the timing, pricing and all the terms and conditions with respect to the Offer, including the determination of the minimum subscription for the Offer, allotment, the offer price, the price band (including anchor investor offer price), the size and all other terms and conditions of the Offer including the number of units to be offered and transferred in the Offer, the bid/offer opening date and bid/offer closing date (including Anchor Investors Offer Period), any rounding off in the event of oversubscription as permitted under applicable law in consultation with the lead managers, etc. and to accept any amendments, modifications, variations or alterations thereto;

- Approving the financial statements to be included in the offer documents;

- To appoint and enter into arrangements with the Trustee, Investment Manager, registrar, valuer, book running lead managers, legal counsels and any other agencies or persons or intermediaries with respect to the Offer and to negotiate and finalise the terms of their appointment;

- To open with the bankers to the Offer such accounts as maybe required by the regulations issued by SEBI and to authorise one or more officers of the Investment Manager to execute all documents / deeds as may be necessary in this regard;

- To authorize and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;

- To issue all documents and authorise one or more officers of the Investment Manager to sign all or any of the afore stated documents;

- To seek the listing of the units of the schemes under the Trust on any Indian stock exchange(s), submitting the listing application to such stock exchanges and taking all actions as may be necessary in connection with obtaining such listing and trading approval;

- approve suitable policies on insider trading, risk management and any other polices as may be required under the SEBI LODR Regulations or any other applicable laws;

- To enter into agreements with, and remunerate the lead managers, syndicate members, bankers to the Offer, the registrar to the offer, underwriters, guarantors escrow agents, accountants, auditors, legal counsel, depositories, custodians, credit rating agencies, monitoring agencies, advertising agencies, industry experts, printers, and all other agencies or persons as may be involved in or concerned with the Offer, by the way of commission, brokerage, fees or the like;

- To issue advertisements and/or notices as it may deem fit and proper in accordance with applicable law;

- To authorise the maintenance of a register of unitholders of the schemes under the Trust;

- To accept and appropriate the proceeds of the Offer;

- To finalize the allotment of units of the schemes under the Trust on the basis of the applications received including the basis of the allotment;

- To enter into debt financing documentation, debenture subscription agreements, share acquisition agreements and other agreements in connection with the Offer with the SPVs;

- Authorizing and empowering certain individuals for and on behalf of the Investment Manager, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the authorised officer considers necessary, desirable or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of

understanding, the listing agreements, the registrar's agreement, the depositories agreements, the offer agreement with the book running lead managers (and other entities as appropriate),the underwriting agreement, the syndicate agreement, the escrow agreement, confirmation of allocation notes, the advertisement agency agreement, unit subscription agreement and any agreement or document in connection with the Offer, with, and to make payments to or remunerate by way of fees, commission, brokerage or the like, the book running lead managers, syndicate members, bankers to the Offer, registrar to the Offer, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsel, depositories, trustees, custodians, credit rating agencies, monitoring agencies, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any; and any such agreements or documents so executed and delivered and acts and things done by any such authorized officer shall be conclusive evidence of the authority of the authorized officer and the Investment Manager in so doing; and

- To do all such acts, deeds, matters and things and execute all such other document/s, application/s, agreement/s, undertaking/s, deed/s, affidavits, declarations and certificates, etc.,deemed necessary or desirable for such purpose of with respect to the Offer.

**1.3** ***Policies of the Board of Directors of the Investment Manager in relation to the Property Share Investment Trust***

The Investment Manager has adopted the following policies in relation to the Property Share Investment Trust:

*a)* *Policy on appointment of auditors and valuers*

The Investment Manager has adopted the policy on appointment of auditors and valuer pursuant to a resolution of its board of directors on September 17, 2024. For details of the policy, *please see the Section titled "Other Parties Involved In The Property Share Investment Trust"* on page 45 to 48.

*b)* *Policy for Determining Materiality of Information for Periodic Disclosures ("**Materiality of Information Policy**")*

The Investment Manager has adopted the Materiality of Information Policy pursuant to a resolution of its board of directors on September 17, 2024. The Materiality of Information Policy aims to outline process and procedures for determining materiality of information in relation to periodic disclosures on Property Share Investment Trust's website, to BSE Limited (the **"Stock Exchange"**) and to all stakeholders at large, in relation to the Property Share Investment Trust. The key principles of the Materiality of Information Policy are set out below:

(i) Any information concerning the Property Share Investment Trust shall be considered material to the business and affairs of the Property Share Investment Trust if it results in, or would reasonably be expected to result in a significant change in the market price or value of Units of the Property Share Investment Trust or if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision relating to the Units;

(ii) Specific events/ information, as specified in the Materiality of Information Policy, shall be deemed to be material information and against which the Manager shall not be required to apply the criteria for determining materiality of information, and are deemed material information;

(iii) The Manager shall use defined criteria for determination of materiality of events/information other than for the deemed material information; and

(iv) The Property Share Investment Trust shall also submit such information to the designated stock exchange i.e. BSE and Unitholders on a periodical basis as may be required under the Listing Agreement.

*c)* *Document Archival Policy ("**Document Archival Policy**")*

The Investment Manager has adopted the Document Archival Policy pursuant to a resolution of its board of directors on September 17, 2024. The Document Archival Policy aims to provide a comprehensive policy on the preservation and conservation of the records and documents of the Property Share Investment Trust. The Document Archival Policy aims at identifying, classifying, storing, securing, retrieving, tracking and destroying or preserving records. The key principles of the Document Archival Policy *inter alia* are set out below:

(i) All records and documents along with all the supportive documents which are physically available shall be maintained at the principal place of business of the Property Share Investment Trust or such other secured place as may be decided and approved by the board of directors of the PropShare Investment Manager Private Limited ("**Manager**") from time to time;

(ii) All the documents required to be maintained in terms of the REIT Regulations, including any guidelines, circulars, notifications and clarifications framed or issued thereunder, secretarial standards, listing agreement, and any applicable law, each as amended, shall be preserved under the custody of the compliance officer of the Property Share Investment Trust;

(iii) All financial records required to be maintained in terms of the REIT Regulations, prescribed accounting standards, Income Tax Act, 1961 and other applicable law, as amended, shall be maintained under the custody of the chief finance officer of the Manager;

(iv) All the statutory documents shall be preserved for a minimum period of eight financial years, immediately preceding a fiscal, and since creation of the Property Share Investment Trust, when the Property Share Investment Trust has been created for a period of less than eight years; or such longer duration if prescribed under applicable law. Documents shall be preserved in a chronological order for each Fiscal;

(v) Documents which are confidential in nature shall, wherever possible, be kept under lock and key and shall be shared on a need-to-know basis only with persons directly involved in the transaction involving such documents and records;

(vi) If required under applicable law, some of the registers and records may be required to be kept open by the Property Share Investment Trust for inspection by directors of the Manager and Unitholders of the Property Share Investment Trust and by other persons, including creditors of the Property Share Investment Trust. Upon receipt of advance notice from a unitholder or from any other specified person the Property Share Investment Trust shall facilitate inspection of such documents by such persons and allow extracts to be taken from certain documents, registers and records and to furnish copies of certain documents, registers and records. Such documents and records shall be kept open for inspection during the business hours of the Property Share Investment Trust and Manager without payment of any fee;

(vii) Documents which are statutorily required to be hosted on the Property Share Investment Trust website shall be hosted within the prescribed timeline from the occurrence of the event. All statutory data shall be hosted on the Property Share Investment Trust website for a minimum period of five years or for such minimum period as prescribed under applicable law. After which it shall be preserved in the archival folder of the Property Share Investment Trust's maintained offline, until it is destroyed upon the expiry of the statutory period for the preservation such documents; and

(viii) Documents and records may be destroyed after the expiry of the statutory period for the preservation the documents after keeping a suitable record of documents destroyed.

*d)* *Nomination and Remuneration Policy ("**Nomination and Remuneration Policy**")*

The Investment Manager has adopted the Nomination and Remuneration Policy pursuant to a resolution of its board of directors on September 17, 2024. The Nomination and Remuneration Policy outlines the principles of the compensation program in order to attract, retain, and reward talented executives who will contribute to the long-term success of its special purpose vehicles, and all the schemes of the Property Share Investment Trust, and thereby build value for its stakeholders. The same are set out below:

(i) The Nomination and Remuneration Committee is authorised by the Board at the expense of the Investment Manager to investigate any matter within its terms of reference. It is authorised to seek any information it requires from any employee in order to perform its duties and all employees are directed to co-operate with any requests made by the Nomination and Remuneration Committee.

(ii) The Nomination and Remuneration Committee is authorized by the Board at the expense of the Investment Manager, to obtain external legal or other professional advice on any matters within its terms of reference.

(iii) The Nomination and Remuneration Committee is also authorised at the expense of the Investment Manager, at all times within budgetary restraints imposed by the Board, to appoint external remuneration consultants and set their terms of reference and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfill its duties.

(iv) The Nomination and Remuneration Policy sets out the terms of reference of the Nomination and Remuneration Committee.

*e)* *Borrowing Policy ("**Borrowing Policy**")*

The Investment Manager has adopted the borrowing policy pursuant to a resolution of its board of directors on September 17, 2024 ("Borrowing Policy"). The key terms of the borrowing policy are as follows:

(i) The Investment Manager shall ensure that all funds borrowed in relation to the Property Share Investment Trust and its portfolio are in compliance with the REIT Regulations.

(ii) The Investment Manager may cause the Property Share Investment Trust to borrow or incur financial indebtedness for the purpose of the schemes of the Trust and subject to requisite approval of the board of directors of the Investment Manager, the investment committee of the Investment Manager or such committee of the board of directors of the Investment Manager as may be constituted in this regard and the unitholders of the schemes of the Trust ("Unitholders") in accordance with the REIT Regulations.

(iii) The SPVs may undertake leverage through external borrowings or issuance of debt securities under Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. The option to undertake leverage must be disclosed in the scheme offer document filed for initial offer.

(iv) The Property Share Investment Trust may undertake leverage if the option to undertake leverage is disclosed in the final scheme offer document filed for initial offer. The total borrowings and deferred payments net of cash and cash equivalents, at the scheme level, shall not exceed 49% of the value of the scheme assets.

Provided that if the total borrowings and deferred payments net of cash and cash equivalents, at the scheme level, exceeds 25% of the value of the scheme assets, then for any further borrowings, -

a) credit rating shall be obtained from a credit rating agency registered with the Securities and Exchange Board of India ("SEBI"); and

b) approval of unit holders shall be obtained as per regulation 26ZM which mentions the rights of unit holders.

(v) Approval from the unitholders of the schemes of the Property Share Investment Trust shall be required, where votes cast in favour of the resolution shall be more than the votes cast against the resolution, in case of any borrowing in excess of 25% of the value of the scheme assets.

(vi) The Property Share Investment Trust (acting through its Investment Manager) shall be permitted to borrow monies through any permitted means, by any instrument, in Indian or foreign currency, as permitted by applicable law, including as prescribed by the Reserve Bank of India. In case the Property Share Investment Trust issues debt securities, in the manner specified by SEBI, the same shall be listed on a recognized stock exchange and it shall comply with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and the Master Circular on Real Estate Investment Trusts dated May 15, 2024, as amended, issued by SEBI.

(vii) The annual report of the Property Share Investment Trust shall disclose details of outstanding borrowings and deferred payments of the Property Share Investment Trust including any credit rating(s), debt maturity profile, gearing ratios of the Property Share Investment Trust on a consolidated and standalone basis as at the end of the year.

(viii) The annual report shall contain detail of changes during the year with respect to borrowings/repayment of borrowings on a standalone and consolidated basis.

(ix) Any such obligation will not allow the Investment Manager to make the liabilities of the Property Share Investment Trust or its Unitholders unlimited or extend beyond the asset held by the Property Share Investment Trust.

*(x)* In addition to the above, any borrowing by the special purpose vehicles of the schemes under the Property Share Investment Trust will be in accordance with the conditions prescribed under *applicable law.*

*f) Code on unpublished price-sensitive information and dealing in securities of the Property Share Investment Trust ("**Insider Trading Policy**")*

The Investment Manager has adopted the Insider Trading Policy pursuant to a resolution of its board of directors on November 19, 2024. The purpose of the policy is to ensure that the Property Share Investment Trust complies with applicable law, including the SEBI REIT Regulations or such other laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information ("**UPSI**"). The key principles of the Insider Trading Policy are set out below:

(i) The Investment Manager shall promptly disclose to the public all UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available;

(ii) The Investment Manager shall follow uniform and universal dissemination of UPSI to avoid selective disclosure. In case any such information gets disclosed selectively, inadvertently or otherwise to it shall be promptly disclosed/disseminated to make such information generally available;

(iii) The Compliance Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure, in accordance with the procedure specified in the Insider Trading Policy for determining materiality of information for periodic disclosure;

(iv) The Compliance Officer shall also make an appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities, in accordance with the procedure specified in the Insider Trading Policy for determining materiality of information for periodic disclosure; and

(v) The designated persons shall make disclosures to the Compliance Officer or the stock exchanges and the Compliance Officer shall make all disclosures required to be made to the stock exchanges, in accordance with applicable law.

The Investment Manager has adopted other policies like the Code of Conduct and Ethics for Directors, Senior Management and Other Employees, Investors' Grievance and Redressal Policy, Familiarization for Independent Directors, Policy to Promoter Diversity on the Board of Directors of PropShare Investment Manager Private Limited, Terms and Condition for appointment of Independent Director, and Vigil Mechanism and Whistle Blower Policy.

**1.4** ***Framework for making key decisions***

The decisions to be undertaken by Investment Manager shall be undertaken by the board of directors of the Investment Manager either directly, or through a duly constituted committee of the board of directors of the Investment Manager, depending on the materiality of the decision being made. Further, for transactions above a defined threshold, the board of directors of the Investment Manager may present the decision before the Unitholders for their approval in terms of the REIT Regulations and the Trust Deed.

## OTHER PARTIES INVOLVED IN THE PROPERTY SHARE INVESTMENT TRUST

### The Auditor

***Background and terms of appointment***

The Manager, in consultation with the Trustee, has appointed ASA & Associates LLP, Chartered Accountants, Chartered Accountants (Firm Registration No. 009571N/N500006) as the auditors of the Property Share Investment Trust for the financial year 2024-2025.

The terms of appointment of the Auditor will be in accordance with the REIT Regulations.:

1. The Investment Manager, as per recommendation of the audit committee constituted by the board of directors of the Investment Manager and approval of the Board, in consultation with the Ttrustee to Trust, shall appoint the auditor of the Trust, in a timely manner and in accordance with the REIT Regulations.

2. The Auditor, so appointed, shall be one who has subjected itself to the peer review process of the Institute of Chartered Accountants of India (ICAI) and who holds a valid certificate issued by the Peer Review Board of ICAI.

3. The Investment Manager shall ensure that the appointment of the Auditor and the fees payable to the Auditor is approved by the unitholders of the Trust, in accordance with the REIT Regulations.

4. The Investment Manager shall appoint an individual or a firm as the Auditor, who shall hold office from the date of conclusion of the annual meeting in which the Auditor has been appointed till the date of conclusion of the sixth annual meeting of the Unitholders in accordance with the procedure for selection of Auditors, in accordance with the REIT Regulations.

5. The Investment Manager shall not appoint or re-appoint:

    a. an individual as the Auditor for more than one term of five consecutive years; and provided that such individual, upon completion of the term shall not be eligible for re-appointment as the Auditor in the Trust for a period of five years from the date of completion of the term; and

    b. an audit firm as the Auditor for more than two terms of five consecutive years, provided that such firm, upon completion of the term shall not be eligible for re-appointment as the Auditor in the Trust for a period of five years from the date of completion of the term.

6. Approval from the Unitholders of the scheme of the SM REIT shall be required, where votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution in case of removal of the auditor or valuer and appointment of another auditor or valuer to the SM REIT.

7. The Investment Manager, as per recommendation of the Audit Committee and approval of the Board in consultation with the Trustee, may remove the Auditor in accordance with REIT Regulations if the Auditor fails to comply with the provisions of the REIT Regulations. The Unitholders may request for removal of the Auditor and appointment of another auditor to the Trust in accordance with the REIT Regulations.

***Functions, Duties and Responsibilities of the Auditor***

The functions, duties and responsibilities of the Auditor will be in accordance with the REIT Regulations. Presently, in terms of the REIT Regulations, the Auditor is required to comply with the following conditions at all times:

1. The Auditor shall conduct audit of the accounts of the Property Share Investment Trust and prepare the audit report based on the accounts examined by it and after taking into account the relevant accounting and auditing standards, as may be specified under the Companies Act, 2013, Securities and Exchange Board of India ("**SEBI**") or any other relevant act/ regulation;

2. the Auditor shall, to the best of its information and knowledge, ensure that the accounts and financial statements give a true and fair view of the state of the affairs of the Property Share Investment Trust, including profit or loss and cash flow for the period and such other matters as may be specified;

3. the Auditor shall have a right of access at all times to the books of accounts and vouchers pertaining to activities of the Property Share Investment Trust; and

4. the Auditor shall audit the accounts not less than once in a year and such report shall be submitted to the designated stock exchange within the timelines prescribed under the REIT Regulations;

5. the Auditor shall have a right to require such information and explanation pertaining to activities of the Property Share Investment Trust as it may consider necessary for the performance of its duties as auditor from the employees of the

Property Share Investment Trust or parties to the Property Share Investment Trust or the SPVs or any other person in possession of such information.

6. The Auditor shall undertake a limited review of the audit of all the entities or companies whose accounts are to be consolidated with the accounts of the Trust as per the applicable Indian Accounting Standards and any addendum thereto as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, in such manner as specified by SEBI.

**Policy on appointment of Auditor and Valuer**

The Investment Manager has adopted a policy on the appointment of auditor and valuer of the Trust, pursuant to its resolution dated September 17, 2024. The key terms of the Appointment of Auditor and Valuer Policy are set out below:

***Appointment and removal of the auditor of the Property Share Investment Trust***

(i) The Investment Manager, in consultation with the Trustee shall appoint the auditor of the Property Share Investment Trust, in a timely manner and in accordance with the REIT Regulations.

(ii) The auditor, so appointed shall be one who has subjected itself to the peer review process of the Institute of Chartered Accountants of India ("**ICAI**") and who holds a valid certificate issued by the peer review board of ICAI.

(iii) The Investment Manager shall ensure that the appointment of the auditor and the fees payable to the auditor is approved by the Unitholders, in accordance with the REIT Regulations.

(iv) The Investment Manager shall appoint an auditor for a period of not more than five consecutive years; provided that the auditor, not being an individual, may be reappointed for a period of another five consecutive years, subject to approval of Unitholders in the annual meeting in accordance with the REIT Regulations.

(v) The Investment Manager, as per recommendation of the Audit Committee and approval of board of directors of the Manager in consultation with the Trustee, may remove the auditor in accordance with REIT Regulations if the auditor fails to comply with applicable law.

(vi) Approval from the Unitholders of the scheme of the SM REIT shall be required, where votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution in case of removal of the auditor or valuer and appointment of another auditor or valuer to the SM REIT.

(vii) The Unitholders may request for removal of the auditor and appointment of another auditor to the Property Share Investment Trust in accordance with the REIT Regulations.

(viii) In case of removal of the auditor and appointment of another auditor to the Property Share Investment Trust has been taken up at the request of the Unitholders, approval from the Unitholders shall be required where votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution.

***Functions of the Valuer***

The functions, duties and responsibilities of the Valuer will be in accordance with the REIT Regulations. Presently, in terms of the REIT Regulations, the Valuer is required to comply with the following conditions at all times:

- the Valuer shall ensure that the valuation of the Scheme's assets is impartial, true and fair and is in accordance with REIT Regulations;
- the Valuer shall ensure adequate and robust internal controls to ensure the integrity of its valuation reports;
- the Valuer shall ensure that it has sufficient key personnel with adequate experience and qualification to perform valuations;
- the Valuer shall ensure that it has sufficient financial resources to enable it to conduct its business effectively and meet its liabilities;
- the Valuer and any of its employees involved in valuing of the assets of the Property Share Investment Trust, shall not, (i) invest in Units of the Trust or in the assets being valued; and (ii) sell the assets or Units of Trust held prior to being appointed as the Valuer, till the time such person is designated as Valuer of the Trust and not less than six months after ceasing to be valuer of the Trust;
- the Valuer shall conduct valuation of the Scheme's assets with transparency and fairness and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment;
- the Valuer shall act with independence, objectivity and impartiality in performing the valuation;

- the Valuer shall discharge its duties towards the Trust in an efficient and competent manner, utilising its knowledge, skills and experience in best possible way to complete given assignment;

- the Valuer shall not accept remuneration, in any form, for performing a valuation of the Property Share Investment Trust from any person other than the Property Share Investment Trust or its authorised representative;

- the Valuer shall before accepting any assignment, from any related party of the Property Share Investment Trust, disclose to the Trust any direct or indirect consideration which the Valuer may have in respect of such assignment;

- the Valuer shall disclose to the Property Share Investment Trust any pending business transactions, contracts under negotiation and other arrangements with the Investment Manager or any other party whom the Trust is contracting with and any other factors that may interfere with the Valuer's ability to give an independent and professional valuation of the assets;

- the Valuer shall not make false, misleading or exaggerated claims in order to secure assignments;

- the Valuer shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information;

- the Valuer shall not accept an assignment which interferes with its ability to do fair valuation; and

- the Valuer shall, prior to performing a valuation, acquaint itself with all laws or regulations relevant to such valuation.

***Appointment and role of the Valuer of the Trust***

(i) The Investment Manager, as per recommendation of the Audit Committee and approval of the Board, in consultation with Trustee, shall appoint the valuer of the Property Share Investment Trust ("**Valuer**"), in a timely manner and shall determine the remuneration of such Valuer, in accordance with the REIT Regulations which includes the requirement of being registered as a 'registered valuer' as per Section 247 of the Companies Act, 2013, as amended from time to time and the Companies (Registered Valuers and Valuation) Rules, 2017, as amended from time to time or as specified by SEBI from time to time.

(ii) The Investment Manager shall ensure the appointment of the Valuer is approved by the Unitholders in accordance with REIT Regulations.

(iii) The Investment Manager, as per recommendation of the Audit Committee and approval of the Board, in consultation with the Trustee, may remove the Valuer in accordance with REIT Regulations if the Valuer fails to comply with the provisions of the REIT Regulations. The Unitholders may request for removal of the Valuer and appointment of another valuer to the Trust in accordance with the REIT Regulations.

(iv) The remuneration of the Valuer shall not be linked to or based on the value of the assets being valued.

(v) The Valuer shall not be an associate of any of the Investment Manager or Trustee. The Valuer shall have the minimum number of years of experience in valuation of real estate assets as may be required under the REIT Regulations.

(vi) The Valuer shall be eligible to act as a valuer in accordance with the REIT Regulations or any clarifications, guidelines, notifications or exemptions issued by SEBI.

(vii) A Valuer shall not undertake valuation of the same property for more than four years consecutively, provided that the Valuer may be reappointed after a period of not less than two years from the date it ceases to be the Valuer of the Trust.

(viii) The Valuer shall not undertake valuation of any assets in which it has either been involved with the acquisition or disposal within the last twelve months other than such cases where the Valuer was engaged by the Trust for such acquisition or disposal.

(ix) The Valuer shall comply with the following conditions at all times:

a. the Valuer shall ensure that the valuation of the Trust's assets is impartial, true and fair and is in accordance with the REIT Regulations;

b. the Valuer shall ensure that adequate and robust internal controls to ensure the integrity of its valuation reports;

c. the Valuer shall ensure that it has sufficient key personnel with adequate experience and qualification to perform property valuations at all times;

d. the Valuer shall ensure that it has sufficient financial resources to enable it to conduct its business effectively and meet its liabilities;

e. the Valuer and any of its employees involved in valuing of the assets of the Trust, shall not: (a) invest in units of the Trust or in the assets being valued; and (b) sell the assets or units of the Trust held prior to being appointed as the Valuer,

f. until the time such person is designated as Valuer of the Trust and not less than six months after ceasing to be Valuer of the Trust;

g. the Valuer shall conduct valuation of the Scheme's assets with transparency and fairness and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment;

h. the Valuer shall act with independence, objectivity and impartiality in performing the valuation;

i. the Valuer shall discharge its duties towards the Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete given assignment;

j. the Valuer shall not accept remuneration, in any form, for performing a valuation of the Scheme's assets from any person other than the Trust or its authorized representative;

k. the Valuer shall before accepting any assignment, from any related party of the Trust, disclose to the Trust, by disclosing to the Investment Manager or the Trustee, any direct or indirect consideration which the Valuer may have in respect of such assignment;

l. the Valuer shall disclose to the Property Share Investment Trust, through the Investment Manager, any pending business transactions, contracts under negotiation and other arrangements with the Investment Manager or any other party whom the Property Share Investment Trust is contracting with and any other factors that may interfere with the Valuer's ability to give an independent and professional valuation of the assets, and other necessary disclosures required under the REIT Regulations;

m. the Valuer shall not make false, misleading or exaggerated claims in order to secure assignments;

n. the Valuer shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information;

o. the Valuer shall not accept any assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the Trust; and

p. the Valuer shall, prior to performing a valuation, acquaint itself with all laws or regulations relevant to such valuation.

(x) The Investment Manager in consultation with the Trustee shall have the right to take all necessary steps to remove the Valuer who ceases to comply with the eligibility criteria required under the REIT Regulations and applicable law. If the removal of the Valuer and appointment of another valuer to the Trust is taken up at a meeting of the Unitholders at the request of the Unitholders, such removal of the Valuer shall be approved by the Unitholders in accordance with the REIT Regulations.

## SUMMARY FINANCIALS

## SUMMARY FINANCIAL INFORMATION OF THE PROPERTY SHARE INVESTMENT TRUST

*The Property Share Investment Trust was registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L(1) of the REIT Regulations having registration number IN/SM-REIT/24-25/0001. The financial statements of the Property Share Investment Trust will be prepared in due course as per the statutory timeline. Therefore, presently financial statements of the Property Share Investment Trust are not applicable.*

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## SUMMARY FINANCIAL INFORMATION OF THE INVESTMENT MANAGER

*The Investment Manager was incorporated on April 2, 2024. The financial statements of the Investment Manager will be prepared in due course as per the statutory timeline. Therefore, presently financial statements of the Investment Manager are not applicable.*

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## DISTRIBUTIONS

*Statements contained in this section that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those that may be projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Property Share Investment Trust, the Trustee, the Investment Manager, the Lead Manager or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that are stated only as at the date of this Final Trust Offer Document or any final scheme offer documents. For details in relation to such forward-looking statements, please see the section titled "Forward-Looking Statements" on page* 8.

The net distributable cash flows of the Trust (the "**Distributable Income**") are based on the cash flows generated from the underlying operations undertaken by the SPVs. For details of the business and operations presently undertaken by the SPVs, please see the relevant schemes of the documents issued in relation to the schemes.

In terms of the REIT Regulations, (i) not less than ninety-five per cent of net distributable cash flows of the SPVs are distributed to the scheme of SM REIT subject to applicable provisions in the Companies Act, 2013. Also, the amount retained by the SPVs shall be utilized only in such manner as may be specified by the SEBI from time to time; and (ii) hundred percent of the net distributable cash flows of the scheme of SM REIT shall be distributed to the unit holders. Such distribution shall be declared at least once in every quarter of the financial year and not later than fifteen working days from the end of the quarter. The distributions are paid to the unitholders within five working days of such declaration.

For details on the risks relating to distribution, please see the section titled "*Risk Factors*" on pages 12 to 26.

## FINANCIAL INDEBTEDNESS

Except as disclosed below, there is no outstanding financial indebtedness at Property Share Investment Trust level:

NIL

Further, for information in relation to financial indebtedness availed by the schemes of the Trust, other SPVs, as relevant, please refer to the relevant final scheme offer documents in relation to such schemes or SPVs.

***Leverage***

In accordance with and subject to the REIT Regulations, the provisions of the Trust Deed, and the borrowing policy adopted by the Investment Manager, the total borrowings and deferred payments net of cash and cash equivalents, at the SM REIT scheme level, shall not exceed forty nine percent of the value of the scheme assets.

**Borrowing Policy**

The Investment Manager shall ensure that all funds borrowed in relation to the Trust are in compliance with the REIT Regulations. Except as disclosed below, there are no borrowings of the Trust and the Investment Manager:

| ***Borrowing details*** | |
|---|---|
| Trust | NIL |
| Investment Manager | 220 Million* |

** The Investment Manager has availed the short term debt from AltInvest Online Platform Private Limited (the parent company of the Investment Manager) for payment of applicable statutory charges under applicable laws (including stamp duty, registration, surcharge and cess etc.), on behalf of the Platina SPVs for the registration and execution of the sale deed for the proposed acquisition of the Project Platina by Platina SPVs.*

## LEGAL AND OTHER INFORMATION OF PROPERTY SHARE INVESTMENT TRUST

*This section discloses all outstanding title litigation pertaining to the Trust, Trustee, Investment Manager and its Associates along with details of other title related disclosures. Further, details of all outstanding regulatory actions and criminal matters against the Trust, Trustee, Investment Manager and its Associates (together, "**Relevant Parties**"), have been disclosed. Further, all direct tax, indirect tax and property tax matters against the Relevant Parties have been disclosed in a consolidated manner. All disclosures are as of the date of this Final Trust Offer Document.*

### I. Litigation and Regulatory Actions against the Trust and its Associates

As at the date of this Final Trust Offer Document, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Trust and its Associates.

### II. Litigation and Regulatory Actions against the Investment Manager and its Associates

As at the date of this Final Trust Offer Document, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Investment Manager and its Associates.

### III. Litigation and Regulatory Actions involving the Trustee

As at the date of this Final Trust Offer Document, except as disclosed below, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Trustee:

It may be noted that there is one (1) case- No. 29 of 2021 before the Competition Commission of India ("**CCI**") against the Trustee in its former official capacity as one of the office bearers of Trustees Association of India ("**TAI**"). In the said case, Muthoot Finance Limited (the Informant) has filed a complaint against TAI, IDBI Trusteeship Services Limited, Trustee (as president of TAI), and SBICAP Trustee Company Limited before the CCI for alleged cartelization in the debenture trustee market. The CCI passed a prima-facie order directing its investigative arm, the Director-General (DG), to investigate the matter. The matter is currently being investigated by the DG.

***Tax Proceedings***

Details of all direct tax, indirect tax and property tax matters against the Relevant Parties, as of the date of this Final Trust Offer Document is as follows:

| Nature of cases | Number of cases | Amount involved (in ₹ million) |
|---|---|---|
| **Property Share Investment Trust** | | |
| Direct Tax | NIL | NIL |
| Indirect Tax | NIL | NIL |
| Property Tax | NIL | NIL |
| **Investment Manager** | | |
| Direct Tax | NIL | NIL |
| Indirect Tax | NIL | NIL |
| Property Tax | NIL | NIL |
| **Associates of the Investment Manager** | | |
| Direct Tax | 2 | 6.436 |
| Indirect Tax | 4 | 9.485 |
| Property Tax | NIL | NIL |

## REGULATIONS AND POLICIES

*The following description is a summary of certain sector specific laws currently in force in India, which are applicable to the Property Share Investment Trust. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the regulations set out below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.*

Given below is a brief description of certain relevant legislations that are currently applicable to the business carried on by the SPVs under the PropShare Platina issued by the Property Share Investment Trust.

### REAL ESTATE/ PROPERTY RELATED LAWS AND REGULATIONS

***Transfer of Property Act, 1882 ("TP Act")***

The TP Act establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property and mortgage of immovable property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of immovable property. The TP Act also governs lease agreements, including the rights and liabilities of the lessor and the lessee.

***Registration Act, 1908 ("Registration Act")***

The Registration Act requires for compulsory registration of certain documents, including documents relating to the conveyance of immovable property. A document must be registered within four months from the date of is execution and must be registered with the sub-registrar within whose sub-district the whole or some portion of the property is situated. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the TP Act or as collateral), unless it has been registered.

***STATE-WISE APPLICABLE LAWS:***

***Karnataka Municipal Corporation Act, 1976 ("KMC Act")***

The KMC Act was consolidates and amends the laws, relating to the establishment of municipal corporations in Karnataka. Under the KMC Act, a corporation is established based on certain criteria, which include the population of the area and the density of the population. Under the KMC Act, the construction of buildings, wells, tanks etc. is regulated by the municipal corporations which impose mandatory requirements such as approvals, building byelaws, regulation of future constructions, etc. The KMC Act empowers municipal corporations to make bye laws for the use of sites and buildings and for all matters that are required or allowed to be carried on under the KMC Act.

***The Karnataka Land Revenue Act, 1964 ("KLR Act")***

The KLR Act regulates the use of agricultural land for non-agricultural purposes. Under the KLR Act, permission of the relevant Deputy Commissioner should be obtained by the owner of any agricultural land in order to convert the use of such land for any other purpose. In areas earmarked as "green belt areas," there are greater restrictions placed on usage and prior consent of the relevant authority is needed if the activity sought to be carried out is other than certain permitted activities such as construction of places of worship, hospitals, libraries, sports clubs and cultural buildings.

### OTHER APPLICABLE LAWS

***Aircraft Act, 1934 ("Aircraft Act") and the Aircraft Rules, 1937 ("Aircraft Rules")***

The Aircraft Act, as amended, and the Aircraft Rules, as amended ("**Aircraft Rules**") enacted pursuant to the Aircraft Act, govern aircraft operations in India. These legislations empower various authorities, including the Ministry of Civil Aviation ("**MoCA**") and Directorate General of Civil Aviation ("**DGCA**"), to, inter alia, regulate aircraft operations in India and the height of buildings or structures constructed at a specified distance from an aerodrome under Section 9A of the Aircraft Act to ensure safety of operation of aircrafts in accordance with international standards and recommended practices governing the operations of aircrafts. At present, the procedure for grant of no objection certificate in relation to the height of buildings and structures is set out in the Ministry of Civil Aviation (Height Restrictions for Safeguarding of Aircraft Operations) Rules, 2015, notified on September 30, 2015, as amended, and the Air Traffic Management Circular No. 6 of 2017, issued by the Directorate of Air Traffic Management on July 28, 2017.

### ENVIRONMENTAL REGULATIONS

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards ("**PCBs**"), have been set up in each state and at a central level. Establishments, as prescribed under

various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

***Environment Protection Act, 1986 ("EPA")***

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and to prevent, control and abate environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EPA, including the power to direct the closure, prohibition or regulation of any industry, operation or process in exercise of its powers and performance of its functions under the EPA. Further, the Environment (Protection Rules), 1986 provide for, *inter alia*, standards for emissions or discharge of environmental pollutants, prohibitions and restrictions on the location of industries and the carrying on processes and operations in different areas, procedure for submission of samples for analysis and functions of environmental laboratories.

***Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")***

The Air Act requires that any industrial plant emitting any air pollutant into the atmosphere must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

***Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")***

The Water Act prohibits the use of any stream or well or land for the disposal of any poisonous, noxious or polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of, *inter alia*, any industry, operation or process, which are likely to discharge sewage or trade effluent.

***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")***

An "occupier" has been defined as any person who has control over the affairs of a factory or premises or any person in possession of hazardous or other waste. In terms of the Hazardous Waste Rules, occupiers have been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous and other wastes generated in their establishments and are required to obtain license/ authorization from concerned PCBs, for handling, generating, collecting, processing, treating, packaging, storing, transporting, using, recycling, recovering, pre-processing, co-processing, offering for sale, or the like of the hazardous and other wastes.

**TAX RELATED LEGISLATION**

***The Income Tax Act, 1961 ("IT Act")***

The IT Act is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or rules made thereunder depending upon its "Residential Status" and "Type of Income" involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such company is also required to file its returns by September 30 of each assessment year.

***Central Goods and Service Tax Act, 2017 ("GST Act") Integrated Goods and Services Act, 2017, and various state GST legislations***

The GST regime was introduced vide the Constitution (One Hundred and First Amendment) Act, 2016 and provides for imposition of tax on the supply of goods or services and is levied at two levels, central GST through the Central Goods and Service Tax Act, 2017, and state GST through the State Goods and Services Tax Act, 2017, along with the Integrated Goods and Services Tax Act, 2017, for inter-state supply of goods or services. GST replaces a majority of indirect taxes and duties that are in place currently at the central and state levels and is applicable on all goods with the exclusion of alcohol for human consumption, electricity, sale of land, sale of buildings (subject to certain conditions) among others.

**COMPANIES RELATED LEGISLATION**

All our SPVs are companies and are therefore, subject to the provisions of the Companies Act, 2013 ("**Companies Act**"). The Companies Act, *inter alia*, regulates the incorporation of companies, prescribes the roles and responsibilities of directors, shareholders and key managerial personnel and the procedure for undertaking various corporate actions by the company. Declaration of dividends by companies is regulated, among other sections, under Section 123 of the Companies Act. One of the conditions stated therein is that dividend can be declared by a company out of profits for the year or out of profits for the previous financial year, subject to compliance with the specified conditions, or out of money provided by the state or central

government for the payment of dividend by the company. Also, dividend can be declared and paid only from the free reserves of the company. Similarly, a number of restrictions and conditions are set out in Section 68 of the Companies Act for undertaking a buy back by companies. For instance, a buy-back can be conducted by a company only from its free reserves, securities premium account or from proceeds of the issue of any shares or other specified securities subject to compliance with specified conditions. Further, a company is not permitted to undertake a buy-back of more than twenty five per cent of the aggregate of paid-up capital and free reserves of the company in a particular financial year and no offer or buy-back can be made within a period of one year from the date of closure of the preceding offer or buy-back, if any.

We are also required to comply with the Competition Act, 2002, as amended ("**Competition Act**"), which regulates practices having an appreciable adverse effect on competition in the relevant market in India and combinations (including mergers, amalgamations and acquisitions) in excess of certain thresholds.

**LAWS RELATING TO EMPLOYMENT**

Certain other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us, would include the following:

(a) Minimum Wages Act, 1948;

(b) Payment of Bonus Act, 1965;

(c) Payment of Gratuity Act, 1972;

(d) Payment of Wages Act, 1936;

(e) Maternity Benefit Act, 1961;

(f) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

(g) National and Festival Holiday Acts (as applicable);

(h) Labour Welfare Fund Acts (as applicable);

(i) Rights of Persons with Disabilities Act, 2016;

(j) Employees' Compensation Act, 1923;

(k) Equal Remuneration Act, 1976;

(l) Employees' State Insurance Act, 1948;

(m) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(n) The Code on Wages, 2019[(1)];

(o) The Occupational Safety, Health and Working Conditions Code, 2020[(2)];

(p) The Industrial Relations Code, 2020[(3)];

(q) The Code on Social Security, 2020[(4)];

(r) The Contract Labour (Regulation & Abolition) Act, 1970;

(s) The Child Labour (Prohibition and Regulation) Act, 1986; and

(t) The Apprentices Act, 1961.

*(1) The GoI enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force Sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(ii)(s), 67(ii)(t) (to the extent that they relate to the Central Advisory Board) and Section 69 to the extent that it relates to Sections 7, 9 (to the extent that they relate to the GoI and Section 8 of the Minimum Wages Act, 1948) and of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.*

*(2) The GoI enacted 'The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment*

*and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.*

*(3) The GoI enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

*(4) The GoI enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. While Section 142 has been brought into force on May 3, 2021, the rest of the provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.*

**DATA PROTECTION LAWS**

***The Digital Personal Data Protection Act, 2023 (the "DPDP Act")***

The DPDP Act received the assent of the President of India on August 11, 2023. It seeks to provide for the processing of digital personal data in a manner that recognises both the right of individuals to protect their personal data and the need to process such personal data for lawful and other incidental purposes. It defines personal data to mean any data about an individual who is identifiable by or in relation to such data ("**Personal Data**"). It further defines a data fiduciary to mean any person who alone or in conjunction with other persons determines the purpose and means of processing of personal data ("**Data Fiduciary**"), and a data principal to mean an individual to whom the Personal Data relates ("**Data Principal**").

The DPDP Act applies to the processing of digital Personal Data within India where the Personal Data is collected in digital form or where it is collected in a non-digital form and is subsequently digitised. It also applies to processing of digital Personal Data outside of India, if such processing is in connection with any activity related to offering of goods or services to Data Principals within India. The DPDP Act does not apply to Personal Data processed by an individual for any personal or domestic purpose, and Personal Data that is made publicly available by the Data Principal to whom such personal data relates or any other person who is under an obligation under any law for the time being in force in India to make such Personal Data publicly available. As per the DPDP Act, a person may process the Personal Data of a Data Principal for a lawful purpose, for which the Data Principal has given her consent or for certain legitimate uses. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the DPDP Act. It imposes restrictions and obligations on Data Fiduciaries in relation to dealing with personal data and levies penalties for breach of obligations prescribed under the DPDP Act.

**OTHER REGULATIONS**

In addition to the above, our SPVs might be required to comply with the provisions of the Foreign Exchange Management Act, 1999, which was enacted to consolidate and amend the law relating to foreign exchange with the object of facilitating external trade and payments for promoting the orderly development and maintenance of foreign exchange market in India.

The SPVs will also be governed by the provisions of various acts, rules and policies such as the Copyright Act, 1957 and the Copyright Rules, 2013, Professional Tax registration, fire prevention laws, various lift and escalators legislations, shops and establishment legislation of relevant states and other applicable statutes for its day-to-day operations.

## REGULATORY APPROVALS

*Other than as stated in this section, the Trust have received necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/or regulatory authorities, required for carrying out their present business, as applicable. In view of the approvals listed below, no further material approvals from any governmental or regulatory authority or any other entity are required. Unless otherwise stated, these approvals are all valid as on the date of this Final Trust Offer Document.*

**I. Approvals required in relation to the Listing**

1. In-principle approval received from the BSE for listing of our Platina Units pursuant to letter dated November 12, 2024.

**II. Approvals required in relation to the Listing**

1. Certificate of registration dated August 5, 2024, bearing registration number IN/SM-REIT/24-25/0001issued by SEBI under Regulation 26(L)(1) of the REIT Regulations, for registration of the Trust as a small and medium real estate investment trust.

**III. Approvals applied for, but not received as of the date of this Final Trust Offer Document**

There are no approvals applied and pending as of the date of this Final Trust Offer Document.

**IV. Approvals to be applied for as of the date of this Final Trust Offer Document**

There are no approvals pending to be applied for as of the date of this Final Trust Offer Document.

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION RELATED TO THE TRUST

The following contracts, which are or may be deemed material have been entered into in due course. These contracts and also the documents for inspection referred to hereunder, may be inspected at the principal place of business of the Property Share Investment Trust, from 10:00 A.M. to 5:00 P.M., on all Working Days from the date of this Offer Document until the date of listing of the Units pursuant to this Offer. Any of the contracts or documents mentioned in this Offer Document may be amended or modified at any time if so required in the interest of the Property Share Investment Trust or if required by the other parties, without reference to the Unitholders, subject to compliance with applicable law.

1. Trust Deed entered into between the Investment Manager (as the Settlor) and the Trustee dated June 27, 2024, as amended on July 19, 2024.

2. SEBI registration certificate for the Property Share Investment Trust bearing number IN/SM-REIT/24-25/0001 dated August 5, 2024 as a small and medium real estate investment trust.

3. Investment Management Agreement entered into between the Trustee (on behalf of the Property Share Investment Trust), and the Manager dated June 27, 2024, as amended first, on July 19, 2024 and second, on November 5, 2024.

Further, please refer to the final scheme offer documents for list of material contracts and documents related to specific final scheme offer documents.

## TAXATION

**INDEPENDENT AUDITOR'S REPORT ON STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO PROPERTY SHARE INVESTMENT TRUST ("TRUST") AND ITS UNITHOLDERS UNDER THE APPLICABLE INCOME TAX LAWS IN INDIA**

To
The Board of Directors,
PropShare Investment Manager Private Limited (the "Investment Manager" or "Manager") in its capacity as the Investment Manager of the Trust (the "Trust"),
10th Floor, SKAV Seethalakshmi,
21/22 Kasturba Road,
Bangalore, Karnataka 560 001

Dear Sirs,

**Sub: Statement of possible tax benefits ('the Statement') available to the Trust and its unitholders**

The enclosed Annexure to Statement of possible direct tax benefits ("Annexure") available to the Trust and its unitholders under the Act in connection with the Issue states the possible direct tax benefits available to the Trust and its unitholders under the Income Tax Act, 1961 as amended by the Finance Act (No.2), 2024 read with the Income Tax Rules, i.e. applicable for Financial Year 2024-25 relevant to the assessment year 2025-26 (referred to as the 'Direct Tax Law').

Several of these benefits are dependent on the Trust or its unitholders fulfilling the conditions prescribed under the relevant provisions of the Direct Tax Law. Hence, the ability of the Trust or its unitholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Trust may face in the future, which, the Trust or its unitholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated in the Annexure is the responsibility of the Investment Manager. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.

In view of the individual nature of the tax consequences and the changing Direct Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Units of the Trust (the "Offer") in accordance with the provisions of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended and the guidelines and circulars issued thereunder (the "**REIT Regulations**"). We are neither suggesting nor advising the investors to invest in the Offer relying on this statement.

We do not express any opinion or provide any assurance as to whether:

I. The Trust or its unitholders will obtain/continue to obtain these tax benefits in future;

II. The conditions prescribed for availing the tax benefits have been/would be met with; and

III. The revenue authorities/courts will concur with the views expressed herein.

We assume no obligation to update the Annexure on any events subsequent to this date, which may have a material effect on the discussions herein.

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Investment Manager and on the basis of our understanding of the business activities and operations of the Trust.

This Statement is prepared solely for the purpose of inclusion in the offer document and final offer document, or any other material prepared solely in connection with the Offer, and is not to be used, referred to or distributed for any other purpose.

LIMITATIONS

*Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the Issue relying on the Statement*

*This Statement has been prepared solely in connection with the Issue under the prescribed regulations.*

For ASA & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 009571N/N500006

Vinay K S
Partner
Membership Number: 223085
UDIN: 24223085BKENMR6089

Place: Bangalore
Date: September 19, 2024

**ANNEXURE TO STATEMENT OF POSSIBLE TAX BENEFITS APPLICABLE TO PROPERTY SHARE INVESTMENT TRUST ("TRUST") AND ITS UNITHOLDERS UNDER THE APPLICABLE INCOME-TAX LAWS IN INDIA**

**TAX REGIME FOR TRUST AND UNITHOLDERS UNDER THE PROVISIONS OF THE INCOME-TAX ACT, 1961 ('ITA')**

The ITA has set-out a special regime for taxation of income arising to REIT and its unitholders under Chapter XII-FA of the ITA.

We have summarized below relevant income-tax provisions as applicable to Trust and its unitholders, under the ITA, as amended by the Finance Act (No. 2), 2024. The tax provisions listed below are available to Trust and its unitholders subject to compliance with the applicable provisions and/or the conditions laid out in the ITA and the regulations as prescribed under the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) ('REIT Regulations') as amended including regulations under chapter VIB of the REIT regulations applicable to Small and Medium Real Estate Investment Trust ("**SM REIT**").

**A. Tax provisions applicable to Trust**

**1. Tax benefits in the hands of Trust in respect of interest and dividend income received from Special Purpose Vehicles**

**1.1 Interest Income**

Interest income received or receivable by Trust from an Indian company in which Trust holds a controlling interest, as required under the REIT Regulations ('SPV') should be exempt from tax in the hands of Trust under section 10(23FC)(a) of the ITA.

**1.2 Dividend Income**

Dividend income received or receivable by Trust from a SPV should be exempt in the hands of Trust under section 10(23FC)(b) of the ITA.

**2. Taxation of income, other than income referred to in paragraphs 1 and 2 above, in the hands of Trust – Section 115UA(2) read with section 111A, section 112 and section 112A of the ITA**

**2.1 Income from capital gains**

(i) Capital gains arising in the hands of Trust shall be chargeable to tax as under:

| ***Assets*** | **Calculation of Period of holding[1]** | **Nature of capital gains** | **Applicable tax rates [2]** |
|---|---|---|---|
| *Unlisted debentures and bonds* | Not applicable[3] | Short Term Capital Gains ('STCG') | 30% |
| *Unlisted securities (other than unlisted debentures)* | More than 24 months | Long Term Capital Gains ('LTCG') | 12.5% |
| | Less than or equal to 24 months | STCG | 30% |

(ii) Any income other than income referred to in paragraph (i) above shall be taxed at the maximum marginal rate in the hands of the Trust in accordance with section 115UA(2) of the ITA.

(iii) Section 74 of the ITA allows short-term capital loss arising during a financial year to be set-off against income, if any, from capital gains (short term or long-term), arising in the same financial year. However, long-term capital loss arising during a financial year is allowed to be set-off only against long-term capital gains. Balance loss, if any, is allowed to be carried forward and set-off against income from capital gains, arising during subsequent eight assessment years, as follows: (i) balance short-term capital loss can be carried forward and set-off against capital gains (short term or long-term); and (ii) balance long-term capital loss can be carried forward and set-off only against long-term capital gains.

**2.2 Income from buy back of shares.**

(i) As per provisions of section 115QA of ITA, in case of buyback of shares by a domestic company, the company shall pay tax at the rate of 20% plus surcharge of 12% and cess 4% (effectively 23.296%) on the

1 Section 2(29AA) read with section 2(42A) of ITA
2 Excluding applicable surcharge and health and education cess
3 Deemed short term capital gains under section 50AA of ITA with effect from 23 July 2024

difference between the amount distributed and amount paid at the time of allotment of shares by the shareholders.

(ii) The buyback proceeds received in the hands of the shareholders are exempt under section 10(34A) of ITA.

(iii) However, as per an amendment brought to effect in the Finance Act (No. 2), 2024, the provisions of section 115QA would not be applicable to any buyback of shares that takes place on or after 1st Day of October 2024.

(iv) With effect from 1st day of October 2024, the amount distributed by the SPV by way of buyback would be deemed to be dividend under the section 2(22)(f) of ITA. The actual cost of the shares would be deemed to be the capital loss for the Trust.

(v) Further, the proceeds distributed by way of buyback would be taxed as dividends as per the section 2(22)(f) of ITA and such dividend would be exempt in the hands of the Trust under section 10(23FC)(b) of ITA and may be exempt in the hands of the unitholders, if the amount received is a qualified dividend income under section 10(23FD) of ITA (Refer Note below).

**B. Tax provisions applicable to the unitholders of the Trust**

**3. Income arising from Trust**

As per provisions of section 115UA (1) of the ITA, any income distributed by Trust is taxable in the hands of the unitholders in the same manner and proportion as the underlying income stream received by or accrued to the Trust.

We have discussed below taxability of the income in the hands of unitholders:

| Residential status of unitholders | Nature of income | Tax Rates |
|---|---|---|
| **Resident unitholders** | Interest income | At applicable rates^ |
| | Qualified dividend income | Tax exempt (Refer Note below) |
| | Disqualified dividend income | At applicable rates^ (Refer Note below). |
| | Any other income taxable in the hands of the Trust | Tax exempt |
| | Any distributions other than the above (specified sum as per section 56(2)(xii) of the ITA) | Taxable once such distributions exceed the issue price of unit# |
| **Non-resident unitholders** | Interest income | 5%*^ |
| | Qualified dividend income | Tax exempt (Refer Note below) |
| | Disqualified dividend income | At applicable rates^@ (Refer Note below) |
| | Any other income taxable in the hands of Trust | Tax exempt |
| | Any distributions other than the above (specified sum as per section 56(2)(xii) of the ITA) | Taxable once such distributions exceed the issue price of unit# |

* *Excluding applicable surcharge and cess*

^ *The income shall be subject to deduction of tax at source (for details see paragraph 5 below)*

\# *Any amount distributed by us to a unitholder which is not in the nature of dividends or interest, or any other income shall be reduced from the cost of acquisition of such unitholder, till such time that the aggregate of such distributions does not exceed the original issue price of our units. Distributions in excess of the original issue price of our units shall be taxed in the hands of the unitholder at applicable tax rate per section 56(2)(xii) of the ITA, i.e., Specified sum received by a unitholder from a Business Trust shall be charged to tax as:*

*A (-) B (-) C;*

*A = Aggregate of sum distributed by the Business Trust other than interest, dividend, rental and exempt income to any investor on every unit*

*B = Issue price of a unit of the Business Trust*

*C = Amount charged to tax under these provisions in earlier years*

*Further, specified sum shall be deemed to be zero, if sum of B and C is greater than A*

**@** *Under the provisions of section 90(2) of the ITA, non-resident unitholders may seek to avail beneficial provisions under the applicable Double Taxation Avoidance Agreement ('DTAA') that India may have entered into with their respective country of residence*

*Note: As per section 10(23FD) of ITA, taxability of income in the nature of dividend distributed by Trust to unitholders is dependent on the taxation regime adopted by the SPV(s), which distributes the dividend to Trust. If the SPV(s) has not opted for a concessional corporate tax rate under section 115BAA of the ITA ('Qualifying SPV'), dividend received from such Qualifying SPV ('Qualified Dividend') and distributed by Trust is exempt in the hands of the unitholders. Any dividend other than Qualified Dividend distributed by Trust ('Disqualified Dividend') is taxable in the hands of the unitholders.*

**4. Tax provisions applicable to unitholders on sale of units**

**For resident, non-resident and Foreign Portfolio Investor ('FPIs') / Foreign institutional Investors ('FIIs') unit holders**

(i) In case units of the Trust are held as capital asset by the unitholder, gains arising on sale of units of the Trust on a recognized stock exchange, which have been subjected to STT, shall be liable to tax as under:

| Period of Holding | Nature of Capital Gains | Applicable Tax rates |
|---|---|---|
| **More than 12 months** | LTCG | 12.5%* on gains exceeding INR 0.125 million |
| **Less than or equal to 12 months** | STCG | 20%** |

* *Excluding applicable surcharge and cess under section 112A of the ITA*
** *excluding applicable surcharge and cess under section 111A of the ITA*
*Note: Gains arising on sale of units of Trust, where sale is not pursued through a recognized stock exchange and not subject to STT, shall be chargeable to tax as under:*

- *at applicable tax rate, plus applicable surcharge and cess in case of STCG*
  *For calculating gains cost of acquisition of units to stand reduced to the extent of distributions received which is not in the nature of:*
- *interest or dividend from SPV covered by section 10(23FC) of the ITA*
- *sum not chargeable to tax for the unit holders under newly introduced 56(2)(xii) of the ITA*

**5. Applicability of Minimum Alternative Tax ("MAT") under section 115JB of ITA for domestic companies who earn income from units held in REIT**

- In case of domestic companies that are liable to pay MAT under provisions of section 115JB of the ITA (unless such domestic company has opted to be governed by the concessional tax regime provided under section 115BAA of the ITA), the gains arising, if any, on sale of units of Trust are to be included as part of book profits for the purposes of computing MAT lability. MAT paid by such companies should be available as credit for set-off against future tax liability, provided such companies do not subsequently opt to be governed by the concessional tax rate under section 115BAA of the ITA.

- As per Explanation 4 to section 115JB(2) of the ITA, the provisions of section 115JB shall not be applicable to a foreign company if the foreign company is a resident of a country having DTAA with India and such foreign company does not have a permanent establishment within the definition of the term in the relevant DTAA, or the foreign company is a resident of a country with which India does not have a DTAA with India and such foreign company is not required to seek registration in India under any laws relating to companies for the time being in force.

- Pursuant to Central Board of Direct Tax press release dated September 24, 2015, the Government has clarified the inapplicability of Minimum Alternate Tax provisions to FIIs/FPIs.

**6. For Mutual Funds investing in units of REITs**

Under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorized by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

**C. Withholding tax provisions**

**7. Applicable withholding tax implications on income distributions to Trust and its unitholders are set out below:**

**7.1 On income distributions made to Trust by SPVs**

(i) As per section 194A(3)(xi) of the ITA, any income by way of interest (other than 'interest on securities') received/receivable by Trust/ from SPV is not subject to withholding tax.

(ii) As per clause (ix) of first proviso to section 193 of the ITA, any income by way of interest on securities received/receivable by Trust from SPV is not subject to withholding tax.

(iii) Any dividends received by Trust from SPV is not subject to withholding tax as per clause (d) of second proviso of section 194 of the ITA.

**7.2 On income distributions made to Unitholders by Trust**

As per section 194LBA of the ITA, taxes shall be required to be deducted at source at the time of payment/credit (whichever is earlier) from following income distributions by Trust to its unitholders:

| Income recipient | Nature of income | Applicable tax rates |
|---|---|---|
| **Resident unitholders** | Interest income<br>Disqualified dividend income<br>Qualified dividend income<br>Any distributions other than the above | 10%*<br>10%*<br>Not subject to withholding tax<br>Not subject to withholding tax |
| **Non-resident unitholders** | Interest income<br>Disqualified dividend income**<br>Qualified dividend income<br>Any distributions other than the above | 5%*<br>10%*<br>Not subject to withholding tax<br>Not subject to withholding tax |
| **Category I and II Alternative Investment Funds Mutual funds** | Any distribution of nature referred to in section 10(23FBA) of the ITA<br>Any distribution | Not subject to withholding tax |

• *Excluding applicable surcharge and cess*

** *If the ITA provides withholding tax rate for any specific category of non-resident unitholders, then the same needs to be considered.*

# *Non-resident unitholders may seek to avail any beneficial provisions under applicable DTAA that India may have entered into with its country of residence.*

**8. On sale of units of Trust**

(i) No withholding tax applies in respect of capital gains arising from transfer of units to a resident or a non-resident which is a Foreign Portfolio Investor ("**FPI**") registered with the Securities and Exchange Board of India.

(ii) Withholding tax under section 195 of ITA may apply on capital gains arising to a non-resident who is not an FPI. Where such non-resident is entitled to benefits, including capital gains tax exemptions, under the applicable DTAA, it will have to furnish all the relevant documents / information to demonstrate his claim of taking DTAA benefits.

**D. General tax rates**

The income-tax rates specified in this statement are as applicable for the financial year 2024-25 under the provisions of the ITA, and are exclusive of surcharge and education cess, if any. The rates of surcharge and cess are provided below:

Surcharge rate on income-tax is as follows:

(i) For companies:

| Particulars | Domestic Company* | Foreign Company |
|---|---|---|
| If the net income does not exceed INR 10 million | Nil | Nil |
| If the net income exceeds INR 10 million but does not exceed INR 100 million | 7% | 2% |
| If the net income exceeds INR 100 million | 12% | 5% |

* Note: For domestic companies which have exercised the option under section 115BAA of the ITA, the surcharge shall be 10% irrespective of the amount of taxable income.

(ii) For Individuals, HUF, AOP, BOI:

| Particulars | Surcharge Rate |
|---|---|
| If the net income does not exceed INR 5 million | Nil |
| If the net income exceeds INR 5 million but does not exceed INR 10 million | 10% |
| If the net income exceeds INR 10 million but does not exceed INR 20 million | 15% |
| If the net income exceeds INR 20 million but does not exceed INR 50 million | 25% |
| If the net income exceeds INR 50 million | 37% |

*Note:*

- *Highest surcharge rate applicable shall be 25% if the category of investors has opted to exercise option under section 115BAC of the ITA.*
- *The surcharge on dividend income, long term capital gains and short-term capital gains under section 111A of the ITA arising from disposal of REIT units shall not exceed 15%, even if the income exceeds INR 20 million.*
- *Health and education cess: In all cases, health and education cess will be levied at the rate of 4% of the income tax and surcharge.*

**E. Notes:**

1) The information provided in this statement sets out the possible tax benefits available to the unitholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of units of the Trust, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the units particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation impacting the provisions/benefits if any, which an investor can avail.

2) The stated possible tax benefits will apply only to the sole/first named holder in case the units are held by joint holders.

3) In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to benefits available, if any, under the applicable DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

4) This statement of tax provisions enumerated above is as per the ITA as amended by the Finance Act (No. 2) 2024. This statement sets out the provisions applicable to the Trust and its unitholders under the current tax laws presently in force in India for FY 2024-25. Several of these provisions and benefits if any, are dependent on Trust or its unitholders fulfilling the conditions prescribed under the relevant tax laws.

5) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

6) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

# SECTION 2
# Details of the Scheme
# (Final Scheme Offer Document)

*(Please scan this QR Code to view this Final Scheme Offer Document)*

**FINAL SCHEME OFFER DOCUMENT**
Dated: December 5, 2024
**Book Built Offer**

# PROPSHARE PLATINA

PropShare Platina is the first scheme of Property Share Investment Trust registered in the Republic of India as contributory, determinate and irrevocable trust on June 27, 2024, at Bangalore, Karnataka, India under the Indian Trusts Act, 1882 and as a small and medium real estate investment trust on August 5, 2024, under the under the Regulation 26(L)(1) of the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, having registration number IN/SM-REIT/24-25/0001

**Principal Place of Business**: 16th Floor, SKAV Seethalakshmi, 21/22, Kasturba Road, Bangalore 560001, India
**Tel:** +91 80 3100 3902; **Fax:** NA; Compliance Officer: Prashant Kataria; **E-mail:** compliance.officer@propertyshare.in; Website: www.propertyshare.in

| TRUSTEE | INVESTMENT MANAGER |
|---|---|
| **Axis Trustee Services Limited** | **PropShare Investment Manager Private Limited** |

Property Share Investment Trust by way of PropShare Platina is issuing 3361 Platina Units (subject to finalization of basis of allotment) (as defined herein) for cash at a price of ₹ 10,50,000 per Platina Unit aggregating to ₹ 3,529.05 million (the "**Fresh Issue**" or the "**Offer**").

**INITIAL PUBLIC OFFER OF PROPSHARE PLATINA IN RELIANCE UPON REGULATION 26R OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (REAL ESTATE INVESTMENT TRUSTS) REGULATIONS, 2014, AS AMENDED (THE "REIT REGULATIONS")**

## GENERAL RISKS

Investments in Platina Units involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. For taking an investment decision, investors must rely on their own examination of the Property Share Investment Trust and the Offer. Prospective Investors are advised to read "*Risk Factors*" on page 29 to 34 before making an investment decision relating to the Offer. Each prospective investor is advised to consult its own advisors in respect of the consequences of an investment in the Platina Units being issued pursuant to the Offer Document. This Final Scheme Offer Document has been prepared by the Investment Manager solely for providing information in connection with the Offer. The Securities and Exchange Board of India ("**SEBI**") and the Stock Exchanges assume no responsibility for or guarantee the correctness or accuracy of any statements made, opinions expressed, or reports contained herein. Admission of the Platina Units to be issued pursuant to the Offer for trading on the Stock Exchanges should not be taken as an indication of the merits of the Property Share Investment Trust or of the Platina Units. A copy of this Final Scheme Offer Document has been delivered to SEBI and the Stock Exchanges.

## RISKS IN RELATION TO THE FIRST OFFER

This being the first issue of Platina Units by the Property Share Investment Trust by way of PropShare Platina, there has been no formal market for the Platina Units of the Property Share Investment Trust. No assurance can be given regarding the active or sustained trading in Platina Units or regarding the price at which the Platina Units will be traded after listing.

## INVESTMENT MANAGER'S ABSOLUTE RESPONSIBILITY

The Investment Manager having made all reasonable inquiries, accepts responsibility for and confirms that this Final Scheme Offer Document contains all information with regard to the Property Share Investment Trust and the Offer, which is material in the context of the Offer, that the information contained in this Final Scheme Offer Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Final Scheme Offer Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

## LISTING

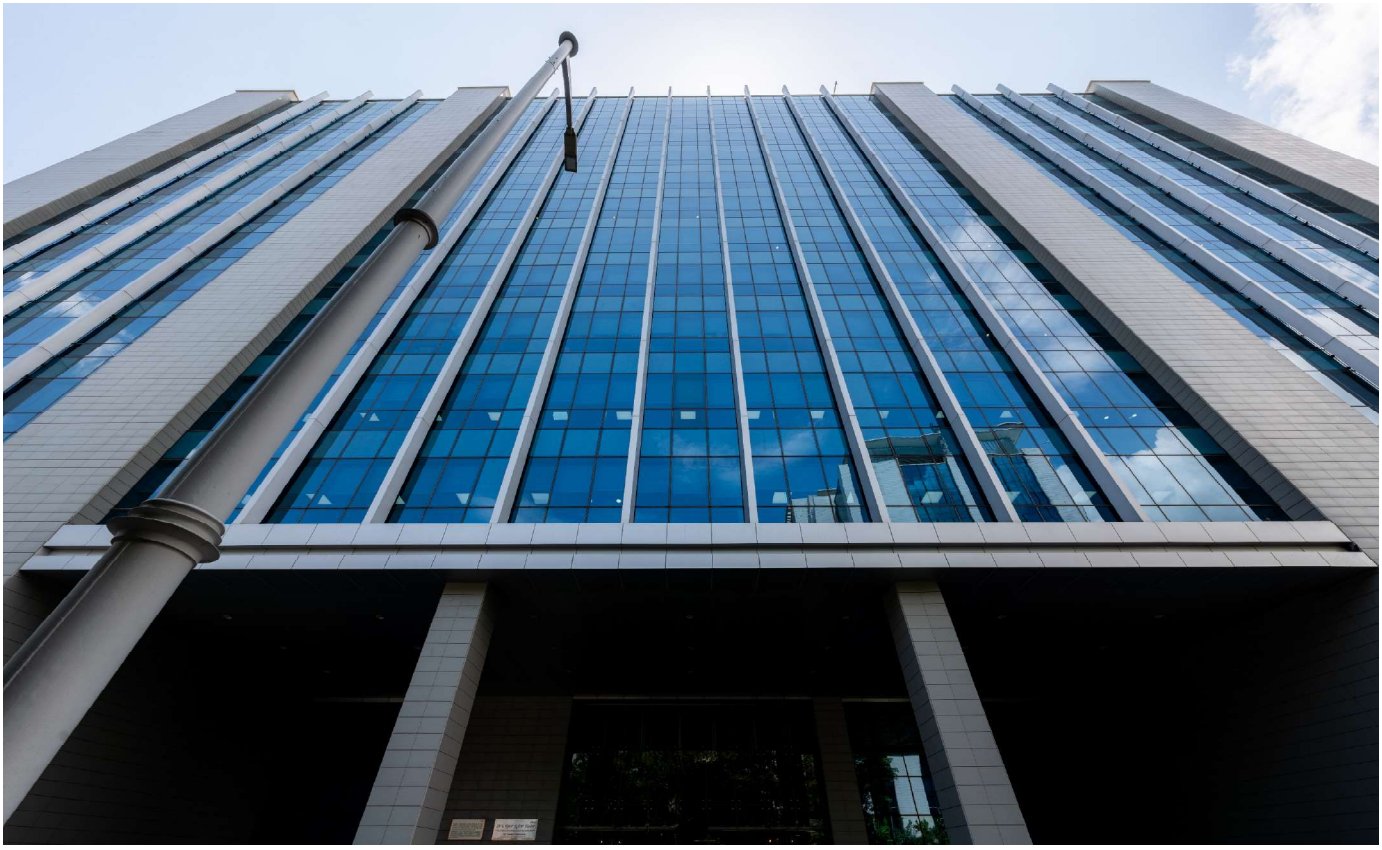
Our Platina Units are proposed to be listed on BSE Limited ("**BSE**") (the "**Stock Exchange**"). The PropShare Platina (acting through the Property Share Investment Trust) has received in-principle approval received from the BSE for listing of our Platina Units pursuant to letter dated November 12, 2024. BSE is the Designated Stock Exchange for the Offer.

| BOOK RUNNING LEAD MANAGER | REGISTRAR TO THE OFFER |
|---|---|
| **ICICI Securities Limited**<br>ICICI Venture House<br>Appasaheb Marathe Marg<br>Prabhadevi, Mumbai – 400 025<br>Maharashtra, India<br>**Tel:** +91 22 6807 7100<br>E-mail: propshare.smreit@icicisecurities.com<br>Investor grievance e-mail: customercare@icicisecurities.com<br>Website: www.icicisecurities.com<br>Contact Person: Rupesh Khant/ Hitesh Malhotra<br>SEBI Registration No.: INM000011179 | **Kfin Technologies Limited**<br>Address: Selenium Tower-B, Plot 31 & 32,<br>Gachibowli, Financial District,<br>Nanakramguda, Serilingampally,<br>Hyderabad – 500 032, Telangana<br>Tel: +91 40 6716 2222<br>E-mail: propshare.ipo@kfintech.com<br>Investor grievance e-mail: einward.ris@kfintech.com<br>Website: www.kfintech.com<br>Contact Person: M Murali Krishna<br>SEBI Registration No.: INR000000221 |

## BID/OFFER PROGRAM

| | |
|---|---|
| **BID/OFFER OPENED ON: December 2, 2024** | **BID/OFFER CLOSED ON: December 4, 2024** |

| 9.0% | 8.7% | 8.6% | 100% |
|---|---|---|---|
| projected FY26 yield* | projected FY27 yield* | projected FY28 yield* | occupancy* |



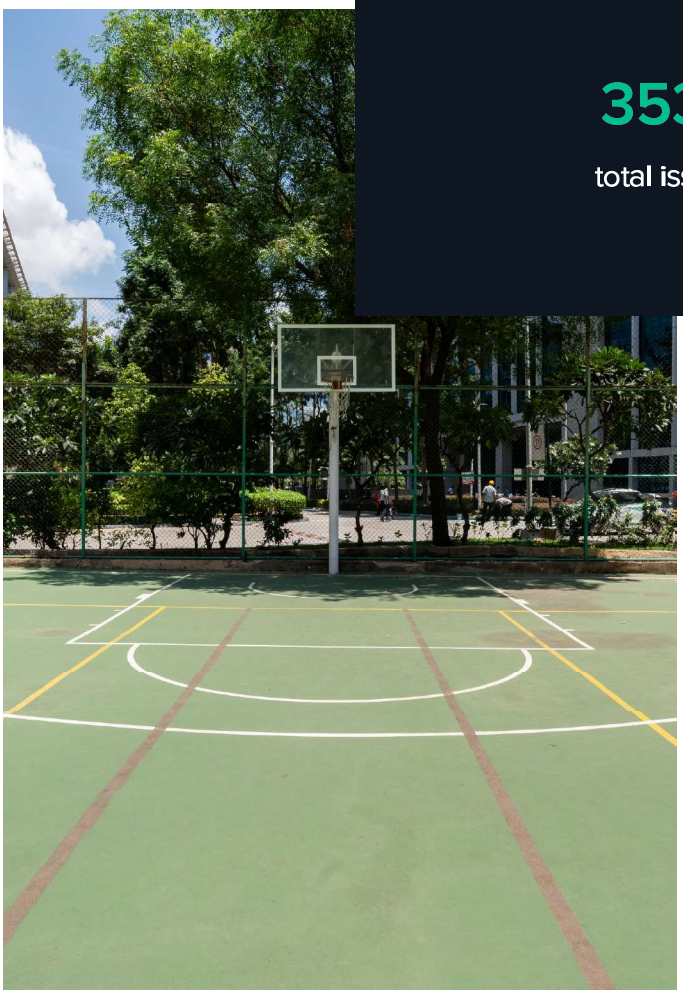
*Subject to execution of the proposed lease deed

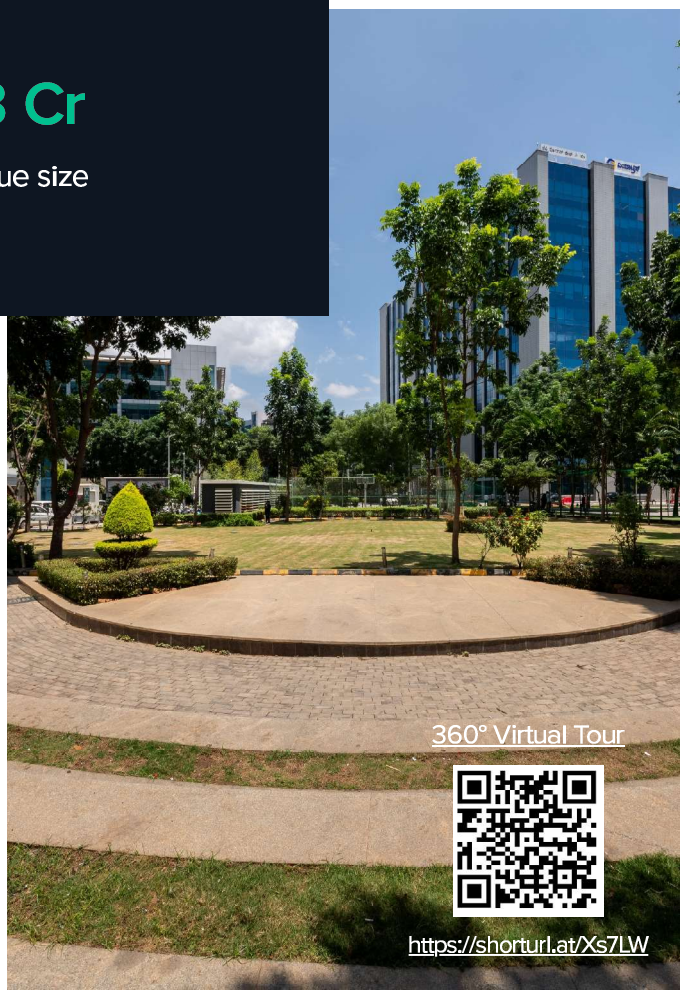
**0.25 msf**

total area

**353 Cr**

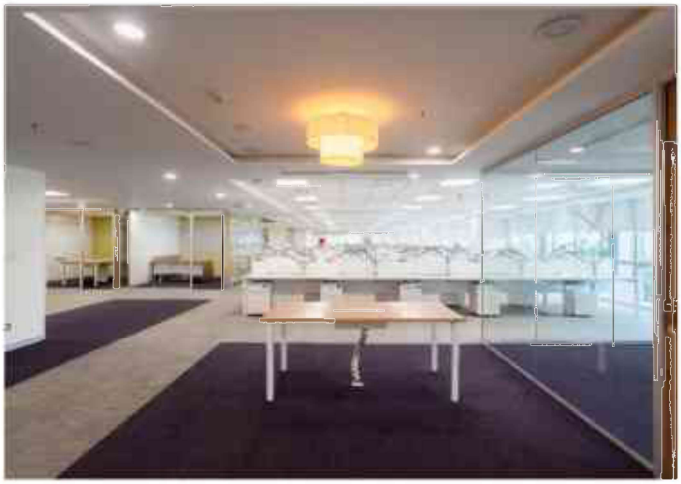
total issue size

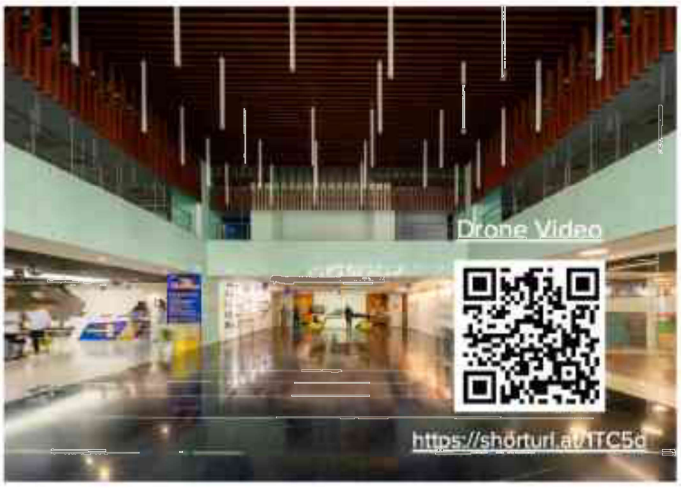




360° Virtual Tour

https://shorturl.at/Xs7LW




Drone Video
https://shorturl.at/1TC5d

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## GENERAL

## NOTICE TO INVESTORS

The statements contained in this Final Scheme Offer Document and the Final Trust Offer Document relating to the Property Share Investment Trust, the schemes under the Trust and the Platina Units are, in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this same Final Scheme Offer Document and Final Trust Offer Document with regard to the Property Share Investment Trust and the Platina Units are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to the Trustee and the Investment Manager. There are no other facts in relation to the Property Share Investment Trust, the schemes under the Trust, and the Platina Units, the omission of which would, in the context of any offer being made by the Trust, make any statement in this Final Scheme Offer Document and the Final Trust Offer Document misleading in any material respect. Further, the Investment Manager have made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

Prospective investors acknowledge that they have not relied on the Lead Manager or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on his/her own examination of the Property Share Investment Trust, the schemes under the Trust and the merits and risks involved in investing in the Platina Units. Prospective investors should not construe the contents of this Final Scheme Offer Document and the Final Trust Offer Document as legal, business, tax, accounting, or investment advice and accordingly, each investor is advised to consult its own advisors in respect of the consequences of an investment in Platina Units being issued. Bidders are also advised to read "risk Factors" on pages 29 to 34 before taking an investment decision with respect to any offer being made by the Trust.

No person is authorized to give any information or to make any representation not contained in this Final Scheme Offer Document and the Final Trust Offer Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of the Property Share Investment Trust or by or on behalf of the Lead Manager.

Unless otherwise stated, references in the section to "we", "our" and "us" (including in the context of any financial or operational information) are to the Property Share Investment Trust, together with the relevant Platina SPVs.

**The Offer is being made in accordance with the REIT Regulations and the SEBI Guidelines. However, Bidders from jurisdictions outside India should take note of the below:**

### Notice to Prospective Investors in the United States

The Platina Units have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Final Scheme Offer Document and the Final Trust Offer Document or approved or disapproved the Platina Units. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of the Property Share Investment Trust and the terms of the Offer, including the merits and risks involved. The Platina Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**Securities Act**") or any other applicable law of the United States or with any securities regulatory authority of any state or other jurisdiction of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Units are being offered and sold in "offshore transactions" as defined in, and in reliance on, Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

### Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each an "**EEA Member State**"), no Platina Units have been offered or will be offered pursuant to the Offer to the public in that EEA Member State prior to the publication of a prospectus in relation to the Platina Units which has been approved by the competent authority in that EEA Member State or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in accordance with the EU Prospectus Regulation, except that it may make an offer to the public in that EEA Member State of any Platina Units at any time under the following exemptions under the EU Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the EU Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the EU Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of the Platina Units shall require the Property Share Investment Trust or any Lead Manager to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Platina Units in any EEA Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Platina Units to be offered so as to enable an investor to decide to purchase or subscribe for any Platina Units, and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

**THE PROPERTY SHARE INVESTMENT TRUST WILL CONSTITUTE AN ALTERNATIVE INVESTMENT FUND FOR THE PURPOSE OF THE EUROPEAN UNION DIRECTIVE ON ALTERNATIVE INVESTMENT FUND INVESTMENT MANAGERS (DIRECTIVE 2011/61/EU) ("AIFMD"). THE ALTERNATIVE INVESTMENT FUND INVESTMENT MANAGER ("AIFM") OF THE PROPERTY SHARE INVESTMENT TRUST WILL BE THE INVESTMENT MANAGER.**

**PLATINA UNITS MAY ONLY BE MARKETED TO PROSPECTIVE INVESTORS WHICH ARE DOMICILED OR HAVE A REGISTERED OFFICE IN A EUROPEAN ECONOMIC AREA ("EEA") MEMBER STATE ("EEA MEMBER STATE") IN WHICH THE MARKETING OF PLATINA UNITS HAS BEEN REGISTERED OR AUTHORIZED (AS APPLICABLE) UNDER THE RELEVANT NATIONAL IMPLEMENTATION OF ARTICLE 42 OF AIFMD, AND IN SUCH CASES, ONLY TO EEA PERSONS WHICH ARE "PROFESSIONAL INVESTORS" OR ANY OTHER CATEGORY OF PERSON TO WHICH SUCH MARKETING IS PERMITTED UNDER THE NATIONAL LAWS OF SUCH EEA MEMBER STATE (EACH AN "EEA PERSON"). THIS FINAL SCHEME OFFER DOCUMENT IS NOT INTENDED FOR, SHOULD NOT BE RELIED ON BY AND SHOULD NOT BE CONSTRUED AS AN OFFER (OR ANY OTHER FORM OF MARKETING) TO ANY OTHER EEA PERSON.**

**A "PROFESSIONAL INVESTOR" FOR THE PURPOSES OF AIFMD IS AN INVESTOR WHO IS CONSIDERED TO BE A PROFESSIONAL CLIENT OR WHICH MAY, ON REQUEST, BE TREATED AS A PROFESSIONAL CLIENT WITHIN THE RELEVANT NATIONAL IMPLEMENTATION OF ANNEX II OF DIRECTIVE 2004/39/EC (MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE).**

**A LIST OF JURISDICTIONS IN WHICH THE INVESTMENT MANAGER AND/OR THE PROPERTY SHARE INVESTMENT TRUST HAVE BEEN REGISTERED OR AUTHORIZED (AS APPLICABLE) UNDER ARTICLE 42 OF AIFMD IS AVAILABLE FROM THE INVESTMENT MANAGER ON REQUEST. IF THE INVESTMENT MANAGER HAS NOT BEEN REGISTERED OR APPROVED IN A PARTICULAR EEA MEMBER STATE TO MARKET PLATINA UNITS, THEN THE PROPERTY SHARE INVESTMENT TRUST IS NOT BEING MARKETED TO ANY EEA PERSON AT SUCH DATE IN THAT EEA MEMBER STATE. TO THE EXTENT THAT AN AFFILIATE OF THE INVESTMENT MANAGER PROMOTES THE TRUST IN AN EEA MEMBER STATE, THEN SUCH PROMOTION IS BEING UNDERTAKEN FOR AND ON BEHALF OF THE INVESTMENT MANAGER IN SUCH CAPACITY.**

**Notice to Prospective Investors in the United Kingdom**

THE CONTENT OF THIS PROMOTION HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF THE FINANCIAL SERVICES AND MARKETS ACT, 2000 ("**FSMA**"). RELIANCE ON THIS PROMOTION FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED.

In relation to the United Kingdom ("**UK**"), no Platina Units have been offered or will be offered pursuant to the Offer to the public in the UK prior to the publication of a prospectus in relation to the Platina Units which has been approved by the Financial Conduct Authority in accordance with the UK Prospectus Regulation, except that it may make an offer to the public in the UK of any Platina Units at any time under the following exemptions under the UK Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Platina Units shall require the Property Share Investment Trust or any Lead Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

In the UK, the Offer is only addressed to, and is directed only at, "qualified investors" within the meaning of Article 2I of the UK Prospectus Regulation, who are also (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise lawfully be communicated (all such persons being referred to as "**relevant persons**"). This document must not be acted on or relied on by

persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

For the purposes of this provision, the expression an "offer to the public" in relation to the Platina Units in the UK means the communication in any form and by any means of sufficient information on the terms of the Offer and any Platina Units to be offered so as to enable an investor to decide to purchase or subscribe for any Platina Units, and the expression "**UK Prospectus Regulation**" means the UK version of Regulation (EU) No 2017/1129 as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

**Notice to Investors in certain other jurisdictions**

The distribution of this Final Scheme Offer Document and the Final Trust Offer Document, the issue of the Platina Units and the offer of Platina Units issued by the Trust in certain jurisdictions may be restricted by law. As such, this Final Scheme Offer Document and the Final Trust Offer Document does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. For more information, please see "Offer Information" on pages 116 to 134.

In particular, no action has been taken by the Investment Manager or the Lead Manager which would permit an Offer of the Platina Units or distribution of this Final Scheme Offer Document and the Final Trust Offer Document in any jurisdiction, other than India. Accordingly, the Platina Units may not be offered or sold, directly or indirectly, and neither this Final Scheme Offer Document and the Final Trust Offer Document nor any Offer materials in connection with the Platina Units may be distributed or published in or from any country or jurisdiction that would require registration of the Platina Units in such country or jurisdiction.

**Disclaimer**

Any person or entity investing in such issue, transaction, invitation, offer, or sale of securities by Property Share Investment Trust should consult its own advisors before taking any decision in relation thereto. Neither the Lead Manager, nor their associates or affiliates have any responsibility or liability for such invitation, offer or sale of securities issue or transaction by Property Share Investment Trust.

## DEFINITIONS AND ABBREVIATIONS

*This Final Scheme Offer Document uses the definitions and abbreviations set forth below which you should consider when reading the information contained herein.*

*References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.*

*The words and expressions used in this Final Scheme Offer Document, but not defined herein shall have the meaning ascribed to such terms under the Final Trust Offer Document REIT Regulations, the SEBI Guidelines, the Depositories Act, and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, the terms not defined but used in, "Projections" under Annexure 1 "Taxation" and "Legal and other Information" on pages 104 to 110 and 98 to 101, respectively, shall have the meanings ascribed to such terms in these respective sections.*

*In this Final Scheme Offer Document, unless the context otherwise requires, a reference to "we", "us" and "our" refers to the Trust, the schemes and Platina SPVs (as the context requires), collectively. For the sole purpose of the Condensed Combined Financial Statements, reference to "we", "us" and "our" refers to the Trust and the Platina SPVs on a combined basis.*

### General Terms, Definitions and Abbreviations

| Term | Description |
|---|---|
| **PropShare Platina Scheme Related Terms** | |
| Auditor/ Statutory Auditor | ASA & Associates LLP, Chartered Accountants and statutory auditors of the Trust |
| Draft Scheme Offer Document | The draft scheme offer document of PropShare Platina dated September 26, 2024, in relation to this Offer, filed with SEBI and BSE, and issued in accordance with the REIT Regulations. |
| Draft Trust Offer Document | Draft document related to details of the Property Share Investment Trust dated September 26, 2024, filed with SEBI and BSE, and issued in accordance with the REIT Regulations. |
| Final Scheme Offer Document | The final scheme offer document to be issued in accordance with the provisions of the REIT Regulations and the SEBI Guidelines, including any addenda or corrigenda.<br>The final scheme offer document will be filed with SEBI and the Stock Exchange. |
| Formation Transaction | The settlement of the Trust under the Indian Trusts Act, 1882, its registration as a small and medium real estate investment trust with SEBI and the transfer of the SPVs to any scheme issued by the Trust in accordance with the SEBI REIT Regulations. |
| Investment Manager or IM | PropShare Investment Manager Private Limited |
| Investment Management Agreement | The investment management agreement dated June 27, 2024, entered into between the Trustee (on behalf of Trust) and the Investment Manager, amended first, on July 19, 2024 and second, on November 5, 2024. |
| JLL Report | The industry report dated September 13, 2024 issued by JLL. |
| Lead Manager | ICICI Securities Limited |
| Letter of Intent | The Investment Manager and 24/7 Customer Private Limited have executed a letter of intent dated July 10, 2024, as amended on November 8, 2024, and November 18, 2024. The letter of intent will be further amended for extension of the validity before filing of the Scheme Offer Document. |
| Platina Unitholder(s) | Any person who owns any unit in the PropShare Platina issued by the Trust. |
| Platina Units | An undivided beneficial interest in the PropShare Platina, and all issued and allotted Units together represent the entire beneficial interest in the PropShare Platina issued by the Trust. |
| Platina SPVs | Rumosch Private Limited, PropAreas Private Limited, Avenueprops Private Limited, Willowprops Private Limited, Premiumbiz Private Limited and Estapropfront Private Limited. |
| Project Platina or SM REIT Assets | Office premises on the ground floor and first to fifth floors in Building 2 of Prestige Tech Platina situated at Kadubeesanahalli Village, Varthur Hobli, Bangalore East Taluk along with 355 car parking spaces. The total property has a super built up area of 2,11,590 sq. ft. |
| PropShare Platina | First scheme of Property Share Investment Trust launched under the REIT Regulations for owning of real estate assets or properties through Platina SPVs. |
| Scheme Offer Document | The scheme offer document to be issued in accordance with the provisions of the REIT Regulations and the SEBI Guidelines, which will not have complete particulars of the Price Band and the Offer Price at which the Units will be offered and the size of the Offer, including any addenda or corrigenda.<br>The scheme offer document will be filed with SEBI and the Stock Exchange at least five Working Days prior to the Bid/ Offer Opening Date and shall become the final offer document which shall be filed with SEBI and the BSE Limited after the Pricing Date. |

| Term | Description |
|---|---|
| Trust | Property Share Investment Trust |
| Final Trust Offer Document | The final trust offer document to be issued in accordance with the provisions of the REIT Regulations and the SEBI Guidelines, including any addenda or corrigenda. |
| Trust Deed | The trust deed dated June 27, 2024 as amended on July 19, 2024, entered into amongst the Settlor and the Trustee. |
| Trustee | Axis Trustee Services Limited |
| Valuer | Kzen Valtech Private Limited Partners (represented by its partner Sachin Gulaty), a registered valuer. |
| **General Terms** | |
| Fiscal or FY | Year ending March 31 |
| Ind AS | Indian Accounting Standards |
| INR | Indian rupees |
| IT Act | Income Tax Act, 1961 |
| Mn | Million |
| NA | Not Applicable |
| Projections | Projections of the Property Share Investment Trust for FY25, FY26 and FY27, prepared in accordance with the REIT Regulations and the SEBI Guidelines. |
| Projections Period | The three fiscal years commencing April 1, 2025 and ending March 31, 2028. |
| SEBI | Securities and Exchange Board of India |
| SM REIT or Small and Medium REIT | A REIT that pools money from investors under one or more schemes in accordance with sub-regulation (2) of regulation 26P of the REIT Regulations. |
| SPVs | Any company which is a wholly owned subsidiary of the scheme of the SM REIT and the SPV shall not have any other capital or ownership interest in it. |
| Valuation Report | The valuation report dated September 14, 2024, issued by the Valuer, which sets out its opinion as to the fair enterprise value of the SPVs as on September 1, 2024. |
| We/Us/Our | Unless the context otherwise requires or implies the Trust and the SPVs |
| **Operational and Financial Metrics** | |
| EBITDA | Earnings before interest, tax, depreciation and amortization excluding share of profit of equity accounted investees. |
| msf | Million square feet |
| NDCF | Net distributable cash flow |
| sf | Square feet |
| WALE | Weighted Average Lease Expiry |

## PRESENTATION OF FINANCIAL DATA AND OTHER INFORMATION

### Certain Conventions

All references in this Final Scheme Offer Document to "India" are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India or the relevant state government, as applicable.

Unless stated otherwise, all references to page numbers in this Final Scheme Offer Document are to the page numbers of this Final Scheme Offer Document.

### Financial Data

Platina SPVs are recently incorporated entities. Therefore, no financial information has been included in this Final Scheme Offer Document in relation to the Property Share Investment Trust. Final information of the Platina Scheme will be prepared in accordance with statutory timeline.

### Exchange Rates

This Final Scheme Offer Document contains conversion of certain other currency amounts into Indian Rupees. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

The following table sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and the US$ (in Rupees per US$):

| Currency | September 30, 2024 | June 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|---|---|---|---|---|
| **INR / 1 USD** | 83.79 | 83.45 | 83.37 | 82.21 | 75.80 |

*Source: www.fbil.org.in*

### Industry and Market Data

Unless stated otherwise, industry and market data used in this Final Scheme Offer Document issued by the Trust has been obtained or derived from the reports titled "*Industry Report on SM REITs in India*" dated September 13, 2024 issued by JLL India ("**JLL**"), which have been paid for and commissioned by our Investment Manager (in its capacity as the Investment Manager of the Property Share Investment Trust) for an agreed fee. Our Investment Manager has appointed JLL pursuant to engagement letters dated June 28, 2024.

The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on pages 29 to 34. Accordingly, investment decisions should not be based solely on such information.

The industry related data, market intelligence and other data pertaining to the Platina SPVs have been provided by JLL to the Valuer, for the purpose of undertaking the valuation exercise in relation to the Offer and accordingly has been included as part of the Valuation Report and elsewhere in this Final Scheme Offer Document. Our Investment Manager has appointed JLL pursuant to engagement letters dated June 28, 2024.

The extent to which the market and industry data used in this Final Trust Offer Document and any final scheme offer documents issued by the Trust is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of the Property Share Investment Trust is conducted, and methodologies and assumptions may vary widely among different industry sources.

**In this regard, JLL has issued the following disclaimer:**

*Jones Lang LaSalle® takes due care and caution in preparing the Report and certain information contained in the Report shall be obtained by Jones Lang LaSalle from sources, which it considers reliable. While Jones Lang LaSalle shall obtain information from sources it believes to be reliable, Jones Lang LaSalle does not undertake a duty of due diligence or independent verification of any information it receives. Jones Lang LaSalle shall retain all proprietary rights in any materials, methods, templates, modules or knowhow that existed prior to or developed after the commencement of Services. Jones Lang LaSalle shall also retain all intellectual property rights in all Reports provided by it. Reports may not be used for any unlawful or unauthorized purposes. Report is provided on an "as is" basis.*

*In no event shall Jones Lang LaSalle Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation,*

*lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Report, even if advised of the possibility of such damages. Jones Lang LaSalle is not liable for investment decisions, which may be based on the views expressed in this Report. Jones Lang LaSalle especially states that it has no financial liability whatsoever to the subscribers /users/ transmitters/ distributors of the Report.*

*Notwithstanding anything said to the contrary, Jones Lang LaSalle shall not be named or construed as an "expert" in accordance with the applicable provisions of the Companies Act, 2013 or any other applicable laws, in relation to the statements contained in the Report and proposed to be included in the offer documents, and any other documents to be issued in relation to the Offer.*

*Jones Lang LaSalle assumes no obligation to update the Report following publication in any form or format. Jones Lang LaSalle does not act as a fiduciary or an investment advisor.*

**Valuation data**

Unless stated otherwise, the summary valuation included in this Final Scheme Offer Document is a summary of the *"Valuation Report"* dated September 14, 2024 issued by Kzen Valtech Private Limited, represented by its partner, Sachin Gulaty, independent valuer ("**Valuer**"), with industry assessment services provided by JLL. For details, see "*Summary Valuation Report*" on Annexure 2.

The valuation has been undertaken to ascertain the Market Value of the respective properties of the Property Share Investment Trust given the prevalent market conditions. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the respective properties *vis-à-vis* their surrounding sub-market, etc. The valuations are based on asset specific information provided by the Investment Manager. The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the summary valuation report that another party has supplied information to the Valuer, this information is believed to be reliable, but the Valuer can accept no responsibility if this should prove not to be so.

The valuation of Platina SPVs have been carried out in accordance with provisions of the REIT Regulations. The valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future. Assumptions are a necessary part of undertaking valuations. The Valuer has adopted assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of the Valuer's expertise, or the Valuer's instructions. The reader accepts that the valuation contains certain specific assumptions and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.

Although the Investment Manager believes that the industry and market data used by the Valuer for the valuation as part of this Final Scheme Offer Document is reliable, such data has not been independently verified by the Investment Manager, the Trustee or the Lead Manager, or any of their associates, affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on pages 29 to 34. Accordingly, investment decisions should not be based solely on such information.

The extent to which the valuation assumptions used by the Valuer in their summary valuation report as highlighted in this Final Scheme Offer Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in undertaking valuations.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Final Scheme Offer Document and the Final Trust Offer Document that are not statements of historical fact constitute "forward-looking statements". Bidders can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "intend", "likely to", "may", "objective", "plan", "potential", "project", "pursue", "propose", "seek to", "shall", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Trust and schemes of the Trust and the projections are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding the expected financial conditions, results of operations, business plans and prospects of the Property Share Investment Trust and the PropShare Platina including the Projections (projections related to the PropShare Platina and Platina SPVs thereunder) are forward-looking statements. These forward-looking statements include statements as to the business strategy, statement on projected revenue, projected EBITDA, projected cash flow from operating activities, projected net distributable cash flows, projected net operating income and profitability (including, without limitation, any financial or operating data, projections or forecasts), new business and other matters in relation to the Property Share Investment Trust discussed in this Final Scheme Offer Document and the Final Trust Offer Document that are not historical facts.

The Valuation Report in relation to the Project Platina is also based on certain projections and estimates and should be read together with assumptions and notes thereto.

Actual results may differ materially from those suggested by the forward-looking statements or financial projections due to certain known or unknown risks or uncertainties associated with the Investment Manager's expectations with respect to, but not limited to, the actual growth in the real estate sector, consumer spending, the Investment Manager's ability to successfully implement the acquisitions of the Platina SPVs, transaction and other restructuring strategy, growth and expansion plans, technological changes, cash flow projections, the outcome of any legal or regulatory proceedings and the future impact of new accounting standards, regulatory changes pertaining to the real estate sector in India and our Investment Manager's ability to respond to them, and general economic and political conditions in India which have an impact on our business activities or investments, changes in competition and the Investment Manager's ability to operate and maintain the portfolio. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact our business operations and financial conditions could materially differ from those that have been estimated.

Factors that could cause actual results, performance or achievements of the Property Share Investment Trust to differ materially include, but are not limited to, those discussed under "*Risk Factors*" and "*Industry Overview*", on pages 29 to 34, 41 to 88, respectively of the Final Trust Offer Document and the relevant sections of the final scheme offer documents. Some of the factors that could cause the actual results, performance, or achievements of the Property Share Investment Trust to differ materially from those in the forward-looking statements and financial information include, but are not limited to, the following:

- We have not executed binding agreements with respect to the certain agreements for the proposed acquisition of the Project Platina and our ability to consummate these transactions will impact the ability of the Investment Manager to complete this Offer

- We have no operating history and may not be able to operate our business successfully, achieve our business objectives or generate sufficient cash flows to make or sustain distributions.

- A significant portion of our revenues will be derived from a proposed single tenant. Any conditions that impact this tenant, the properties or the markets may adversely affect our business, revenue from operations and financial condition.

- Our actual results may be materially different from the projections included in this Final Scheme Offer Document.

- The Valuation Reports obtained for our Project Platina are based on various assumptions and may not be indicative of the true value of Project Platina.

Forward-looking statements and financial projections reflect current views as of the date of this Final Scheme Offer Document and the Final Trust Offer Document and are not a guarantee of future performance or returns to investors. There can be no assurance that the expectations reflected in the forward-looking statements and financial information will prove to be correct. These statements and projections are based on certain beliefs and assumptions, which in turn are based on currently available information. In accordance with the REIT Regulations, the calculations and assumptions underlying the projections prepared by the Investment Manager and examined by the Auditors in accordance with SAE 3400. The Projections have been prepared for inclusion in this Final Scheme Offer Document for the purposes of this Offer, using a set of assumptions that include hypothetical assumptions about future events and management's actions that are not necessarily expected to occur, and have been approved by the board of directors of the Investment Manager. Consequently, Bidders are cautioned that the Projections may not be appropriate for purposes other than that described above. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and projections. In any event, these statements speak only as of the

date of this Final Scheme Offer Document or the respective dates indicated in this Final Scheme Offer Document, and the Property Share Investment Trust, the Investment Manager and the Lead Manager undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise after the date of this Final Scheme Offer Document. If any of these risks and uncertainties materialize, or if any of the Investment Manager's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Property Share Investment Trust and the PropShare Platina could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to Property Share Investment Trust and the PropShare Platina are expressly qualified in their entirety by reference to these cautionary statements.

## OUR BUSINESS AND PROPERTIES

### Overview

PropShare Platina is the first scheme launched by Property Share Investment Trust, India's first registered small and medium REIT. We expect to be the first listed SM REIT in India and believe that our first scheme i.e., PropShare Platina offers investors an opportunity to invest in six floors of Prestige Tech Platina, a good-quality commercial office space, located on Outer Ring Road, Bengaluru which is one of the largest office markets in the country. The property has a leasable area of 246,935 square feet and is proposed to be fully leased to 24[7].ai (24/7 Customer Private Limited) (who is the proposed seller of the assets/Project Platina as well), a US-based tech company on a 9-year lease. The scheme offers a projected distribution yield of 9.0% for the financial year 2026, 8.7% for the financial year 2027 and 8.6% for the financial year 2028. Further, the projected distribution yield is based on the assumptions and estimates as deemed appropriate and reasonable by the Investment Manager at the date of the Projections and has been adopted by the Board of Directors of the Investment Manager on September 17, 2024. For details on the risks relating to distribution, please see the section titled *"Risk Factors - The Investment Manager may not be able to execute our growth strategy successfully resulting in inability to offer projected yields"* on page 31 (Projected distribution yield for FY26, FY 27 and FY 28, please refer to Financial Projections section for more details).

### Key Operating Metrics

| | Leasable Area (sf) | Occupancy (%) | Rentals (₹/sf/month) | Security Deposit (₹ cr) | Projected NDCF[1] (₹ cr) | Market Value[2] (₹ cr) | WALE[3] (years) | WALoE[4] (years) |
|---|---|---|---|---|---|---|---|---|
| **Commercial Office** | | | | | | | | |
| *Proposed Assets* | | | | | | | | |
| **Prestige Tech Platina** | | | | | | | | |
| Ground Floor | 34,991 | 100% | 108.0 | 2.1 | 4.6 | 50.1 | 9.0 | 7.0 |
| First Floor | 37,075 | 100% | 100.0 | 2.0 | 4.5 | 53.1 | 9.0 | 3.0 |
| Second Floor | 43,717 | 100% | 100.0 | 2.4 | 5.3 | 62.6 | 9.0 | 3.0 |
| Third Floor | 43,717 | 100% | 100.0 | 2.4 | 5.3 | 62.6 | 9.0 | 3.0 |
| Fourth Floor | 43,717 | 100% | 108.0 | 2.6 | 5.7 | 62.6 | 9.0 | 7.0 |
| Fifth Floor | 43,717 | 100% | 103.5 | 2.5 | 5.5 | 62.6 | 9.0 | 5.0 |
| **Total/Wtd. Avg.** | **2,46,935** | **100%** | **103.2** | **13.8** | **30.7** | **353.7** | **9.0** | **4.6** |

(1) *Projected NDCF for the period ending FY26. Refer to Financial Projections section for more details.*
(2) *Market Value as determined by the Valuer as of September 1, 2024. The Valuer has determined the valuation at an overall level for the asset. The floor-wise valuation has been calculated on a pro-rata basis of the leasable area.*
(3) *WALE: Weighted Average Lease Expiry*
(4) *WALoE: Weighted Average Lock-in Expiry*

### Our Key Strengths

We believe PropShare Platina is a compelling investment opportunity for the following key reasons:

1. Grade A, LEED Gold asset built by one of India's leading developers, The Prestige Group
2. Located on the Outer Ring Road, Bangalore's largest office market
3. 100% proposed lease to a US-based technology company
4. Stable cash flows from a long 9-year lease and a 3-7 year staggered lock-in period under the proposed lease
5. Inflation linked cash flows with contracted escalations every 3 years under the proposed lease
6. Improved connectivity with the upcoming metro line expected to be operational by June 2026
7. Experienced investment and asset management team
8. Corporate governance through an experienced board, marquee investors and advisory team
9. Low management fee with 0% in the first year going up to a maximum of 0.3% in year 3

## 1. Grade A, LEED Gold asset built by one of India's leading developers, The Prestige Group

Prestige Tech Platina is a LEED Gold building developed by the Prestige Group, and part of the larger Prestige Tech Park campus with high-profile multinational tenants including JP Morgan Chase, Adobe, Oracle and Juniper Networks.

*Figure 1:Prestige Tech Platina*
*Drone view: https://vimeo.com/1009835921/dba42e6d1a*
*360 virtual tour: https://my.matterport.com/show/?m=bwbnEznWcag*

The building is fully LEED certified making it suitable for most MNCs. The core & shell is LEED Gold certified while the commercial interiors are LEED Platinum certified (Ground, 1st, 4th, and 5th floors) and LEED Silver certified (2nd and 3rd floors).

*Figure 2:LEED Certifications*

The park enjoys an amenities block with a cricket pitch, a basketball court, and an amphitheatre.

## 2. Located on the Outer Ring Road, Bangalore's largest office market

*Figure 3: Amenities Block*

Prestige Tech Platina is located along the main IT corridor on the Outer Ring Road, the largest office market in Bangalore with an overall office stock of 87.1 msf[4].

*Figure 4:Located on Outer Ring Road, Bengaluru*

Outer Ring Road – Southeast is the largest office market in Bangalore with offices of major Fortune 500 tenants.[5]

The asset is located within Prestige Tech Park, a prominent tech park in Bengaluru with the presence of institutional investors as well as large MNC tenants.

*Figure 5: Prestige Tech Park*

The building is visible from the main Outer Ring Road (ORR), the largest office corridor in Bangalore.

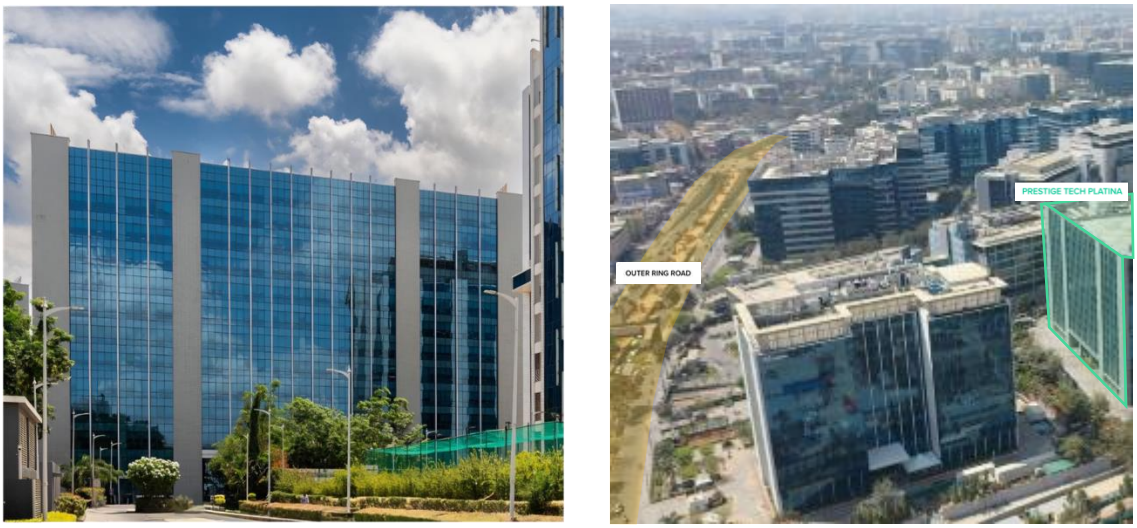



*Figure 6: Visible from ORR*

4 *Source: Industry Overview*
5 *Please refer to Industry Overview section for more details*

## 3. 100% proposed lease to a US-based technology company

The asset will be fully leased to 24[7].ai (who is the proposed seller as well of the asset/Project Platina), a US-based Indian tech company offering AI-led customer services solutions having a presence in **9 countries** and employing **15,000+ global teams.** (Source: *Official website of 24[7].ai*)

*Figure 7: Tenant Overview*
(Source: *Official website of 24[7].ai*)

The tenant has invested in the fit-outs and has been in occupation of the building since 2016.

*Figure 8:Fit-outs by tenant*

## 4. Stable cash flows from a long 9-year lease and a 3-7 year staggered lock-in period under the proposed lease

The tenant (who is the proposed seller as well of the asset/Project Platina) has signed a 9-year lease with 3-7 years staggered lock-in period (4.6 years weighted average) at a rent of ₹103.2 per sf per month.

| Lease Terms | | Area (sf) | Rent (psf/m) | Lock-In | Tenure |
|---|---|---|---|---|---|
| 5th Floor | US tech company | 43,717 | ₹103.5 | 5 yrs | 9 yrs |
| 4th Floor | US tech company | 43,717 | ₹108.0 | 7 yrs | 9 yrs |
| 3rd Floor | US tech company | 43,717 | ₹100.0 | 3 yrs | 9 yrs |
| 2nd Floor | US tech company | 43,717 | ₹100.0 | 3 yrs | 9 yrs |
| 1st Floor | US tech company | 37,075 | ₹100.0 | 3 yrs | 9 yrs |
| Ground Floor | US tech company | 34,991 | ₹108.0 | 7 yrs | 9 yrs |
| **Total/Weighted Average** | | **2,46,935** | **₹103.2** | **4.6 yrs** | **9.0 yrs** |

*Figure 9: Lease terms*

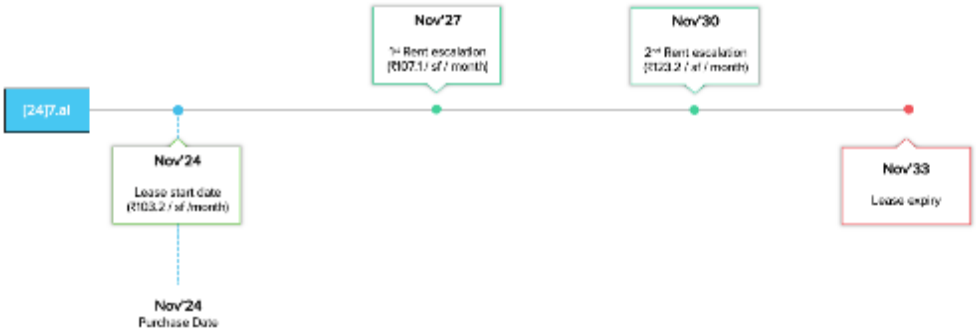



*Figure 10: Lease structure (subject to completion of formation transactions in November 24)*

**5. Inflation linked cash flows with contracted escalations every 3 years under the proposed lease.**

The tenant (who is the proposed seller as well of the asset/Project Platina) will sign a fresh 9-year lease with contractual rental escalations, where 3.85% with first escalation will be upon expiry of 3 (three) years from the lease commencement date, and second escalation will be 15% upon expiry of 6 (Six) years from the lease commencement date.

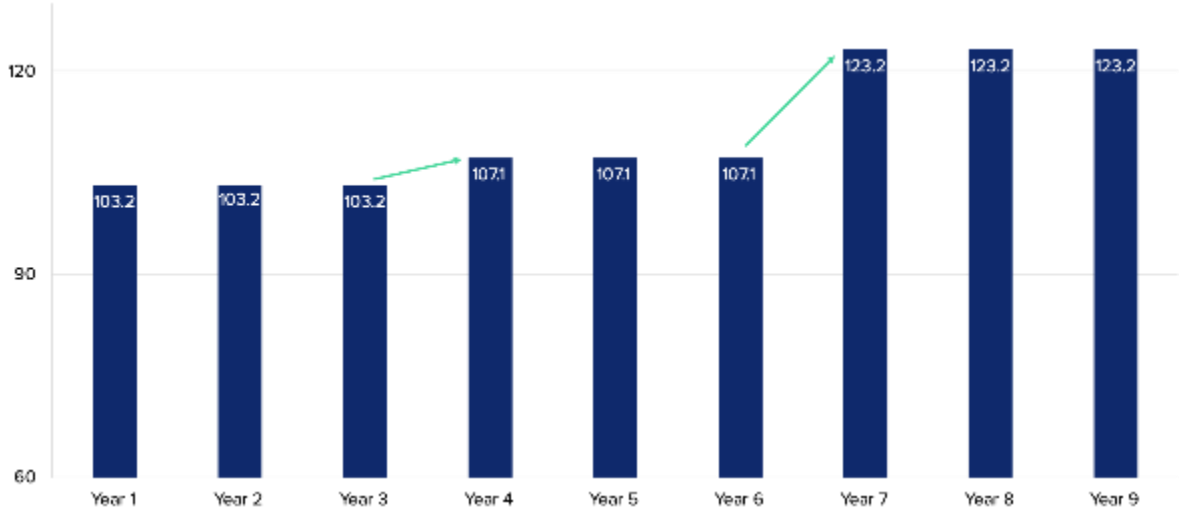



*Figure 11: Rent escalation profile*

**6. Strong infrastructure with the upcoming metro line expected to be operational by June 2026**

Prestige Tech Platina is located at a walking distance from the Kodibisanahalli Station on the upcoming blue metro line, connecting Silk Board and ORR to the Bangalore airport expected to be operational by June 2026.

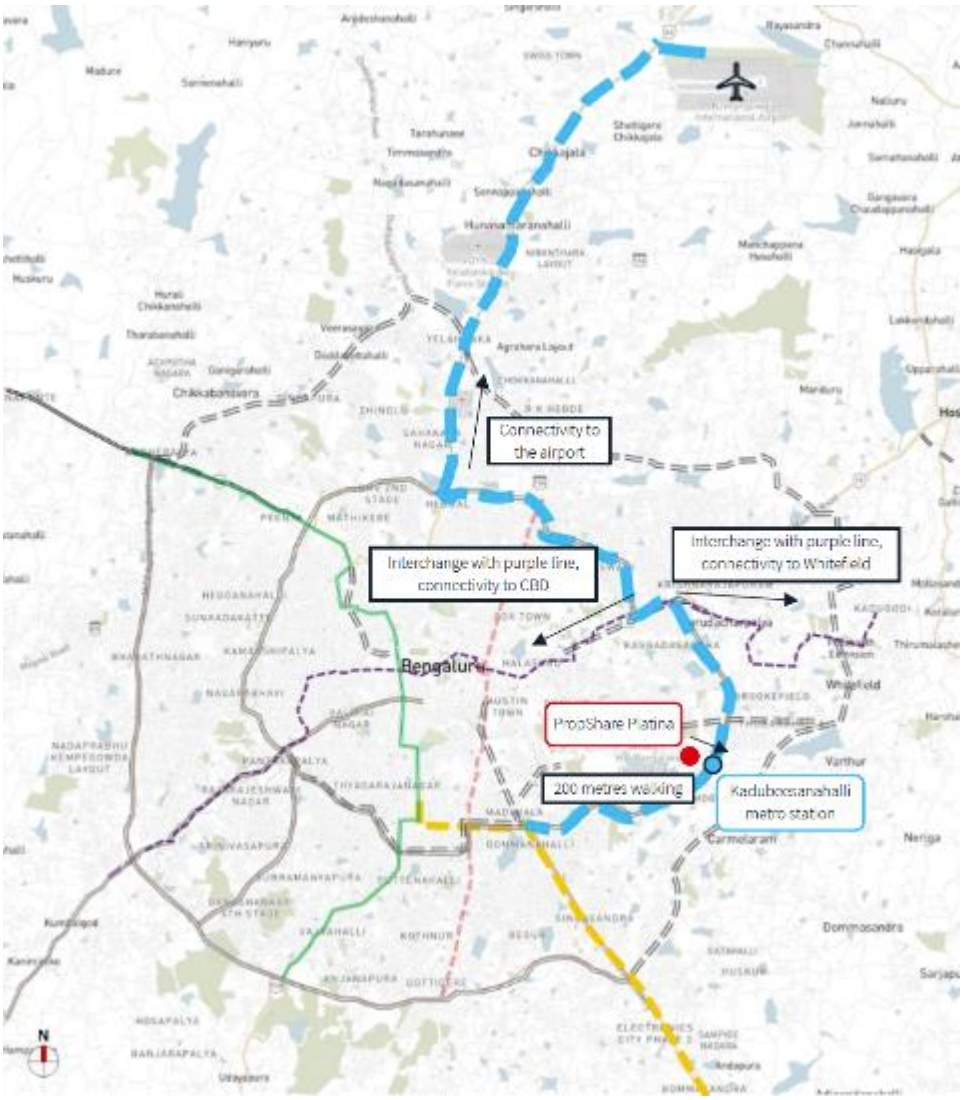



*Figure 12: Connectivity by metro*

The blue line will connect the asset to important locations such as the CBD, the airport and Whitefield and is expected to improve demand in the ORR micro-market.

*Figure 13: Metro construction progress on Outer Ring Road and Airport road*

## 7. Experienced investment and asset management team

AltInvest Online Platform Private Limited (the parent company of the Investment Manager) was founded by Kunal Moktan and Hashim Khan. Kunal has over fifteen years of work experience buying, managing and selling real estate. He has previously worked for over seven years with the Blackstone Group. Hashim has eight years of experience investing in real estate at AltInvest Online Platform Private Limited. He has previously worked with the Al Shaya group, a middle eastern conglomerate. Hashim has served as chief technology officer at AltInvest Online Platform Private Limited since inception.

The Investment Manager (PropShare Investment Manager Private Limited) has an experienced team comprising of 43 members. The 11-member senior investing team comes with a cumulative experience of 62 years in commercial real estate in India. The team has strong academic pedigree from leading IITs and IIMs as well as diverse work experience across leading real estate funds and reputed developers including The Blackstone Group, Kotak Mahindra Investments (Real Estate), SBI Real Estate Fund and Piramal Capital.

A brief break-up of the Investment Manager team is given below:

| Team | No. of employees |
|---|---|
| Chief executive officer and chief financial officer | 2 |
| Investments & Asset Management | 3 |
| Strategic Initiatives | 1 |
| Sales & Investor Relations | 7 |
| Finance | 4 |
| Marketing | 4 |
| Operations | 2 |
| Legal & Compliance | 1 |
| Product & Technology | 16 |
| HR & Admin | 3 |

### Track Record

AltInvest Online Platform Private Limited (the parent company of the Investment Manager) has demonstrated a strong track record in real estate investment and asset management expertise with a proven track-record in returning capital to investors. Since 2016, AltInvest Online Platform Private Limited has:

- distributed c. **₹250.61 crores** through distributions and sale proceeds
- acquired c.**1.27 million sf** of commercial real estate with a total value of c. **₹1,355 crores** across different asset classes including office spaces, retail centres and warehouses
- leased over c. **4,27,800 sf** in its portfolio ensuring minimum disruption for its investors
- exited c. **₹205.30 crore** worth of assets spread across c. **1,80,000 sf** providing successful exits to investors

*Figure 14: Track record of distributions*

**Investment Manager's holding company backed by marquee investors**

AltInvest Online Platform Private Limited (the parent company of the Investment Manager) is backed by some prominent names in institutional investing including Westbridge Capital, Lightspeed India, BEENEXT and Pravega Ventures, which will empower the Investment Manager to fulfil its current and future financial commitments.

*Figure 15: Investors backing AltInvest Online Platform Private Limited*

## 8. Low fees with zero% in the first year going up to a maximum of 0.3% in year 3

**Fee structure**

For the first scheme, the Trust has decided to waive off all annual management expenses (including investment management fee and property management fee) for FY 25 and FY26 and will charge a nominal fee of 0.25% of gross proceeds in FY27 and 0.30% of gross proceeds from FY28 onwards. In addition, the Investment Manager will charge a one-time acquisition fee of 1.5% of the property value.

**Investment Manager commitment:**

The Investment Manager is also mandated to invest a minimum of 5% of the issue size aggregating to 177.45 million in the PropShare Platina Scheme ensuring that there is complete alignment of interest with investors.

**Business and Growth Strategies**

Our aim is to provide regular and stable income to unitholders through regular distributions along with capital appreciation on exit through active asset management of the underlying property. We intend to achieve this through the following strategies:

**1. Proactive tenant management**

Our asset management team comes with strong experience in tenant engagement with a proactive approach to long term tenant management. These include maintaining a regular dialogue with the tenant, engaging in tenant centric activities, providing state-of-the-art property management including high quality tenant amenities and best-in-class health and safety norms.

*Figure 16: Amenities offered to tenants*

**2. Leasing strategy**

Our asset will be 100% leased with a long tenure of 9 years and a staggered 3-7 year lock-in period (4.6 year weighted average lock-in period). Our strategy will therefore primarily be focused on tenant retention. However, in the event there are some unplanned vacancies we aim to use a targeted leasing strategy focused on proactively reaching out to our network of international property consultants, local brokers and existing tenants in our portfolio.

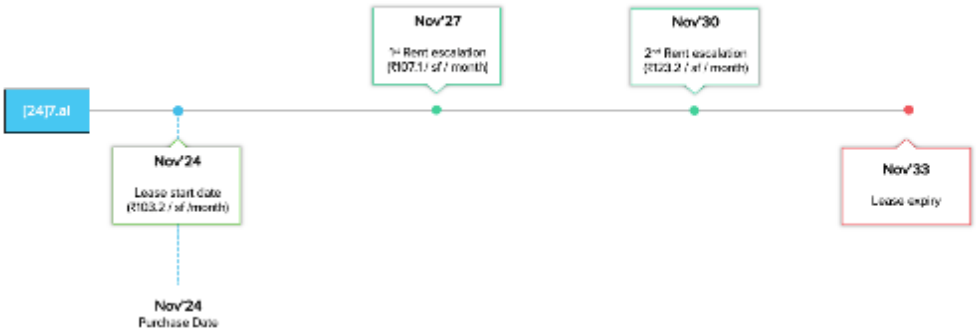



*Figure 17: Lease structure (subject to completion of formation transactions in Nov 24)*

**3. Exit strategy**

The Investment Manager aims to provide the exit opportunity to its investors as per the REIT Regulations and applicable law. Further, an exit option to the Platina Unitholders shall be in accordance with the listing agreement and in accordance with procedure as may be specified by the SEBI and REIT Regulations.

**Lease Deeds and Lease Management**

The lease deeds proposed to be entered into with tenant will contain customary terms and conditions generally included in typical commercial real estate leases, including those relating to the duration of the leases and the renewals, rent and escalation term, provision of security deposit, as well as refurbishment works, if any. These lease deeds will typically be entered into for a term of 9 years, along with 2-3 months of rent-free period with the office tenant. The proposed leased premises will comprise office space along with a select number of parking slots generally allocated in accordance to size of the leased premises. Our

leases will generally include an interest free, refundable security deposit, which is paid by client on signing of letter of intent or the lease agreement. The amount of security deposit will typically be six months of base rent. These lease deeds will be typically entered into for 9 years lease arrangements with the office tenant.

The rent will be generally payable in advance on a monthly basis. Rentals under our proposed lease agreements will be a function of various factors, including, security deposits, and occupancy at these office spaces. The proposed lease agreements will generally contain escalation provisions. The rental escalations and security deposit escalation will be 3.85% with first escalation will be upon expiry of 3 (Three) years from the lease commencement date, and second escalation will be 15% upon expiry of 6 (Six) years from the lease commencement date.

With the built-in rent escalations on proposed lease deeds, we expect to generate stable and predictable growth in our revenue from operations. Sub-letting to the tenant's affiliate companies or subsidiary generally does not require consent but prior written intimation to relevant Platina SPVs will be required. However, sub-letting or licensing to unrelated third parties will require prior consent from the relevant Platina SPVs.

Our proposed lease agreements will generally contain common termination provisions such as termination upon default of the counterparty. Leases typically have a lock-in period during which the tenant is not allowed to exit unless there is a breach by the lessor of the terms of the lease agreement. Lock-in period, wherever applicable, typically lasts between three to seven years from the lease commencement date.

Other common provisions in the lease agreements include, inter alia, the lessors' obligation to ensure the continuous supply of utilities necessary for the use of the premises, such as electricity and water.

**Environmental, Health and Safety Certifications**

The Project Platina is LEED certified from the US Green Building Council.

**Insurance**

We have in place insurance for our proposed purchase of the Project Platina that the Investment Manager and the Trustee believe is adequate in relation to the properties and consistent with industry practice in India.

**Employees**

The Investment Manager directly employs 43 (forty-three) personnel as of November 17, 2024. The table below sets forth details of such employees according to their functions:

| Relevant Department | Number of Employees as of November 17, 2024 |
|---|---|
| Chief executive officer and chief financial officer | 2 |
| Investments & Asset Management | 3 |
| Strategic Initiatives | 1 |
| Sales & Investor Relations | 7 |
| Finance | 4 |
| Marketing | 4 |
| Operations | 2 |
| Legal & Compliance | 1 |
| Product & Technology | 16 |
| HR & Admin | 3 |

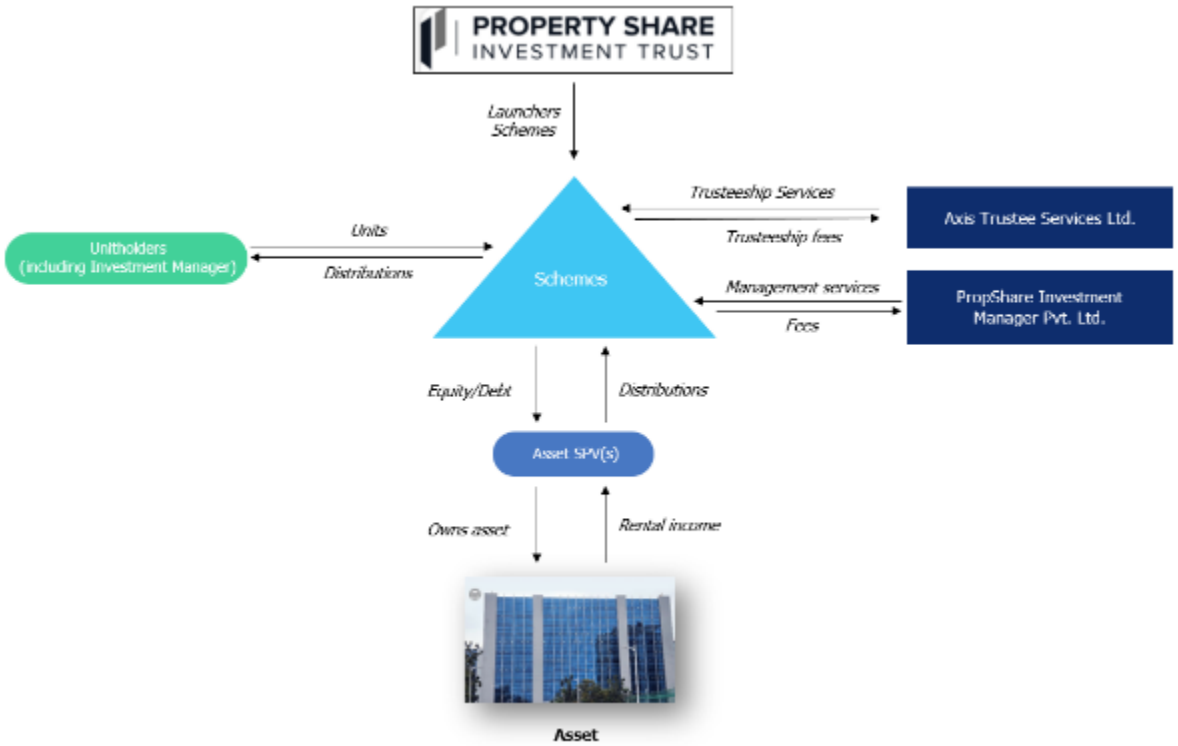
## GENERAL INFORMATION

**PropShare Platina**

The Property Share Investment Trust was settled on June 27, 2024, at Bangalore, Karnataka, India as contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated June 27, 2024, amended on July 19, 2024. The Property Share Investment Trust was registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L(1) of the REIT Regulations having registration number IN/SM-REIT/24-25/0001. The Property Share Investment Trust has been settled by the Investment Manager for an aggregate initial sum of ₹0.20 million. Also, the first scheme of the Trust i.e. PropShare Platina has been settled by the Investment Manager.

PropShare Investment Manager Private Limited has been appointed as the Investment Manager to the Property Share Investment Trust. The Investment Manager has been constituted in accordance with the REIT Regulations. Axis Trustee Services Limited has been appointed as the Trustee to the Property Share Investment Trust.

Pursuant to the PropShare Platina, the Project Platina are proposed to be held through the Platina SPVs, in accordance with the REIT Regulations.




***Compliance Officer of the Property Share Investment Trust***

The compliance officer of the Property Share Investment Trust is Prashant Kataria. His contact details are as follows:

**Prashant Kataria**

16th Floor, SKAV Seethalakshmi,
21/22, Kasturba Road,
Bangalore, 560001, India.
Email: prashant.kataria@propertyshare.in
Fax: NA
Tel: +91 80 3100 3902

**The Investment Manager**

***Registered office and address for correspondence***

**Property Share Investment Manager Private Limited**
10th Floor, SKAV Seethalakshmi,
21/22, Kasturba Road, Bangalore 560001

***Contact Person of the Investment Manager***

Kunal Moktan is the contact person of the Investment Manager. His contact details are as follows:

Name: Kunal Moktan
Direct line: +91 80 3100 3901
Mobile: NA
E-mail: smreit.manager@psreit.in

**The Trustee**

***Registered Office***

**Axis Trustee Services Limited**
Axis House
Bombay Dyeing Mills, Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India
Tel: +91 22 6230 0451
E-mail: debenturetrustee@axistrustee.com
Website: www.axistrustee.com

***Address for correspondence***
Axis Trustee Services Limited
The Ruby, 2nd Floor, SW
29, Senapati Bapat Marg, Dadar West
Mumbai 400 028, Maharashtra, India

***Contact Person of the Trustee***

Anil Grover is the contact person of the Trustee. His contact details are as follows:

Anil Grover
Direct line: +91 22 6230 0451
Mobile: +91 90041 85554
E-mail: debenturetrustee@axistrustee.in

**Auditor**

ASA & Associates LLP, Chartered Accountants
53/B LOLS Citadel Level 2 & 3 1st Main Road
3rd Phase Sarakki Industrial Layout J P Nagar
Bangalore 560078 Tel: +91 98450 00946
E-mail: vinay.ks@asa.in
Firm Registration No: No. 009571N/N500006
Peer Review No.: 015057

**Valuer in relation to the PropShare Platina**

**Kzen Valtech Private Limited Partners (*represented by its partner Sachin Gulaty*)**
5th Floor, India Accelerator,
The Iconic Corenthum, Sector 62,
NOIDA – 201309.
Uttar Pradesh. INDIA.
E-mail: sachin.gulaty@k-zen.in
Website: www.k-zen.in
Registration No.: IBBI/RV-E/05/2022/164

**Book Running Lead Manager to the Property Share Investment Trust in relation to the PropShare Platina**

**ICICI Securities Limited**
ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi, Mumbai – 400 025
Maharashtra, India

Tel: +91 22 6807 7100

E-mail: propshare.smreit@icicisecurities.com

Investor grievance e-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Rupesh Khant/ Hitesh Malhotra
SEBI Registration No.: INM000011179

**Indian Legal Counsel to Property Share Investment Trust and the Investment Manager in relation the PropShare Platina**

**Cyril Amarchand Mangaldas**
6th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Mumbai 400 013
Maharashtra, India
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

**Tax Advisers to the Property Share Investment Trust in relation to the PropShare Platina**

**Ernst & Young LLP**

Ernst & Young LLP
4th Floor, Divyasree Chambers,
'A' Wing, #11, O'Shaughnessy Road,
Langford Gardens,
Bengaluru-560 025
Tel: +91 80 6727 5000
Fax: +91 80 2222 9914
Website: www.ey.com

**Technical Due Diligence Consultant**

**Colliers International (India) Property Services Private Limited**
Unit 601, 6th Floor, A Wing,
One BKC, Plot C-66,
Bandra East,
Mumbai 400 051
Main +91 22 3512 1040
Website: colliers.com/India

**Title Lawyer**

**Trilegal**
7th floor, Marksquare,
61, St. Marks Road,
Bangalore 560001
Karnataka, India
Tel: +91 80 4343 4646

**Escrow Collection Bank**

ICICI Bank Limited
Capital Market Division,
5th Floor, HT Parekh Marg
Churchgate, Mumbai – 400020
Telephone number: 022- 68052182
E-mail: ipocmg@icicibank.com
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

**Self-Certified Syndicate Banks**

The banks registered with SEBI, which offer the facility of ASBA services, in relation to ASBA, where the Bid Amount will be blocked by an SCSB, a list of which is available on the website of SEBI at

(www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

**Registered Brokers**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx? and www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

**Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

## RISK FACTORS

*An investment in the Platina Units involves a high degree of risk. Investors should carefully consider all the information in this Final Scheme Offer Document and the Final Trust Offer Document (including the section entitled "Risk Factors" on Pages 29 to 34), including the risks and uncertainties described below, before making an investment in the Platina Units. The risks described below are those that we consider to be most significant to our business, results of operations, cash flows and financial condition as of the date of this Final Scheme Offer Document. However, they are not the only ones relevant to us or our Platina Units, the industry or geographies in which we operate. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition and consequently, the price of our Platina Units could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our business, prospective investors should read this section in conjunction with "Our Business and Properties", "Industry Overview" and "Combined Financial Information of the PropShare Platina" on pages 14 to 24, 41 to 88, and 89, respectively, in this Final Scheme Offer Document. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.*

*This Final Scheme Offer Document also contains forward-looking statements that involve risks and uncertainties and assumptions. The actual results could differ significantly from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and in "Forward-Looking Statements" beginning on page 12.*

*Industry, macro-economic and market data and all industry-related statements in this section have been extracted from JLL Report (which the Investment Manager commissioned on our behalf), or the Valuation Report. For further details, see "Industry Overview" on pages 41* to 88.

*For the definitions of technical terms, please see "Definitions and Abbreviations" on page 8 to 9.*

***1. We have not executed binding agreements with respect to the certain agreements for the proposed acquisition of the Project Platina and our ability to consummate these transactions will impact the ability of the Investment Manager to complete this Offer.***

Certain agreements for the proposed acquisition of the Project Platina will only be executed post completion of the Offer. The underlying transactions will only be given effect to after the Bid/Offer Closing Date. Details of such agreements included in this Final Scheme Offer Document are indicative only and are subject to change and certain factors. While Investment Manager has entered into mutual arrangements with third party by executing the Letter of Intent, we cannot assure you that we will be able to execute, register the sale deed and transfer the title in relation to the acquisition of Project Platina by Platina SPVs.

Under the REIT Regulations, we are prohibited from making an initial public offer of Platina Units unless the aggregate value of the assets held by PropShare Platina prior to the allotment of Platina Units in the Offer is at least INR 500 million and is less than INR 5,000 million. If we are unable to complete execution and registration of certain agreements for the proposed acquisition of the Project Platina, as contemplated herein, the Investment Manager, in consultation with the Lead Manager, and subject to any conditions imposed by the SEBI or any other regulators, may decide not to proceed with the Offer or to withdraw or reduce the size of the Offer. Any inability to consummate any or all the transactions in the manner described in this Final Scheme Offer Document may materially and adversely impact our ability to complete the Offer within the anticipated time frame or at all.

***2. We have no operating history and may not be able to operate our business successfully, achieve our business objectives or generate sufficient cash flows to make or sustain distributions.***

The Property Share Investment Trust and PropShare Platina were settled as a contributory, determinate and irrevocable trust under the Indian Trust Act, 1882 on June 27, 2024 and registered with SEBI as a small and medium real estate investment trust under the REIT Regulations on August 5, 2024. We have acquired the Platina SPVs without the assets/Project Platina at nominal/face value, pursuant to the SPAs and initial portfolio acquisition transactions, and our Platina SPVs have been recently incorporated entities. We do not have an operating history by which our performance may be judged. We are subject to business risks and uncertainties associated with any new business enterprise formed through a combination of existing business enterprises. Accordingly, there is no assurance that we will be able to operate our business successfully or profitably, or that we will be able to achieve our investment objectives at all. There can be no assurance that our future performance will be consistent with the past financial performance.

***3. A significant portion of our revenues will be derived from a proposed single tenant. Any conditions that impact this tenant, the properties or the markets may adversely affect our business, revenue from operations and financial condition.***

Our revenues from operations will be concentrated in a single tenant with a long-term lease deed and in a limited number of properties. One tenant will occupy 100% of the occupied area and constitute 100% of the gross rentals.

Further, even if we seek to diversify our tenant base, our tenant, while representing different brands and segments, may belong to one or more large conglomerates with wide ranging interests. Our reliance on a single tenant for a significant portion of our revenues, may give the tenant a certain degree of pricing leverage against us. Our reduced ability to negotiate better terms with such tenant may adversely affect our growth, including our revenues in the future. Further, we cannot assure you that we will be able to maintain past levels of business from such tenant. Accordingly, our financial condition, results of operations, cash flows and ability to make distributions to Platina Unitholders may be materially and adversely affected by the downturn in the businesses of such tenant or the conglomerates to which they belong, non-renewal or early termination of leases for any reason, economic and other factors that lead to a downturn in the submarkets in which these properties are located. We may in the future seek to diversify our tenant base, expand in or diversify into new submarkets, and failure of which may subject us to experience material fluctuations or decline in our revenue, and our financial condition, cash flows and results of operations could be materially and adversely affected.

***4. Our actual results may be materially different from the projections included in this Final Scheme Offer Document.***

This Final Scheme Offer Document contains forward-looking statements regarding, among other things, the projections of revenue from operations, NOI, EBITDA, cash flow from operating activities and NDCF for the Projections Period set out in the section titled "*Projections*" on Annexure 1 as per the REIT Regulations. The revenue from operations, NOI, EBITDA, cash flow from operating activities and NDCF projections are only estimates, based on certain assumptions of possible future operating results and are not guarantees of future performance. There is no assurance that the construction, maintenance or upgrades will be completed on time or at the assumed costs.

Further, the revenue from operations, NOI, EBITDA, cash flow from operating activities and NDCF for the Projections Period are subject to the inherent limitations generally involved in presenting projection figures, as well as the assumptions set forth in the Projections.

The projections and forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies that are outside of our control. We have also assumed that the SM REIT debt financing, which may be proposed in the future is subject to receipt of the relevant approvals, will be successfully completed. For further details, see "Projections" on Annexure 1. This may adversely affect our ability to achieve the forecasted and projected distributions as events and circumstances assumed may not occur as expected, or events and circumstances may arise which are not anticipated. No assurance is given that the assumptions will be realized, and that the actual distributions will be as forecasted and projected.

***5. The Valuation Reports obtained for our Project Platina are based on various assumptions and may not be indicative of the true value of Project Platina.***

Kzen Valtech Private Limited, represented by its partner, Sachin Gulaty, as the independent Valuer supported by JLL, the industry assessment service provider, has issued a valuation report setting out their opinion as to the value of the Project Platina as of September 1, 2024. Please note that only the Summary Valuation Report is included in this Final Scheme Offer Document. For details on the assumptions, disclaimers and methodology used in the Summary Valuation Report, see "*Summary Valuation Report*" on Annexure 2 of this Final Scheme Offer Document. Further, the Valuer has followed a particular methodology to arrive at the valuation. There is no assurance that other methodologies would not have led to a different valuation. The Summary Valuation Report does not purport to contain all the information that may be necessary or desirable to fully evaluate us or the Portfolio or an investment in the Platina Units. The Summary Valuation Report contains forecasts, projections and other forward-looking statements that relate to future events that involve risks and uncertainties, which may cause the actual results or performance to be significantly different from any future results or performance expressed or implied by the forward-looking statements. The Summary Valuation Report does not confer rights or remedies upon investors or any other person, and does not constitute and should not be construed as any form of assurance as to our financial condition or future performance or as to any other forward-looking statements included therein, including those relating to macroeconomic factors, by or on behalf of the Investment Manager, the Lead Manager or us. Further, we cannot assure you that the valuation prepared by the Valuer reflects the true value of the net future revenues of the Project Platina. Further, in the event that the Valuer does not continue to value the Project Platina subsequent to the listing of Property Share Investment Trust, and a new valuer is appointed for the purpose of the ongoing valuation, we cannot assure you that the methodology, assumptions and valuation will not be different from the valuation arrived at by the Valuer in the Summary Valuation Report. The Valuer has used certain assumptions which are subject to uncertainties and contingencies.

The Summary Valuation Report has not been updated since the date of its issue and does not consider any subsequent developments and should not be considered as a recommendation by us, the Investment Manager, the Lead Manager or any other party that any person should take any action based on such valuation. Accordingly, investors should not rely on the Summary Valuation Report in making an investment decision to subscribe to or purchase Platina Units.

***6. This Final Scheme Offer Document contains information from the JLL Report, the Technical Due Diligence Report and the Valuation Report which the Investment Manager has commissioned on our behalf.***

The information in the section titled "*Industry Overview*" and in other sections in this Final Scheme Offer Document is based on the JLL Report dated September 13, 2024, the Technical Due Diligence Report dated September 12, 2024, and the Valuation Report dated September 14, 2024. See also "*The valuation reports obtained for our Project Platina are based on various assumptions and may not be indicative of the true value of Project Platina*" on Annexure 2. Industry-related data, market intelligence and other data pertaining to the Portfolio has been provided by JLL to the Valuer, for the purpose of undertaking the valuation exercise in relation to the Offer and accordingly has been included as part of the Valuation Report and Summary Valuation Report and elsewhere in this Final Scheme Offer Document. The Investment Manager has exclusively commissioned and paid for these reports for the purposes of inclusion of industry information in the Final Scheme Offer Document. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. The reports have been prepared based on information as of specific dates and may no longer be current or reflect current trends. Further, opinions in the reports are based on estimates, projections, forecasts and assumptions may prove to be incorrect.

***7. The Investment Manager may not be able to execute our growth strategy successfully resulting in inability to offer projected yields***

Our growth depends on the ability of the Investment Manager to manage the Platina SPVs under the scheme in a timely and cost-effective manner. If the Investment Manager determines that the expenses required for the operation of one or more Platina SPVs are higher than the projected, the Investment Manager's ability to make projected distributions yield (9% for the financial year 2026, 8.7% for the financial year 2027 and 8.6% for the financial year 2028) may be adversely affected. In addition, the projected yields which the Investment Manager anticipates may not materialize, disabling it to offer the projected distribution yield to the investors.

The projections and forward-looking statements are based on a number of assumptions which are subject to uncertainties and contingencies that are outside of our control. For further details, see "*Projections*" on Annexure 1. No assurance is given that the assumptions will be realized, and that the actual distributions will be as forecasted and projected.

***8. The Platina SPVs are newly incorporated entities with no established operating history and no historical financial information and, as a result, investors may not be able to assess prospects of the Platina SPVs on the basis of past records or accurately assess future growth prospectus of the PropShare Platina and Platina SPVs.***

The Platina SPVs are newly incorporated entities and does not have an operating history or historical financial information by which our past performance may be judged. This will make it difficult for investors to assess future performance of PropShare Platina. Growth prospects as a scheme of small and medium real estate investment trust can be affected by a wide variety of factors, including, inability to raise funds required for operations, maintenance of the assets, adverse developments in taxation regulations affecting our Platina Unitholders, operational performance, and distribution.

Any inability to meet these challenges could cause disruptions to our operations and could be detrimental to our long-term business outlook. There can be no assurance that the Platina SPVs will be able to generate sufficient cash flows from the operations of the Project Platina to make distributions to our Platina Unitholders or that such distributions will be in line with those set out in "Projections" attached as Annexure I of the Final Scheme Offer Document.

***9. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.***

We intend to utilize the Net Proceeds of the Offer as set forth in "*Use of Proceeds*" beginning on page 93. The funding requirements mentioned as a part of the objects of the Offer are based on internal management estimates and commercial considerations, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies.

Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds.

Accordingly, use of the Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

***10. The Platina Units have never been publicly traded and the listing of the Platina Units on the Stock Exchange may not result in an active or liquid market for the Platina Units. The Platina Units may also experience price and volume fluctuations.***

There is no public market for the Platina Units prior to the Offer and an active public market for the Platina Units may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a trading market for the Platina Units will develop or, if a market does develop, that there will be liquidity of that market for the Platina Units. If an active trading market does not develop, you may have difficulty selling your Platina Units, and the value of your Platina Units may be materially impaired. Accordingly, prospective Platina Unitholders should view the Platina Units as illiquid and must be prepared to hold their Platina Units for an indefinite length of time.

The Offer Price may not be indicative of the market price of the Platina Units upon listing. The price of the Platina Units may fluctuate after the Offer as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the Indian SM REIT sector, changing perceptions in the market about investments in the Indian SM REIT sector, adverse media reports on our assets or the Indian SM REIT sector, significant developments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations.

The trading price of the Platina Units might also decline in reaction to events that affect the entire market and/or other companies in the Indian real estate industry even if these events do not directly affect or are unrelated to our business, financial condition, cash flows or operating results. If the market price of the Platina Units declines significantly, investors may be unable to resell their Platina Units at or above their purchase price, if at all. There can be no assurance that the market price of the Platina Units will not fluctuate or decline significantly in the future.

***11. Any change in the prevailing rental levels of the submarket could adversely affect our business, results of operations and financial condition.***

The Outer Ring Road (Southeast) office submarket ("Submarket") is the most sought-after office submarket in Bengaluru and enjoys high traction and occupancy levels. The rental rates may be affected by the prevailing supply and demand conditions in this Submarket. As a result, we may be unable to receive rent at desired levels since we derive a significant portion of our revenue from a single tenant who will occupy 100% of the occupied area and constitute 100% of the gross rentals. Further, the Investment Manager's ability to make distributions to Unitholders may be adversely affected if the tenant decides to prematurely terminate the lease agreement, owing to prevailing rental levels in the Submarket.

***12. The price of the Platina Units may decline after the Offer.***

The Offer Price will be determined by the Investment Manager in consultation with the Lead Manager. The Offer Price may not be indicative of the market price of the Platina Units upon completion of the Offer. The market price of the Platina Units will depend on many factors, including, among others:

- the perceived prospects of our business and investments and the Indian real estate market;
- differences between our actual financial and operating results and those expected by investors and analysts;
- changes in research analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of our assets;
- the perceived attractiveness of the Platina Units against those of other business trusts, equity or debt securities;
- the balance of buyers and sellers of the Platina Units;
- the size and liquidity of the Indian SM REIT market;
- any changes to the regulatory system, including the tax system, both generally and specifically in relation to India business trusts;
- the ability of the Investment Manager to implement successfully its investment and growth strategies;
- foreign exchange rates; and
- broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

To the extent that we retain cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of our underlying assets, may not correspondingly increase the market price of the Platina Units. Our failure to meet market expectations with regard to future earnings and cash distributions may materially and adversely affect the market price of the Platina Units.

In addition, the Platina Units are not capital-safe products and there is no guarantee that Platina Unitholders can regain the amount invested, in full or in part. If we are extinguished or dissolved, it is possible that investors may lose a part or all of their investment in the Platina Units.

**Risks Related to the Ownership of the Platina Units**

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

We are set up as an irrevocable trust registered under the Registration Act, 1908, and it may only be extinguished (i) upon the liquidation of the SM REIT Assets; (ii) if there are no projects or assets remaining under the SM REIT and the SM REIT does not invest in any project for six months thereafter; (iii) if the Platina Units are delisted from the Stock Exchange; (iv) if the SM REIT fails to maintain the minimum public shareholding for the Platina Units and the breach is not cured within six months from the date of breach; (v) in the event SEBI cancels, revokes or suspends the certificate of registration that has been granted to the SM REIT; or (vi) in the event the SM REIT becomes illegal. In the event of dissolution, the net assets remaining after settlement of all liabilities, and the retention of any reserves which the Trustee deems to be necessary to discharge contingent or unforeseen liabilities, shall be paid to the Platina Unitholders. Should we be dissolved, depending on the circumstances and the terms upon which our assets are disposed of, there is no assurance that a Platina Unitholder will recover all or any part of his investment. There may also be uncertainty around the interpretation and implementation of certain provisions in relation to insolvency of a trust under the Insolvency and Bankruptcy Code, 2016.

***14. The reporting requirements and other obligations of small and medium real estate investment trusts post-listing are still evolving. Accordingly, the level of ongoing disclosures made to and the protections granted to Platina Unitholders may be more limited than those made to or available to the shareholders of a company that has listed its equity shares upon a recognized stock exchange in India.***

The recent amendments to the REIT Regulations, along with relevant guidelines and circulars issued by the SEBI from time to time, govern the affairs of SM REITs in India. However, as compared to the statutory and regulatory framework governing companies that have listed their equity shares upon a recognized stock exchange in India, the regulatory framework applicable to small and medium real estate investment trusts is nascent and thus, still evolving. While the amendment to the REIT Regulations were notified with effect from March 8, 2024, the guidelines and procedures and a public issue of Platina Units by a small and medium real estate investment trust are still at inception stage and to be notified by the SEBI.

Accordingly, the ongoing disclosures made to Platina Unitholders under the REIT Regulations may differ from those made to the shareholders of a company that has listed its equity shares on a recognized stock exchange in India in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the applicability of other regulations such as the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the Property Share Investment Trust and the Platina Units is unclear.

The Trust Deed and various provisions of Indian law govern our operations. Legal principles relating to these matters and the validity of corporate procedures, fiduciary duties and liabilities, and the rights of the Platina Unitholders may not be as extensive as the rights of the shareholders of a company that has listed its equity shares upon a recognized stock exchange in India or a trust in another jurisdiction, and accordingly, the protection available to the Platina Unitholders may be more limited than those available to such shareholders. For instance, shareholders of listed companies are entitled to an exit in case of any variation in the objects of a public issue. Platina Unitholders of a SM REIT do not have such a right. Further, given the nascent stage of the regulatory regime for SM REITs in India, safeguards available to shareholders of listed companies in respect of insider trading, takeovers and fraudulent and unfair trade practices are not available to Platina Unitholders. Platina Unitholders' rights and disclosure standards under Indian law may also differ from the laws of other countries or jurisdictions. See "*Rights of Platina Unitholders*" on pages 136 to 138.

***15. 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 Platina Units and any distributions.***

Fluctuations in the exchange rates between the Indian Rupee and other currencies will affect the foreign currency equivalent of the Indian Rupee price of the Platina Units. Such fluctuations will also affect the amount that holders of the Platina Units will receive in foreign currency upon conversion of any cash distributions or other distributions paid in Indian Rupees by us on the Platina Units, and any proceeds paid in Indian Rupees from any sale of the Platina Units in the secondary trading market.

***16. Any future issuance of Platina Units by us or sales of Platina Units by any of the significant Platina Unitholders may materially and adversely affect the trading price of the Platina Units.***

Any future issuance of Platina Units by us could dilute investors' holdings of Platina Units. Any such future issuance of Platina Units may also materially and adversely affect the trading price of the Platina Units and could impact our ability to raise further capital through an offering of our Platina Units. There can be no assurance that we will not issue further Platina Units. In addition, any perception by investors that such issuances by us or sales by any significant Platina Unitholders might occur could also adversely affect the trading price of the Platina Units.

Upon completion of the Offer, 5 % of the total number of Platina Units will be held by the Investment Manager. The Platina Units will be tradable on the Stock Exchange. The Investment Manager (following the lapse of the statutory lock-in period) may sell a portion of the Platina Units held by them, which portion may be substantial and which sale could increase the aggregate number of Platina Units available for active trading on the Stock Exchange. A secondary offering of the Platina Units by us, if undertaken, may also increase the aggregate number of Platina Units being traded, which could have an adverse impact on the market price for the Platina Units. These sales may also make it more difficult for us to raise capital through the issue of new Platina Units at a time and at a price we deem appropriate.

***17. No investors are permitted to withdraw or lower their Bids (in terms of quantity of Platina Units or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the REIT Regulations and SEBI Guidelines, investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Bids (in terms of quantity of Platina Units or the Bid Amount) at any stage after submitting a Bid, despite adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise, at any stage after the submission of their Bids.

***18. Our rights and the rights of the Platina Unitholders to recover claims against the Investment Manager or the Trustee are limited.***

Under the Investment Management Agreement, the Investment Manager is not liable for, among other things, any action or omission, if it has carried out its duties and exercised its powers with reasonable skill and care expected of an Investment Manager (except in the case of fraud, negligence or willful misconduct). Pursuant to the Trust Deed, the Trustee is not liable for anything done or omitted to be done or suffered by the Trustee in good faith. Further, the Trustee is not liable for any action or omission that results in any depletion in the value of the trust fund and consequent losses of the Platina Unitholder, except in situations where such depletion is a result of the gross negligence, willful misconduct or fraud on the part of the Trustee. Also, under the Trust Deed, the liability of the Trustee is limited to the extent of the fees received by it except in case of any gross negligence, willful misconduct or fraud on the part of the Trustee. The Investment Management Agreement provides that the Investment Manager is entitled to be indemnified out of the trust fund against claims, costs, losses, damages, liabilities, suits, proceedings and expenses (including legal fees) ("**Losses**") suffered or incurred by it by reasons of their activities on behalf of us, unless resulting from fraud, gross negligence, dishonest acts or commissions or omissions, willful misconduct, reckless disregard of duty or breach of duties under the Investment Management Agreement and applicable law. As a result, the rights of the Unitholders and our rights to recover claims against the Investment Manager are limited. Furthermore, recourse to the Trustee may be limited under the Trust Deed. The Investment Management Agreement provides for the indemnification of the Trustee by the Investment Manager for all Losses. The aggregate maximum liability of the Investment Manager to indemnify the Trustee in each financial year is limited to the SM REIT management fees payable to the Investment Manager for the immediately preceding two financial years. However, such cap on liability shall not be applicable in the case of Losses incurred due to any gross negligence, willful default, or misconduct or fraud of the Investment Manager. Accordingly, the liability of the Investment Manager and the Trustee are limited under the terms of these agreements and the Platina Unitholders may not be able to recover claims against the Trustee or the Investment Manager, including claims with respect to any offer documents relating to the Offer.

Further, pursuant to the Trust Deed, the Trustee is not under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceeding or claim, which in its opinion might involve it in expense or liability that exceeds the value of the Portfolio. The value of the Project Platina may not be sufficient to recover claims, including claims with respect to any offer documents in relation to the Offer.

***19. NAV per Platina Unit may be diluted if further issues are priced below the current NAV per Platina Unit.***

We may make fresh issuances of Platina Units in the future, the offering price for which may be above, at or below the then current NAV per Platina Unit. The distribution per Platina Unit may be diluted if new Platina Units are issued and the use of proceeds from such issue of Platina Units generates insufficient cash flow to cover the dilution. Where new Platina Units are issued at less than the NAV per Platina Unit, the then current NAV of each existing Platina Unit may be diluted.

## OVERVIEW OF THE PROPSHARE PLATINA

### The PropShare Platina

Property Share Investment Trust was settled on June 27, 2024, at Bangalore, Karnataka, India as contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated June 27, 2024 as amended on July 19, 2024. The Property Share Investment Trust was registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L(1) of the REIT Regulations having registration number IN/SM-REIT/24-25/0001. The Property Share Investment Trust has been settled by the Investment Manager for an aggregate initial sum of ₹0.02 million. Also, the first scheme of the Trust *i.e.* PropShare Platina has been settled by the Investment Manager.

The principal place of business of the Property Share Investment Trust is situated at 16th Floor, SKAV Seethalakshmi, 21/22, Kasturba Road, Bangalore 560001, India.

PropShare Platina, a first scheme of the Trust, having six wholly owned SPVs under its structure ("**Platina SPVs**"), in accordance with the REIT Regulations.

The share purchase agreements have been executed on November 17, 2024 amongst Rumosch Private Limited, PropAreas Private Limited, Avenueprops Private Limited, Willowprops Private Limited, Premiumbiz Private Limited and Estapropfront Private Limited ("**Platina SPVs**"), shareholders of Platina SPVs, Axis Trustee Services Limited (on behalf of Trust for its first scheme PropShare Platina) and the Investment Manager for the acquisition of 100% shareholding of the Platina SPVs (without the assets/Project Platina), at nominal or face value.

Further, the shareholders of the "Platina SPVs" are not the related party or an associate of the SM REIT, as per definition under the SEBI (REIT) Regulations, 2014.

The details of the Platina SPVs as of the date of this Final Scheme Offer Document are provided below:

### Details of the Platina SPVs

**1. Rumosch Private Limited ("RPL")**

RPL was incorporated on July 27, 2023, as a private company limited by shares under the name of "Rumosch Private Limited" under the Companies Act, 2013 at Bangalore, Karnataka. The registered office of RPL is situated at 246 Flat No. 206, ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore, Karnataka, India, 560061. Its CIN is U68100KA2023PTC176627.

Capital structure of RPL as on the date of this Final Scheme Offer Document

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Propshare Platina | 999 | 99.9% |
| 2. | Birur Srinivasamurthy Bhagyalakshmi (Nominee of Propshare Platina) | 01 | 0.1% |
| **Total** | | 1,000 | 100% |

**2. PropAreas Private Limited ("PAPL")**

PAPL was incorporated on September 13, 2023, as a private company limited by shares under the name of "PropAreas Private Limited" under the Companies Act, 2013 at Bangalore, Karnataka. The registered office of PPL is situated at 246 Flat No. 206, ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore, Karnataka, India, 560061. Its CIN is U68100KA2023PTC178515.

Capital structure of PAPL as on the date of this Final Scheme Offer Document

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Propshare Platina | 999 | 99.9% |
| 2. | Birur Srinivasamurthy Bhagyalakshmi (Nominee of Propshare Platina) | 01 | 0.1% |
| **Total** | | 1,000 | 100% |

**3. Avenueprops Private Limited ("APL")**

APL was incorporated on September 16, 2023, as a private company limited by shares under the name of "Avenueprops Private Limited" under the Companies Act, 2013 at Bangalore, Karnataka. The registered office of

APL is situated at 246 Flat No. 206, ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore, Karnataka, India, 560061. Its CIN is U68100KA2023PTC178740.

Capital structure of APL as on the date of this Final Scheme Offer Document

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Propshare Platina | 999 | 99.9% |
| 2. | Birur Srinivasamurthy Bhagyalakshmi (Nominee of Propshare Platina) | 01 | 0.1% |
| **Total** | | 1,000 | 100% |

**4. Willowprops Private Limited ("WPL")**

WPL was incorporated on September 25, 2023, as a private company limited by shares under the name of "Willowprops Private Limited" under the Companies Act, 2013 at Bangalore, Karnataka. The registered office of WPL is situated at 246 Flat No. 206, ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore, Karnataka, India, 560061. Its CIN is U68100KA2023PTC179077.

Capital structure of WPL as on the date of this Final Scheme Offer Document

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Propshare Platina | 999 | 99.9% |
| 2. | Birur Srinivasamurthy Bhagyalakshmi (Nominee of Propshare Platina) | 01 | 0.1% |
| **Total** | | 1,000 | 100% |

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**5. Premiumbiz Private Limited ("PPL")**

PPL was incorporated on September 26, 2023, as a private company limited by shares under the name of "Premiumbiz Private Limited" under the Companies Act, 2013 at Bangalore, Karnataka. The registered office of PPL is situated at 246 Flat No. 206, ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore, Karnataka, India, 560061. Its CIN is U68100KA2023PTC179133.

Capital structure of PPL as on the date of this Final Scheme Offer Document

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Propshare Platina | 999 | 99.9% |
| 2. | Birur Srinivasamurthy Bhagyalakshmi (Nominee of Propshare Platina) | 01 | 0.1% |
| **Total** | | 1,000 | 100% |

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**6. Estapropfront Private Limited ("EPL")**

EPL was incorporated on September 26, 2023, as a private company limited by shares under the name of "Estapropfront Private Limited" under the Companies Act, 2013 at Bangalore, Karnataka. The registered office of EPL is situated at 246 Flat No. 206, ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore, Karnataka, India, 560061. Its CIN is U68100KA2023PTC179134.

Capital structure of EPL as on the date of this Final Scheme Offer Document

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Propshare Platina | 999 | 99.9% |
| 2. | Birur Srinivasamurthy Bhagyalakshmi (Nominee of Propshare Platina) | 01 | 0.1% |
| **Total** | | 1,000 | 100% |

.

**Share Purchase Agreements**

The PropShare Platina (acting through the Trust, Trustee and the Investment Manager) have acquired the entire shareholding of the Platina SPVs (without the assets/Project Platina) by way of entering into the securities purchase agreements dated

November 17, 2024, amongst shareholders of Platina SPVs, Platina SPVs, Axis Trustee Services Limited (on behalf of Trust for its first scheme PropShare Platina) and the Investment Manager ("**SPAs.**")

The key terms of the SPAs are specified below:

Consideration: The purchase price of the sale shares are based on the face value or nominal value as prescribed under the respective securities purchase agreements.

Representations and Warranties: The seller and purchaser under the SPAs represent and warrant *inter alia* the following:

(i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

Governing Law: Laws of India

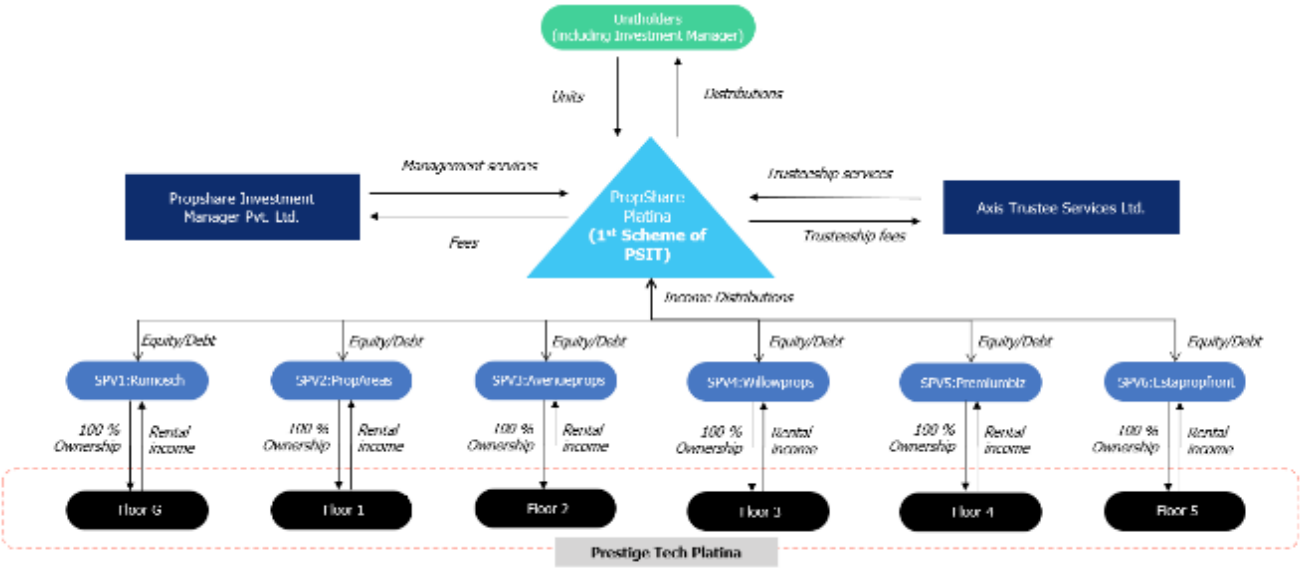
## FORMATION TRANSACTION IN RELATION TO THE PROPSHARE PLATINA

The Property Share Investment Trust was settled on June 27, 2024, at Bangalore, Karnataka, India as contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, pursuant to a trust deed dated June 27, 2024. The Property Share Investment Trust was registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L(1) of the REIT Regulations having registration number IN/SM-REIT/24-25/0001. The Property Share Investment Trust has been settled by the Investment Manager for an aggregate initial sum of ₹0.02 million.

PropShare Investment Manager Private Limited has been appointed as the Investment Manager to the Property Share Investment Trust. The Investment Manager has been constituted in accordance with the REIT Regulations. Axis Trustee Services Limited has been appointed as the Trustee to the Property Share Investment Trust.

Pursuant to the PropShare Platina, the Project Platina is proposed to be held through the Platina SPVs, in accordance with the REIT Regulations.

The following chart illustrates the relationship between the Property Share Investment Trust, the Trustee, the Investment Manager and the Platina Unitholders on the Listing Date.




For details in respect of the Investment Manager and the Trustee, please refer to the Final Trust Offer Document. Further, for details in respect of the Project Platina, see "*Our Business and Properties*" on pages 14 to 24.

**Letter of Intent**

The Investment Manager and 24/7 Customer Private Limited have executed a letter of intent dated July 10, 2024, as amended on November 8, 2024, and further amended on November 18, 2024 regarding proposed acquisition of the Project Platina by the Platina SPVs. The key terms of the letter of intent are set out below:

| Parameter | Description |
|---|---|
| **Seller** | 24/7 Customer Private Limited |
| **Purchaser** | PropShare Investment Manager Private Limited and/or its affiliates/ nominees. |
| **Details of the Property** | Office premises on the ground floor and first to fifth upper floors in Building 2 of Prestige Tech Platina situated at Kadubeesanahalli Village, Varthur Hobli, Bangalore East Taluk along with 355 car parking spaces. The total Property measures 2,11,590 sq. ft. |
| **Assignment** | Purchaser does not have the right to assign its rights and obligations under this LOI without prior written consent from the Seller except in an event of assignment to its nominee/s and/or affiliates being separate special purpose vehicle/s, wherein consent is not required to be obtained, and which would be incorporated solely for the purpose of the Proposed Transaction (*Defined below*). Proposed transaction is for the entire Property and not for a portion thereof. The Seller is not entitled to assign its rights and obligations under this LOI. |

| | |
|---|---|
| **Proposed Transaction** | Seller is transferring all the right, title and interest of the Seller in the Property to the Purchaser by way of sale. A total consideration of INR 310,70,00,000 would be paid to the Seller alongside the execution and registration of the sale deed/s. (*Please note that consideration value may be further increased by the Seller as the same is subject to change the market situation and the economic factors.*) |
| **Lease of Property to the Seller** | Simultaneous with the execution of the sale deed/s, the Seller would lease the Property from the Purchaser by executing and registering lease deeds keeping the leasable area as 2,46,935 sf. |
| **Condition Precedents** | Seller is required to satisfy *inter-alia* the following condition precedents:<br>• Receipt of no-objection certificate from the Income Tax Department.<br>• Payment of all applicable property tax and other statutory dues.<br>• Obtaining internal corporate approval in relation to the Proposed Transaction and providing a confirmation to the Purchaser. |
| **Completion** | The Parties are required to undertake *inter-alia* the following actions for completion of the Proposed Transaction:<br>• Parties to execute, register and duly stamp the transaction documents.<br>• Seller to hand over possession of the Property and the original documents of title in its possession to the Purchaser.<br>• Purchaser to pay total consideration as provided in the LOI and hand over possession of the Property to the Seller on the lease commencement date. |
| **Expenses – Transaction Documents and Lease Deed** | Parties are required to bear their own legal costs as well as the stamp duty and registration fee of the Transaction Documents. |
| **Expiry and Termination of LOI** | LOI would be valid until December 10, 2024, or a later date decided by the parties in writing after which the Purchaser has a right to terminate the LOI on the following grounds:<br>• Non-completion of Conditions Precedents mentioned in the LOI, or any breach thereof not cured within an agreed upon timeframe.<br>• Misrepresentation by the Seller not cured within 15 days from notice provided by the Purchaser. |
| **Break Fee** | If the Transaction Documents or the lease deed are not executed, for reasons attributable solely to the Seller or is terminated by the purchaser, Seller would be required to pay to the purchaser a break fee of INR 5,00,00,000 within 7 days of the termination notice. Upon failure, an additional 12% interest would be applicable per annum. |
| **Confidentiality** | Neither parties have the right to disclose without the prior written consent of the other Party any confidential information of the other Party or the existence of this LOI pursuant to the Proposed Transaction. |
| **Exclusivity** | During the validity period, the Seller cannot engage in any discussions, negotiations, or agreements regarding the Property with anyone other than the Purchaser or create any encumbrance on it. |
| **Dispute Resolution** | The courts in Bangalore would have sole and exclusive jurisdiction on any dispute arising out of this LOI. |
| **Governing Law** | Indian Laws. |
| **Stamp Duty** | Payable by the purchaser. |

**Sale Deed for Project Platina**

The proposed sale deed amongst the Platina SPVs and 24[7].ai (24/7 Customer Private Limited) will be executed and registered to acquire the Project Platina. The execution and registration of the sale deed with payment of applicable statutory charges

under applicable laws (including stamp duty, registration, surcharge and cess etc.) by the Investment Manager will be completed prior to allotment of Platina Units, with condition to pay the consideration amount post listing and trading approvals for the Platina Units. The Investment Manager will be reimbursed for the expenses incurred for payment of above-mentioned statutory charges under applicable laws (including stamp duty, registration, surcharge and cess etc.) by the Platina SPVs from the Offer Proceeds. For more details, please see "*Use of Proceeds*" section of the Final Scheme Offer Document (Section 2) on pages 93 to 97.

The draft of the sale deed is in line with the Letter of Intent disclosed above.

The proposed acquisition of the Project Platina will be completed by the PropShare Platina through the Platina SPVs. Further, 24[7].ai is the proposed tenant as well for the assets/Project Platina.

**Investment Manager's Contribution**

Pursuant to the REIT Regulations, subject to certain conditions specified therein, the Investment Manager has contributed 177.45 million towards subscription of 169 Units (subject to finalization of Basis of Allotment), which is equivalent to 5% of the total Platina Units of the PropShare Platina on a post-Offer basis, to comply with the requirement under Regulations 27ZB of the SEBI REIT Regulations ("**Investment Manager's Contribution**").

The Investment Manager has subscribed to the Units prior to the Bid/ Offer Closing Date and such Platina Units shall be allotted to the Investment Manager on the date of Allotment.

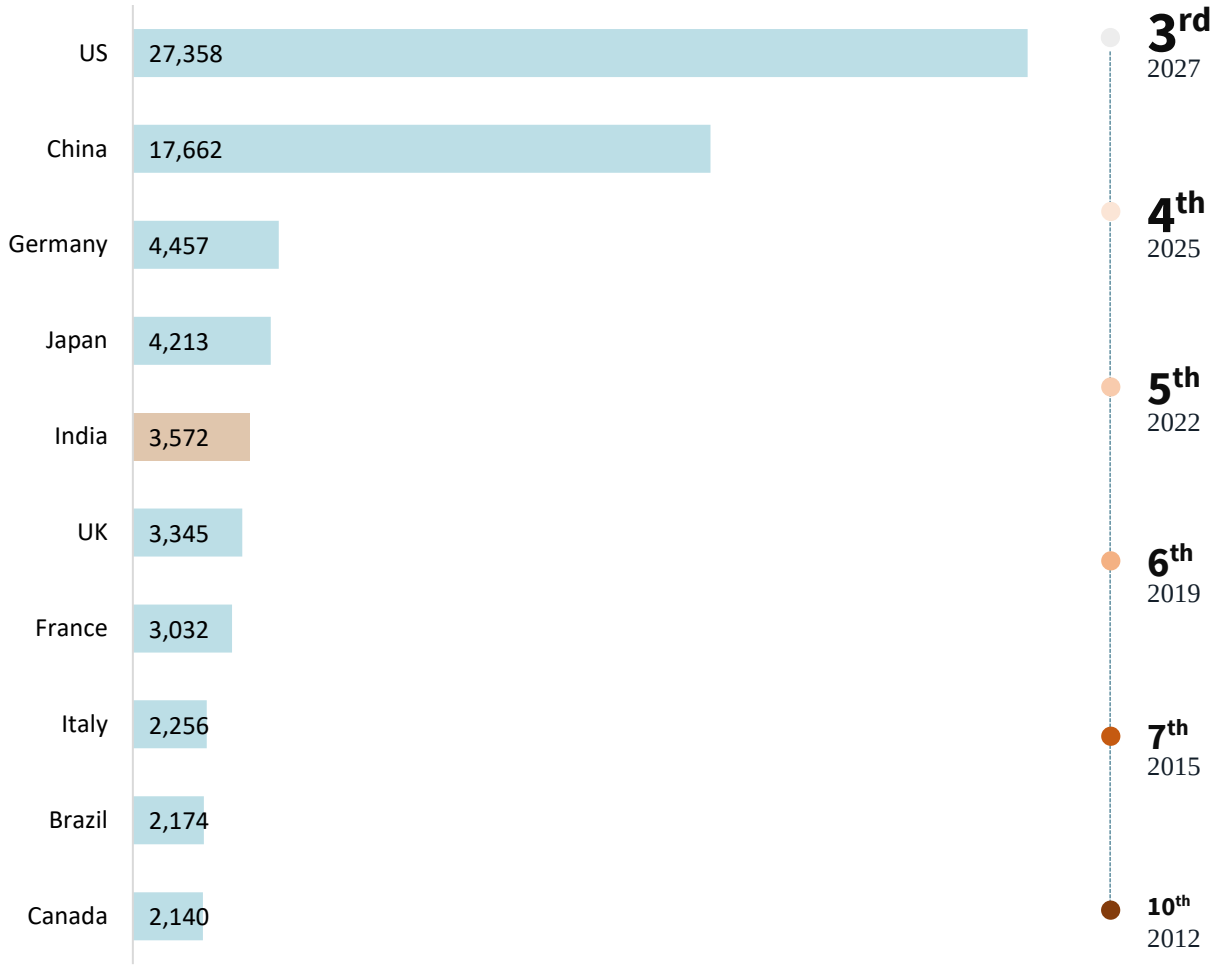
Subsequently, the Investment Manager (on behalf of the PropShare Platina) shall utilize the Investment Manager's Contribution towards the objects of the Offer specified in the section titled "Use of Proceeds" on pages 93 to 97.

## CHAPTER 1: OVERVIEW OF THE INDIAN ECONOMY

### Introduction

India stands as the most populous country in the world with an estimated population of 1.44 billion people[6]. Over its extensive history spanning thousands of years, India has undergone significant transformation to emerge as a highly dynamic and diverse economic force. India's economy exhibits remarkable growth, positioning it among the fastest-growing economies worldwide. This success can be attributed to a range of factors, including its diverse population, robust domestic consumption, strategic geographical location, skilled workforce, and thriving entrepreneurial ecosystem. Currently, India is the world's fifth-largest economy in terms of nominal gross domestic product (GDP). Looking to the future, it is projected that within the next four years, India will surpass both Germany and Japan to become the world's third largest economy. This underscores the significant growth potential and undeniable momentum of India's economy.

Figure 1.1: GDP 2023, current prices (USD bn)




Source: IMF World Economic Outlook Database, April 2024; RBI

### India in a Global Context

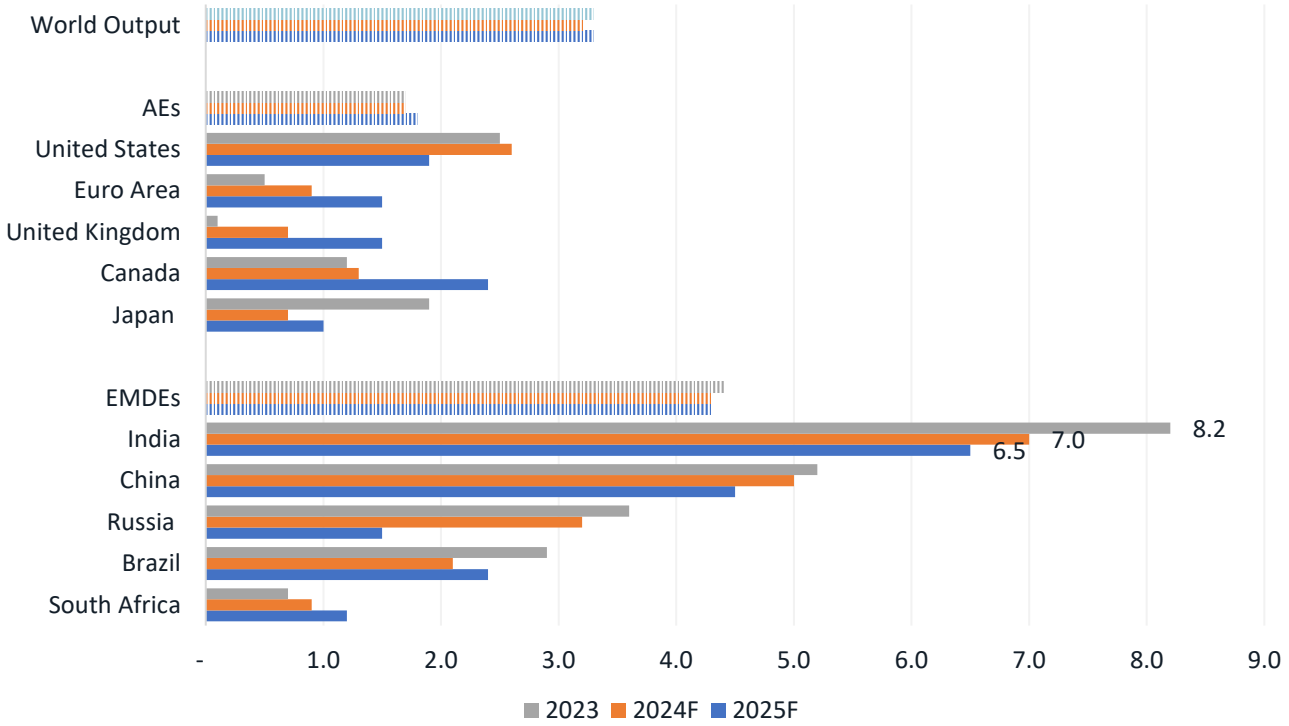
The global economy has demonstrated remarkable resilience despite multiple shocks and is now beginning to embrace a sense of cautious optimism, even in the face of ongoing geopolitical risks. In the past, the global economic landscape has been disrupted by several events. These shocks, although severe, were spaced out over time, allowing economies to gradually recover and bolster their defences in preparation for the next challenge. However, this changed at the beginning of the third decade of this millennium, as three distinct shocks hit the global economy within a mere span of three years. Barely had the COVID-19 pandemic receded when the Russia-Ukraine conflict flared up, triggering a worldwide inflation spike. The central banks of advanced countries responded with synchronized policy rate hikes to curb inflation. Yet, the global economy managed to avoid a recession. Growth has remained steady, with headline inflation converging towards target levels faster than

[6] UN World Population Prospects 2022

anticipated. Although there are positive developments, challenges persist and risks to the global economic outlook are evenly balanced.

Looking ahead, global growth is projected to continue at the same pace in 2024 and 2025. Nevertheless, the projected growth rates for these years are still below the pre-pandemic (2017-19) annual average of 3.4%[7]. This reflects the impact of restrictive monetary policies and the withdrawal of fiscal support. Advanced economies are expected to see a slight increase in growth, driven primarily by a recovery in the euro area from low growth in 2023. In contrast, emerging market and developing economies are expected to experience stable growth, with some regional differences. Among the major emerging market economies, India is expected to experience strong GDP growth at 7.0% in 2024 and 6.5% in 2025, defying global trends. This robustness can be attributed to the strength in domestic demand and the increasing working-age population.

Figure 1.2: Gross Domestic Product, constant prices; percentage change




Source: IMF World Economic Outlook Database, July 2024
Note: For India, data and forecasts are presented on a fiscal year basis, 2023 refers to FY 2023-24 and so on
AEs – Advanced Economies; EMDEs – Emerging Market and Developing Economies

## Trends in Key Economic Indicators

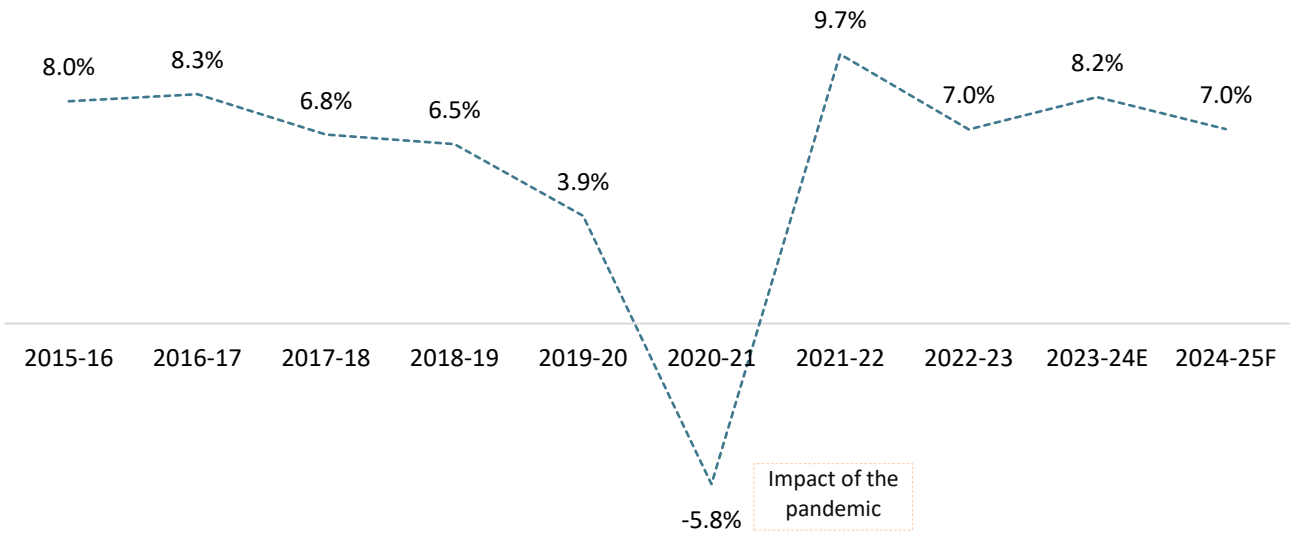
### GDP Growth

The Indian economy was already grappling with challenges prior to the start of 2020, when the COVID-19 pandemic hit, exacerbating the situation. The pandemic and the subsequent measures taken to curb the spread of the virus presented one of the most formidable economic obstacles for India. As a result, GDP contracted by 5.8% in FY 2020-21. However, driven by a resurgence in domestic consumption, the Indian economy made a remarkable recovery in FY 2021-22, surpassing the pre-pandemic levels of 2019-20 in terms of real GDP. In the following fiscal year, India grew by 7.0%, even without the advantage of a base effect, solidifying its position as the fastest-growing major economy globally.

The Indian economy continues to experience robust momentum, with an accelerated pace of expansion in FY 2023-24. Real GDP grew by 8.2% year-on-year, propelled by the government's focus on capital expenditure and strong private consumption. This resilience in the face of global headwinds and tighter monetary policies speaks volumes about the underlying strength of the Indian economy. Looking ahead, while global growth is anticipated to remain subdued, India is expected to defy these trends and continue its impressive growth trajectory.

[7] Source: IMF World Economic Outlook Database, April 2024

Figure 1.3: Real annual GDP growth



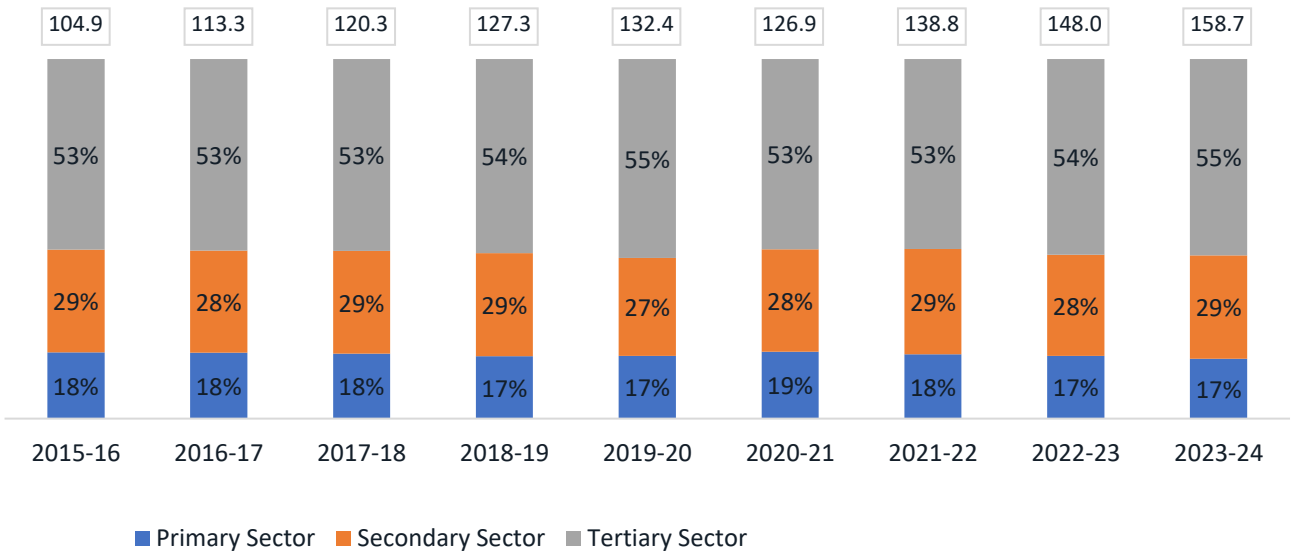

Source: IMF World Economic Outlook Database, July 2024; RBI

**Contribution of Services Sector to GDP Growth**

The services sector, also known as the tertiary sector, is a pivotal driver of India's GDP, consistently contributing over 50% to the country's Gross Value Added (GVA). It not only holds dominance in India's GDP but also attracts significant foreign investments, makes substantial contributions to exports, and generates widespread employment.

India has risen from the 24th to the 7th position among the world's largest services exporting countries, with remarkable growth since 2001[8]. The telecommunication, computer, and information services export, which accounted for nearly 50% of the total services exports in 2022-23, is the primary contributor to India's services export growth. Additionally, other business services contribute about one-fourth of India's services exports, displaying robust average growth of ~28% over the last two years[9]. The notable increase in exports of telecommunication, computer, and information services, as well as other business services, exemplifies India's position as the favoured choice for multinational corporations seeking to establish Global Capability Centres (GCCs). This development highlights that these GCCs have transitioned from being mere business process outsourcing units to effectively managing high-value and mission-critical operations, assuming responsibility for both business and technological aspects.

1.4: Contribution of different sectors to GVA, constant prices



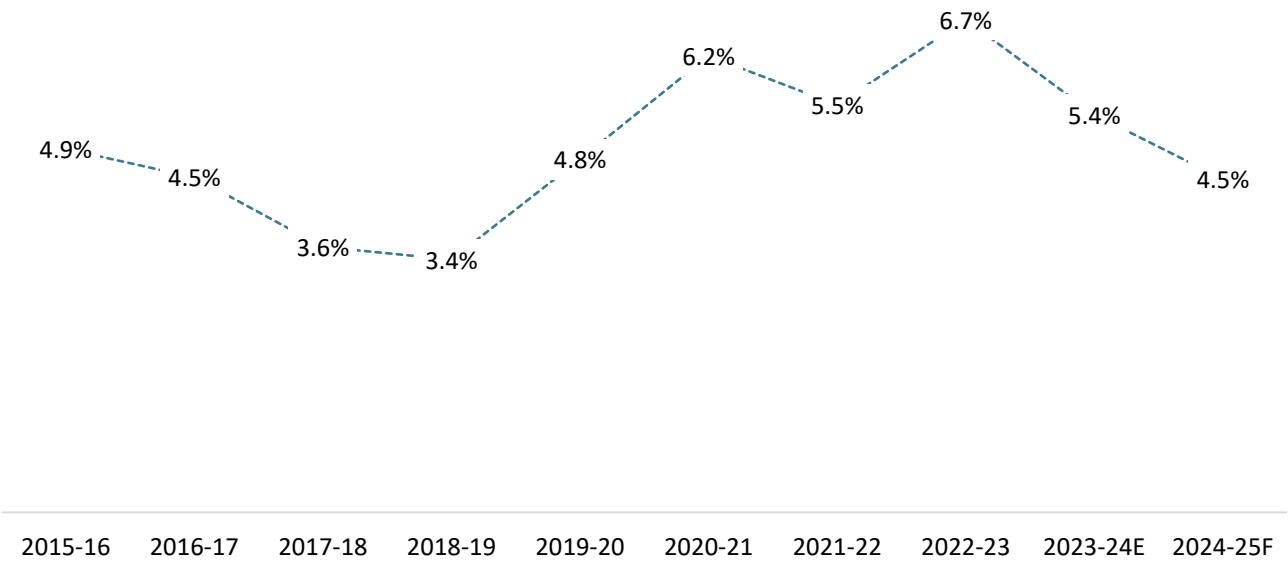

Source: NSO, MoSPI

8 WTO Trade Outlook, RBI
9 RBI

**Inflation**

India's retail inflation, as measured by the Consumer Price Index (CPI), has exhibited a decline from an average of 5.5% in the first half of FY 2023-24 to 5.2% in the latter half. Nevertheless, the inflation trajectory has remained volatile due to sporadic food supply shocks. Notably, a significant increase in vegetable prices led to a sharp rise in headline inflation in November and December 2023. However, in February 2024, retail inflation eased to 5.09% and further decreased to 4.85% in March 2024. Assuming a normal monsoon, CPI inflation for FY 2024-25 is projected at 4.5%. Despite the expectation of base effects becoming more favourable and bringing headline inflation closer to the RBI's 4% midpoint target in the coming months, the overall outlook remains uncertain. This is primarily due to the potential impact of crop damage caused by heatwaves earlier this year, which could keep food prices elevated for an extended period. Furthermore, the recent strengthening of oil prices may persist as the summer season drives up demand. On the other hand, the forecast of above-normal monsoon bodes well for inflation levels. Notably, wheat procurement has exceeded last year's levels, and the buffer stocks of wheat and rice are well above the norms. These have the potential to alleviate food inflation pressures, particularly in cereals and pulses, offering a promising outlook for the future.

Figure 1.5: CPI inflation

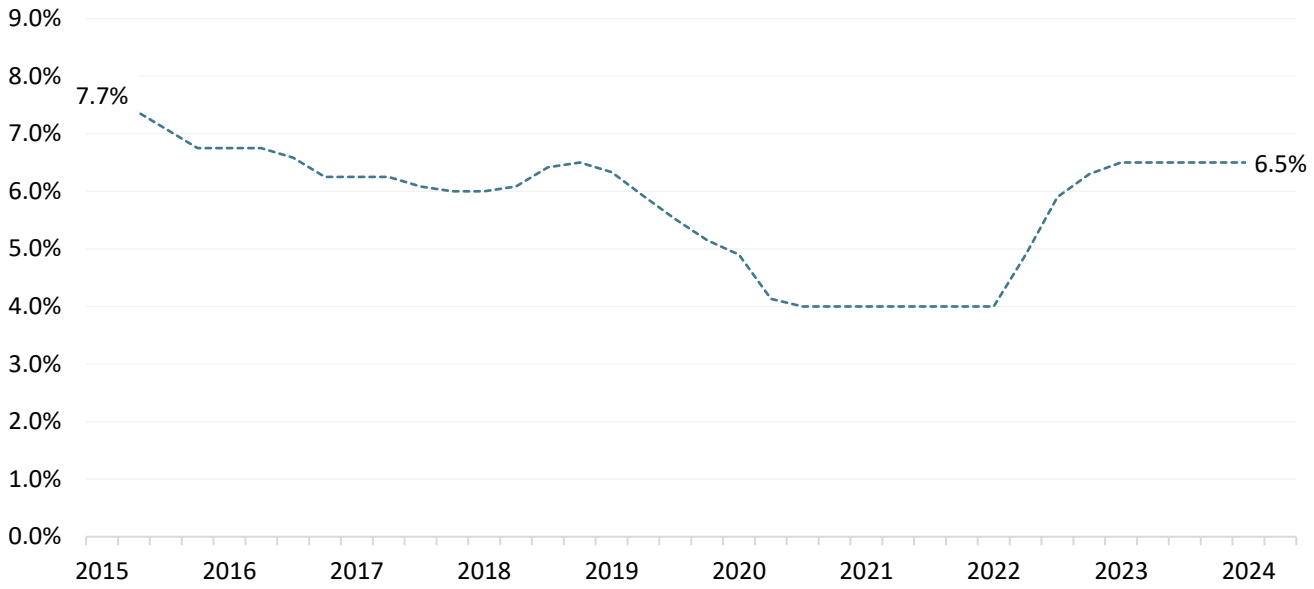



Source: MoSPI, RBI

**Repo Rate**

Headline inflation continues to follow a disinflationary trajectory, benefitting from both monetary policy actions and supply-side developments. Having implemented a cumulative rate hike of 250 basis points between May 2022 and February 2023, which has been gradually seeping into the economy, the Monetary Policy Committee (MPC) decided to keep the policy repo rate unchanged throughout FY 2023-24. With economic growth showing resilience, monetary policy has greater room to prioritize price stability, ensuring that inflation aligns with the target on a sustainable basis. In its current stance, monetary policy remains firmly focused on promoting price stability, effectively anchoring inflation expectations and establishing a robust foundation for sustained growth in the long run.

Figure 1.6: Repo Rate



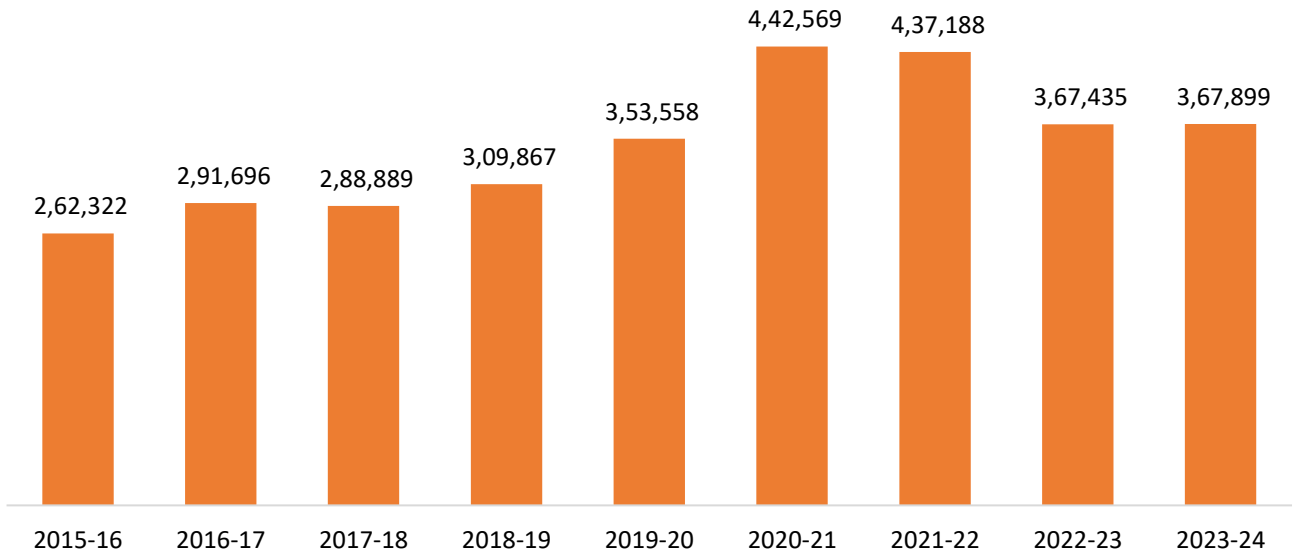

Source: RBI

**Foreign Direct Investment**

India has successfully maintained its appeal as an enticing destination for long-term foreign capital investments, benefitting from a consistent inflow of Foreign Direct Investment (FDI) in recent years. In fact, equity inflows surged to a peak of INR 442,569 crores in FY 2020-21. While FDI in many other countries declined during the pandemic, India witnessed record-high foreign investments in its computer services. India was uniquely positioned to meet the increased demand for outsourcing IT and other business services from nations impacted by lockdown measures following the onset of the pandemic.

In FY 2022-23, FDI in India receded from its peak levels because of the negative shock stemming from the war in Ukraine and the ensuing deepening of geoeconomic fragmentation. In FY 2023-24, FDI equity inflows remained steady, comparable to the levels seen in the preceding fiscal year. This indicates continued confidence in India's investment environment despite extraneous geopolitical factors.

Figure 1.7: FDI equity inflows, INR crore



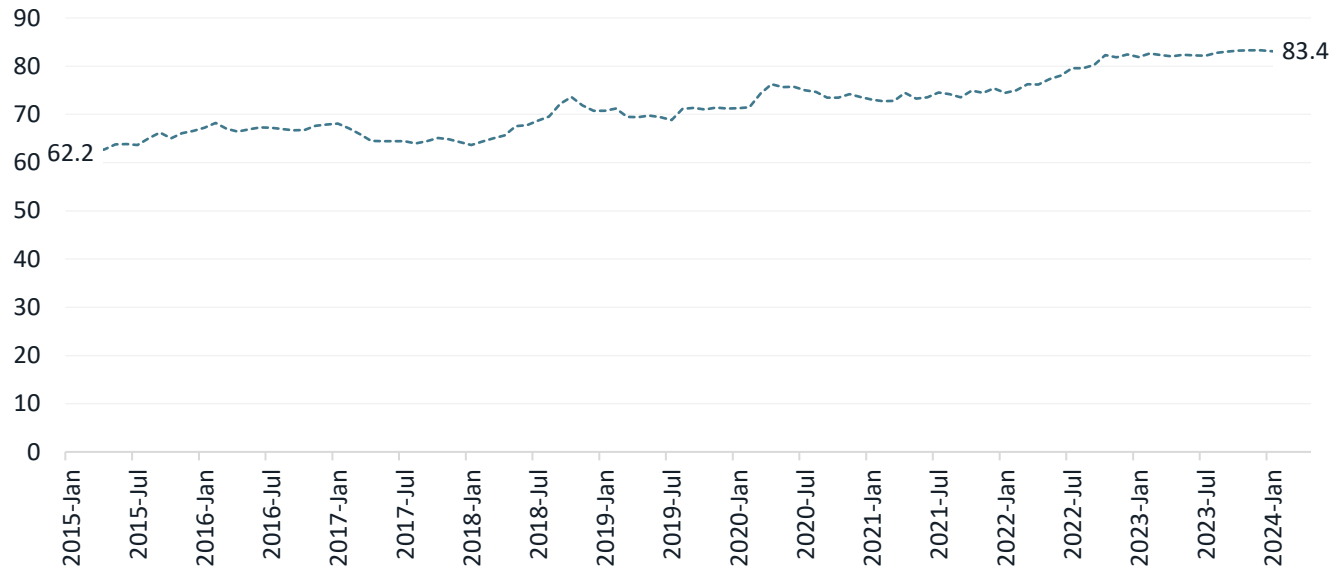

Source: DPIIT

**Exchange Rate**

Global uncertainty peaked from December 2019 to December 2022, driven by the pandemic and the Russia-Ukraine war. During this time, India faced strong external pressures, especially from March 2022 when advanced economies tightened their monetary policies in response to high inflation. Additionally, global oil prices soared following the war, leading to a decline in India's forex reserves and depreciation of the Rupee against the US dollar. The INR-USD exchange rate experienced significant movement, with the rupee depreciating approximately 16% within the same period.

However, over the past 18 months, India has achieved improved domestic macroeconomic stability through tightened monetary policy, which has attracted capital inflows. As a result, India's forex reserves made a remarkable recovery and reached an all-time high of around USD 652 billion, as of May 2024. The depreciation of the rupee against the USD in 2023 has been limited due to a significant moderation in the current account deficit (CAD), the revival of capital flows backed by comfortable forex reserves, and, most importantly, India's macroeconomic stability.

Figure 1.8: Exchange rate of the Indian Rupee vis-à-vis the USD (monthly average)



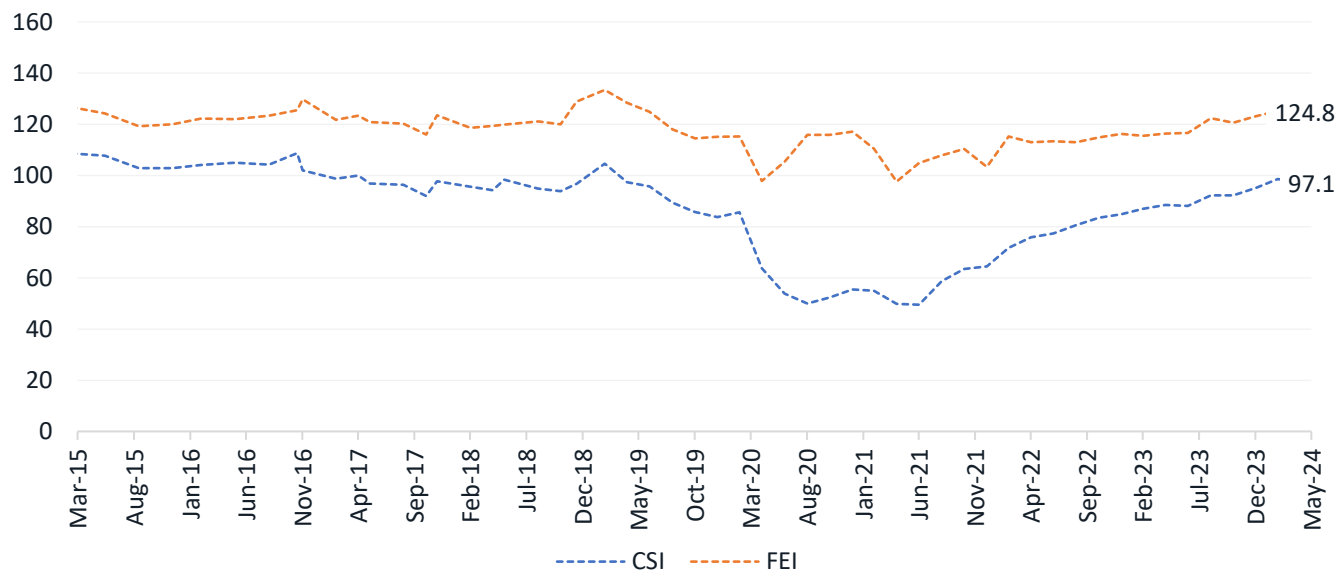

Source: RBI

**Consumer Confidence**

RBI's Consumer Confidence Survey (CCS) collects current perceptions (vis-à-vis a year ago) and one year ahead expectations of households on general economic situation, employment scenario, overall price situation, own income and spending across nineteen major cities.

Consumer confidence as reflected in the CSI (Current Situation Index) was at its lowest in July 2021. Since then, CSI has been on a path of sustained recovery and stands at 97.1 in May 2024. For the year ahead, households expect further improvement across parameters like general economic situation, employment prospects and income conditions as reflected in the FEI (Future Expectations Index), which stood at 124.8 in May 2024.

Figure 1.9: Consumer Confidence Indices




Source: RBI
Note: CSI and FEI are compiled based on net responses on the economic situation, income, spending, employment, and the price level for the current period (as compared with one year ago) and a year ahead, respectively. CSI and FEI = 100 + Average of Net Responses of the above parameters

**Conclusion**

The Indian economy recovered swiftly from the pandemic, with its real GDP in FY 2023-24 exceeding the pre-pandemic FY 2019-20 levels by 20%. This represents a CAGR of 4.6% from FY 2019-20, despite a 5.8% decline in FY 2020-21 inflicted by the pandemic. In FY 2023-24, domestic growth drivers have played a crucial role in supporting economic growth, even amid uncertain global economic conditions. Key structural reforms such as the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code (IBC) have matured and yielded positive outcomes. Taking these factors into account, the projected real GDP growth for FY 2024-25 is 7.0%, with risks evenly balanced. The long-term outlook of the Indian economy also remains optimistic, driven by factors such as its expanding middle class, expected growth in working age population, competitive unit labour costs, planned infrastructure augmentation, healthy savings and investment rates, and integration into the global economy.

Real estate has accounted for over 7% of the overall Gross Value Added (GVA) in the past decade, underscoring its integral role in the economy. Following two challenging years of pandemic-related lockdowns and economic instability, the real estate sector has undergone a robust recovery. Several factors have contributed to the sector's growth, including rapid urbanization, rising income levels, enabling government reforms, growing tech sector and improved credit availability for developers. Moreover, the stronger -than-anticipated growth afforded the RBI leeway to keep the repo rate unchanged at 6.5%, demonstrating a prudent and measured approach to ensure that inflation aligns durably and sustainably to the target of 4%. India's retail inflation has also been decreasing, from an average of 5.5% in the first half of FY 2023-24 to 5.2% in H2 FY 2023-24. In the first quarter of FY 2024-25, average retail inflation further decreased to 4.9%. Also, consumer confidence has continued to improve from its all-time low registered in July 2021. These promising indicators signal favourable conditions for the real estate sector to thrive and expand in the coming years.

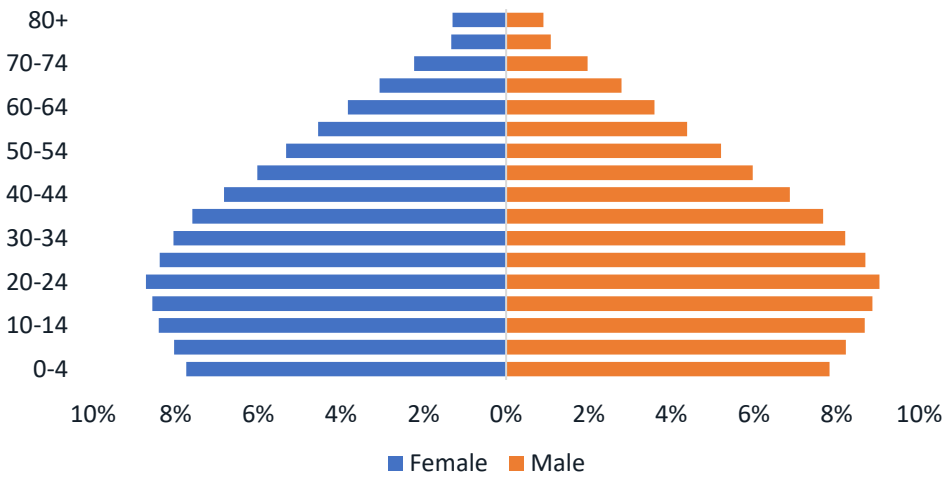
## Chapter 2: Drivers of India's Office Real Estate Market

**Demographic Advantage**

According to recent estimates from the United Nations, India has surpassed China to become the world's most populous country. It is projected that the country's population will reach it peak size around 2064 and then decline gradually. Notably, India continues to maintain its status as one of the youngest nations globally, with a median age of 28.6 years and 42% of the population below the age of 25. A young working population with high disposable incomes will play a crucial role in boosting economic output and giving India an edge in its technology and innovation journey.

Additionally, population ageing is unfolding at a slower pace in India over an extended period. At present, the number of adults aged 25-64 in India exceeds the number of children and youth under the age of 25 by around 20%. The working-age population is expected to continue growing both in quantity and proportion to the total population until the middle of the century, ensuring a continuing positive contribution of demographic change to per capita economic growth. The development and well-being of this population holds the key to unleashing India's demographic dividend. Achieving this relies critically on investments in the education and health of the youth. Additionally, it requires implementing policies that foster equal opportunities for women and girls.

Figure 2.1 Population distribution by age



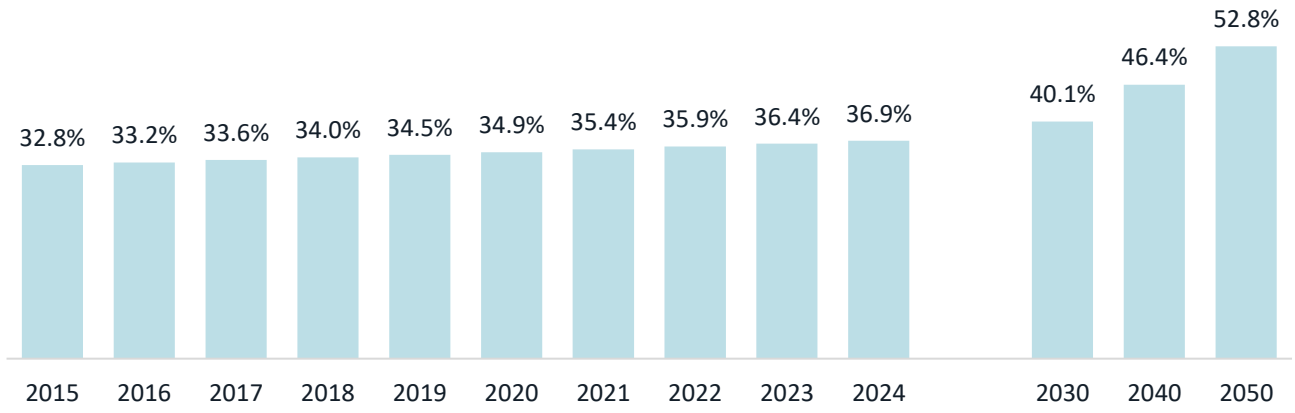

Source: UN World Population Prospect

**Increasing Urbanization**

India has witnessed remarkable urban progress and is projected to have one of the largest urban populations in the world in 2024, at ~532 mn. The country sees nearly 20 mn individuals migrating from rural to urban areas annually, combined with intrinsic population growth inside urban areas.

According to the 2011 Census, the urban share of India's population stood at around 31%. Estimates for 2024 indicate an increase to approximately 36.9%, with UNDP (United Nations Development Programme) projections suggesting that the percentage of urban dwellers will surpass that of rural dwellers by 2046. By 2050, it is anticipated that more than 880 mn people will reside in urban areas in India. This rapid urbanization will consequently fuel the demand for real estate across all asset classes.

Figure 2.2: Annual percentage of population at mid-year residing in urban area

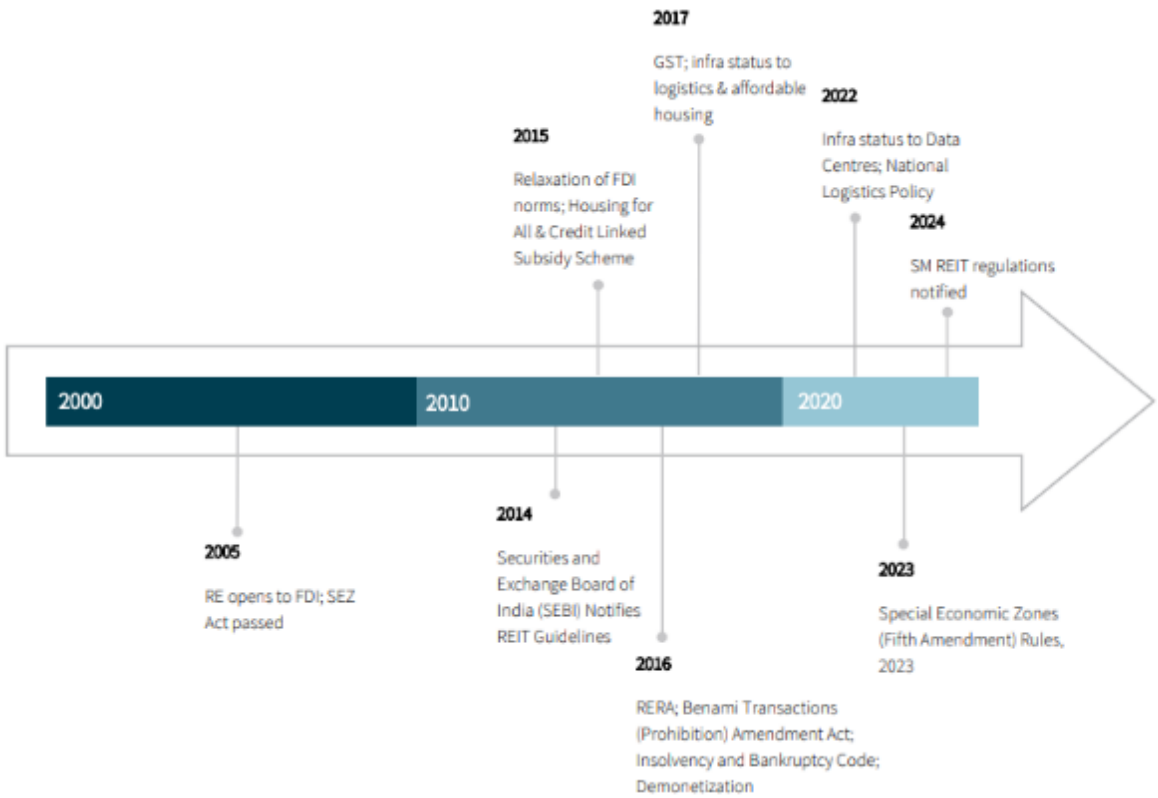



Source: UN World Urbanization Prospects

**Enabling Government Reforms**

The last couple of decades have witnessed a measured march towards transparency, governance, and financial discipline in India's real estate market. The transformation of the sector has been driven by a confluence of factors, with technological advancements, a maturing investment landscape and regulatory reforms like RERA, GST and REITs playing a pivotal role.

Figure 2.3: Key reforms within the real estate sector




Listed below are a few noteworthy measures and government initiatives that have had or are expected to have a substantial impact on the real estate sector in India.

**Real Estate (Regulation and Development) Act, 2016**

For several decades, the real estate sector in India lacked a centralized statute to regulate and govern its operations. Matters related to real estate projects, land, and transfer of ownership were under the purview of state governments. However, increasing instances of project delays and rising consumer complaints necessitated the establishment of an independent regulatory body for the sector. In 2016, the Central Government introduced the Real Estate (Regulation and Development) Act, as the first comprehensive central statute governing the real estate industry.

The primary objective was to foster the growth of the real estate sector by creating a level playing field for all stakeholders and fostering an environment of trust, accountability, transparency, credibility, and efficiency. The introduction of Real Estate Regulatory Authority (RERA) has led to a systemic transformation in the real estate sector. Unorganized players, including fly-by-night developers, have struggled to comply with the strict regulations imposed by RERA. Consequently, there has been an increase in industry consolidation, with smaller developers, lacking sound corporate governance and financial management practices, partnering with larger developers through joint development ventures, development management agreements, or the outright sale of land parcels.

**Goods and Services Tax**

GST was introduced in India on July 1, 2017, marking one of the most significant tax reforms in the country since independence. Its core principle of "one nation, one tax, one market" aims to transform India's tax system. Prior to the implementation of GST, the real estate sector faced the burden of numerous state and central taxes throughout the construction process. These taxes varied across states, leading to ambiguity and confusion among stakeholders regarding applicable rates. However, with the introduction of GST, these multiple taxes were streamlined and consolidated into a uniform regime, providing clarity and simplicity for consumers in the real estate sector.

**Insolvency and Bankruptcy Code, 2016**

The Insolvency and Bankruptcy Code (IBC) was introduced by the government with the aim of consolidating and amending the outdated regulations regarding insolvency and bankruptcy. Its objective is to enable better access to credit and address the challenges posed by non-performing assets. The Indian real estate sector has faced significant challenges such as non-performing assets and incomplete projects. The implementation of the IBC has brought about a time-bound and unified insolvency process, providing investors with the opportunity to resolve issues related to unpaid assets and outstanding dues.

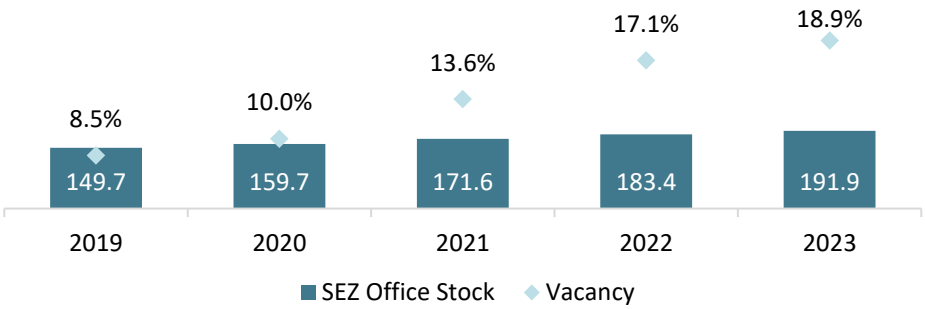
**FDI in real estate**

The Government of India has implemented various initiatives to encourage foreign direct investments (FDI) in the real estate sector. In 2005, the construction development sector was initially opened for 100% FDI through the automatic route. Since then, the government has pursued efforts to further liberalize and streamline the FDI policy, aiming to attract more foreign investments and foster growth in the real estate sector. In 2018, the FDI policy was relaxed to allow 100% FDI under the automatic route in Single Brand product retail trading as well. These eased FDI policy norms have also facilitated increased private equity (PE) inflows into the sector, generating significant momentum for its development.

**Special Economic Zones (Fifth Amendment) Rules, 2023**

The sunset clause withdrew direct tax holidays for units commencing operations on or after April 1, 2020, in SEZs, which was extended till June 2020 due to the pandemic. Post the withdraw of tax holidays, global tech firms did not prefer SEZs, given significant compliance requirements without sufficient financial incentives. This led to a sharp drop in leasing in IT / ITeS SEZs, especially in the past three to four years. As lease contracts expired, occupier exits piled up leading to a substantial increase in SEZ vacancy.

Figure 2.4: IT/ITeS SEZ Vacancy Trends




Source: JLL Research

On December 6th, 2023, the Central Government's notification of Rule 11B under the Special Economic Zones Rules, 2006 has paved the way for floor-wise demarcation in the built-up area of an IT/ITeS SEZ as a Non-Processing Area (NPA). This

demarcated area may then be used for setting up and operation of IT/ITeS businesses. While some developers have already de-notified under-construction SEZs and SEZ land parcels, this recent amendment is more focused on converting existing vacancies in operational IT/ITeS SEZ office assets into 'relevant space' for IT/ITeS occupiers. The timely intervention is expected to infuse relevant supply in core IT markets and breathe new life into the fading attractiveness of IT/ITeS SEZs.

**Real Estate Investment Trusts (REIT) guidelines**

In 2014, the Securities and Exchange Board of India (SEBI) issued comprehensive guidelines to provide a regulatory framework for the establishment and functioning of REITs in India. These guidelines aimed to facilitate the growth and development of the Indian REIT market, attract domestic and international investments, and provide opportunities for retail investors to participate in the real estate sector. Since their introduction, SEBI has made periodic amendments to the guidelines to further enhance the efficiency and transparency of the REIT markets. REITs were one of the first forms of fractional ownership in India.

**Small and Medium REITs (SM REITs)**

To formalize the nascent fractional ownership space, the Securities and Exchange Board of India (SEBI) notified Small and Medium Real Estate Investment Trusts (SM REITs) through amendments made to the already existing REIT regulations. Under the SM REIT regulations, fractional ownership platforms (FOPs) will now have higher compliance requirements related to issue size, asset exposure, investment portfolio, number of subscribers and minimum investment size. Also, such offerings now need to be listed on public exchanges and adhere to regular reporting and governance standards. Regulatory oversight is anticipated to inject greater market participation from retail investors, increasing liquidity in the real estate market.

**Emphasis on Infrastructure Upgradation**

The infrastructure sector holds a critical position in propelling India's economic growth and overall development. As the country steadily progresses towards attaining the status of a global economic powerhouse, the significance of having a strong and well-developed infrastructure becomes increasingly evident. The government's dedication to this cause is evident through various initiatives and substantial funds allocated to bolster the infrastructure sector.

**National Infrastructure Pipeline**

Private sector involvement is crucial for financing key infrastructure projects in India, considering the government's fiscal limitations and the importance of prudent spending. In 2020, India introduced the National Infrastructure Pipeline (NIP) with a vision of investing INR 111 Lakh Crore from 2020 to 2025. Public-Private Partnerships (PPPs) have been identified as a valuable mechanism to accelerate infrastructure development and facilitate investments outlined in the NIP. Engaging the private sector promotes industry competitiveness, allowing access to a broader talent pool and optimized resource utilization. Initially launched with 6,835 projects, the NIP has expanded to encompass over 9,700 projects spanning 59 sub-sectors, with a capital outlay of ~USD 1,290 billion

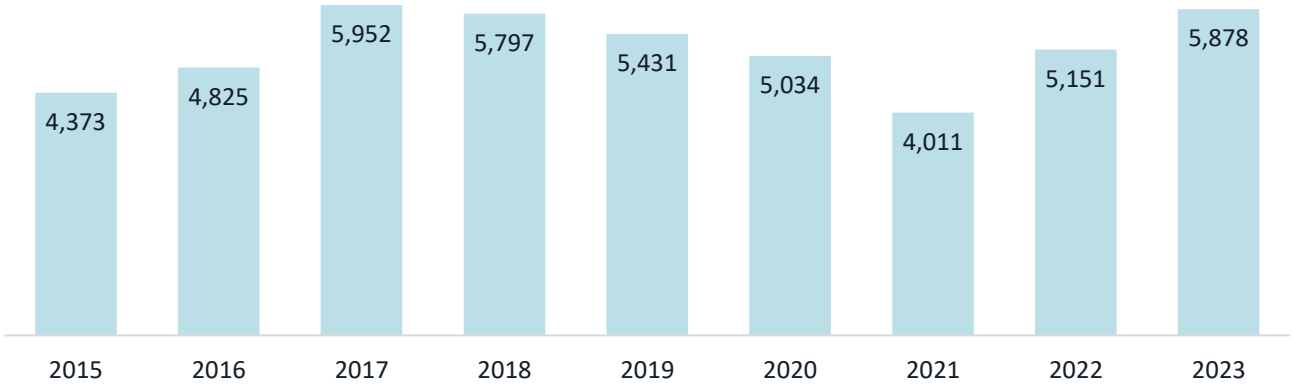
**PM Gati Shakti**

In 2021, the government introduced the PM Gati Shakti National Master Plan (NMP) with a primary focus on enhancing multimodal connectivity infrastructure in various economic zones within major transport sectors. It aims to consolidate the various infrastructure schemes such as Bharatmala, Sagarmala, and UDAN under a unified digital platform. This comprehensive plan provides a detailed database of trunk and utility infrastructure, current and future projects from both central and state government ministries and departments. Integrated with the GIS-enabled PM Gati Shakti platform, it enables streamlined planning, design, and monitoring of next-generation infrastructure projects through a single portal. Consequently, there has been a significant expansion of roads, railways, and waterways, while ports and airports have undergone substantial upgrades.

**Surge in Institutional Investments in Real Estate**

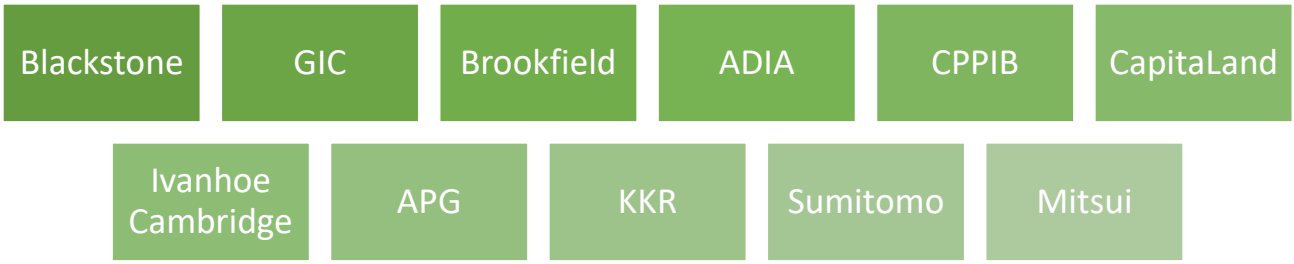
In 2023, the real estate sector in India witnessed a significant surge in institutional investments, with a total value exceeding USD 5.8 billion spread across 53 deals. This represents a noteworthy 14% increase compared to the previous year, showcasing sustained investor confidence in India's growth story amidst global uncertainties. The bolstered confidence can be attributed to progressive government initiatives that aim to augment transparency and accountability within the real estate sector. Notably, these efforts have resulted in a prominent rise in the proportion of investments coming from foreign institutional investors in recent years, with their contributions accounting for an average share of 78% over the past five years.

Figure 2.4: Institutional Investments in real estate, USD mn




Source: JLL Research

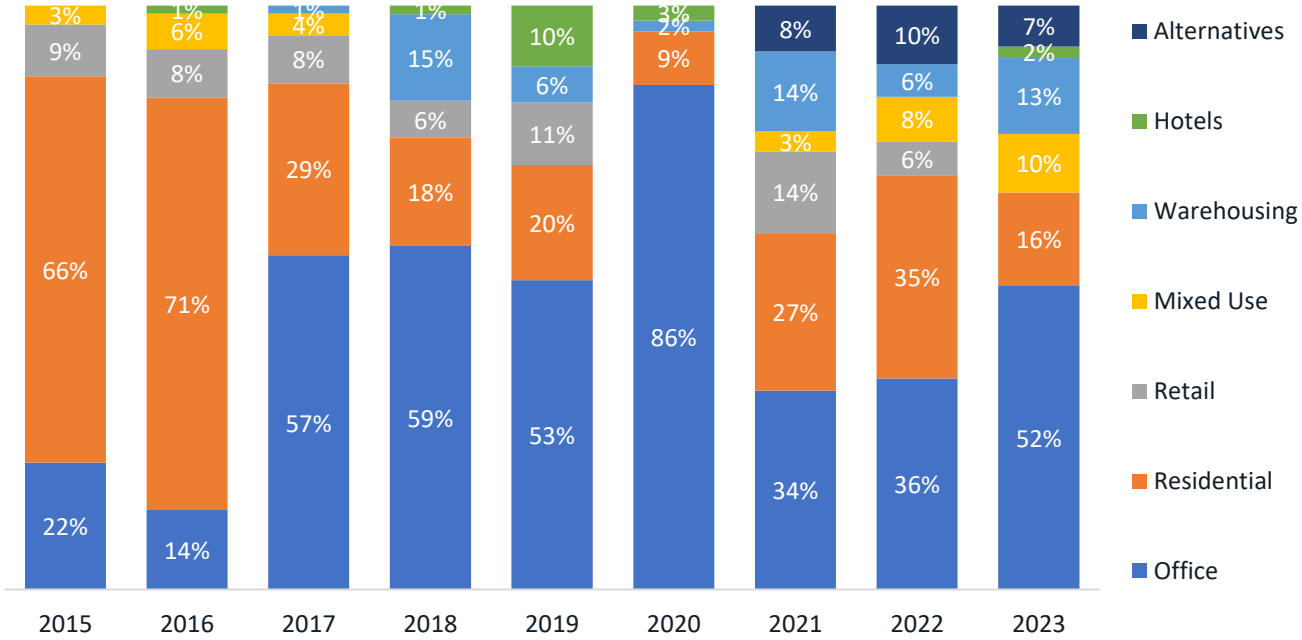
Figure 2.5: Key foreign investors in the sector




Source: JLL Research

The office sector emerged as the frontrunner commanding ~47% of overall institutional investments from 2015 to 2023, which translates to ~USD 22 billion. It was followed by the residential and warehousing sectors, which secured 16% and 13% shares respectively. Given the rapid growth of data consumption, the digitization of the economy, the arrival of 5G technology, and the increasing focus on data localization, there is a foreseen surge in demand for investments in data centers in the coming years. It is pertinent to note the industry has witnessed a rising trend of portfolio-level investments as opposed to individual asset investments in recent years. Moreover, investors are demonstrating a preference for development partnerships with select reputed developers, which is driving consolidation in the market.

Figure 2.6: Distribution of institutional investments across sectors




Source: JLL Research

**China + 1 Strategy**

Propelled by the economic initiatives of the Indian government, such as 'Make in India' and improvements in the ease of doing business index, global giants are increasingly looking to invest in India. This has been further supported by rapid infrastructure development and the government's efforts to position India as an attractive investment destination on the world stage.

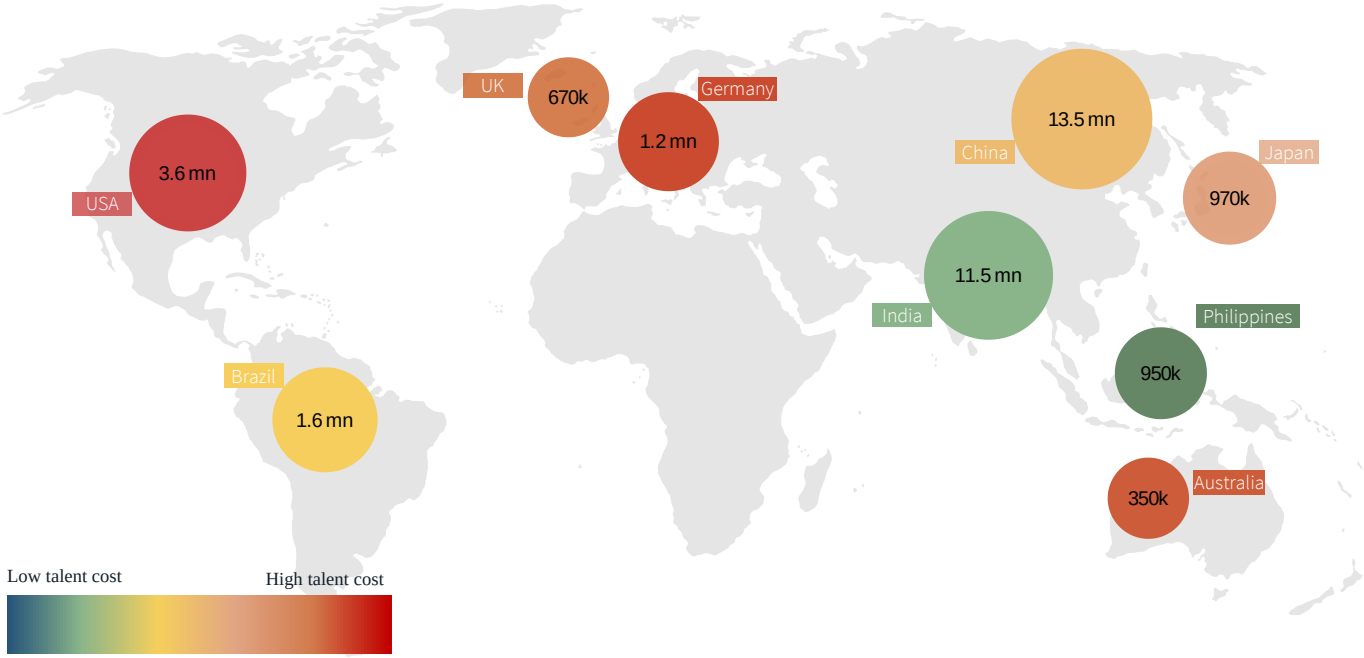
To de-risk supply chain requirements and mitigate production challenges, many multinational companies are adopting strategies like China+1 and Europe+1. This approach could potentially benefit India amongst other Southeast Asian countries across various sectors. Furthermore, manufacturing firms are expected to create more R&D jobs in India as it offers efficiencies in managing both research and production in the same geographical region. We are already witnessing the impact of these initiatives with major companies like Apple setting up manufacturing units in India.

**Availability of Skilled Labour at Competitive Costs**

The rapid adoption of emerging technologies like cloud computing and artificial intelligence/machine learning has led to an exponential increase in the demand for tech talent. India boasts one of the world's largest pools of STEM graduates, positioning it as a major global player in producing highly skilled professionals. Furthermore, as the second-largest English-speaking country globally, India offers an added advantage by providing a large talent pool with minimal language barriers.

Additionally, one of India's key strengths is its highly competitive cost structure. There is a significant disparity between salary costs in India and those in developed countries. This cost advantage attracts global tech companies to outsource work to Indian BPOs and IT/ITeS companies, resulting in considerable cost savings. The heightened workflow and increased demand for quality office space by these companies have a significant impact on driving the growth of the real estate sector in India.

Figure 2.6: Number of STEM graduates across countries




Source: NESCO Institute of Statistics, PayScale, JLL Research
Notes: Figures are estimated based on STEM graduates across all levels of higher education

**Growing Tech Sector**

The journey of the Indian IT industry started with US-based companies beginning to outsource work to Indian-born tech companies. The industry relied on cost arbitrage as its primary value proposition with organizations outsourcing back-office functions and low-value tech development to India, driven by its low-cost talent pool. Ironically, it was during the dot com bubble and the Y2K crisis that India's IT industry received its biggest boost. India was able to leverage its human capital to pitch in and ensure business continuity corporations around the globe. With increased visibility in the international arena and improved confidence in solving complex problems, IT companies in India grew in terms of size as well as scope of services offered. Indian firms became multinational companies with delivery centres across the globe. The resultant trust established with companies across the globe laid the foundation for the growth of GCCs in India.

The tech industry in India has grown exponentially in the last two decades. Amid global geo-political tensions and headwinds, India's technology industry revenue (including hardware) is estimated to reach USD 254 billion in FY 2023-24, a 3.8% year-on-year growth. Tech export revenues are poised to reach nearly USD 200 billion while the domestic technology sector is expected to cross USD 54 billion. Despite the tough market conditions, the industry continues to be a net hirer, taking the total employee base to 5.43 mn, a year-on-year growth of ~1%.

Figure 2.7: IT-BPM industry revenue, USD billion

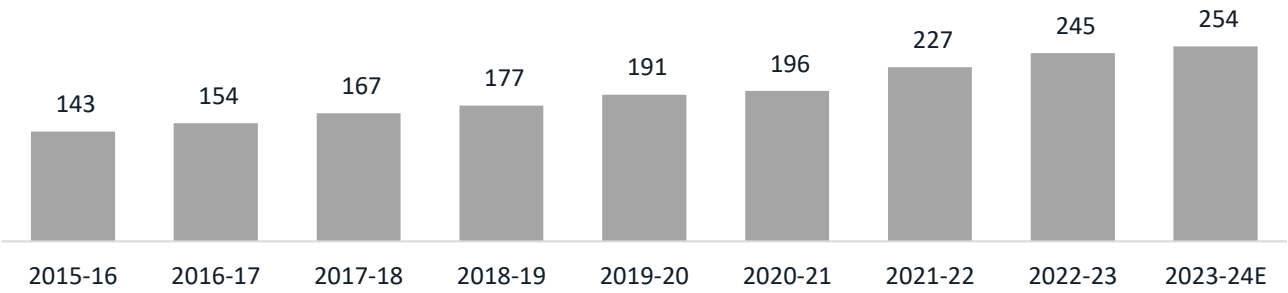
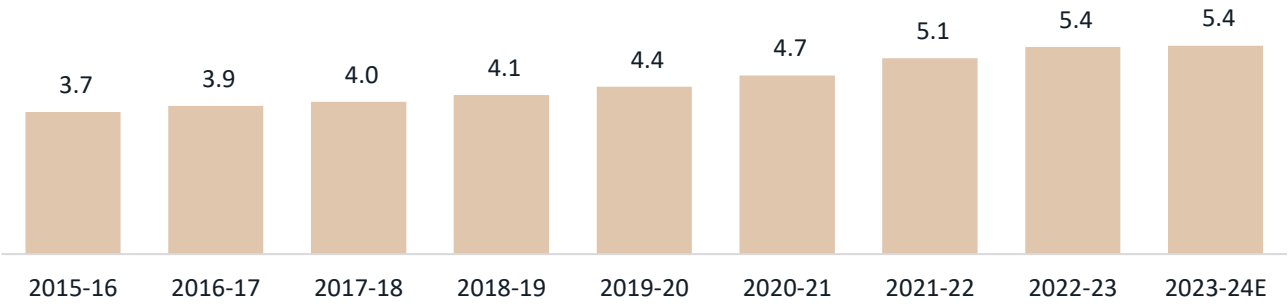



Figure 2.8: IT-BPM Industry Headcount, mn



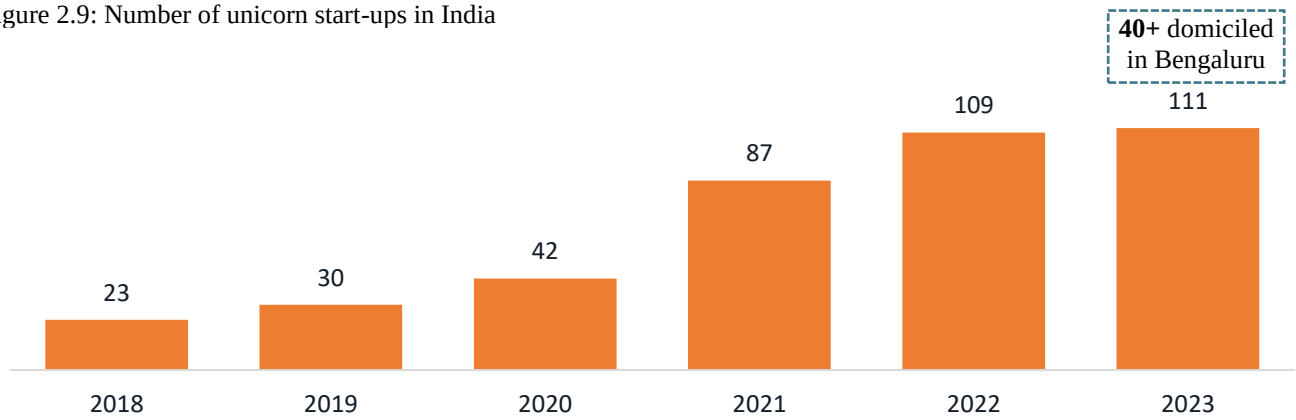

Source: NASSCOM, JLL Research

**Expansion of Innovation Driven Businesses and Start-Ups**

Over the past decade, the startup ecosystem in India has experienced exponential growth, driven by innovation, substantial venture capital investments, and government support. The number of startups recognized by the Department for Promotion of Industry and Internal Trade (DPIIT) increased from around 700 back in 2016 to over 140,000 as of June 2024. This remarkable growth has positioned India as the third-largest startup ecosystem in the world, which has yielded over 100 unicorn startups.

The thriving startup ecosystem also presents opportunities for Global Capability Centres (GCCs) to leverage emerging technologies and evolving tech solutions. This enables them to tap into a digitally advanced ecosystem for serving their global clients effectively. Furthermore, the surge in the number of startups in India has fuelled the demand for flexible office spaces in recent years. Flexible space providers offer startups a convenient and ready-to-use office space solution with low capital expenditure requirements. This allows startups to focus on their core operations without the hassle of day-to-day facility management, vendor coordination, and the flexibility to scale their team as needed.

Figure 2.9: Number of unicorn start-ups in India




Source: Invest India, JLL Research

**Increasing Demand from Global Capability Centres**

Global Capability Centres (GCCs) remain the biggest industry segment in terms of potential growth accounting for a lion's share of current active space requirements. The opportunity for entry of new GCCs remains significant with ~65%-70% of the Global 500 companies (excluding India-headquartered firms) yet to leverage the India opportunity. The next few years are likely to witness an accelerated increase in the number of GCC units in India as more companies attempt to leverage India's growth favouring ecosystem and the existing ones execute their expansion plans within the country. India's proven credentials and trained workforce will ensure that it remains among the top innovation geographies. As firms increasingly consider offshoring R&D work and utilizing GCCs as transformation hubs to drive business excellence and organizational growth, India will continue to be a leading destination.

## Chapter 3: Overview of India's Office Markets

### Top Seven Office Markets of India: Snapshot

Table 1: Overview of India's top seven office markets

| | Bengaluru | Chennai | Delhi NCR | Hyderabad | Kolkata | Mumbai | Pune | Overall |
|---|---|---|---|---|---|---|---|---|
| Completed Stock, mn sq ft | **209.1** | 76.1 | 152.1 | 127.6 | 29.3 | 152.9 | 78.9 | 826.0 |
| Vacancy, % | **13.9%** | 9.5% | 23.9% | 25.5% | 17.2% | 12.9% | 12.6% | 17.0% |
| Average Annual Net Absorption, mn sq ft (2016 – 2023) | **9.0** | 3.0 | 5.9 | 6.7 | 1.0 | 5.6 | 3.2 | 34.3 |
| Average Annual New Completion, mn sq ft (2016 – 2023) | **12.1** | 3.2 | 7.4 | 10.4 | 1.3 | 5.8 | 4.1 | 44.3 |
| Average Rent, INR/sq ft/month | **90.5** | 72.3 | 83.0 | 64.8 | 61.3 | 136.9 | 79.8 | 90.0 |

Source: JLL Research, Q2 2024

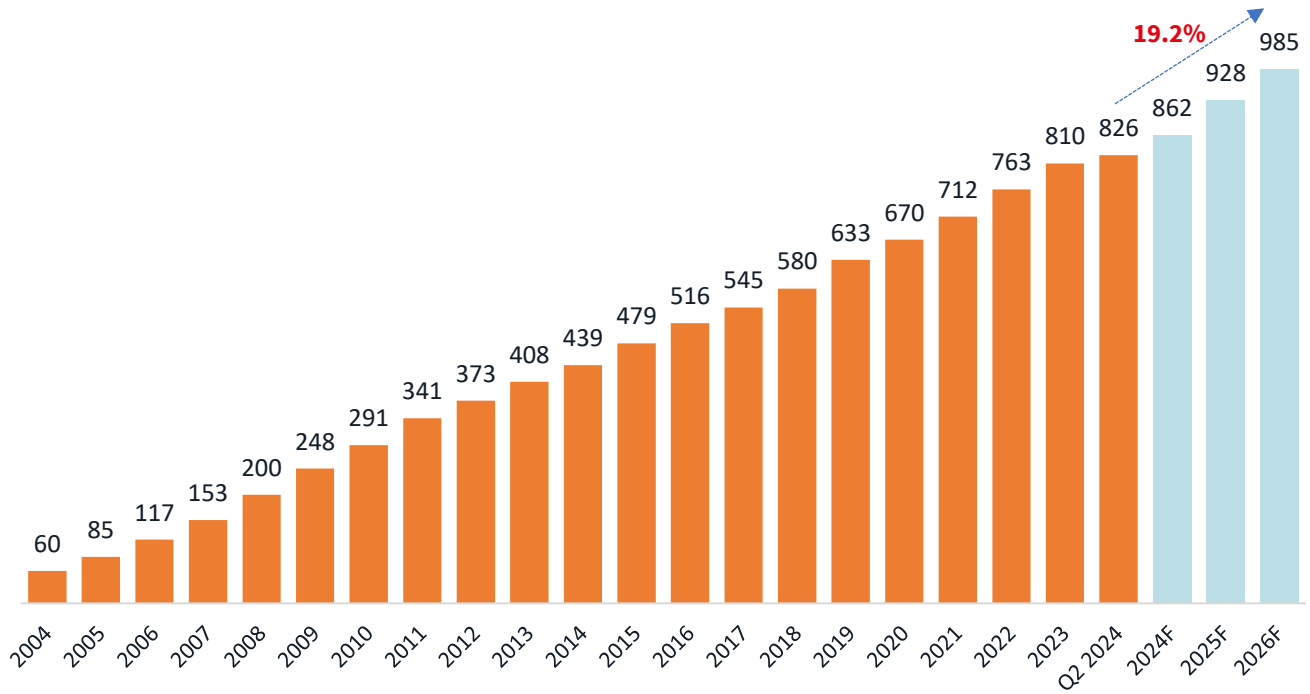
### Introduction

India's office market has witnessed significant growth over the past two and half decades, establishing itself as a prominent player in the global commercial real estate industry. The top seven markets* in India have experienced a tremendous surge in Grade A office stock, growing nearly 14 times, from ~59.5 mn sq ft in 2004 to around 826.0 mn sq ft as of June 2024.

The rise of the business process outsourcing (BPO) industry in the early 2000s played a pivotal role in attracting major multinational companies to set up operations in the country, subsequently kickstarting the transformation of the office market. What was once a landscape of unorganised standalone buildings has now evolved into Grade A commercial developments owned by reputed developers and institutional investors.

Today, India's office market presents a wide array of opportunities for companies seeking to expand their operations. With its robust economy, abundant cost-effective talent pool, and favourable business environment, India has become an attractive destination for both domestic and international companies looking to establish their presence in the country.

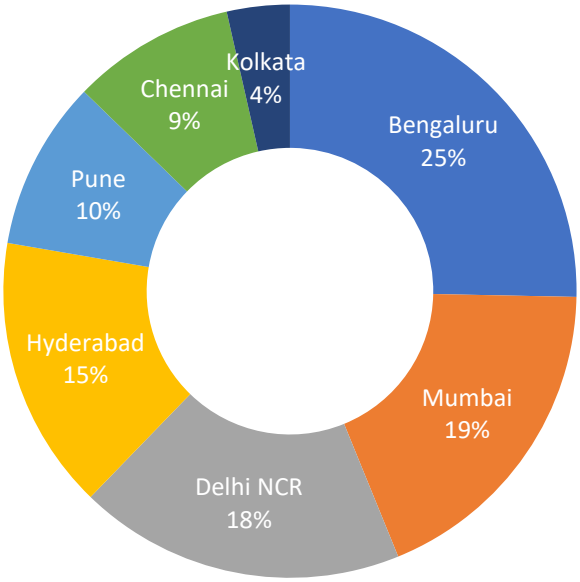
Figure 3.1: Total grade A office stock in India's top seven markets, mn sq ft




Source: JLL Research, Q2 2024
*Note: Top seven markets include Bengaluru, Chennai, Delhi NCR, Hyderabad, Kolkata, Mumbai, and Pune

Bengaluru emerges as the dominant force in India's office market with a Grade A office stock reaching around 209 mn sq ft, making it the second-largest office market in the Asia-Pacific (APAC) region, only surpassed by Tokyo. Following Bengaluru, Mumbai, Delhi NCR, and Hyderabad take the lead as the top office markets in India. Collectively, these four markets contribute ~78% of the total Grade A stock in India's top seven markets. With well-established infrastructure, access to a highly skilled workforce, and flourishing business ecosystems, these cities offer optimal conditions for companies seeking prime office spaces.

Figure 3.2: Distribution of grade A office stock across India's top seven markets




Source: JLL Research, Q2 2024

**Classification of Office Stock**

**Based on quality**

As of June 2024, approximately 57% of India's commercial office stock belongs to the Grade A+ category. The upward trend in the share of Grade A+ stock is a result of the evolving nature of the sector and changing preferences of occupiers. The demand for Grade A+ assets has led to an increased introduction of such properties in the market.

Figure 3.3: Distribution of Grade A+ vs Grade A over the years

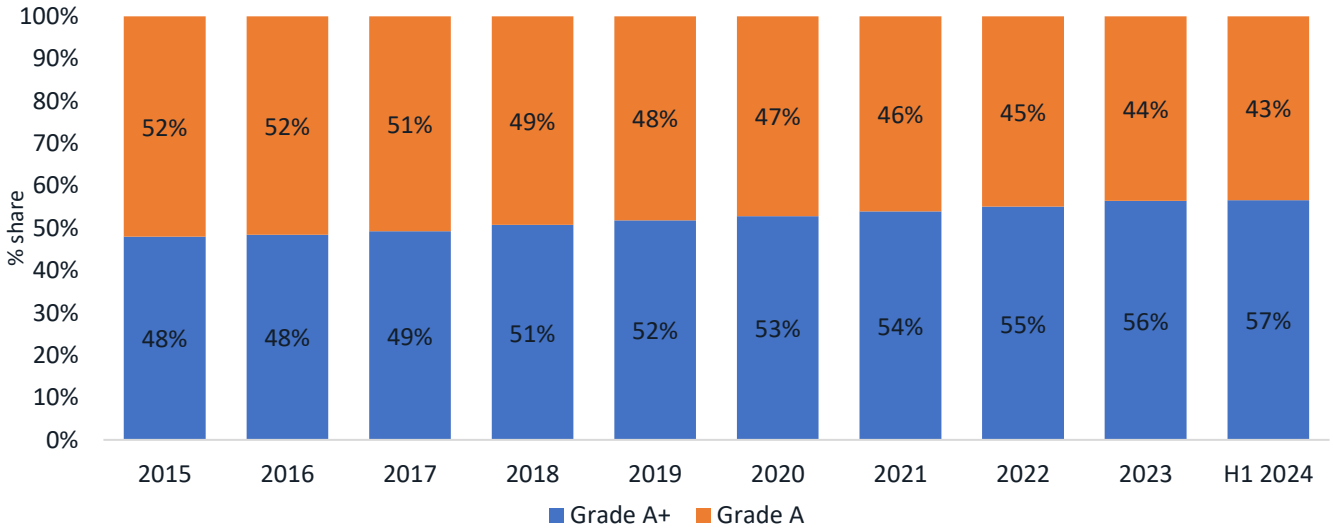



Table 2: Rental Trends (Grade A+ vs Grade A)

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Q2 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Grade A+ | 69.7 | 74.4 | 77.1 | 80.0 | 84.4 | 85.9 | 86.3 | 87.6 | 90.3 | 91.1 |
| Grade A | 66.0 | 65.7 | 66.7 | 67.7 | 69.5 | 69.3 | 69.7 | 73.2 | 74.9 | 76.2 |

Source: JLL Research, Q2 2024

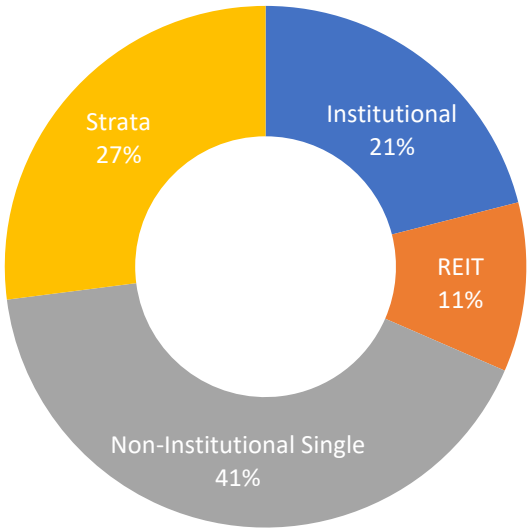
Note: Grade A+ stock is a subset of the Grade A universe and are office assets of the highest quality. These have been identified based on project quality assessment, project age & upkeep, tenant quality, current rent and rental growth, sustainability certifications and other relevant factors

**Based on Ownership**

As of June 2024, ~32% of India's Grade A office stock is institutionally (institutional + REIT) held. The remaining is divided, with ~42% under non-institutional single ownership and the rest being strata titled. The southern markets of Bengaluru, Chennai, and Hyderabad account for ~55% of the total institutionally held stock.

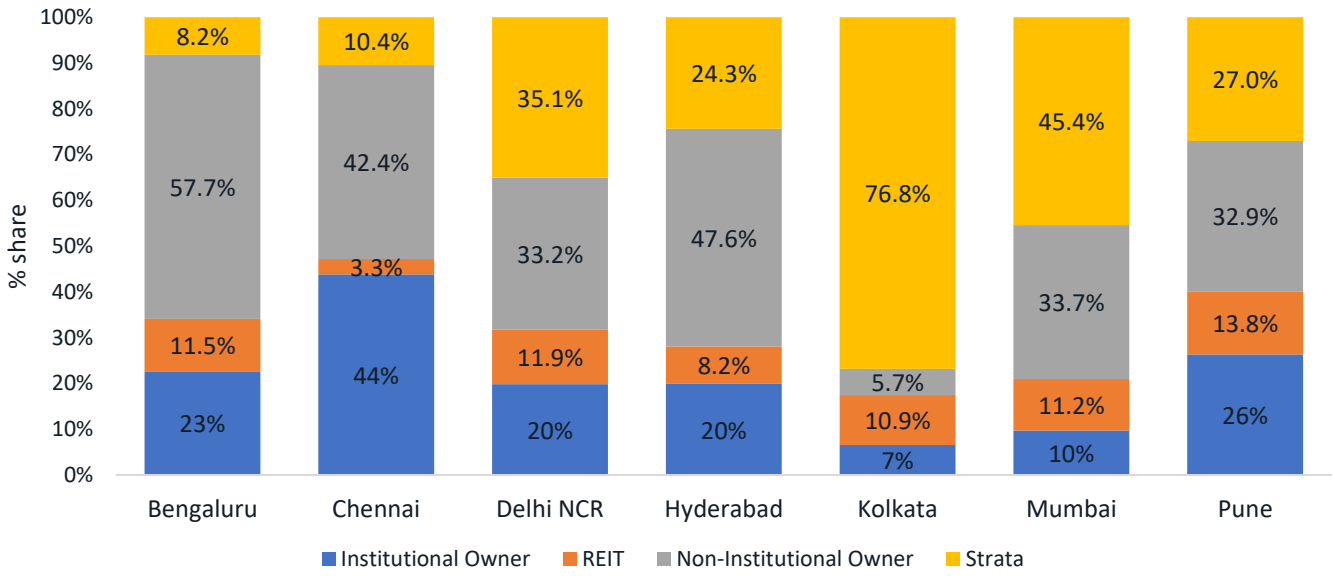
Alongside cost competitiveness, a rise in institutionalization and a growing emphasis on sustainability is driving the quality of commercial real estate sector in India. This has fostered the development of a strong ecosystem for the sustainable growth of India's office market. It is worth noting that projects owned by institutional investors consistently attract occupiers and consequently enjoy higher occupancy levels compared to strata-owned assets. This signifies the preference for institutionally owned projects and highlights their role in shaping the success of India's office market.

Figure 3.4: Distribution of office stock based on ownership




Source: JLL Research, Q2 2024

Figure 3.5: Market-wise distribution of office stock based on ownership



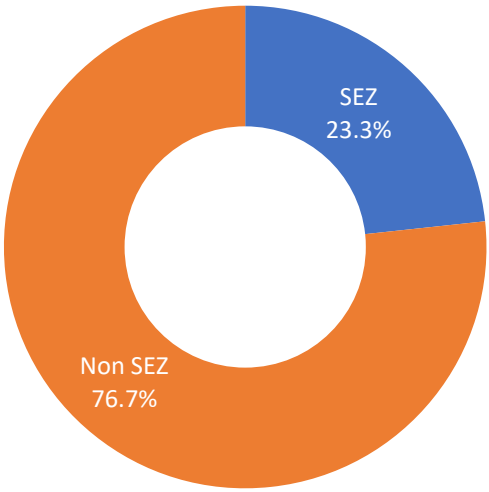

Source: JLL Research, Q2 2024

**Based on Type**

IT/ITeS SEZ space represents 23.3% of India's Grade A office stock, translating to ~192.4 mn sq ft. The sunset clause withdrew direct tax holidays for IT/ITeS SEZ units. The withdrawal of direct tax holidays for IT/ITeS SEZ units through the sunset clause has had a significant impact on leasing activity. The imposition of compliance requirements without corresponding financial benefits has resulted in a notable decrease in leasing activity within SEZ units. As lease contracts expired, a surge in

occupier exits occurred, leading to a significant rise in vacancy levels from ~10% in December 2020 to ~18% in June 2024. In contrast, high-quality IT/ITeS office assets across India's top seven markets maintain a lower vacancy rate of ~15%. This discrepancy highlights the leasing potential that would arise once the SEZ spaces are denotified or designated as Non-Processing Areas (NPA), allowing for their usage in the establishment and operation of businesses engaged in IT/ITeS activities.

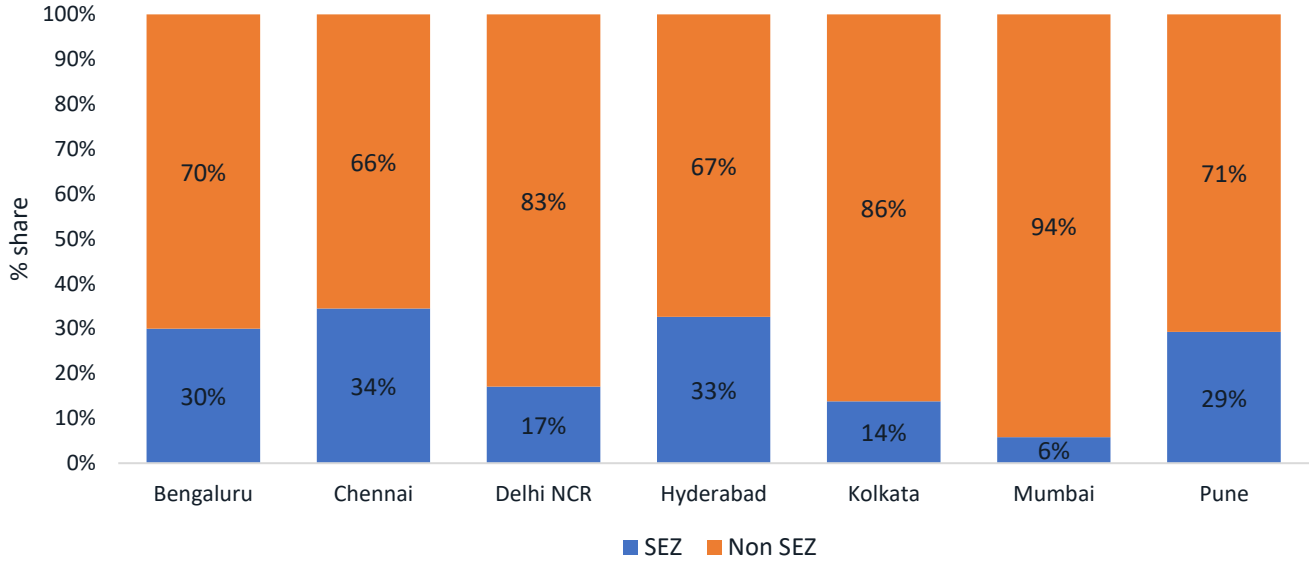
Figure 3.6: Distribution of office stock based on usage type




Source: JLL Research, Q2 2024

The SEZ spaces in India are primarily concentrated in the tech markets of Bengaluru, Chennai, Hyderabad, and Pune. Together, these markets contribute nearly 80% of the total SEZ stock in the country.

Figure 3.7: Market-wise distribution of office stock based on usage type




Source: JLL Research, Q2 2024

**Based on Green-Certification**

Sustainability has become a top priority for businesses worldwide, with particular emphasis on achieving net zero carbon (NZC) commitments. The built environment, responsible for nearly 40% of global carbon emissions is crucial for reducing carbon emissions. Hence, 'responsible real estate' plays an important role in helping organisations achieve their ambitious decarbonisation goals.

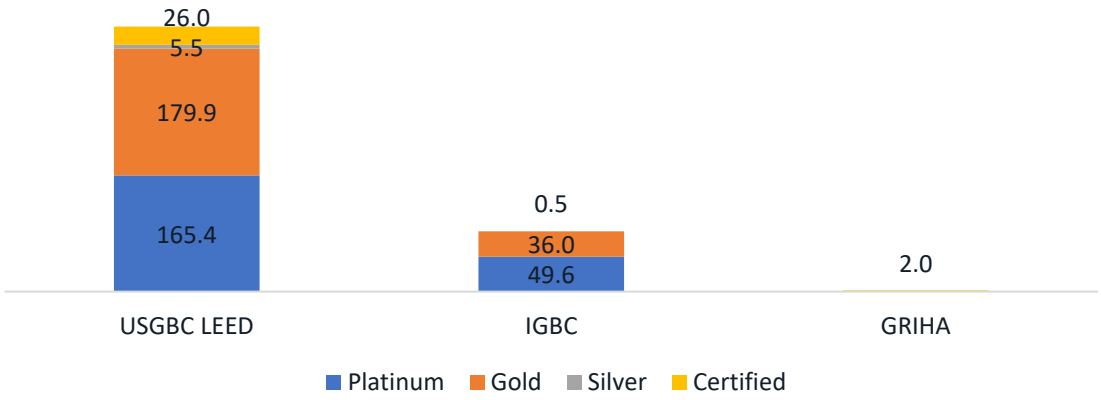
The Indian market is making significant strides towards sustainable real estate, as demonstrated by the growing presence of green-certified office buildings. Notably, the penetration of green-certified office stock has increased from ~39% in December 2020 to ~56% in June 2024. Also, it is pertinent to note that there is substantial evidence confirming that green-certified assets command a rental premium of 10-20% over their non-certified counterparts.

Figure 3.8: Green-certified office stock, mn sq ft

Source: JLL Research, Q2 2024

LEED certifications clearly hold the edge among all popular rating systems. An impressive 81% of the green-certified grade A office stock currently holds a LEED rating, followed by IGBC at ~19%. It is worth noting that gold and platinum certifications are the most prominent, making up a combined 93% of the total green office stock.

Figure 3.9: Green-certified stock by rating type, mn sq ft



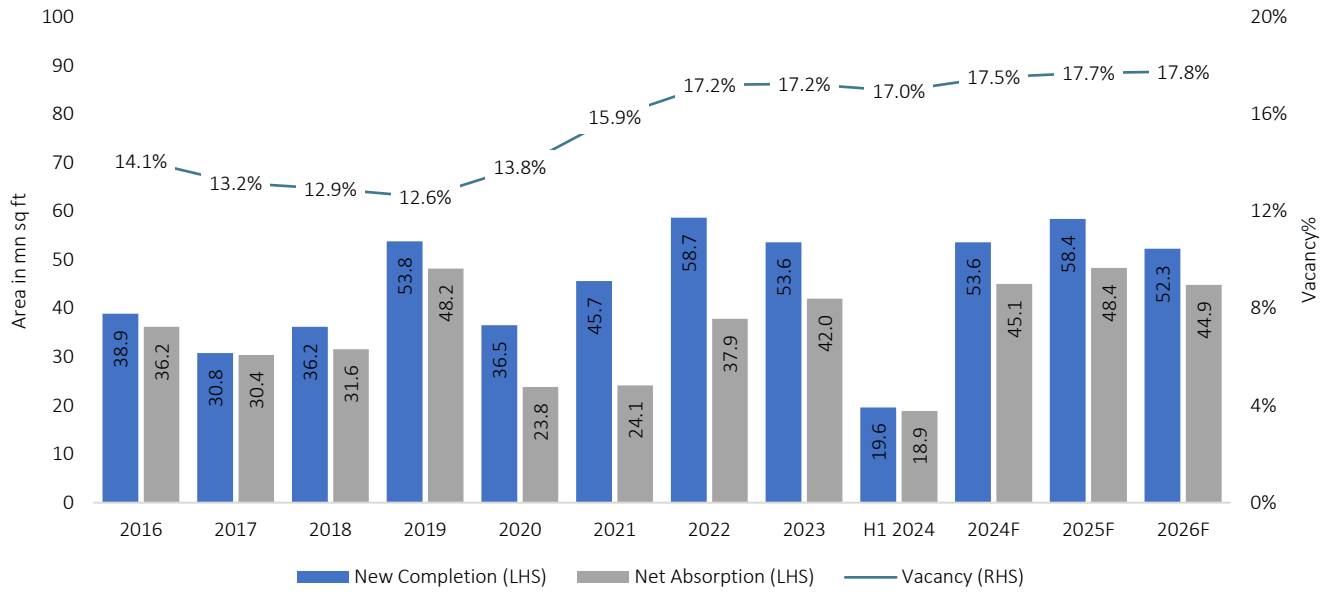

Source: JLL Research, Q2 2024

**Trends in Supply, Net Absorption and Vacancy**

The office market in India has shown considerable vibrancy over the past few years, setting new benchmarks in 2019. Net absorption across the top seven cities in India grew at a robust 52% year-on-year, reaching a historic high of ~48.2 mn sq ft. At the same time, new completions grew at 49% year-on-year, crossing the 50 mn sq ft mark. The market was expected to continue its upward trajectory in 2020. However, the COVID-19 pandemic and subsequent containment measures brought about unprecedented challenges for the office sector in 2020. On a year-on-year basis, net absorption, and new completions in 2020 dipped by 51% and 32% respectively.

In 2021, net absorption witnessed a marginal uptick, driven by an impressive Q4 leasing performance. The following year, India's office market made a full recovery as net absorption surpassed the four-year pre-pandemic average (2016-2019). 2023 was another historic year for India's office market as net absorption in India's top seven markets breached the 40 mn sq ft mark and stood at ~42.0 mn sq ft. This not only marked a new post-COVID milestone but also the second highest annual absorption, trailing only the levels recorded in 2019. The resilient expansion-driven occupier activity is a testament to the country's quality talent pool and competitive costs. The year has set the platform for India's office market to enter a phase of 'accelerated growth'. Over the next 2-3 years, we anticipate that net absorption will align more closely with 2019 levels, hovering in the 45 – 48 mn sq ft range.

Figure 3.9: New Completion, net absorption, and vacancy trends

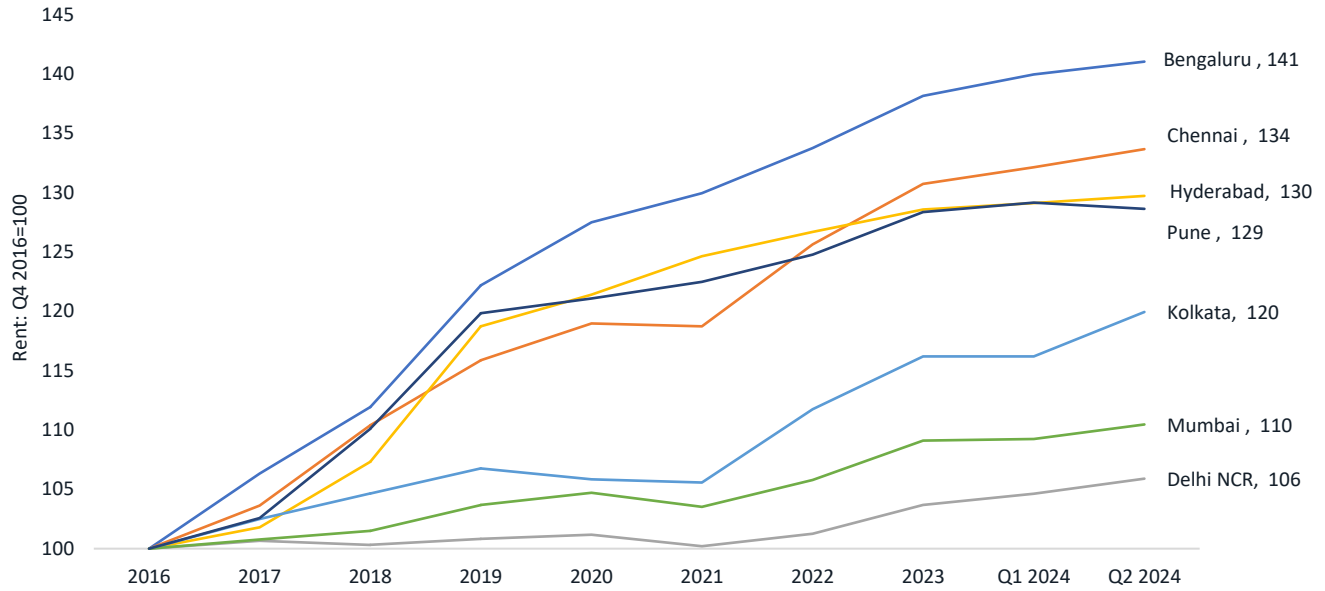



Source: JLL Research, Q2 2024

## Rental Trends

Rents have moved up post pandemic across most cities, with core micro-markets seeing healthy growth in rents driven by sustained demand and higher-grade, green-certified buildings being able to command a premium.

Figure 3.10: Market-wise rental index trend

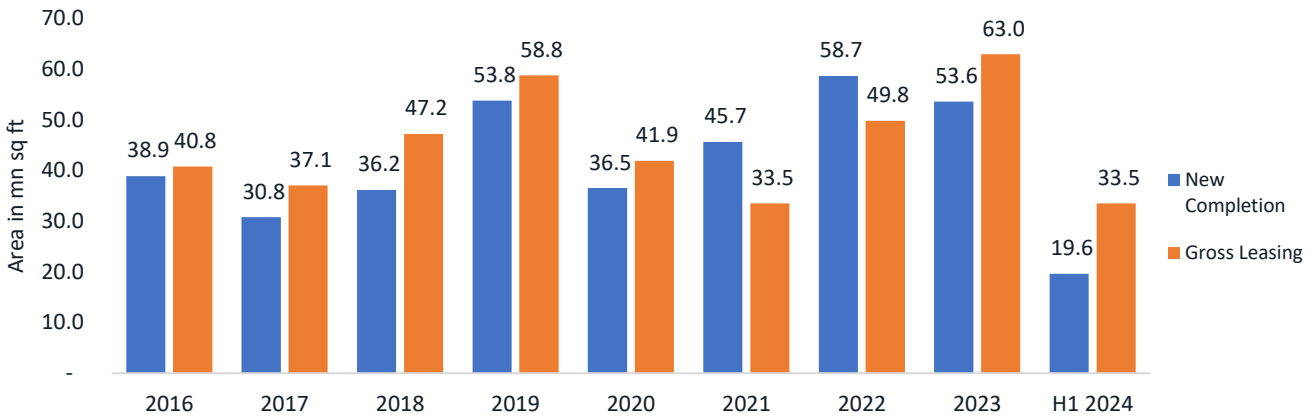



Source: JLL Research, Q2 2024

## Trends in Gross Leasing Activity

Gross leasing in India's top seven markets exceeded the 60 mn sq ft milestone for the very first time in 2023, reaching an impressive 62.98 mn sq ft, a significant 26.4% y-o-y increase. In a year marked by global headwinds, these achievements are a testament to the market's strong underlying fundamentals and growth prospects. In H1 2024, gross leasing activity in India's top seven office markets reached an impressive 33.5 mn sq ft. This marks the best-ever first half surpassing the previous highest H1 performance seen in 2019. H1 2024 has set the platform for India's office market to reach and even surpass the peak activity levels witnessed in 2023.

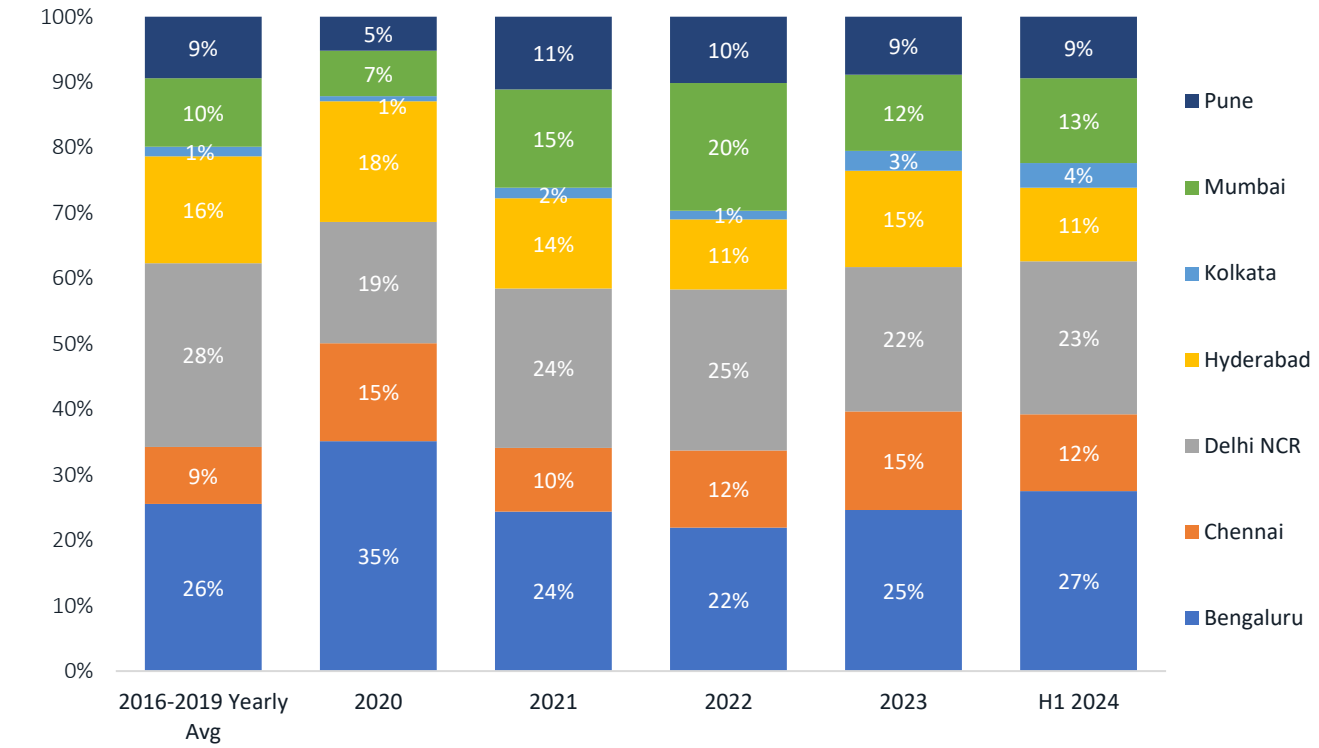
Figure 3.11: Gross leasing trends




Source: JLL Research, Q2 2024

Bengaluru and Delhi NCR followed by Mumbai, Chennai and Hyderabad have dominated the gross leasing activity over the last few years. In H1 2024, Bengaluru and Delhi NCR accounted for 27% and 23% of the half yearly gross leasing, respectively.

Figure 3.12: Distribution of gross leasing by markets




Source: JLL Research, Q2 2024

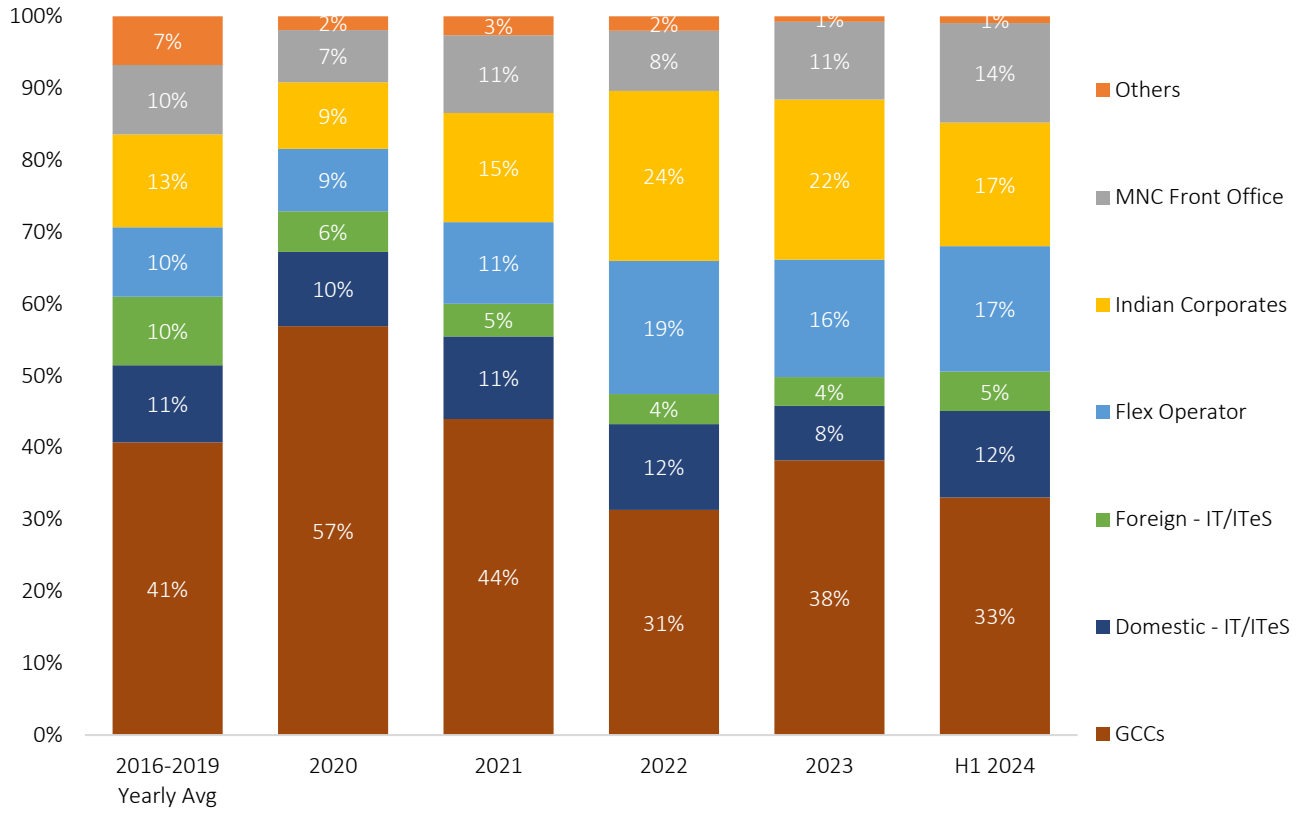
**Sectors driving gross leasing activity**

Tech has been the largest occupier category in India's office market. Post the pandemic, while tech continues to remain the major driver of leasing activity in the country, its share in overall leasing activity has reduced. While the tech sector saw a noticeable drop in its share (~21%) in pan India overall leasing activity during 2023 amid reduced space take-up by third-party outsourcing firms, global headwinds and slower revenue growth, the sector witnessed a rise in its share by end H1 2024 and stands at ~28%.

India's office ecosystem is a blend of "office to the world" and strong domestic sector growth. In a period of global sluggishness, India office market remained resilient given its underlying fundamentals. The same factors have now come together to create a period of sustained growth, with India at the forefront of global firms' real estate decisions and strategies. Strong domestic economy parameters are also fuelling space take-up by home-grown firms. The India office growth story is strongly supported by the remarkable growth shown by GCCs. With a substantial 33% share of the total leasing in H1, GCCs continue to remain the dominant occupier group. India's leadership position in the GCC ecosystem continues to remain intact, driven by high-end R&D work that supports headcount expansion opportunities for these firms, resulting in strong space demand. Flex space operators continue to play a significant role in India's office markets, accounting for 17.5% of the gross leasing in H1 2024. Going forward, leasing activity is anticipated to be primarily driven by Global Capability Centres (GCCs) and flex operators,

which will remain as the top occupier categories. An intriguing trend in the market is the increasing collaboration between new GCCs entering the country and flex operators for their office space needs. This partnership has contributed to a surge in office space demand from flex operators. At the same time, the declining proportion of GCCs in recent years can be attributed to this emerging trend.

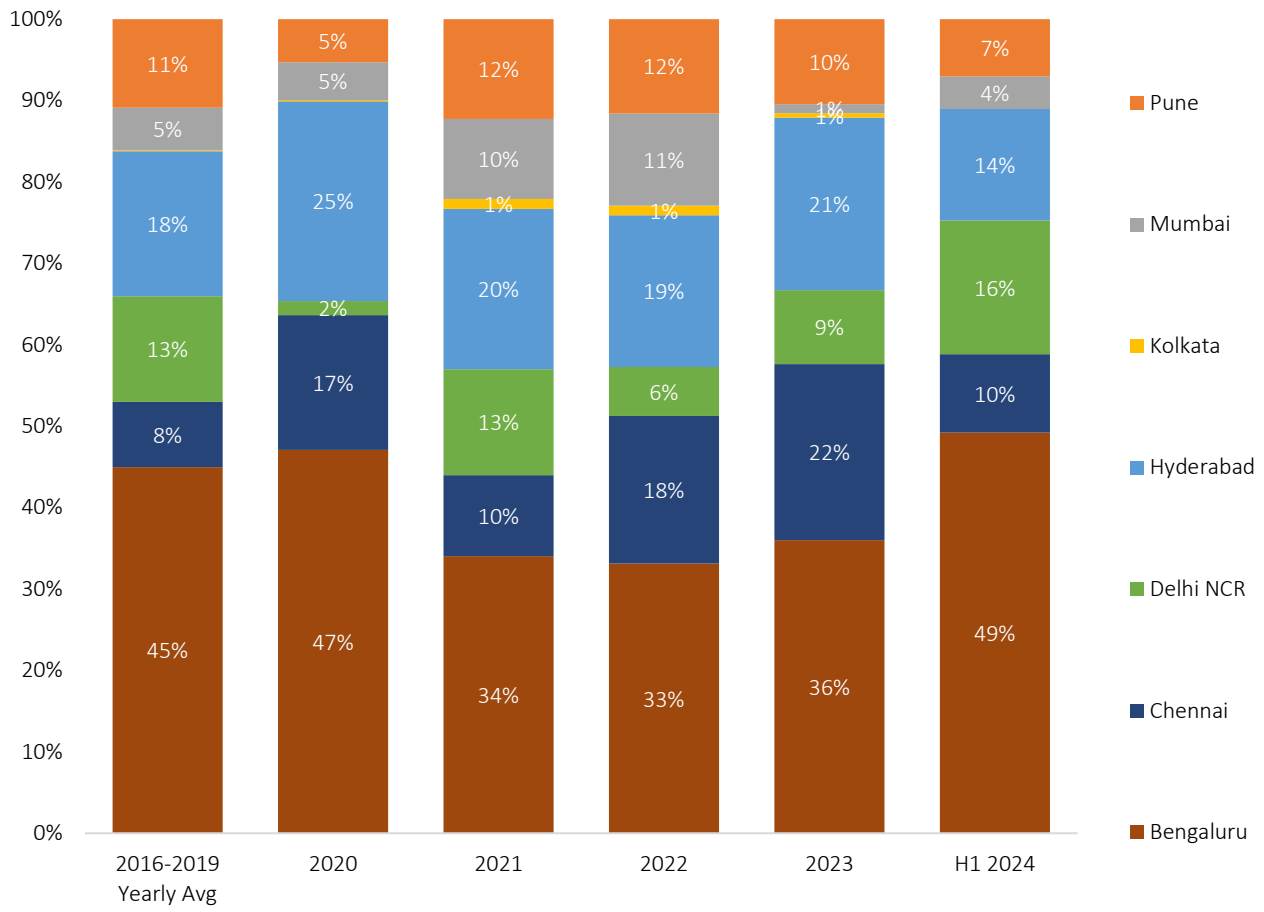
Figure 3.13: Sector-wise share of gross leasing




Source: JLL Research, Q2 2024

Bengaluru remains the biggest GCC ecosystem with its existing GCC footprint, which is, also a magnet for new demand from similar firms. The city has on average accounted for a 41% share of leasing demand from GCCs over the past 8 years. Hyderabad and Chennai have also emerged as strong GCC locations and a complementary growth strategy location for existing GCCs.

Figure 3.14: GCC leasing across markets




Source: JLL Research, Q2 2024

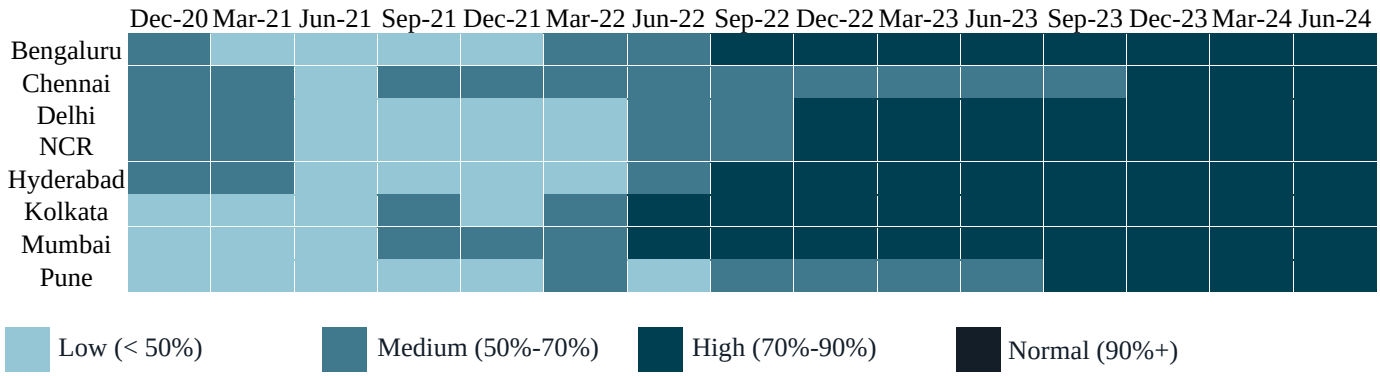
**The Road Ahead**

Hybrid a reality but with an 'Office-first' approach

The role of an office has evolved. It is a place to collaborate, foster innovation and help companies communicate their values, ethos, and culture to their dynamic and diverse workforce. Given this context, the significance of bringing employees back to offices, albeit in a hybrid or phase-wise manner has become critical. Corporates continue to be on a transformation journey with respect to RTO (return to office), with flexibility in the workplace and provision of unique offerings to employees being key to facilitate their journey back to office. Employee experience through evolved workplaces, immersive services and flexibility in working will be key in the war for talent. Companies have started charting out their return to office plans in a phased manner and are taking up new spaces to cater to their increased headcount requirements. Office portfolios are likely to expand further as hybrid working evolves with a strong 'office-first' approach.

Also, over the past couple of years, many firms in India have increased their employee pool without taking up additional office space to accommodate said employees. In such scenarios, hybrid and work from home models are more of a 'necessity' than a 'preference'. This 'pent-up demand' is expected to translate into additional space leasing over the next few years.

Figure 3.15: Return to office across markets



Source: JLL Research, Q2 2024

**Focus to shift towards building performance data and active collaboration with landlords**

While green office spaces have been a crucial step towards sustainable real estate portfolios, green certifications in their current form do not guarantee energy efficiency or lower carbon emissions. Moreover, leasing in green-certified buildings is no longer a differentiator and by 2030, it will be a de-facto requirement when prominent occupiers lease office spaces. The focus will shift towards credible building sustainability data, making the green lease contract crucial for ensuring transparency in data and active mission-aligned collaboration between landlords and occupiers throughout the life of the lease.

It will become increasingly evident that corporates must adopt a proactive approach to sustainability, integrating it deeply into their business operations and decision-making processes. They must embrace innovation and leverage cutting-edge technologies to drive efficiency, reduce environmental impacts, and enhance the quality of their workplaces. By doing so, occupiers can not only contribute to a greener future but also boost their brand reputation, attract, and retain talent, and ensure long-term business resilience. Those that take bold and decisive actions will pave the way for societal and environmental progress, setting a benchmark for others to follow.

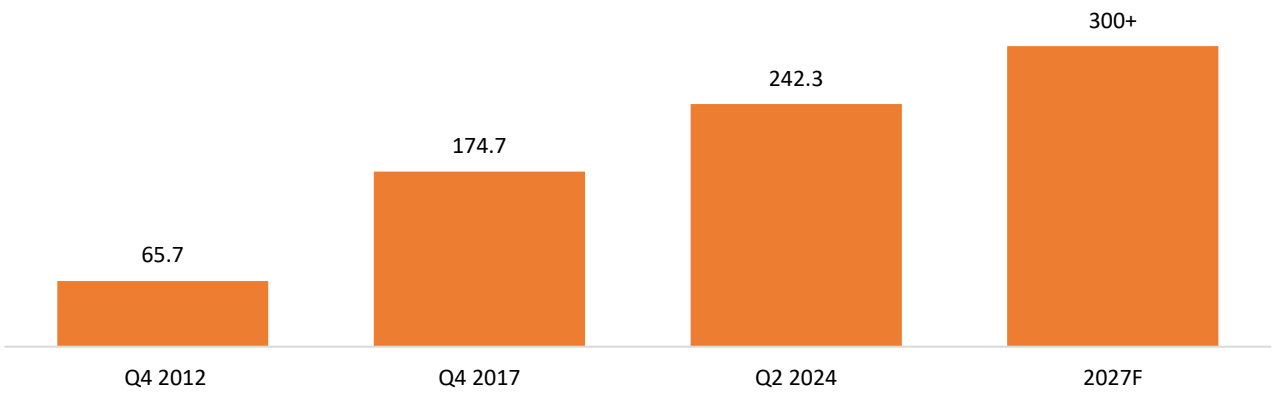
**Flight to quality**

It is pertinent to note that recently completed projects and lower-quality assets contribute the most to headline vacancy numbers. The flight to quality is evident in terms of office occupancy being polarized towards core markets and superior-grade projects. Institutionally owned and green certified projects continue to find favour from occupiers and hence see much better occupancy levels. Grade A+ quality assets enjoy 500 – 800 bps higher occupancy levels and command rental premiums of 10% - 20% when compared to other Grade A assets. This trend is expected to continue as institutional-quality assets account for a large share of the upcoming supply and will remain the first choice for corporate occupiers.

**GCCs key to increasing occupier demand**

India is increasingly becoming the preferred choice for large conglomerates to set up Global In-house Centres or Global Capability Centres (GCCs). Office Stock occupied by GCCs account for ~35% of all occupied Grade A stock across the top seven cities, which translates to ~242.3 mn sq ft. The holistic ecosystem provided by the bigger metros across a strong physical and office infrastructure, talent pool and support amenities have seen GCCs expand mostly across these cities, although some Tier 2 and 3 cities have also emerged. Over the last couple of years, with talent dispersion and trends around hybrid working, GCCs have been quite active in increasing their footprint in such emerging urban centres.

Figure 3.16: Grade A office space occupied by GCCs, mn sq ft




*Source: JLL Research, Q2 2024*

The next few years will witness a multifold increase in the number of GCC units in India as more companies attempt to leverage India's growth favouring ecosystem and the existing ones execute their expansion plans within the country. The number of GCC units is expected to cross 2,500 over the next 3.5 years with the corresponding office occupancy footprint expected to grow to over 300 mn sq ft. India's status as a GCC powerhouse has been built on its longstanding and successful service delivery models which have supported global firms increasingly in their business transformation journey. As the GCC ecosystem evolved in India, it has not been a surprise that the country's talent pool has continued to deliver complex services and tech solutions to the global parent and its client base. India's proven credentials and trained workforce will remain the momentum drivers as firms increasingly look at offshoring R&D work and using GCCs as transformation hubs which drive business excellence and organization growth.

Figure 3.17: Number of GCC units in India

*Source: JLL Research, Q2 2024*

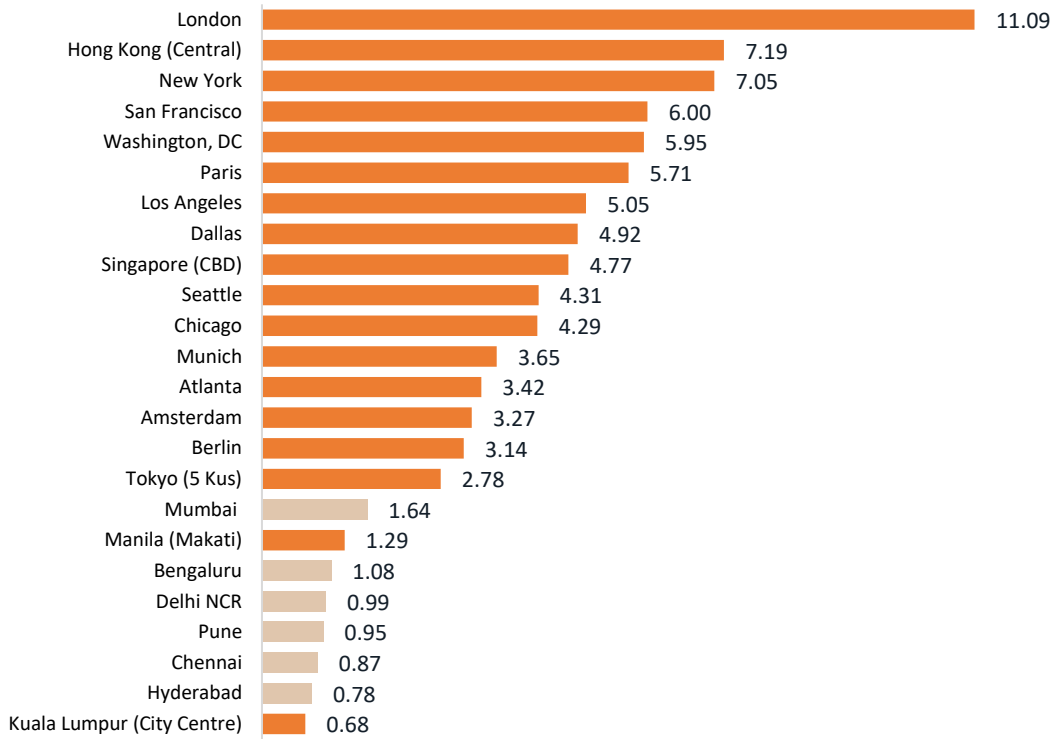
**India's office market to remain growth-oriented**

India's strong leasing momentum is driven by its strong tech ecosystem which is seeing strong offshoring and R&D work across multiple sectors. The combination of the available and qualified talent pool, cost advantage and quality real estate is creating a sustained growth trend even as the country's office markets were impacted to a limited extent by the global headwinds.

With the influx of quality supply, the 2019 levels of market activity are likely to become the new normal. Moderate to strong pre-commitments in the upcoming projects and expectations of leasing activity picking up further steam in the second half of 2024 is expected to support net absorption projections and keep vacancy range bound. Net absorption, a marker for growth is expected to consistently remain around the 45 mn sq ft mark (annual) for the next three years. Leasing activity crossed 60 mn sq ft for the first time in 2023 and with H1 2024 leasing adding up to 33.5 mn sq ft, it is estimated to potentially surpass the 63.0 mn sq ft recorded just last year, showing the remarkable growth momentum in the country's office markets.

India's office sector has grown at a remarkable pace, driven by strong market fundamentals. At the same time, India continues to be the most affordable real estate market amongst its global and regional peers, making it a preferred destination for businesses looking to optimize expenses. The cost advantage is particularly evident in the tech cities of India, namely Bengaluru, Hyderabad, Pune, and Chennai. With office spaces often available at dollar rentals, these markets have accounted for ~60% of the overall office market activity over the past eight to nine years.

Figure 3.18: Rental Comparison: Q2 2024 Average Office Rent (USD/sq ft/month)




*Source: JLL Research, Q2 2024*

India's rising might as an offshoring destination will be crucial to the continued resilience and growth of India's office markets. GCCs remain the biggest industry segment in terms of potential growth accounting for a lion's share of current active space requirements. BFSI firms lead in terms of active space requirements followed by the tech sector. Going forward, these two sectors along with Engineering R&D will continue to drive demand for GCCs in India.This multi-year trend is expected to keep the Indian office markets among the most growth-oriented globally.

## CHAPTER 4: INVESTING THE SM REIT WAY

### Introduction

The Indian real estate sector has undergone significant transformation in the past decade due to evolving regulations aimed at enhancing transparency and protecting consumer interests. This shift has resulted in a more organized and regulated market, which has demonstrated resilience and consistent growth across all asset classes. Consequently, retail investors have become increasingly attracted to real estate as a stable and lucrative investment option, particularly during times of economic uncertainty.

Traditionally, retail investors faced obstacles such as high entry barriers, limited market knowledge, and a lack of expertise when evaluating investments in the commercial real estate sector, which offered higher rental yields and stability. As a result, the investor pool was limited to institutional investors, ultra-high net-worth individuals, and pension and sovereign funds. However, the landscape has changed with the advent of Real Estate Investment Trusts (REITs) and more recently, Fractional Ownership Platforms (FOPs), which have democratized access to real estate for retail investors and provide portfolio diversification opportunities by enabling access to previously exclusive asset classes. These instruments can enhance liquidity and accessibility in real estate investments. Additionally, they typically offer higher, stable, and assured returns for retail investors. As regulatory oversight improves and investor interests are safeguarded, REITs and FOPs are expected to further drive real estate ownership among retail investors.

### Real Estate Investment Trusts (REITs)

While the influx of private equity, sovereign and pension funds support the push for creating more investible grade assets, the public markets and more specifically REITs have enhanced institutional participation. These instruments provide liquid avenues by creating both depth and breadth in real estate markets. The listing of REITs in India has provided a mutual fund-like investment option in real estate. It provides diversification across asset classes and geographies, an opportunity to invest in real estate properties in smaller denominations through organized and formal platforms, lower transaction costs, tax savings, easy liquidity and access to professional expertise coupled with transparency and accountability. India took a gradual approach in establishing its REIT legislation, in contrast to its global counterparts. Prior to the Nexus Select Trust retail REIT in 2023, the country had only three listed REITs, with a strong focus on the office sector. The introduction of Embassy Business Park in 2019 marked India's first REIT, followed by Mindspace and Brookfield REITs in 2020. Despite being launched amidst the pandemic, both REITs received strong responses from both institutional and retail investors. Notably, the occupancy rates and rent collections for REIT-managed assets remained resilient even during the pandemic. This highlights the effectiveness of professional asset management, supporting the notion that professionally managed assets tend to outperform their counterparts.

Figure 4.1: Key REIT Highlights

- The operational office space held under REITs in India experienced significant growth, more than tripling from 24.8 mn sq ft as of March 31st, 2019, to 85.0 mn sq ft as of March 31st, 2024
- Approximate occupancy in the operational office portfolios as of March, 2024 stands at: Embassy REIT- 85%, Mindspace REIT-84%, Brookfield REIT-82%, Nexus REIT-78% (average occupancy of ~84% across the operational REIT office portfolio)
- The approximate Weighted Average Lease Expiry (WALE) of the office portfolios as of March, 2024 stands at: Embassy REIT- 6.8 years, Mindspace REIT-6.8 years, Brookfield REIT-7.6 years, Nexus REIT-3.6 years; highlighting the long-term stability of the leases
- Over FY 2023-24, the distribution yield ranged from ~5.5% to 7.2%. For Embassy REIT, the yield was ~5.7-6.2%; for Mindspace REIT, it was around 5.5-6.0%, for Brookfield REIT, it ranged from 6.7-7.2% and for Nexus Select Trust, the yield was ~5.6-6.1%.This indicates the annual return on investment generated in the form of distributed income. Additionally, investors may also benefit from capital appreciation as the value of the underlying assets increases over time

REITs were one of the first forms of fractional ownership in India. The REIT market in India is still in its early stages, but it has shown promising signs of growth. The growth of the market presents an opportunity to deepen and strengthen the Indian real estate sector. This growth is supported by a robust regulatory framework that places a strong emphasis on transparency and high governance standards, thereby attracting global investor interest. The introduction of the SM REIT regulations to formalise the nascent Fractional Ownership space adds another dimension to the REIT market, further enhancing the depth of the real estate sector. We anticipate continued growth in the market as more listed REIT vehicles are expected to emerge, providing further opportunities for investors.

So, what are Fractional Ownership Platforms (FOPs)?

Fractional ownership, as the name suggests, empowers investors to own a fraction or share of a physically undivided property, effectively lowering the entry barriers and enabling participation by a diverse investor base. Fractional Ownership Platforms (FOPs) act as process managers, streamlining the process. They form the formal channel that enables retail investors to tap into primarily pre-leased commercial real estate, including office spaces, warehouses, or even shopping malls, at a fraction of the total investment outlay. The cost of asset acquisition is split among several investors who invest in a specific asset-backed scheme under a Special Purpose Vehicle (SPV) established by the FOP. The investors earn returns in the form of rentals as well as long-term value appreciation of the property upon exit, with distributions made after the deduction of management fees and other maintenance expenses.

Over the past few years, the FOP market in India has experienced rapid growth, fuelled by technological advancements, and increasing investor interest in alternative investment avenues. Property Share emerged as the first FOP in India in 2016 and is one of the largest players in the fractional ownership space accounting for more than one-fourth of the market in terms of Assets Under Management (AUM). Other players in the fractional ownership space are Strata, HBits, Assetmonk, ALYF, WiseX, YOURS etc.

**SM REIT Regulations**

The regulatory framework for fractional ownership in India has been undergoing significant changes and development for more than a decade. REITs emerged as one of the initial forms of fractional ownership in the country. Over the last few years, while FOPs proliferated, a critical aspect remained unaddressed – regulatory oversight was mostly ambiguous or absent. As the market grew and retail investor interest rose, investment safeguards came under discussion. There were concerns related to lack of uniformity in disclosure standards, lack of transparency in valuation, management fees, maintenance costs and redressal of investor grievances.

To formalize this growing segment, the Securities and Exchange Board of India (SEBI) notified Small and Medium Real Estate Investment Trusts (SM REITs) through amendments made to the already existing REIT regulations. The notifications require FOPs who wishes to operate such investment schemes to be registered as an SM REIT and be licensed under SEBI. Under the SM REIT regulations, the FOPs will now have higher compliance requirements related to issue size, asset exposure, investment portfolio, number of subscribers and minimum investment size. Also, such offerings now need to be listed on public exchanges and adhere to regular reporting and governance standards.

**Key Aspects of the Regulations**

**Structure**

- A single SM REIT can launch multiple schemes for investment in real estate assets (similar to mutual funds). Accordingly, a SM REIT can house different real estate assets under different schemes and each scheme will have its own set of unitholders

**Investment Manager**

- Investment manager responsible for setting up an SM REIT to have a net worth of at least INR 20 crore and not less than INR 10 crore in the form of positive liquid net worth
- At least two years of experience in the real estate industry or in real estate fund management
- Should be a company incorporated in India
- In an SM REIT scheme that has opted not to undertake leverage, the investment manager shall always hold at least 5% of the total outstanding units during the first three years. The minimum holding increases to 15% in the case of leveraged schemes

**Underlying Asset**

- SM REIT schemes are not allowed to invest in under-construction or non-revenue generating real estate assets. Scheme of SM REIT shall invest at least 95% of the value of the schemes' assets for each of its schemes in completed and revenue generating properties. Up to 5% of the value of the schemes' assets may be invested in liquid assets, which shall be unencumbered
- Security deposit from tenants will not form part of the assets of the scheme for the purpose of compliance with investment conditions
- Regulations do not differentiate between commercial and residential properties. Any asset satisfying the definition of 'real estate' or 'property' can be acquired if it is complete and revenue generating
- Vacant land, assets falling under the purview of 'infrastructure' cannot be brought under the framework of SM REIT

**Asset Value**

- Collective value of assets proposed to be acquired under a single scheme should be at least INR 50 crores and should not exceed INR 500 crore
- Multiple schemes can exist under a SM REIT and there is no cap on the collective value of assets held across all schemes under a SM REIT

**Units Holders & Subscription Size**

- Given the relatively nascent nature of the fractional ownership market, the minimum subscription size is kept at INR 10 lac. This is still lower compared to the earlier minimum size of INR 20-25 lac size set by FOPs
- Minimum 200 unit holders, its related parties and its associates
- Maximum subscription from any investor, its related parties and its associates should not be more than 25% of the total unit capital

**Impact of the Regulations**

The SM REIT regulations have created an enabling environment for active asset management and the potential to bring many income-generating small and medium-sized real estate assets under the purview of REITs. This not only offers a fresh avenue of funding for asset owners but also has the potential to improve transparency and market efficiency. As a result, regulatory oversight is anticipated to inject greater market participation from domestic as well as foreign retail investors, ultimately increasing liquidity in the Indian real estate market. Investors holding units of SM REIT schemes will be entitled to similar tax benefits and a similar risk-reward spectrum as those investing in 'big REITs' SM REITs can potentially bring in under-valued 'hidden gem' assets which can create investor value with better asset management Importantly, the listing of SM REITs on public exchanges will lead to more efficient 'price discovery'. It will offer more flexibility to investors, allowing them to easily participate and exit with relative ease, without relying on FOPs for liquidity.

**SM REIT Market Opportunity**

Nearly 40% of the overall Grade A office stock in the top seven cities of India, currently valued at ~USD 48 billion is SM REIT-worthy. This illuminates the promise and potential of this sector's burgeoning future. Markets like Mumbai and Delhi NCR offer the biggest opportunities for asset acquisition under the SM REIT umbrella, given the proliferation of smaller and

mid-sized projects. Even the tech markets of Bengaluru and Hyderabad offer sizeable growth opportunities where well-leased but mid-sized assets are potential investment opportunities under SM REITs.

Table 3: SM REIT Opportunity across Markets

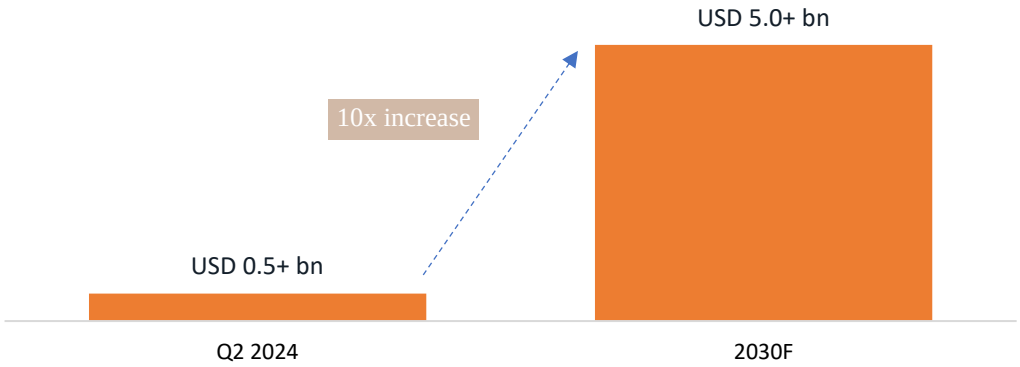
| | Grade A Office stock, mn sq ft | SM REIT-worthy stock, mn sq ft | Investment Potential, USD bn |
|---|---|---|---|
| Bengaluru | 209.1 | 50.7 | 7.2 |
| Chennai | 76.1 | 28.4 | 3.1 |
| Delhi NCR | 152.1 | 71.7 | 9.0 |
| Hyderabad | 127.6 | 37.1 | 3.8 |
| Kolkata | 29.3 | 22.9 | 2.2 |
| Mumbai | 152.9 | 84.4 | 18.7 |
| Pune | 78.9 | 33.2 | 4.3 |
| Overall | 826.0 | 328.4 | 48.3 |

Source: JLL Research, Q2 2024

Note: Institutionally owned assets and assets under REITs were excluded. Of the remaining basket, those with a value of up to INR 700 crores and occupancy of >=95% were included; Average cap rate of 8% assumed to calculate investment potential

SM REITs are expected to pave the way for a thriving fractional ownership market in India. The regulatory aspects will allow investors to approach this segment with greater confidence, given higher levels of disclosures and accountability. Additionally, technological advancements, improved transparency, smaller capital outlay requirements and growing investor interest for participation in a rapidly appreciating real estate market are expected to drive growth. There are likely to be some initial compliance issues that the industry is expected to face during the initial phase of implementation of SM REIT regulations. Despite these teething issues, the fractional ownership market is poised to grow and potentially surpass USD 5.0 billion of AUM by 2030. The REIT market in India grew from around USD 3.6 bn to USD 15.6 bn in Gross Asset Value within a span of five years. As the sector evolves on the regulatory framework backbone, we expect the fractional market to experience even faster growth.

Figure 4.2: Size of the Fractional Ownership Market, USD billion




Source: JLL Research, Q2 2024

**Looking ahead**

Fractional ownership is still a relatively nascent market in India, driven by PropTech-enabled startup firms that offer retail investors a technology-driven investment solution for private investments in rent-yielding assets. However, a critical aspect remained unaddressed – regulatory oversight. While SEBI has addressed this aspect, challenges related to scalability and fostering investor trust remain, especially for newer SM REITs lacking a proven track record. Despite these challenges, fractional ownership, with its inherent advantages of affordability, diversification, and opportunities for appreciation, is poised to become a mainstream investment option in India. To support its growth, efforts should be focused on educating investors and stakeholders about this investment model, enhancing digital infrastructure, and fostering collaboration between fractional ownership platforms, developers, and regulatory bodies. Moreover, regulatory oversight will ensure a well-defined and secure environment, empowering individuals with varying investment capacities to participate in the institutionalized real estate market. Complementing 'big REITs', SM REITs or 'micro-REITs' are expected to expedite the journey of India's real estate sector towards becoming more organized and institutionalized. This development will fuel the growth and advancement of the real estate sector, creating a win-win situation for investors, asset owners, and the economy as a whole. As the market for SM REIT products evolves, we are likely to see increasing share of other asset segments. Going forward, there is possibility of SM INVIT regulations hitting the market to enable FOP ownership of regulated "infrastructure status" assets including logistics and warehousing. There are also platforms offering residential investment options – second homes, luxury villa/resort investment opportunities, given the rent as the potential for rent and capital appreciation. Income-generating assets across

varying real estate segments are likely to be part of SM REITs going forward, further adding depth to the market while unlocking asset value accretion.

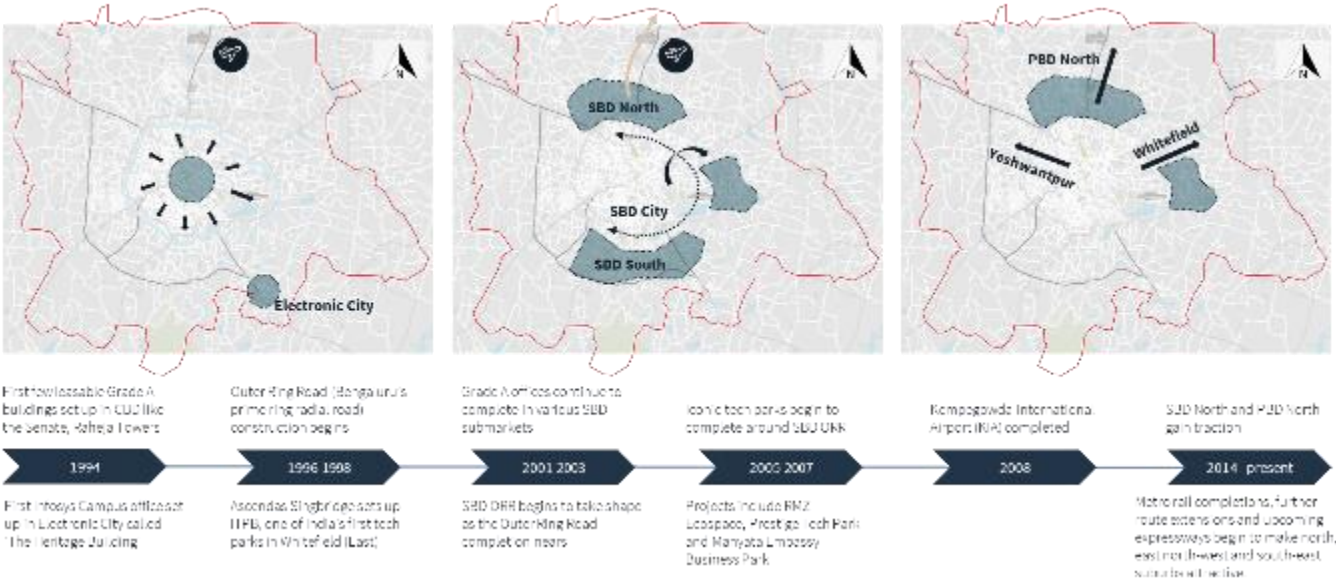
## CHAPTER 5: BENGALURU OFFICE MARKET OVERVIEW

### Evolution of Bengaluru's Office Market

Bengaluru, popularly known as the 'Garden City' and 'Pensioner's Paradise', has gradually transformed into one of the world's leading technology hubs. Referred to as the Silicon Valley of India, Bengaluru accounts for approximately 38-40% of India's software exports and nearly 98% of Karnataka's software exports. The city's economy is heavily driven by the technology industry, employing around 75% of India's IT professionals. In addition to the technology sector, Bengaluru is home to defense organizations, public sector industries, aerospace companies, biotechnology firms, and more. The city is a vital aviation hub, responsible for 65% of India's overall aviation business, and hosts around 40% of India's biotech companies. The economy also benefits from manufacturing, research, and other industries. As of 2023, Bengaluru's GDP was ~USD 115.22 billion.

The city can be divided into five zones namely central, east, south, west, and north. The central area consists mainly of administrative setups, public sector industries, and corporate offices. The IT and ITeS hubs are predominantly located in the eastern and southern parts of the city, specifically Whitefield and Outer Ring Road respectively. The western zone is characterized by industrial clusters such as Peenya and Yeshwanthpur and is expanding towards Nelamangala-Dabaspete on Tumkur Road. The northern part of the city has experienced significant real estate activity since the relocation of the international airport to Devanahalli. This region has witnessed the development of IT parks, aerospace parks, and industrial hubs, making it a prominent real estate destination in Bengaluru. The city's favorable climate, supportive government policies, and comparatively affordable property rates have been influential in attracting numerous global IT/ITeS firms to establish their presence in Bengaluru over the past two decades.

Figure 5.1: Spatial Evolution and Growth of Bengaluru Office Market




Source: JLL Research, NASSCOM

Bengaluru, an innovation-oriented city, is undergoing notable demographic changes as it charges into the Fourth Industrial Revolution, also known as the digital revolution. This transition is presenting abundant opportunities for professionals in various fields. Therefore, it attracts migrants, forming a multicultural, cosmopolitan city. The city population stands at around 15.6 million (2023), of which at least 5.5 million constitute the working population. Many Global Capability Centres (GCCs) in India are headquartered in Bengaluru and the city is home to several unicorn start-ups in the country.

Bengaluru topped the JLL City Momentum Index (CMI) globally for the first time in 2019. This ranking was supported by the rapidly evolving real estate sector, which is benefitting from strong growth in the technology sector and positive socio-economic momentum. In 2020, the innovative tech ecosystem helped the city maintain second place in the global rankings.

### Drivers of Commercial Real Estate in the City

**Demographic Dividend:** Bengaluru which experienced its highest decadal population growth rate between 2001 and 2011 has 75% of the population in the working age group (15 – 64 years). Importantly, the dependency ratio is low at 33% and the population is relatively young with only 7% of individuals over 64 years in age. Driven by its favorable business climate and vibrant entrepreneurial culture, has experienced impressive economic growth.

**Talent pool:** Bengaluru is known for its thriving technology sector and the ICT sector accounts for ~9-10% of the total employment in the city. Total employment continues to increase at a steady pace with manufacturing, construction, wholesale

and retail trade, transportation and ICT contributing more than 65% to the total employment figure. When compared to the national average, unemployment rate in Bengaluru is generally lower with factors such as the presence of IT giants, a robust start-up ecosystem, and a highly skilled workforce contributing to higher employment levels in the city.

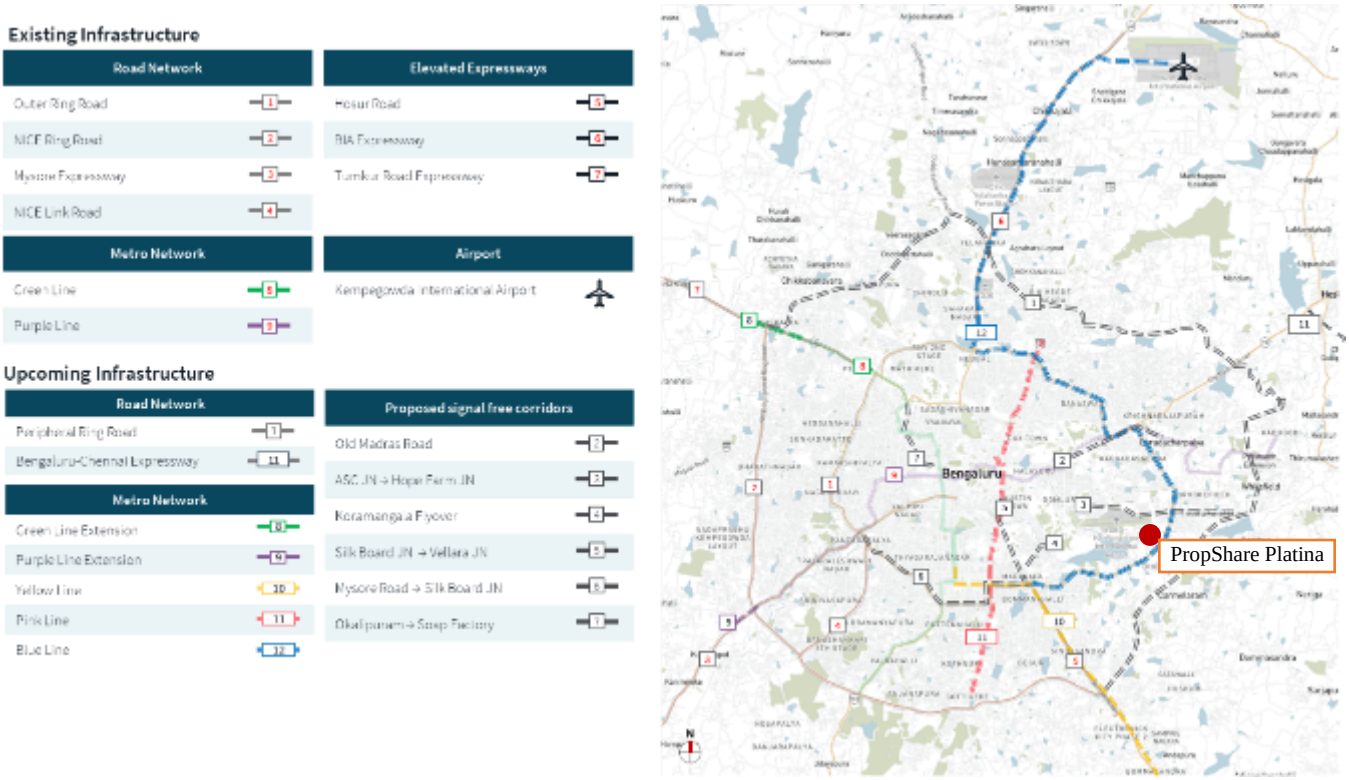
**Diversified Occupier mix:** High on the ease of doing business and ease of living index, the city is not just a hub for the IT industry but also biotechnology, textiles, automobiles, and manufacturing of electronics and has emerged as one of the highest employment generating cities, over the years. Initially, major public sector undertakings made the city their base, later with globalization and IT sector growth, Bengaluru became a hub of Information Technology, finding itself a spot among the global cities known for innovative technologies.

**Evolution of support infrastructure enabling continued dominance in India's office story:** While the city's infrastructure development has not kept pace with the information technology led rapid growth of the city which leads to slow traffic and road congestions in peak hours, the upcoming developments are expected to augment road infrastructure, improve the efficiency of existing road infrastructure, and expand the public transport system to connect underserved areas.

Table 4: Upcoming Infrastructure

| ***Project Name*** | ***Completion Timeline*** | ***Details*** | ***Impact Zone*** |
|---|---|---|---|
| ***Peripheral Ring Road*** | December 2027 | - 65 km long road which will connect Tumkur Road & Hosur Rd completing the NICE Road loop<br><br>- Will run parallel to the ORR, on the outside | SBD North, PBD North, Whitefield |
| ***Green Line Extension*** | April 2024 | - Hesarghatta Cross to Bengaluru International Exhibition Centre (BIEC) – 3 more stations | SBD North |
| ***Yellow Line*** | April 2024 | - RV Road to Bommasandra – 16 stations | Electronic City |
| ***Pink Line*** | 2025 | - Gottigere to Nagawara – 18 stations | SBD North, SBD South |
| ***Blue Line*** | June 2026 | - Central Silk Board to KR Puram (Blue Line- Phase 2A) – 13 stations<br><br>- KR Puram to Kempegowda International Airport (Blue Line-Phase 2B) – 17 stations | SBD North, PBD North, SBD ORR |
| ***Orange Line*** | Work likely to start in 2025, operations by 2028-2029 | - Hebbal to J.P. Nagar 4th Phase<br><br>- Hosahalli to Kadabagere<br><br>- Sarjapur to Hebbal | North and South Bengaluru |
| ***Bengaluru-Chennai Expressway*** | Q4 2024 | - Hoskote-Malur-Bangarpet-Bethamangala in Karnataka to Sriperumbudur & Chennai in Tamil Nadu via Chittoor in Andhra Pradesh<br><br>- Aimed at reducing travel time from Bengaluru to Chennai<br><br>to around 2 hours | Whitefield |

Figure 5.2: Existing and Upcoming Infrastructure of Bengaluru




Source: JLL Research

**GCC and Flex hub:** Bengaluru is the undisputed GCC leader housing ~42% of the GCC occupied stock in India, amounting to around 85 mn sq ft with over 460 GCC occupiers present in the city. Bengaluru remains the biggest GCC ecosystem with its existing tech base and GCC footprint acting as a pull factor for similar firms. The city on an average has accounted for around 40% share of leasing demand from GCCs entering the country, over the past decade. Bengaluru has also been the leader in operational flex stock, accounting for ~40% share on average since 2018. Bengaluru along with Pune and Delhi NCR have been the biggest markets during the past three financial years, holding a~60% share in all enterprise seat take-ups during those years.

| Ecosystem for sustainable growth | Largest office market in India | Infrastructure upgradation to ease travel woes |
|---|---|---|
| Young, educated population-talent availability and supportive ecosystem | Bengaluru is India's main IT cluster and has managed to attract several large and fast-growing IT companies | The expansion of the Namma Metro network is influencing travel patterns with a reduction in long distance travel by bus |
| Education hub- also known for the quality of life the city offers | Country's **GCC and start -up capital**; home to 40+ Unicorn Startups | People prefer using the metro for long distance travel while buses are being used for last mile connectivity |
| Government policies supporting growth of the IT and manufacturing sector | Holds the **largest office stock** (~209 mn sq ft) in the country. It is also the **flex capital** with ~40% share in India's flex inventory. | The upcoming developments aim at increasing the modal share of public transport from the existing 39% to 70% in 2031 |
| Ease of doing business; enjoys competitive edge - rental advantage | India's tech and R&D hub globally recognized for prolific & diverse tech talent. | Will lead to reduction in travel time between residential and commercial hubs |
| Attractive workforce at competitive price points | Sustainability footprint: ~60% of city's Grade A office stock is green certified | Enhancement of infrastructure shall ensure better quality of life for the working population |
| Large migration into the city from different parts of the country, population is relatively young (working age group) with only 7% of individuals over 64 years in age | Bengaluru is forecasted to grow at a faster pace than the national economy, driven by information technology and business services sectors | Upcoming developments are expected to augment road infrastructure and expand the public transport system to connect underserved areas |

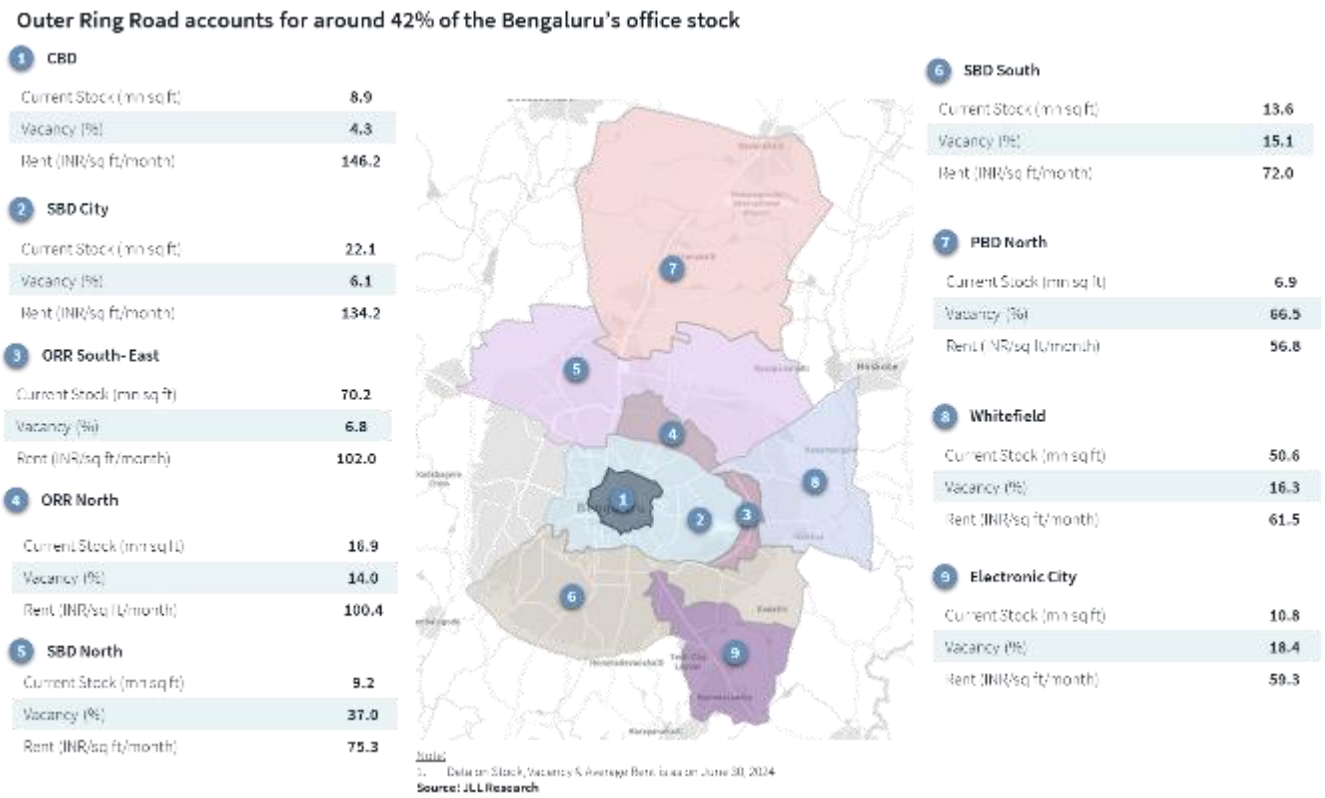
**Key Office Submarkets: Snapshot**

Table 3: Overview of Bengaluru's office submarkets

| | CBD | SBD City | ORR North | ORR Southeast* | PBD North | SBD North | SBD South | Whitefield | Electronic City | Overall |
|---|---|---|---|---|---|---|---|---|---|---|
| Completed Stock, mn sq ft | 8.9 | 22.1 | 16.9 | **70.2** | 6.9 | 9.2 | 13.6 | 50.6 | 10.8 | 209.1 |
| Vacancy, % | 4.3% | 6.1% | 14.0% | **6.8%** | 66.5% | 37.0% | 15.1% | 16.3% | 18.4% | 13.9% |
| Average Annual Net Absorption, mn sq ft (2016 – 2023) | 0.3 | 0.7 | 0.4 | **3.7** | 0.3 | 0.5 | 0.8 | 1.9 | 0.4 | 9.0 |
| Average Annual New Completions, mn sq ft (2016 – 2023) | 0.4 | 0.7 | 0.7 | **4.4** | 0.8 | 1.0 | 1.0 | 2.7 | 0.4 | 12.1 |
| Average Rent, INR/sq ft/month | 146.2 | 134.2 | 100.4 | **102.0** | 56.8 | 75.3 | 72.0 | 61.5 | 59.3 | 90.5 |

Source: JLL Research, Q2 2024
*Property Share SM REIT submarket

Figure 5.3: Bengaluru's Office Market delineation



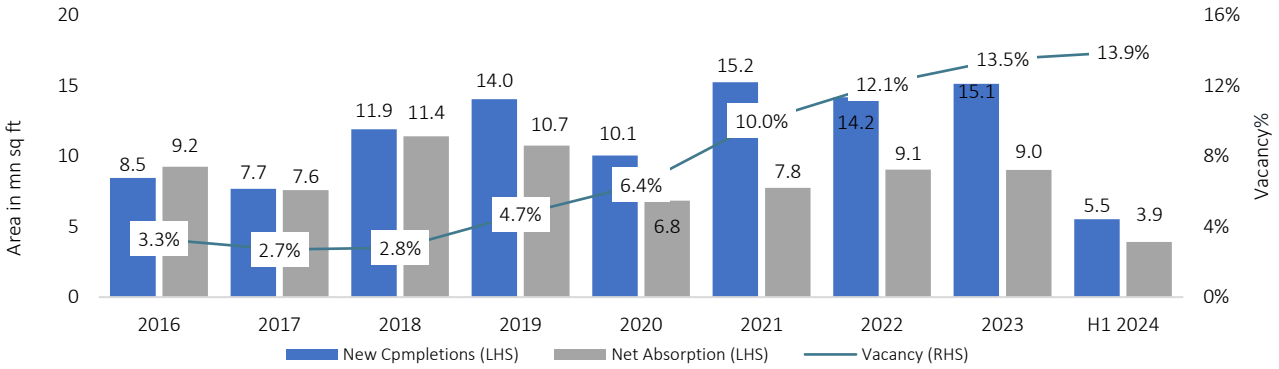

Source: JLL Research, Q2 2024

**Market Dynamics - Demand, Supply, Vacancy & Rental Trends**

Bengaluru's current stock by end Q2 2024 is 25% of total Grade A office in India. The city along with Hyderabad, Mumbai and Delhi NCR leads in terms of y-o-y office supply. Bengaluru's share in annual pan India supply since 2019 has been between 26-30% which indicates that the robust demand is backed by a strong supply pipeline. Going forward, the city is expected to witness a steady stream of supply in line with historical trends. As India's vacancy rises going forward, Bengaluru's is also expected to rise owing to a large share of incoming supply. Bengaluru has also played a key role in shaping India's total Grade A office absorption each year with the city's share in pan India annual net absorption ranging between 24-28% from 2019 to

2023. Absorption momentum going forward is set to remain within the range of 10-11 mn sq ft each year until 2025 and Bengaluru will continue to lead with maximum share in net absorption going forward.

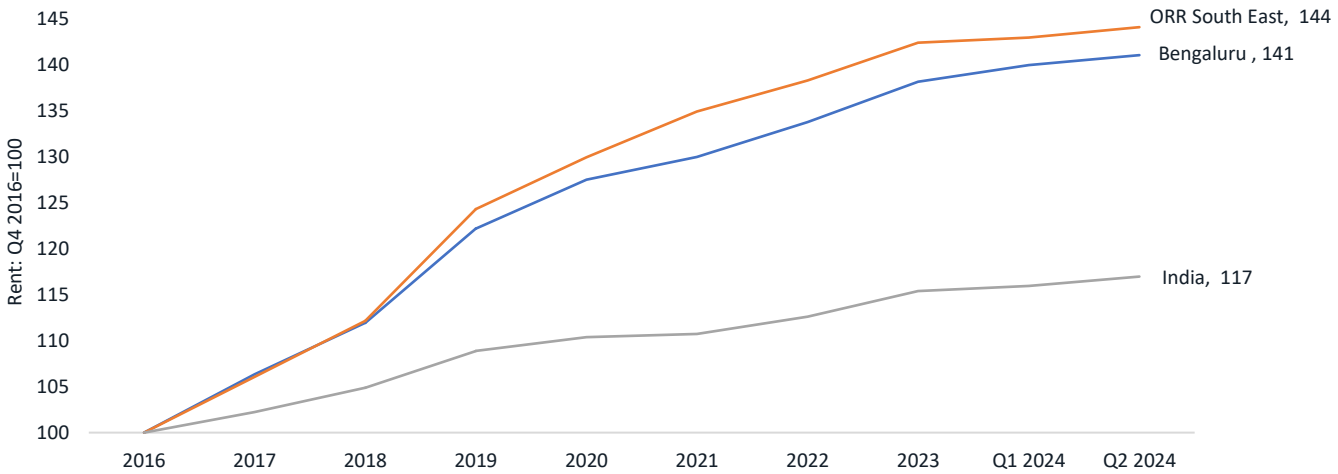
Figure 5.4: New completions, net absorption, and vacancy trends -Bengaluru




Source: JLL Research, Q2 2024

The strong market fundamentals and superior quality office assets in Bengaluru have resulted in steady upward movement of rents across prime office markets in the city. Even during the pandemic, with deals getting signed at earlier prevailing market rates backed by steady demand for quality space in Bengaluru, the overall city office rent inched up.

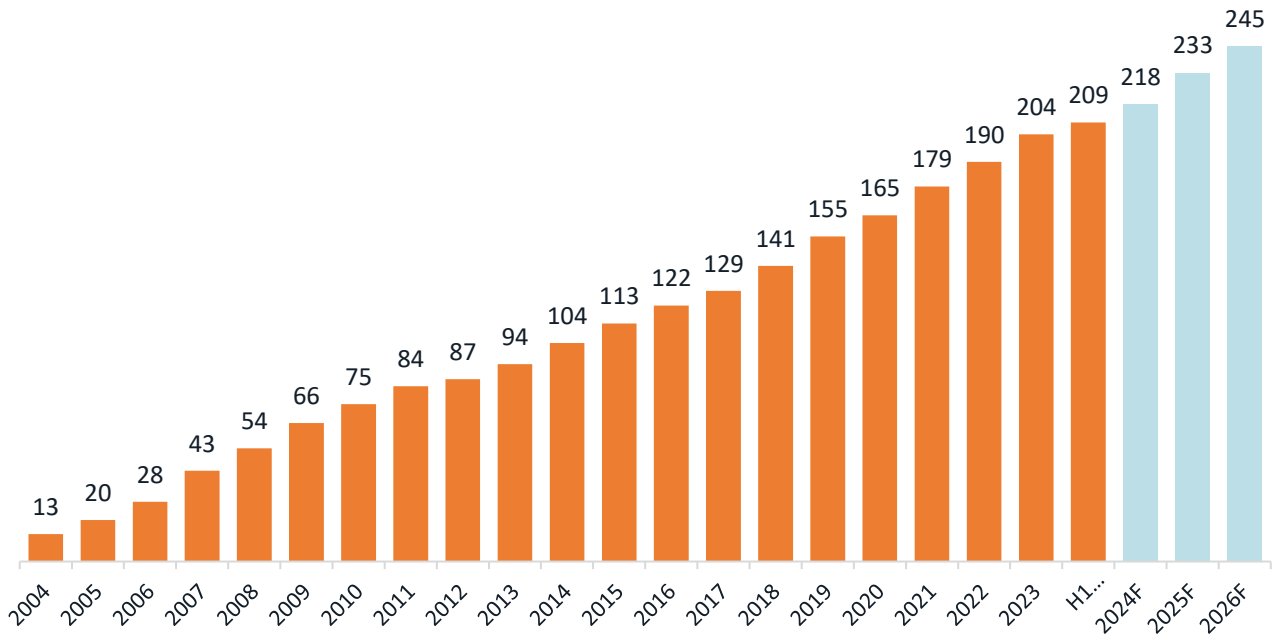
Figure 5.5: Bengaluru & ORR South-East Office market rental index trends




Source: JLL Research, Q2 2024

The city boasts of an expansive Grade A office market of 209.1 mn sq. ft. This growth has been possible with the strong occupier demand momentum propelling the city's development and ensuring that for a market this big, its average vacancy levels have remained in single digits for nearly the entire last decade. Despite the rise in office vacancy rates across cities during the pandemic, Bengaluru remains one of the few major Indian cities with tight vacancy levels, which speaks about the strong growth in absorption level and the healthy prospect of the city in terms of office demand.

Figure 5.6: Expansion of Grade A office stock (mn sq ft) in Bengaluru, 2004-2026F



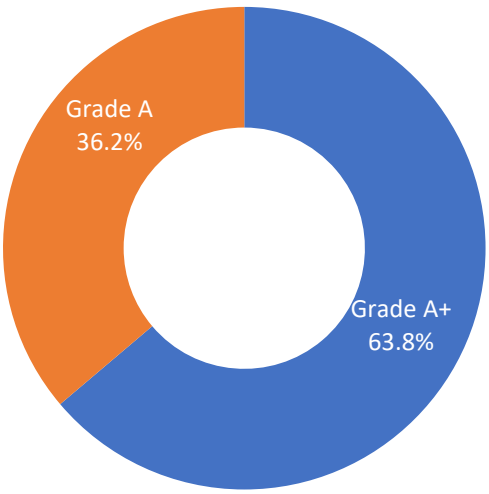

Source: JLL Research, Q2 2024

**Classification of Office Stock**

Based on quality

Bengaluru's consistent performance and its position as the leading tech and innovation hub in the APAC region has given rise to a healthy inventory of quality, high-performing office assets. As of June 2024, a lion's share of 64% of Bengaluru's commercial office stock, totaling around 133.5 mn sq ft, belongs to the Grade A+ category. With a healthy influx of quality office space in the city, the share of Grade A+ stock is expected to be on the rise, driven by rising preference for Grade A+ assets among occupiers.

Figure 5.7: Distribution of Bengaluru office stock based on quality.



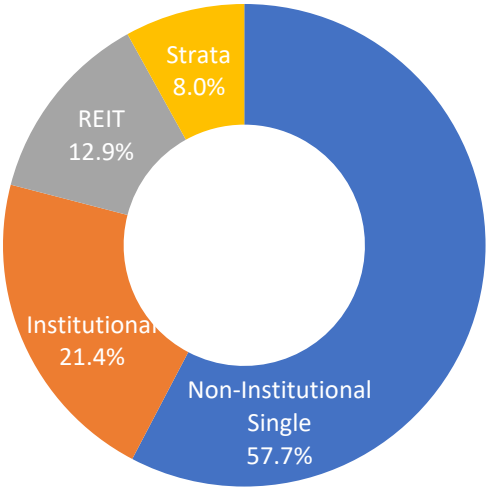

Source: JLL Research, Q2 2024
Note: Grade A+ stock is a subset of the Grade A universe and are office assets of the highest quality. These have been identified based on project quality assessment, project age & upkeep, tenant quality, current rent and rental growth, sustainability certifications and other relevant factors

**Based on ownership**

As of June 2024, 35% of Bengaluru's Grade A office stock, aggregating to ~70.9 mn sq ft is institutionally (institutional + REIT) owned, the remaining 134.1 mn sq ft is divided, with ~87.5% under non-institutional single ownership and the rest being strata owned. Backed by the strong market fundamentals and superior quality office assets in Bengaluru, the city's office asset class has garnered a lion's share of the last decade's institutional fund inflows into Bengaluru's real estate.

Bengaluru was an early starter, with Ascendas showing the way with their investment in ITPL even before 2010, the start of the new millennium. Investors like Blackstone, Mapletree Investments, GIC, Qatar Investment Authority, Godrej Fund Management and, Mitsui Fudosan, CapitaLand have all come calling over the last 5-7 years. Large developers with singly owned asset portfolios and high occupancy levels coupled with the strong demand from global occupiers have been big catalysts for rising institutional investments in Bengaluru's office asset class. Progressive FDI regulations have also given a big push to the institutional money flowing into the city's commercial sector. The city's high share of REIT-able assets also speaks about its current demand among large institutional investors and is expected to open further opportunities for higher penetration of such institutions into the city's office market in the years to come.

Figure 5.8: Distribution of Bengaluru's office stock based on ownership

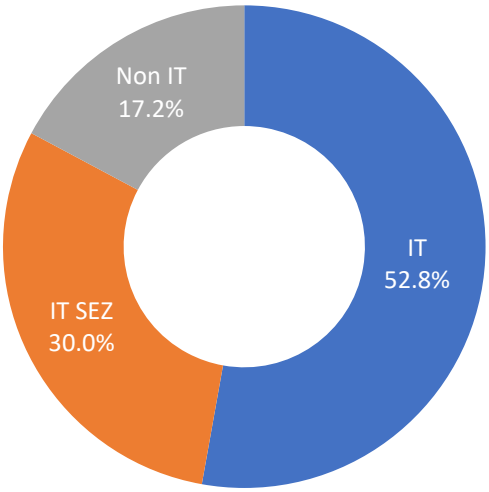



Source: JLL Research, Q2 2024

**Based on usage type**

IT/ITeS SEZ space accounts for a 30.0% share in Bengaluru's Grade A office stock, translating to ~62.7 mn sq ft. Withdrawal of direct tax holidays for IT/ITeS SEZ units through the sunset clause has had an impact on the city's leasing activity. A decrease in leasing activity within the SEZ units along with a surge in occupier exits post expiry of lease contracts resulted in vacancy rise in the SEZ units, from 6.2% in December 2020 to 13.1% in June 2024. Rise in vacancy levels in these select properties amid tight city level vacancies indicates a situation for vacancy rise in the city once the SEZ spaces are de-notified or designated as Non-Processing Areas (NPA).

Figure 5.9: Distribution of Bengaluru's office stock based on usage type.



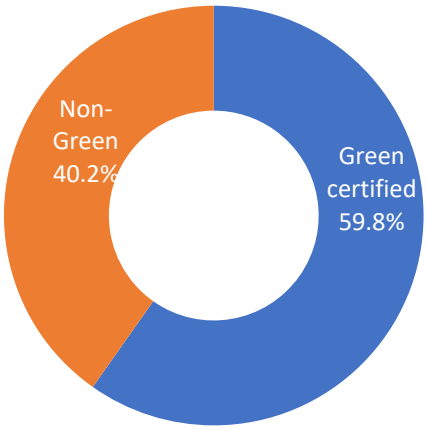

Source: JLL Research, Q2 2024

**Based on Green Certification**

Amid rising demand for green certified sustainable office spaces among occupiers, Bengaluru with the highest inventory of Grade A office space in the country also exhibits high proportion of Green certified buildings in its portfolio. Total Green certified office stock holds a share of 59.8% in the city's office stock, as of Q2 2024. USGBC LEED Gold certification is Bengaluru's most prevalent green certification, followed by IGBC Platinum certification.

With a relatively lower green penetration still, the city still exhibits a greater occupancy in green-certified buildings, though the difference isn't much. While superior-grade projects are already mostly green-certified and have always been more in demand, there is still a significant proportion of quality assets that are well-occupied but do not have sustainability certifications. Since this is still a growing trend, a stronger polarization is likely to be visible going forward. Currently, in every submarket, barring Whitefield, there is a significantly higher occupancy in green-rated buildings, indicating that such projects find better traction on an overall basis.

Figure 5.10: Distribution of Bengaluru's office stock based on Green Certification



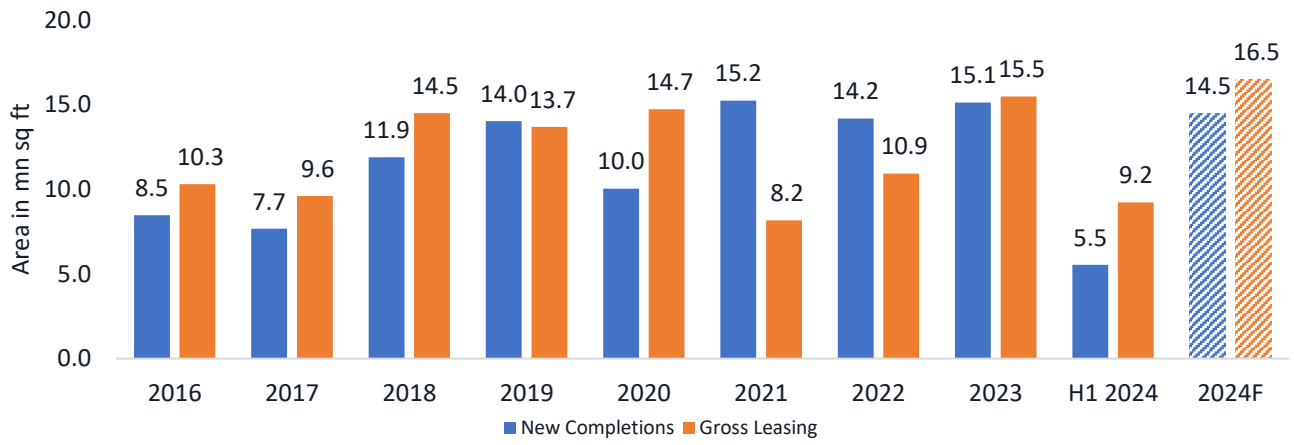

Source: JLL Research, Q2 2024

**Trends in Gross Leasing Activity**

Bengaluru has always been one of the frontrunners in pan India office leasing since 2016. During 2016-H1 2024, The city's annual average gross lease volume has ranged between 11.5-12.5 mn sq ft accounting for around 25% average share in pan India annual lease volume during the period. Sustained and healthy demand for quality space from domestic and foreign occupiers, conducive business environment, favorable weather conditions have all been successful in driving the office sector demand.

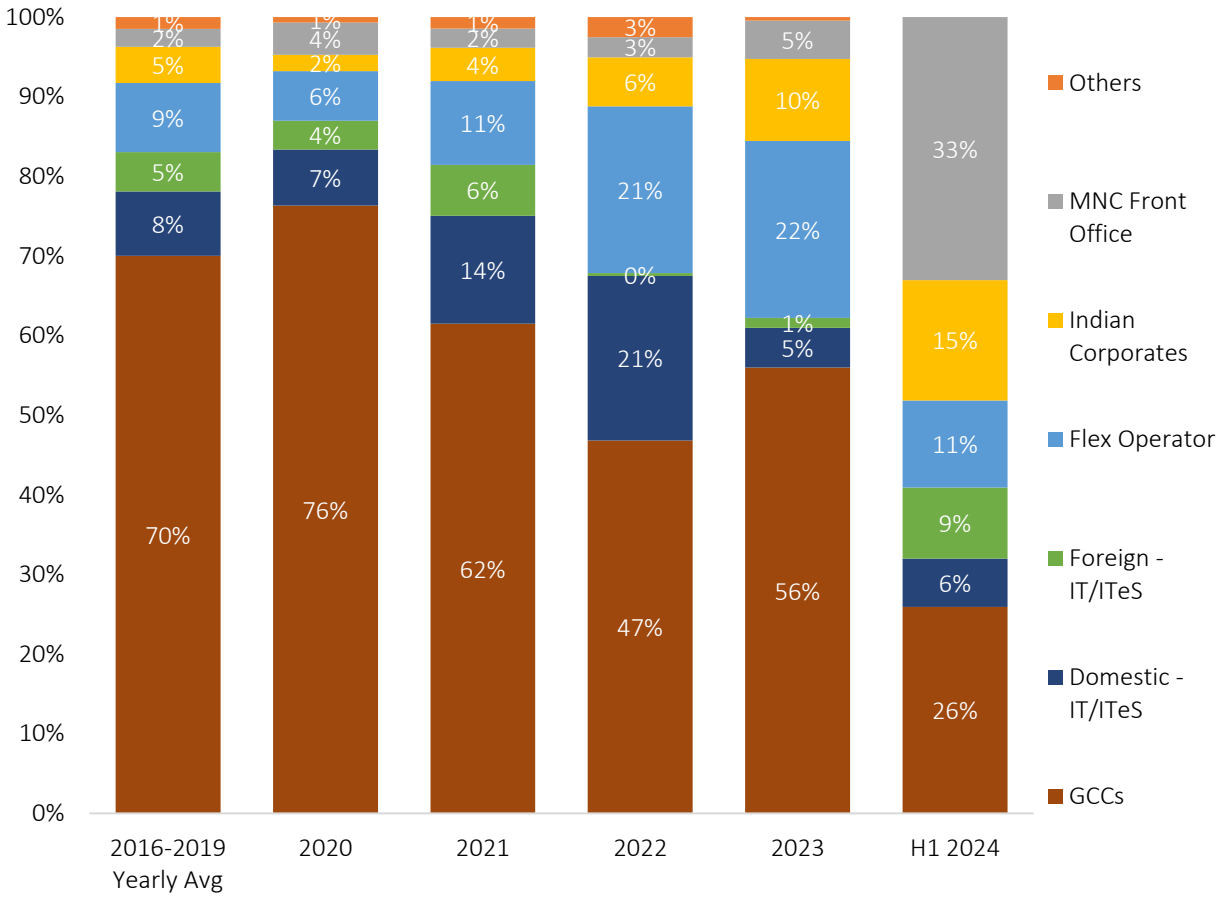
GCCs have been dominating the leasing activity in Bengaluru from 2016 onwards to H1 2024 with an average share of ~60%. During the last two years with the emergence of flex, the share of GCCs has reduced but it is still the biggest occupier segment in the city, indicative of the global tech ecosystem that is established here and which continues to thrive. US firms dominate the GCC landscape with an overwhelming majority, though EMEA-based firms as they make an entry into India, also look at Bengaluru as their first stop for setting up their captives/capability centers. Bengaluru though popularly known as big tech GCC hub but is emerging as a key GCC center for engineering R&D firms as well, as is visible from the rising share of the manufacturing/industrial segment.

Figure 5.11: Gross leasing trends




Source: JLL Research, Q2 2024

Figure 5.12: Sector-wise share of gross leasing in Bengaluru




Source: JLL Research, Q2 2024

**Outlook -Bengaluru Office Sector**

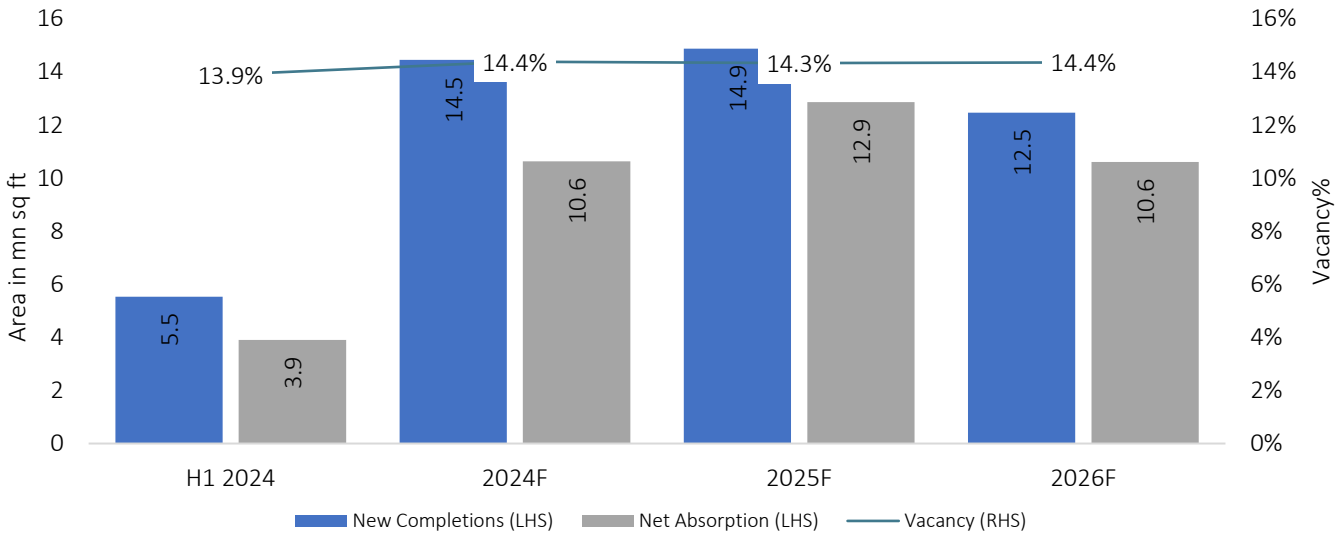
Bengaluru's Grade A office market has transformed over the past few years, backed by rising Global Capability Centre (GCC) demand, which has paved the way for a higher influx of quality office space. Over the years, the city has evolved as a leading destination for GCCs not just in India (~42%) of GCCs in India are in Bengaluru) but globally.

Bengaluru has also gained prominence in recent times due to the rising focus of developers on the quality of buildings and the adoption of sustainability programmes, which not only have driven occupier demand but have enabled higher institutional investments in the city's office inventory. Bengaluru's growth as a start-up hub, backed by its well-developed tech ecosystem and competitive office rentals, has been one of the driving factors for its prolific growth in recent years. The city's office footprint expansion can also be attributed to a post-pandemic increased demand for space from flexible workspace operators (Bengaluru holds a 36-38% share in pan-India flex stock).

The city's prospect for office sector expansion is also influenced by rising demand from manufacturing, healthcare, and life sciences occupiers. In recent years, the diverse talent pool and supporting government policies have resulted in higher absorption from these emerging sectors. While Outer Ring Road (one of India's largest and prime office submarkets) and Whitefield continue to thrive as office destinations for tech occupiers, emerging corridors in the north and southern quadrants of the city are catering to healthcare and life sciences occupiers. This trend results in expanding the city's office inventory across locations.

The city is expected to witness office space supply addition of around 14-15 mn sq ft during 2024-2025. Most of this will be coming in the SBD City, ORR, SBD North, and Whitefield submarkets. In terms of ongoing demand in the market around 14 mn sq ft of demand is active among various occupiers. Net absorption is expected to touch around 10.0-11.0 mn sq ft by end of 2024, higher than the previous two years as Bengaluru office market traction shall sustain the momentum observed during 2023 with manufacturing/industrial, GCC, flex, healthcare/biotech and some of the IT occupiers continuing with their footprint expansions in the city. Driven by the demand traction, vacancy levels in the city's office sector shall continue to remain tight despite healthy supply addition every year.

Figure 5.13: Outlook on New completions, net absorption, and vacancy trends - Bengaluru




Source: JLL Research, Q2 2024

## CHAPTER 6: OUTER RING ROAD (SOUTHEAST) OFFICE MARKET OVERVIEW

### Evolution of ORR Office Market

The Outer Ring Road, popularly referred to as ORR, stretching from Hebbal to KR Puram, Marathahalli and Sarjapur, and then till Silk Board Junction, provides uninterrupted access to the North-East-South corridors of Bengaluru. The ORR belt has developed manifold in the past decade, primarily owing to the ease of connectivity, easy access to Central Business District (CBD) areas, expanding tech sector and has emerged as one of the most preferred residential and commercial destinations in the city. Corporates have also been preferring this corridor due to additional benefits such as access to large talent pools, availability of contiguous land parcels, and competitive edge the market provides in terms of presence of several MNC and domestic firms.

ORRs development as IT growth corridor commenced in early 2000s with land acquisition and allotment by Karnataka Industrial Areas Development Board (KIADB) to promote tech sector growth in Bengaluru. KIADB acquired large land parcels along ORR and ensured conversion of the same for industrial hi-tech use. Announcement of the Special Economic Zone (SEZ) Act in 2005, led to the export-oriented IT sector to focus on their growth in upcoming SEZs due to expiry of the incentive structure under the Software Technology Parks India (STPI) scheme. Readily available large land banks near ORR and Karnataka Government's initiative on the revised Master Plan 2007-2015 acted as a catalyst in IT sector development in this part of the city backed by favorable zoning regulations.

Prior to 2008, developments were largely concentrated between Marathahalli-Sarjapur stretch. With the commencement of Bangalore International Airport Limited (BIAL) in 2008 at Devanahalli, the KR Puram-Hebbal stretch of ORR started gaining prominence as Hebbal-Silk Board Junction served as the main artery between BIAL and the tech hubs of the city at Marathahalli-Sarjapur, Whitefield and Electronics City. Currently the Sarjapur-Marathahalli-KR Puram Stretch (ORR Southeast) and KR Puram-Hebbal stretch (ORR North account for 34% and 8% shares in Bengaluru's total Grade A office inventory.

Table 4: Overview of ORR office submarket

| | ORR North | ORR Southeast | Overall ORR |
|---|---|---|---|
| Completed Stock, mn sq ft | 16.9 | **70.2** | 87.1 |
| Vacancy, % | 14.0% | **6.8%** | 8.2% |
| Average Annual Net Absorption, mn sq ft (2016 – 2023) | 0.4 | **3.7** | 4.1 |
| Average Annual New Completions, mn sq ft (2016 – 2023) | 0.7 | **4.4** | 5.1 |
| Average Rent, INR/sq ft/month | 100.0 | **102.0** | 101.0 |

Source: JLL Research, Q2 2024

**ORR Office Market Dynamics - Demand, Supply, Vacancy & Rental Trends**

Outer Ring Road (Southeast) the biggest office cluster in Bengaluru and enjoys highest traction and occupancy levels with most Fortune 500 occupiers and major tech occupiers based out of this corridor. This is the most sought-after office submarket in Bengaluru, with several tech parks being taken over partly or wholly by international investors like Blackstone and Brookfield. Mostly dotted with tech parks having a campus-like development, located along the semi-circular spine of ORR, the submarket as well houses prominent hospitality and residential projects by prominent developers. The Outer Ring Road submarket remains the biggest in terms of all physical parameters that includes new completions, total office stock and share of net absorption vis-à-vis the city numbers.

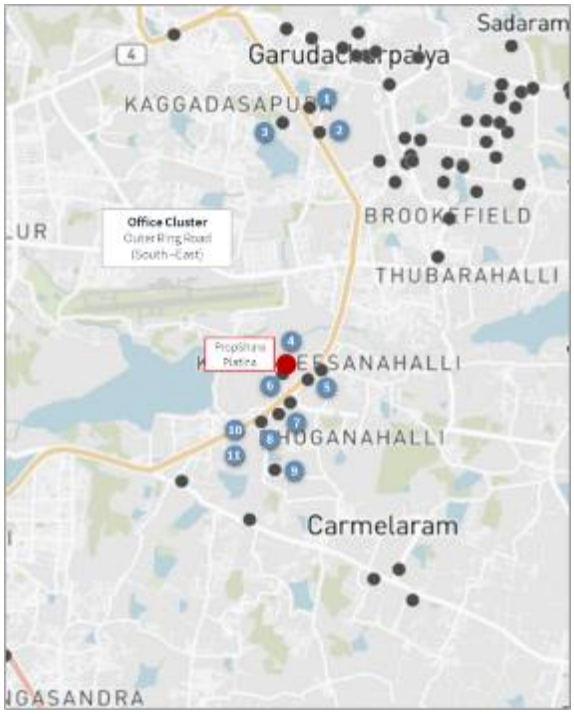
Table 5: Highlights of ORR (Southeast) office submarket

| |
|---|
| • **70.2** mn sq ft of operational Grade A office space, ~**34%** of city stock & **8.5%** of India's stock; **Largest** office cluster in India |
| • **Highest stakeholder** in city's office net absorption (2016-2023) with **46%** share. Trend continues in H1 2024 with **21%** share |
| • Accounted for **highest** share of **36%** in office supply (2016-2023); shall sustain the momentum with **highest share (17%)** in city's upcoming office supply during 2024-2026 |
| • **34%** share in Bengaluru's total operational IT space |
| • **44%** share in Bengaluru's total operational SEZ space |
| • **44%** share in Bengaluru's institution owned space |
| • **8.3** mn sq ft of REIT owned office space, **31%** of total REIT owned space in Bengaluru |
| • **6.8%** of vacant space as of Q2 2024, vis-a vis **13.9%** at the city level & **17.0%** at pan India level |
| • **7.2** mn sq ft of Grade A office space under construction (2024-2026), vis-vis city's total expected supply of **40.0-42.0** mn sq ft |

Source: JLL Research, Q2 2024

Figure 6.1: Prominent Tech Parks in the ORR submarket

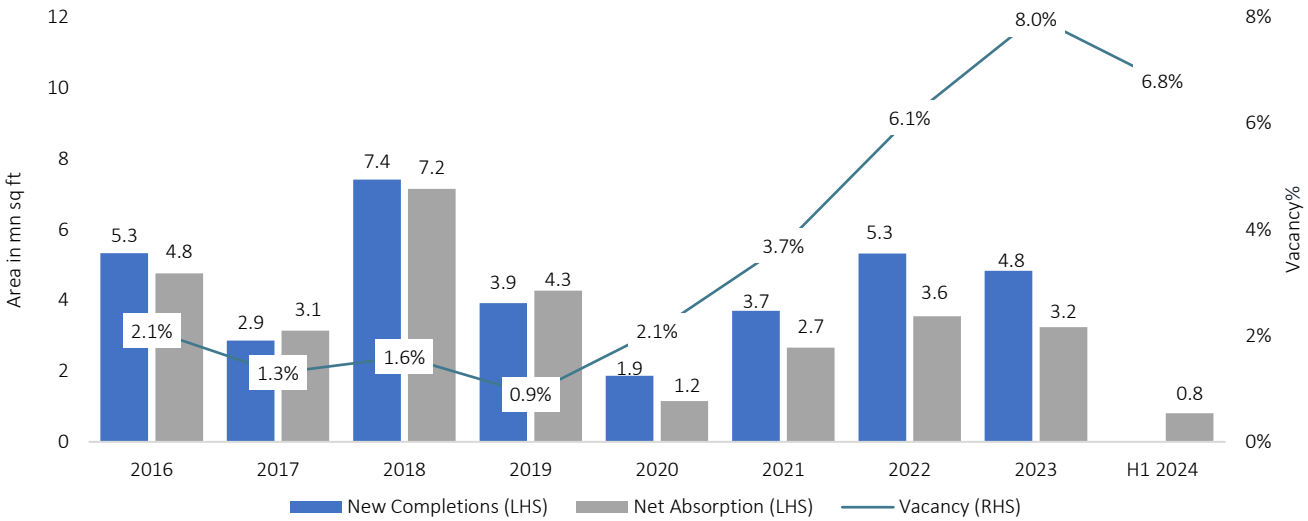
| # | Prominent Projects | Prominent Tenants |
|---|---|---|
| 1 | Bagmane WTC | E&Y, Ericsson, Samsung, VISA |
| 2 | Bagmane Constellation | Amazon, Google, Nvidia, Boeing, Alstom |
| 3 | Bagmane Rio | Google |
| 4 | Prestige Tech Park | Amadeus, JP Morgan, Oracle, Adobe, Juniper, Renault Nissan, Cigna, Blackline, Schneider Electric |
| 5 | Prestige Tech Pacific Park | Stripe |
| 6 | Helios Business Park | Western Digital, Meesho, Tablespace, MakeMyTrip, Johnson & Johnson, The Executive Centre |
| 7 | Prestige Cessna | Cisco, CitiusTech Healthcare |
| 8 | Embassy Tech Village | JP Morgan, Sony, Wells Fargo, Eli Lily, MathWorks, Quest Global, Flipkart |
| 9 | RMZ Ecoworld | Morgan Stanley, WestBridge Capital, Deloitte, DE Shaw, State Street, Standard Chartered |
| 10 | Global Technology Park | Smartworks, Vodafone Global Services, KPMG |
| 11 | RMZ Ecospace | Intuit, CoWrks, Intel |



Source: JLL Research

Outer Ring Road (Southeast) has witnessed perceptible addition in supply during 2016-2019, at par with the demand traction, thereby resulting in tight vacancy levels. With a slowdown in demand during Covid years, like in other submarkets, the vacancy level started rising from 2021 onwards. This rise in vacancy was caused by steady levels of supply entering the market post revival from pandemic, however the vacancy level remains as one of the lowest in the prime office submarkets in India. Demand resulting in low vacancy levels have well resulted in sustained rental growth in the submarket, which remained undeterred even during the pandemic period.

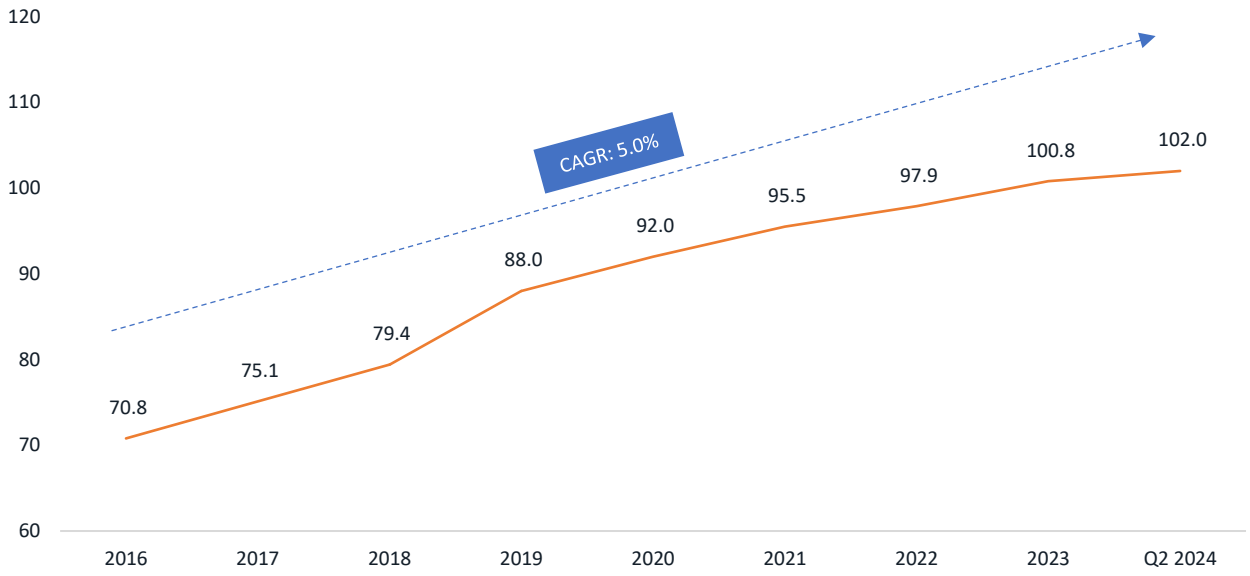
Figure 6.2: New completions, net absorption, and vacancy trends – ORR Southeast




Source: JLL Research, Q2 2024

With rentals growing at a CAGR of ~5.0% since 2016, the ORR Southeast submarket has witnessed steady rental appreciation. As of June 2024, the average Grade A office rents in this submarket stand at INR 102.0 per sq ft per month.

Figure 6.3: ORR Southeast Rental trend, INR per sq ft per month



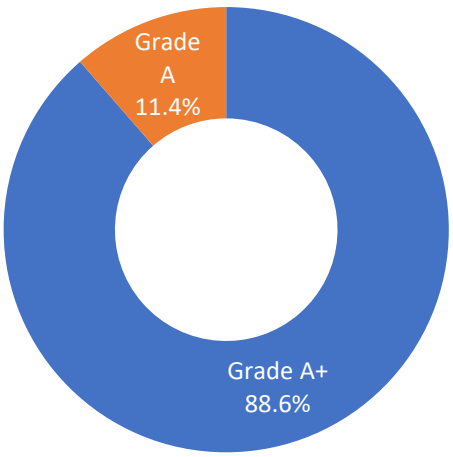

Source: JLL Research, Q2 2024

**Classification of Office Stock**

## Based on quality

ORR Southeast corridor's contribution in city's quality space inventory has been consistent with reputed developers bringing up projects since inception of the submarket. Backed by steady demand from MNC and domestic giants, the corridor kept on adding to its Grade A+ stock, which currently accounts for around 88.6% of the submarket's total office inventory.

Figure 6.4: Distribution of office stock based on ownership – ORR Southeast.

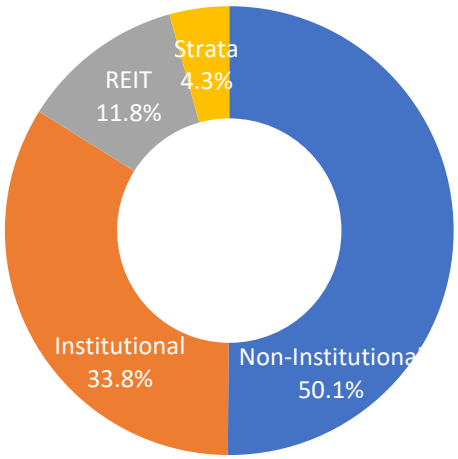



Source: JLL Research, Q2 2024

**Based on ownership**

As of June 2024, 45.5% of ORR Southeast's Grade A office stock, aggregating to ~32.0 mn sq ft is institutionally (institutional + REIT) owned, the remaining 38.2 mn sq ft is divided, with majority of ~92.0% under non-institutional single ownership and the rest being strata owned. Backed by the strong market dynamics and ever-increasing demand for quality leasable space, fund inflow has been increasing in this part of the city as demand and low vacancy levels aid in attracting the institutional owners to invest in office assets in ORR Southeast submarket.

Figure 6.5: Distribution of office stock based on ownership – ORR Southeast

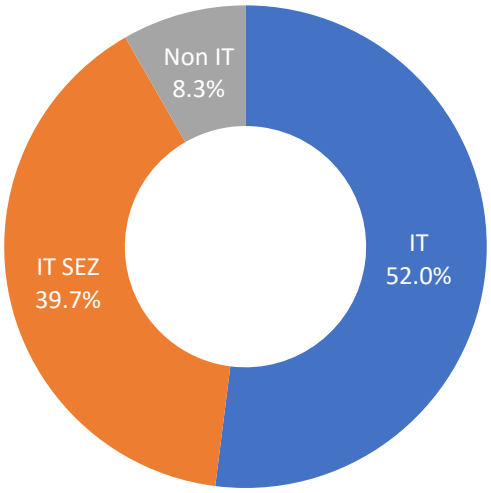



Source: JLL Research, Q2 2024

**Based on type of usage**

ORR Southeast corridor which started flourishing largely post introduction of the Special Economic Zone (SEZ) Act in 2005, enjoys a 39.7% share of IT/ITeS SEZ space in its overall office inventory, translating to ~27.9 mn sq ft. The highest contribution is from IT buildings accounting for~52% share in the submarkets' inventory.

Figure 6.6: Distribution of office stock based on usage type – ORR Southeast.

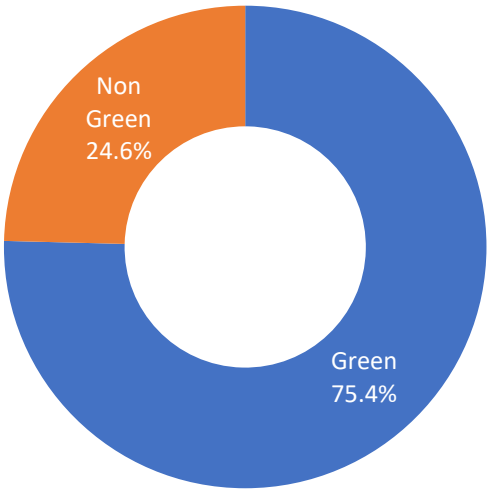



Source: JLL Research, Q2 2024

**Based on Green Certification**

ORR Southeast submarket which is dotted with quality developments by reputed developers and is a preferred destination for most of the MNC occupiers across sectors, holds the maximum share with ~75.4% share of its office stock being green-certified. A large proportion (~45.5%) of the submarket's inventory enjoying the presence of institutional funds who aim at maintaining high sustainability standards in their projects, also helps in adding to its green stock. The submarket also contributes a large share of around 43% in the overall city's green stock.

Figure 6.7: Distribution of office stock based on Green Certification – ORR Southeast

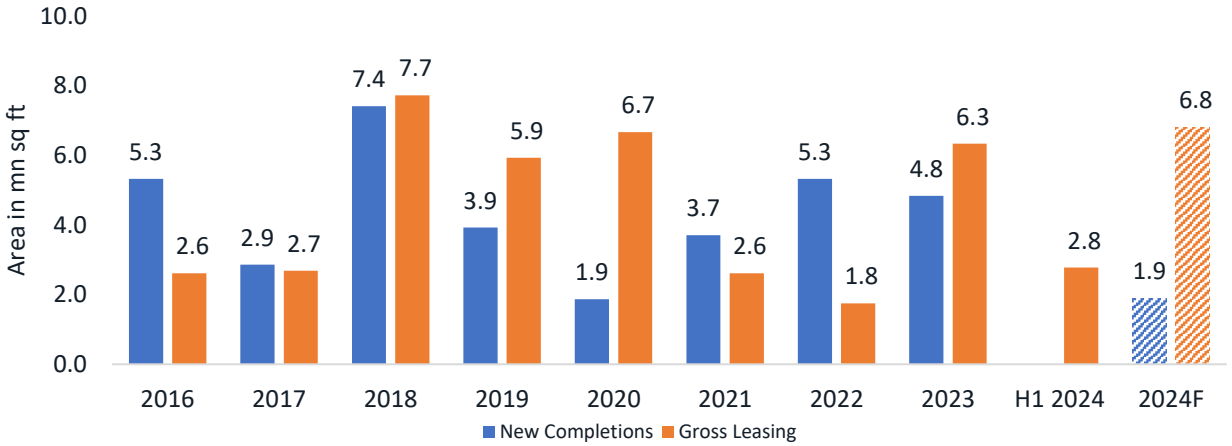



Source: JLL Research, Q2 2024

**Trends in Gross Leasing Activity**

ORR Southeast has always been one of the star performers in Bengaluru office leasing since 2016. During 2016-2023, the submarket's annual average gross lease volume ranged between 4.5-5.0 mn sq ft accounting for around 35-40% average share in the city's annual lease volume during the period. Presence of superior grade buildings in SEZ as well as non-SEZ tech parks have been a driving factor for the occupiers across categories. Availability of larger floor plates in these buildings, technical specifications that are offered and adoption of latest sustainable standards have been attracting occupiers over the years.

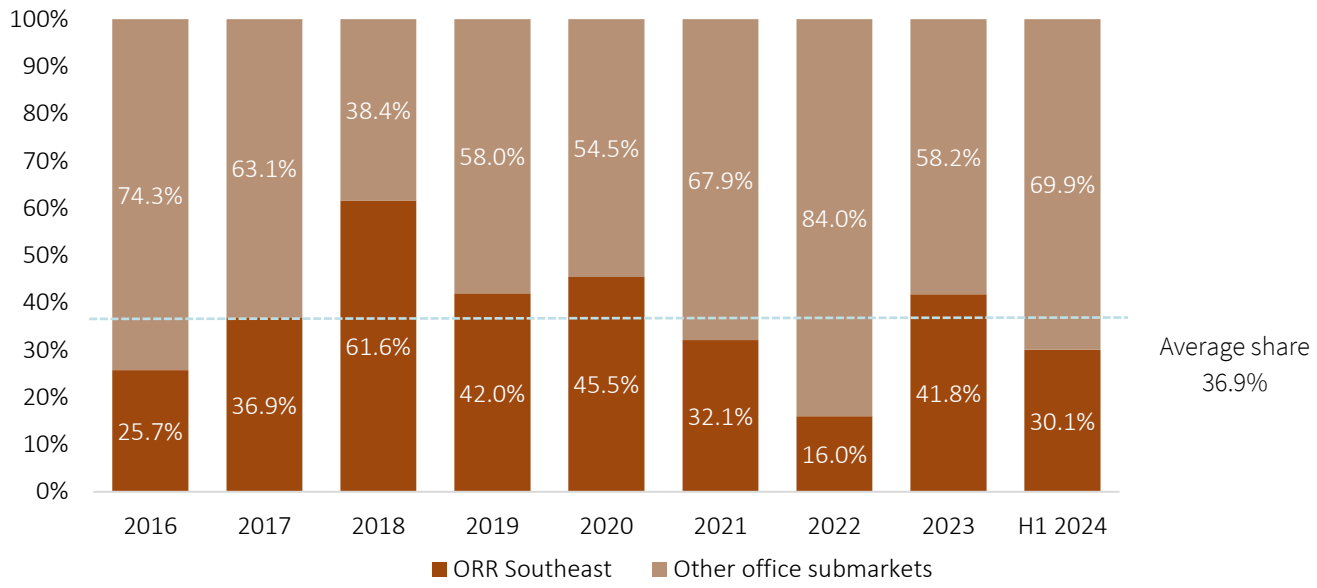
Figure 6.8: Gross leasing trends – ORR Southeast




Source: JLL Research, Q2 2024

ORR Southeast submarket's contribution in overall city leasing has always been significant with an average 30% share during 2016-2017. This share further increased to around 50% during 2018-2020 with rising preference for space take-up in the market backed by quality supply inflow. During post covid period of 2021-2022 a drop was observed in the submarket's share amid low vacant space availability in Grade A+ buildings, traffic bottlenecks and some tech occupiers shifting their base to Whitefield. 2023 has however seen a revival in its share, and the trend is likely to continue in 2024 as well with perceptible volume of supply due for completion during the year.

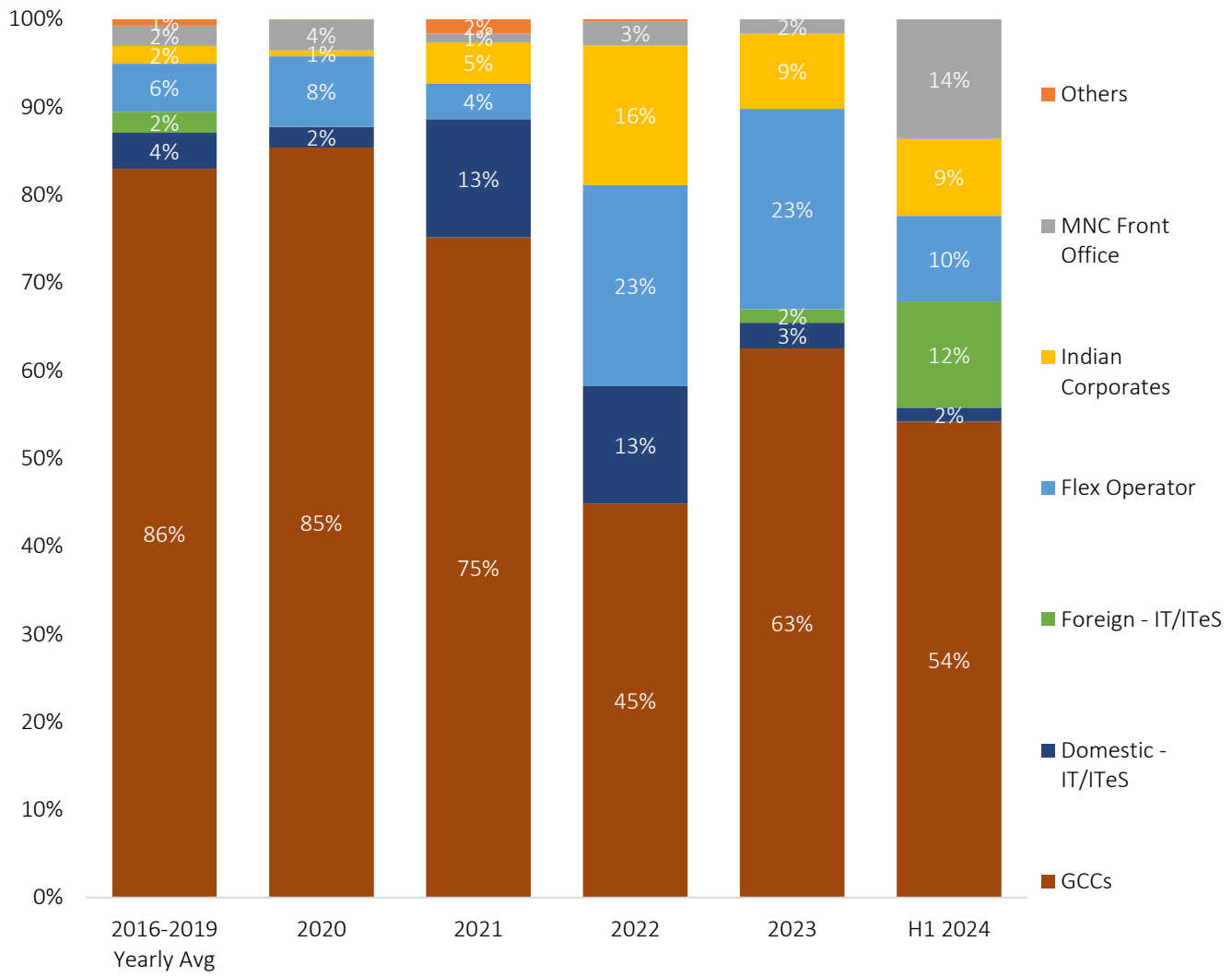
Figure 6.9: Gross leasing trends – ORR Southeast's share in City leasing volume




Source: JLL Research, Q2 2024

ORR Southeast is the most preferred submarket across all categories mainly by GCC occupiers in Bengaluru over the years owing to the availability of quality projects by reputed developers and supporting ecosystem. GCC occupiers have been holding the highest share, ranging between 75-80% in annual gross lease volume over the years. Increase in contribution by Foreign IT/ITeS occupiers, flex operators and Indian corporates in annual space take-ups in the submarket has however resulted in a reduction in GCC sectors' share, though it continues to remain the highest contributor.

Figure 6.10: Sector-wise share of gross leasing - ORR South-East



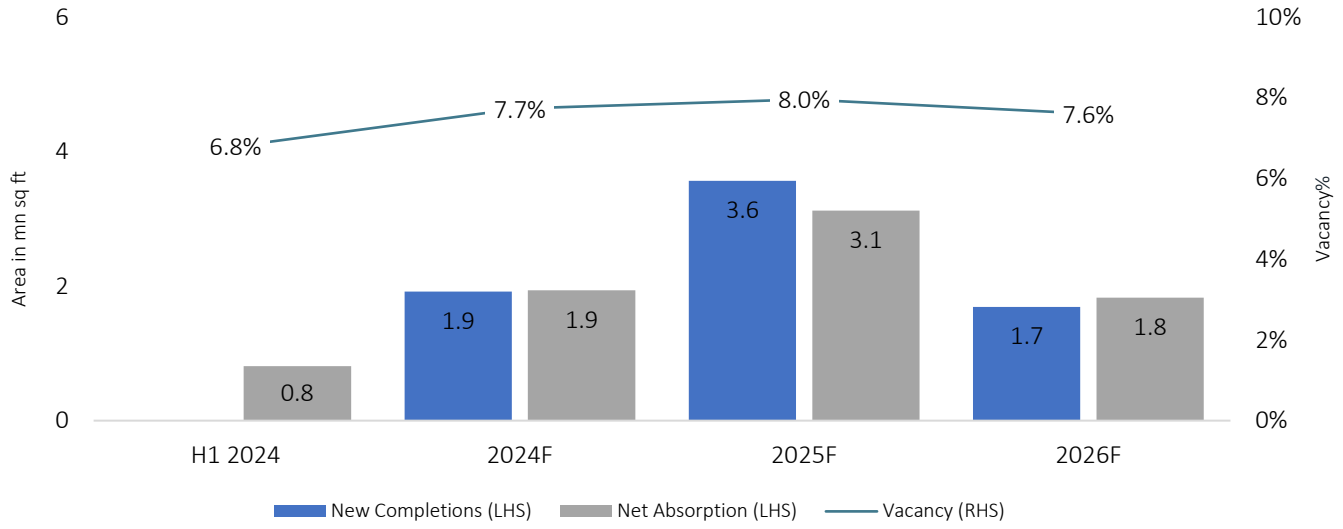

Source: JLL Research, Q2 2024

**Outlook - ORR Southeast Office Sector**

ORR Southeast is expected to lead in terms of upcoming supply and net absorption and continue to remain a popular submarket with key developers and global occupiers in the coming years. Majority of the active discussions on future space take-up between developers and occupiers also indicate sustained preference for Outer Ring Road Southeast among the latter as the submarket continues to dominate the Bengaluru office market in terms of both supply and demand. Importantly, the attractiveness of the submarket to occupiers is expected to further improve post the completion of the blue metro line in 2026.

The submarket is expected to witness annual average new completions of around 2.4 mn sq ft during 2024-2026, accounting for around 17% share in the city's overall supply. Demand shall continue to complement supply with an average annual net absorption of ~2.3 mn sq ft during the period. Demand momentum shall continue to sustain driven by active space take-ups by tech, manufacturing/industrial, GCC, flex and healthcare/biotech occupiers. Vacancy levels in the submarket's office sector shall continue to remain tight backed by a healthy balance in supply and demand.

Figure 6.12: Outlook on new completions, net absorption, and vacancy trends – ORR Southeast




Source: JLL Research, Q2 2024

## CHAPTER 7: OVERVIEW OF PRESTIGE TECH PARK

Prestige Tech Park (PTP) was developed by the Prestige Group, one of India's leading real estate developers known for its high-quality commercial and residential projects. The complex features modern office spaces designed to meet international standards. It stands as one of the largest technology parks in Bengaluru and is located on the Outer Ring Road, which provides good connectivity to other parts of Bengaluru, including the airport and many of the city's tech hubs. With a leasable area of about 7 mn sq ft, this expansive commercial development has attracted numerous high-profile multinational tenants. Key occupants include JP Morgan Chase, Adobe, Oracle and Juniper Networks underlining the park's appeal to global corporations. Notably, a significant portion of PTP is institutionally owned by Blackstone, further attesting to its quality and desirability as a prime commercial asset. The park's scale, prestigious tenant roster, and institutional backing collectively cement its status as a landmark in Bengaluru's thriving commercial real estate landscape.

Figure 7.1: Map of Prestige Tech Park

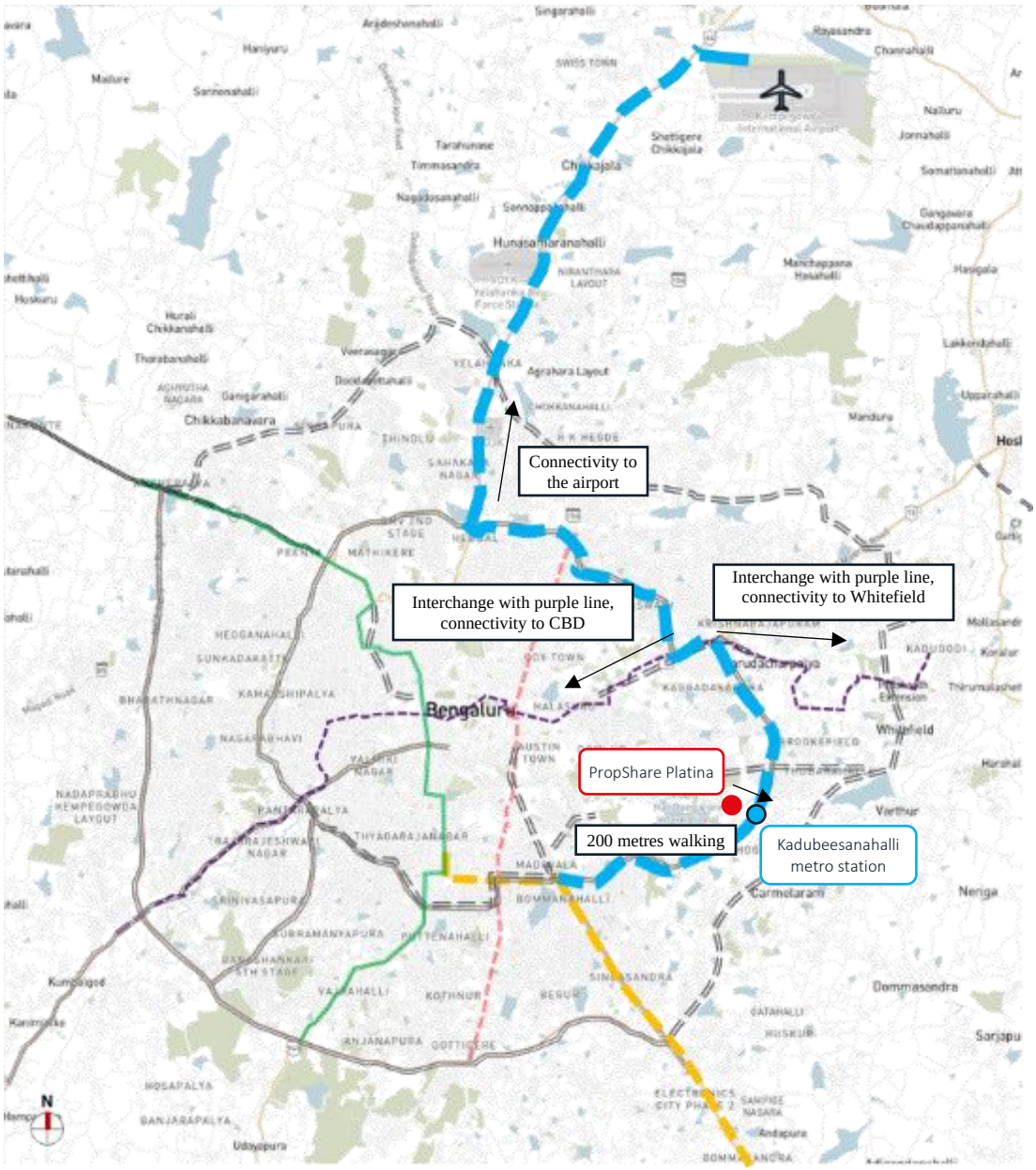
Source: Company, JLL Research

Prestige Tech Platina 2 (PropShare Platina) is a Grade A+ office development within the Prestige Tech Park.

Table 6: Snapshot of PropShare Platina

| | |
|---|---|
| **Developer** | Prestige Group |
| **Building Grade** | A+ |
| **Visibility** | Visible from the Outer Ring Road, main IT corridor of Bengaluru |
| **Connectivity** | Walking distance of 200 metres from the upcoming Kodibisanahalli metro station;<br>Will be connected to CBD, Whitefield and Airport by metro once the blue line becomes operational |

Figure 7. 2: Impact of Metro Blue Line on PropShare Platina




Images of construction progress

**ANNEXURE**

Table 6: Prominent Lease Transactions in ORR (Southeast) office submarket, during Q3 2023-Q2 2024

| Projects | Quarter | Year | Area Leased (sq ft) | Rent (INR/ sq ft/month) | Tenant |
|---|---|---|---|---|---|
| Bagmane Capital - Troy | 2Q | 2024 | 650000 | 100-105 | Synopsys |
| Embassy Tech Village - Block 8 - 8A | 2Q | 2024 | 631978 | 100-105 | Intuit |
| Mantri Commercio | 1Q | 2024 | 128000 | 74-75 | Spatium |
| Brookfield Ecospace 3A & 3B | 2Q | 2024 | 125740 | 95-100 | Deloitte |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 32 | 2Q | 2024 | 113296 | 105-110 | Freshworks |
| RMZ Ecoworld 4D | 2Q | 2024 | 66703 | 105-110 | Kotak Mahindra |
| Brookfield Ecoworld Campus 8A | 1Q | 2024 | 66292 | 100-105 | AwaveSemi Technologies |
| Pardhanani Wilshire | 1Q | 2024 | 66241 | 65-70 | Havells India |
| Pardhanani Wilshire | 1Q | 2024 | 61282 | 85-90 | Thought Focus |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 31 | 2Q | 2024 | 58212 | 105-110 | WestBridge Capital |
| Kalyani Tech Park (Helios Business Park) | 1Q | 2024 | 55780 | 95-100 | Indiqube |
| Prestige Tech Park 4 - Building 2 | 2Q | 2024 | 52360 | 95-100 | Blackline |
| Gopalan Fortune City - Block 2 - Water | 3Q | 2023 | 996000 | 95-98 | Smartworks |
| Bagmane Capital - Angkor Block 1 | 3Q | 2023 | 585196 | 95 - 105 | Qualcomm |
| Embassy Tech Village - Block 8 - 8D -Bluebell | 4Q | 2023 | 436635 | 100-102 | JPMC |
| RMZ Ecoworld 4D | 3Q | 2023 | 330506 | 95-100 | Deloitte |
| Prestige Tech Park 4 - Building 2 | 4Q | 2023 | 181831 | 95-98 | Genpact |
| Kalyani Tech Park (Helios Business Park) | 3Q | 2023 | 163446 | 90-92 | Meesho |
| Bagmane Capital - Angkor Block 2 | 3Q | 2023 | 160000 | 100-105 | Samsung |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 31 | 4Q | 2023 | 154328 | 102-105 | Redbrick Offices Limited |
| Embassy Tech Village - 3A - Iris - Wing A | 4Q | 2023 | 143191 | 100-105 | Sony India Software |
| Prestige Tech Park 4 - Building 2 | 4Q | 2023 | 105291 | 95-98 | Tredence Analytics |
| Brookfield Ecospace 3A & 3B | 3Q | 2023 | 94817 | 95-100 | Deloitte |
| Nucleus Tech Park Exora - Etamin | 3Q | 2023 | 79221 | 90-92 | Amadeus Software Labs |
| Nucleus Tech Park Exora - Etamin | 4Q | 2023 | 73741 | 90-92 | Amadeus Software Labs |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 31 | 4Q | 2023 | 60454 | 102-105 | DE Shaw |
| Bagmane WTC Citrine | 4Q | 2023 | 56929 | 95-98 | Iron Mountain Services |

Source: JLL Research, Q2 2024

**COMBINED FINANCIAL INFORMATION IN RELATION TO THE PROPSHARE PLATINA**

*The PropShare Platina which consists of the following newly incorporated Platina SPVs; (i) Rumosch Private Limited; (ii) PropAreas Private Limited; (iii) Avenueprops Private Limited; (iv) Willowprops Private Limited; (v) Premium Private Limited; and (vi) Estapropfront Private Limited. Further, currently there are no assets under the control and ownership of these Platina SPVs and these Platina SPVs are not operational. Therefore, the combined financial statement of the Platina SPVs for the PropShare Platina have not been prepared and are not available. However, the standalone financial statements of these Platina SPVs have been prepared and attached as Annexure 4. Therefore, presently combined financial statements of the PropShare Platina are not available.*

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## FINANCIAL INDEBTEDNESS

Except as disclosed below, there is no outstanding financial indebtedness at PropShare Platina level:

| ***Borrowing details*** | |
|---|---|
| PropShare Platina | 0.07 Million* |

**Pursuant to execution of the share purchase agreements and acquisition of the Platina SPVs by the PropShare Platina, an amount of INR 70,000 (Rupees Seventy Thousand) has been infused by the Investment Manager into PropShare Platina on November 17, 2024, for such acquisition of Platina SPVs by the PropShare Platina. This infusion of funds by Investment Manager was to enable the PropShare Platina to complete the formation transaction and will be immediately reimbursed to Investment Manager from Offer Proceeds.*

Further, Platina SPVs are newly incorporated entities and there are no outstanding financial indebtedness at the time of filing the Final Scheme Offer Document.

***Leverage***

In accordance with and subject to the REIT Regulations, the provisions of the Trust Deed, and the borrowing policy adopted by the Investment Manager, the total borrowings and deferred payments net of cash and cash equivalents, at the PropShare Platina level, does not exceed forty nine percent of the value of the scheme assets. Except as disclosed below, there are no borrowings and deferred payments net of cash and cash equivalents:

NIL

**Borrowing Policy**

The Investment Manager shall ensure that all funds borrowed in relation to the Trust are in compliance with the REIT Regulations. Accordingly, the Investment Manager has formulated a borrowing policy to outline the process for borrowing monies in relation to the Schemes of the Trust. For further details, please see the section titled "*Corporate Governance – Investment Manager – Policies adopted by the IM Board in relation to the Trust – Borrowing Policy*" of the Final Trust Offer Document.

## MANAGEMENT FRAMEWORK

*Statements contained in this summary that are not historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks, uncertainties and assumptions that could cause actual results of the PropShare Platina to differ materially from those forecasted or projected in this Final Scheme Offer Document. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction of the accuracy of the underlying assumptions by the Property Share Investment Trust, the Parties to the Property Share Investment Trust, the PropShare Platina or the Lead Manager or any other person or that these results will be achieved or are likely to be achieved or that guaranteed returns will be provided to investors. Investment in Platina Units involves risks. Bidders are advised not to rely solely on this overview, however, should read this Final Scheme Offer Document in its entirety and, in particular, the section entitled "Risk Factors" on page 29 to 34.*

**Management Framework for Project Platina**

*Current framework*

As on the date of this Final Scheme Offer Document, the Platina SPVs are proposed to be managed by the Investment Manager either directly, or through appointment of third-party service providers. The management of the Project Platina will typically comprises of, *inter alia*, corporate support services, capital management, management services, leasing, budgeting, marketing, operational services etc.

*Proposed framework*

Pursuant to the Investment Management Agreement, PropShare Investment Manager Private Limited has been appointed as the Investment Manager of the Property Share Investment Trust to manage the assets and investments of the Property Share Investment Trust and undertake the operational activities of the Property Share Investment Trust.

In accordance with the REIT Regulations, the Investment Manager is required to undertake the management of the SM REIT Assets including, *inter alia*, lease management and maintenance of the assets either directly or through the appointment and supervision of appropriate agents. The Investment Manager will be responsible for the supervision of third-party service providers through its representatives on the board of directors of the Platina SPVs of PropShare Platina.

Set out below is an overview of the proposed management framework, post listing, of the Platina SPVs of the PropShare Platina:

| S. No. | Platina SPVs | Property management | Common area maintenance* |
|---|---|---|---|
| 1. | Rumosch Private Limited | Investment Manager | Rumosch Private Limited |
| 2. | PropAreas Private Limited | Investment Manager | PropAreas Private Limited |
| 3. | Avenueprops Private Limited | Investment Manager | Avenueprops Private Limited |
| 4. | Willowprops Private Limited | Investment Manager | Willowprops Private Limited |
| 5. | Premiumbiz Private Limited | Investment Manager | Premiumbiz Private Limited |
| 6. | Estapropfront Private Limited | Investment Manager | Estapropfront Private Limited |

** The common area maintenance is undertaken by the SPV itself, either directly (with Investment Manager) or through the tenant or through 3rd party service providers on a need basis from time to time.*

Key details of the proposed management framework for the Platina SPVs are provided below:

**Proposed management framework (upon listing of the Property Share Investment Trust) for assets of Platina SPVs**

As per the Investment Management Agreement, the Investment Manager shall undertake the management of the assets of the Scheme(s), including lease management, providing support services, maintenance of the assets of the schemes or such other activities needed for operation and maintenance of assets of the schemes, regular structural audits, regular safety audits, either by itself or through any other persons appointed as agents in accordance with the respective agreements, operations that may be executed between the Investment Manager (or any other person nominated by the Investment Manager) and/ or schemes and/or respective Platina SPVs, as the case may be. For further details, see "*The Investment Manager—Key Terms of the Investment Management Agreement*" under Final Trust Offer Document.

Further, the indicative scope of the maintenance services by the Platina SPVs as per draft lease deeds include, inter alia:

- operation and maintenance of common electro-mechanical, heat ventilating and air-conditioning systems;
- selection, management and coordination with all vendors relating to maintenance;
- maintenance of lifts, fire protection systems, generator for common areas, external façade, curtain glazing and lighting in the common areas;
- garbage collection and removal, provision of security, civil repairs and sanitary and plumbing works; and;

- housekeeping for common areas, landscaping, pest control, water consumption, maintenance of cricket pitch and basketball court, etc.

**Other key agreements**

**(A) Trademark License Letter Agreement**

AltInvest Online Platform Private Limited (formerly known as Property Share Online Platform Private Limited) ("**Altinvest**") and the Investment Manager have entered into a trademark license letter agreement dated September 18, 2024, whereby Altinvest has assigned and licensed the rights to use the trademark (Property Share) to the Investment Manager for a one-time consideration of INR 5,000. Further, Altinvest will retain the sole and absolute ownership rights to the trademarks assigned to the Investment Manager.

**Fee and expenses**

***Annual Expenses***

The expenses to be directly charged to the PropShare Platina (through the Property Share Investment Trust) would include (i) fees payable to the Trustee; (ii) SM REIT management fees payable to the Manager; (iii) fees payable to the Auditor; (iv) fees payable to the Valuer; (v) fees payable to other intermediaries and consultants; and (vi) other miscellaneous expenses. Further, the Property Share Investment Trust will incur or reimburse expenses in relation to this Offer.

The Platina SPVs will also incur recurring fees under the management framework for the Project Platina, as described above.

The estimated recurring expenses on an annual basis are as follows:

*(in ₹ million)*

| Payable by the Property Share Investment Trust | Estimated Expenses |
|---|---|
| Trustee fees (per annum) | See Note 1 below |
| SM REIT Management Fee (per annum) | See Note 2 below |
| Auditor fee, Valuer fee and others | Up to 2 million |

***Note 1:*** *In addition to the initial acceptance fee of ₹ 0.125 million, the Trustee shall be entitled to an annual fee of ₹0.1 million, exclusive of all applicable taxes and any other out of pocket expenses, as applicable. The annual fee shall be subject to revision.*
***Note 2:*** *The Property Share Investment Trust shall pay to the Investment Manager, SM REIT management fees as follow: (i) no scheme management fee for financial year 2024-2025 and financial year 2025-2026, scheme management fee of up to 0.25% of the gross proceeds or of the distributions; or the assets under management of the scheme for financial year 2026-2027 and scheme management fee of up to 0.30% of the gross proceeds or of the distributions; or assets under management of the scheme for financial year 2027-2028 and onwards; (ii) no property management fee; (iii) a property acquisition fee of up to 1.5% of the Gross Proceeds; and (iv) a Divestment Fee of up to 3% of the Gross Proceeds.*

***Offer Expenses***

The total expenses of the Offer are estimated to be approximately ₹ 51 million. For details, see "*Use of Proceeds*" on pages 93 to 97.

***Set-up expenses***

The expenses in relation to setting up of the Property Share Investment Trust will be borne by the Investment Manager, the Investment Manager and the Platina SPVs, as applicable, details of which shall be included in the Final Scheme Offer Document. The Property Share Investment Trust shall reimburse the Investment Manager for all expenses incurred by the Investment Manager in relation to setting up of the Property Share Investment Trust and the PropShare Platina.

## USE OF PROCEEDS

The gross proceeds (including the Investment Manager's Contribution *i.e.* atleast 5% of the Offer) from the Offer will be ₹ 3,529.05 million ("**Gross Proceeds**"), of which the Offer Proceeds will be ₹ 3,478.05 million. The Offer Proceeds will be utilised by PropShare Platina towards the following objects:

(i) Acquisitions of the Project Platina by Platina SPVs as commercial office spaces and reimbursement of the payment of applicable statutory charges under applicable laws (including stamp duty, registration, surcharge and cess etc. for the registration of sale deeds) to the Investment Manager for the proposed acquisition of the Project Platina by the Platina SPVs as commercial office spaces by way of lending to the Platina SPVs and subscribing to the equity and debt instruments of our Platina SPVs; and

(ii) General purposes

The details of the Offer Proceeds (including the Investment Manager's Contribution i.e. 5% of the Offer) are set forth in the following table:

*(In ₹ millions)*

| Particulars | Amount |
|---|---|
| Gross proceeds of the Offer (including the Investment Manager's Contribution i.e. 5% of the Offer) | 3,529.05 |
| Less: Offer expenses related and other expenses to be borne by the PropShare Platina (Offer Expenses) | 51.00 |
| **Offer Proceeds** (including the Investment Manager's Contribution i.e. 5% of the Offer) | 3,478.05 |

**Requirements of Funds**

The Offer Proceeds are proposed to be utilised in accordance with the details provided in the following table:

*(In ₹ millions)*

| S. No. | Particulars | Amount* |
|---|---|---|
| (i) | Acquisitions of the Project Platina by Platina SPVs as commercial office spaces and reimbursement of the payment of applicable statutory charges under applicable laws (including stamp duty, registration, surcharge and cess etc. for the registration of sale deeds) to the Investment Manager for the proposed acquisition of the Project Platina by the Platina SPVs as commercial office spaces by way of lending to the Platina SPVs and subscribing to the equity and debt instruments of our Platina SPVs | 3,390.00 |
| (ii) | General purposes | 88.05 |
| | **TOTAL** | **3,478.05** |

The Trustee and our Investment Manager shall ensure that the subscription amounts are kept in a separate bank account in the name of the PropShare Platina and are only utilised for adjustment against allotment of our Platina Units or refund of money to the applicants until such Platina Units are listed.

The Investment Manager proposes to deploy the Offer Proceeds during the current financial year, depending on various factors, including the actual timing of completion of the Offer and the receipt of the Offer Proceeds.

The fund requirements mentioned above, and the proposed deployment are based on the estimates of the Investment Manager and have not been appraised by any bank, financial institution or any other external agency. The fund requirements may vary due to factors beyond the Investment Manager's control such as market conditions, competitive environment, regulatory considerations, interest rate, fee payable and exchange rate fluctuations. To the extent the Investment Manager is unable to utilise any portion of the Offer Proceeds towards the proposed object(s) as envisaged hereunder, the Investment Manager shall deploy such portions of the Offer Proceeds towards another object(s) including general purposes subject to applicable law and if being utilized towards general purposes, subject to such utilization of the Offer Proceeds in accordance with the REIT Regulations. Further, in the event that the Investment Manager is unable to utilize any portion of the Offer Proceeds towards the proposed deployment in the current financial year, the Investment Manager shall deploy the Offer Proceeds in subsequent FYs in accordance with applicable law. Consequently, the fund requirements are subject to revisions in the future, at the discretion of the Investment Manager.

**Details of Utilisation of the Offer Proceeds**

The details of utilisation of the Offer Proceeds are set forth herein below:

(i) ***Acquisitions of the Project Platina by Platina SPVs as commercial office spaces and reimbursement of the payment of applicable statutory charges under applicable laws (including stamp duty, registration, surcharge and cess etc. for the registration of sale deeds) to the Investment Manager for the proposed acquisition of the Project Platina by the Platina SPVs as commercial office spaces by way of lending to the Platina SPVs and subscribing to the equity and debt instruments of our Platina SPVs***

The Investment Manager proposes to give loan to the Platina SPVs and subscribe to the equity and debt instruments of the Platina SPVs. This will enable the Platina SPVs to acquire the Platina Assets. Further, this will enable the PropShare Platina to raise further resources in order to manage the asset thereby enabling the PropShare Platina to meet its commitment towards distributions to Platina Unitholders.

Further, the PropShare Platina proposes to utilise an estimated aggregate amount of up to ₹ 1,05,90,00,000* from the Offer Proceeds to provide loans to Platina SPVs and ₹ 2,47,10,00,000* from the Offer Proceeds to subscribe the equity and debt instruments of Platina SPVs, for acquisitions of the Project Platina and reimbursement of the stamp duty payment expenses to the Investment Manager for the proposed acquisition of the Project Platina by the Platina SPVs. The Offer Proceeds towards the aforementioned object will be utilised in following manner towards each of the Platina SPVs:

| *Type of instrument* | *Estimated amount** | *Percentage* |
|---|---|---|
| Subscription of equity shares issued by the SPVs | Up to INR 35,30,00,000 | 10% |
| Subscription of OCDs issued by the SPVs | Up to INR 2,11,80,00,000 | 60% |
| Shareholder debt to SPVs | Up to INR 1,05,90,00,000 | 30% |

*Minor adjustments will be made on account of total fund raise in the Offer, an amount of INR 3,529.05 million.

Upon the listing of the Units, Trust shall utilize the Offer Proceeds, as set out above, to provide loans to the Platina SPVs, subscribe the equity shares and the Optionally Convertible Debentures ("**OCDs**") to be issued by the Platina SPVs, for the purposes of the acquisition of the Project Platina by Platina SPVs and reimbursement of the statutory charges under applicable laws (including stamp duty, registration, surcharge and cess etc.) borne by the Investment Manager for the registration of the sale deed to acquire the Project Platina.

**Trust Loan Agreements**

Pursuant to a facility agreements executed between the Trustee (on behalf of the PropShare Platina), the Investment Manager, and the Platina SPVs (the "**Trust Loan Agreements**"). The key terms of the Trust Loan Agreements are set out below.

| Sr. No. | Parameter | Description |
|---|---|---|
| 1. | **Borrowers** | Rumosch Private Limited, PropAreas Private Limited, Avenueprops Private Limited, Willowprops Private Limited, Premiumbiz Private Limited and Estapropfront Private Limited. |
| 2. | **Lender** | PropShare Platina |
| 3. | **Purpose of Facility** | For the Borrower to (i) acquire the office premises on the ground floor and first to fifth floors in Building 2 of Prestige Tech Platina situated at Kadubeesanahalli Village, Varthur Hobli, Bangalore East Taluk along with 355 car parking spaces. The total property has a super built up area of 2,11,590 sq. ft. ("**Project Platina**") and (ii) reimburse the stamp duty payment expenses to the Investment Manager for the proposed acquisition of the Project Platina. |
| 4. | **Facility Amount** | The facility amount proposed to be availed by borrower from the lender as follows:<br><br>(a) Rumosch Private Limited – up to INR 15,00,60,000<br><br>(b) PropAreas Private Limited - up to INR 15,89,90,000<br><br>(c) Avenueprops Private Limited - up to INR 18,74,80,000<br><br>(d) Willowprops Private Limited - up to INR 18,74,80,000<br><br>(e) Premiumbiz Private Limited - up to INR 18,74,80,000<br><br>(f) Estapropfront Private Limited - up to INR 18,75,10,000 |
| 5. | **Repayment by Borrowers** | Repayment to be made as per the loan agreement, no later than 10 years from the drawdown date and in any case before the expiry of the final settlement date. |
| 6. | **Interest Rate** | An interest in the range of 6.5% to 12% per annum is to be paid quarterly, which may be reset on interest reset date at the discretion of the Trustee or the Investment Manager. |
| 7. | **Security** | Unsecured |
| 8. | **Representations and** | The Borrower *inter alia* makes the following representations and warranties: |

| | | |
|---|---|---|
| | **Warranties** | **1.** It is a company, duly incorporated and validly existing under the laws of India and has all corporate powers and all material governmental licenses, authorizations, consents and approvals required to carry on its business;<br><br>**2.** The execution, delivery and performance by it of the transaction documents and the consummation of the transactions contemplated hereby by such party is within its corporate powers and have been duly authorized by all necessary corporate action and the obligations expressed to be assumed by the Borrower under each transaction document are legal, valid, binding and enforceable against it;<br><br>**3.** The execution, delivery and performance of the transaction documents do not and will not contravene or conflict with (i) the certificate of incorporation or (ii) its articles or memorandum of association or (iii) any provision of any law, regulation, judgment, injunction, order or decree binding upon it or (iv) any agreement or instrument binding upon it or any of its assets;<br><br>**4.** The Borrower has complied with all applicable laws in relation to the conduct of its business and is not subject to any present, potential or threatened liability by reason of non-compliance with such applicable law, which will have a material impact on the Borrower, its business or its obligations under this Agreement; and<br><br>**5.** Each certified copy of a document provided to the Trustee or Investment Manager pursuant to the terms of the transaction documents is a true, complete, and accurate copy of the original document and the original document was in full force and effect, in each case as at the date any such document is provided. |
| 9. | **Covenants** | The Borrower shall at all times undertake the following, *inter alia*:<br><br>(a) Comply with all applicable laws;<br><br>(b) Preserve and maintain its corporate existence, legal structure, legal name, rights, privileges and franchises;<br><br>(c) Pay (including by way of making good faith estimated payments on a timely basis in accordance with appropriate procedures established for such purpose) (i) all taxes, assessments, reassessments and governmental charges or levies imposed upon it or upon its property and assets and (ii) all lawful claims and obligations that, if unpaid, might by Applicable Law operate as a Lien upon any of its property and/or assets; and<br><br>(d) Not raise or incur any further indebtedness without prior written approval of the Trustee or the Investment Manager. |
| 10. | **Governing Laws and Jurisdiction** | Laws of India |

**Securities Subscription Agreements**

PropShare Platina (acting through the Trust, Trustee) ("**Subscribers**"), the Investment Manager and the Platina SPVs ("**Issuer**") have executed securities subscription agreements ("**SSAs**") wherein the Issuer will issue and the subscriber to subscribe to the securities (equity shares and the OCDs) in the manner stipulated in the SSAs. Please note that equity shares and OCDs of the Platina SPVs will be subscribed before the acquisition of the Project Platina by Platina SPVs. Therefore, the equity shares and OCDs of Platina SPVs will be subscribed on the face value or nominal value.

The key terms of the SSAs are specified below:

Consideration: The aggregate of all subscription amounts under the SSA shall not exceed as per the table given below and more particularly prescribed under the SSA:

| *Sr. No.* | *Type of Securities* | *Total Amount* |
|---|---|---|
| 1 | **Optionally convertible debentures** | |
| | Rumosch Private Limited | INR 30,01,20,000 |
| | PropAreas Private Limited | INR 31,79,90,000 |
| | Avenueprops Private Limited | INR 37,49,60,000 |
| | Willowprops Private Limited | INR 37,49,60,000 |

| | | |
|---|---|---|
| | Premiumbiz Private Limited | INR 37,49,60,000 |
| | Estapropfront | INR 37,50,10,000 |
| 2 | **Equity shares** | |
| | Rumosch Private Limited | INR 5,00,20,000 |
| | PropAreas Private Limited | INR 5,29,90,000 |
| | Avenueprops Private Limited | INR 6,24,90,000 |
| | Willowprops Private Limited | INR 6,24,90,000 |
| | Premiumbiz Private Limited | INR 6,24,90,000 |
| | Estapropfront Private Limited | INR 6,25,20,000 |

Representations and Warranties: The Subscriber and Issuer represent and warrant *inter alia* the following:

(i) It has full corporate power and absolute authority to execute, deliver and perform the agreement;

(ii) The execution, delivery and performance of this Agreement hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the agreement and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

Terms of the OCDs and Equity Shares

The SSAs have prescribed schedule which provides indicative terms of the issuance of OCDs and equity shares.

Governing Law: Laws of India

(ii) ***General purposes***

Subject to the REIT Regulations, the Investment Manager will have flexibility in utilizing the balance Offer Proceeds, if any, for general purposes in relation to the operation, meeting exigencies and expenses incurred by the PropShare Platina (including payment of secondment fees to employees of the Investment Manager, reimbursement of amount paid to PropShare Platina for acquisition of entire shareholding of the Platina SPVs (without assets and on face/nominal value) and any other expenses borne by the Investment Manager), towards funding growth opportunities and strategic initiatives and acquisitions, investment and acquisition of shares in Platina SPVs, funding initial stages of equity contribution towards our assets, working capital requirements, meeting day to day expenses, meeting expenses in the ordinary course of business and strengthening of our marketing capabilities, subject to such utilization the Offer Proceeds in accordance with the REIT Regulations. Any amount incurred by the Investment Manager or third party on behalf of the PropShare Platina shall be reimbursed by the PropShare Platina from the general purpose portion of the Offer Proceeds.

**Interim Use of Offer Proceeds**

The Investment Manager will have flexibility to deploy the Offer Proceeds. Pending utilization of the Offer Proceeds for the purposes described above, the Investment Manager may invest the funds in deposits in one or more scheduled commercial banks included in the Second Schedule of the RBI Act.

**Details of Offer Expenses**

The total expenses of the Offer are estimated to be approximately 51.00 million. The Offer expenses consist of listing fees, underwriting fees, selling commission, fees payable to the Lead Manager, Auditor, Valuer, advisors, legal counsel, Registrar to the Offer, Banker(s) to the Offer, processing fees to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Platina Units on the Stock Exchange. All expenses in relation to the Offer shall be paid either by PropShare Platina or the Platina SPVs or the Investment Manager. However, for ease of operations, if required, the expenses of the PropShare Platina may, at the outset, be borne by the Investment Manager on behalf of the PropShare

Platina, and PropShare Platina or the Platina SPVs may reimburse those expenses up to a limit of ₹ 44 million (plus applicable taxes) and additionally, the statutory charges paid by the Investment Manager under applicable laws (including stamp duty, registration, surcharge and cess etc.), on behalf of the Platina SPVs for the registration and execution of the sale deeds for acquisition of the Project Platina.

The break-up for the estimated Offer expenses (to be borne by the PropShare Platina) is as follows:

| Activity | Expenses (in ₹ million) | As a % of the total estimated Offer Expenses |
|---|---|---|
| Fee and commission to advisors to this Issue | 51.00 | 100% |
| Fee payable to others | 0 | 0% |
| Total estimated offer expenses | 51.00 | 100% |

*Expenses are inclusive of applicable goods and services tax.*

In case the actual Offer expenses differ from the estimated Offer expenses, the Investment Manager will have the flexibility to utilize such a difference, subject to applicable law.

**Selling Commissions**

Selling commission on the portion for Non-Institutional Investors which are procured by Members of the Syndicate (including their Sub-syndicate Members), SCSBs, RTAs and CDPs would be as follows:

Portion for Non-Institutional Investors 0.50 % of the Amount Allotted# (plus applicable tax)

No processing fees shall be payable to the SCSBs on the applications directly procured by them.

**ASBA Processing Fees to SCSBs**

Processing fees payable to the SCSBs on the portion for Non-Institutional Investors which are procured by the members of the Syndicate/ Sub-syndicate/ Registered Brokers/ RTAs/ CDPs and submitted to SCSBs for blocking would be as follows:

Portion for Non-Institutional Investors INR 10 per valid application* (plus applicable tax)

*Based on valid Applications.

*Amount of selling commission/processing fees payable shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment.

**Registered Brokers**

Selling commission payable to the Registered Brokers on the portion for Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSBs for processing, would be as follows:

Portion for Non-Institutional Investors INR 10 per valid application* (plus applicable tax)

*Amount of selling commission payable to Registered Brokers shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment.

# Subject to maximum aggregate commission amount capped at 0.5% on original Non-Institutional Investors portion.

## LEGAL AND OTHER INFORMATION

*This section discloses all outstanding title litigation pertaining to the Platina SPVs under the PropShare Platina along with details of other title related disclosures. Further, details of all outstanding regulatory actions and criminal matters against the Platina SPVs and the Valuer (together, "**Relevant Parties**"), have been disclosed. Further, all direct tax, indirect tax and property tax matters against the Relevant Parties have been disclosed in a consolidated manner. All disclosures are as of the date of this Final Scheme Offer Document.*

### I. Title disclosures (including title litigation) pertaining to the Platina SPVs under the PropShare Platina

*For the purpose of this section, details of all pending title litigation pertaining to the Platina SPVs have been disclosed. Other than as disclosed below, there are no pending title litigations pertaining to the Assets and the Platina SPVs as of the date of this Final Scheme Offer Document:*

***A. RPL***

As at the date of this Final Scheme Offer Document, there are no outstanding title disclosure (including title litigation) pertaining to the Platina SPVs.

***B. PAPL***

As at the date of this Final Scheme Offer Document, there are no outstanding title disclosure (including title litigation) pertaining to the Platina SPVs.

***C. APL***

As at the date of this Final Scheme Offer Document, there are no outstanding title disclosure (including title litigation) pertaining to the Platina SPVs.

***D. WPL***

As at the date of this Final Scheme Offer Document, there are no outstanding title disclosure (including title litigation) pertaining to the Platina SPVs.

***E. PPL***

As at the date of this Final Scheme Offer Document, there are no outstanding title disclosure (including title litigation) pertaining to the Platina SPVs.

***F. EPL***

As at the date of this Final Scheme Offer Document, there are no outstanding title disclosure (including title litigation) pertaining to the Platina SPVs.

### II. Material litigation and regulatory action pending against the Platina SPVs under the PropShare Platina

As at the date of this Final Scheme Offer Document, there are no outstanding criminal litigation, non-ordinary course regulatory actions or material civil litigation against the Platina SPVs.

### III. Title disclosures (including title litigation) pertaining to the Project Platina

*For the purpose of this section, details of all pending title litigation pertaining to the Project Platina have been disclosed. Other than as disclosed below, there are no pending title litigations pertaining to the Assets and the Platina SPVs as of the date of this Final Scheme Offer Document.*

Our title, development rights and other interests in relation to the project Prestige Tech Platina of our Portfolio may be subject to the following uncertainties or defects:

1. Prestige Tech Platina ("**Project**") forms part of a portion of the land in Survey No. 34/4 measuring 11 ½ guntas, situated at Kadubeesanahalli Village, Varthur Hobli, Bangalore East Taluk. The undivided share in the said land is owned by M/s. Prestige Estates Private Limited ("**PEPL**"). The said property is located in the centre of the Project and has been considered for the purpose of planning and development of the Project, and also forms part of the access to the project land from outer ring road though not contributed for the joint development arrangement.

2. The portion of property in Survey No.32/P1 measuring 05 guntas belongs to M/s. Platina Projects. This land forms part of the Project Land and is also included in the BBMP Site Plan and the BDA Development Plan though not contributed for the joint development arrangement.

3. A nala appears to be passing through Survey No. 32 and a second nala appears to be passing through Survey No. 34. There is a total of 7 guntas of 'B' kharab land in Survey Nos.32 and 34. Further, Survey No. 32/1 measuring 3 acres 19 guntas includes 3 guntas of 'B' kharab as per the Karnataka Revision Settlement Akarband. However, the BBMP Site Plan and BDA Development Plan specifies the kharab extent with respect to Survey No. 32/1 as 2 guntas. The actual location of 'B' kharab land on Survey Nos. 32 and 34, forming part of the Project, is not identifiable.

4. The extent of Survey No. 32/1 held jointly by V. Krishna Reddy, Raghu and Chandrashekar has been changed from 1 acre 36 guntas to 2 acres 16 guntas *vide* mutation register extract bearing M.R. No. 46/2003-04 issued by the Village Accountant. The aforesaid mutation register extract records that the extent of Survey No. 32/1 has been changed pursuant to an order by the Special Tahsildar bearing No. RRT (1) CR 1709/2003-04 dated 16 March 2004 and the said order is not available for review.

5. Nil tenancy endorsement with respect to 32/1 JDA Land is not available.

6. Upon the death of Muniya alias Chikkathaiga, all his legal heirs, including his daughter Akkamma, acquired right, title and interest over Survey No.34/3 measuring 1 acre 6 guntas. However. neither Akkamma nor any of her legal heirs have joined either in the execution of any of the legacy sale deeds or confirmation deeds executed in relation to Survey No.34/3 or executed release deed releasing their right, title and interest in Survey No.34/3. 24/7 has obtained a specific indemnity under the ATS from *inter alia* PEPL in this regard.

7. Muninanja had acquired 36 guntas in Survey No. 34/4 by way of the sale deed dated 22 April 1943. However, Muninanja subsequently transacted and sold an extent of 1 acre 5 guntas, i.e., an additional 9 guntas in Survey No. 34/4.

8. Yellamma had acquired only 22 ½ guntas in Survey No. 34/4 *vide* sale deed dated 3 August 1959. However, *vide* sale deed dated 5 September 1962, Yellamma along with her husband Yellappa has sold 1 acre 5 guntas in Survey No. 34/4, i.e., an additional 22½ guntas.

9. Chinnappa Reddy had acquired an extent of 22 ½ guntas in Survey No.34/4 from Annaiah Reddy by way of sale deed dated 22 September 1965. However, by way of sale deed dated 29 July 1969, Chinnappa Reddy has sold 24 ½ guntas in Survey No. 34/4 in favour Gullamma, i.e., an additional 2 guntas.

10. Gullamma acquired 24½ guntas in Survey No.34/4 *vide* sale deed dated 29 July 1969 from Chinnappa Reddy. However, since Chinnappa Reddy had acquired only 22 guntas, he could not have transferred more than what he acquired. Therefore, Gullamma was entitled only to an extent of 22½ guntas. An extent of 2 guntas was acquired by Bangalore Development Authority from Gullamma's portion. Therefore, Gullamma was left with only 20½ guntas. However, Gullamma has sold an extent of 22½ guntas, i.e., an additional 2 guntas, in favour of Naidu Venkata Seshamma, who subsequently contributed the said land to RR Gardens JDA.

11. The powers of attorney executed by purchasers appointing and nominating their attorneys to purchase their respective properties under the following registered documents are not available, i.e., (i) sale deed dated 13 October 2000 (registered as document bearing No. 5709/2000-01, in Book-I, Vol. 4658, at pages 97 to 107, in the office of the Sub-Registrar, Bangalore South Taluk), (ii) Confirmation deed dated 28 September 2007 ( registered as document bearing No. VRT-1-03461-2007-08, in Book-I, stored in C.D. No. VRTD12, in the office of the Sub-Registrar, Varthur), (iii) Confirmation deed dated 2 July 2010 ( registered as document bearing No. VRT-1-02381-2010-11, in Book I, in C.D. No. VRTD76, in the office of the Sub-Registrar, Varthur), (iv) Confirmation deed dated 28 September 2007 ( registered as document bearing No. VRT-1-03460-2007-08, in Book-I, stored in C.D. No. VRTD12, in the office of the Sub-Registrar, Varthur), (v) Confirmation deed dated 2 July 2010 ( registered as document bearing No. VRT-1-02383-2010-11, in Book I, in C.D. No. VRTD76, in the office of the Sub-Registrar, Varthur), (vi) sale deed dated 5 May 2000 ( registered as document bearing No. 815/2000-01, in Book-I, in Vol. 4523, in pages 244 to 257, in the office of the Sub-Registrar, Bangalore South Taluk).

12. Muniyappa, son of Munikaveriga was recorded as the holder of 9 ½ guntas in Survey No. 34/4, having acquired the same by way of inheritance, with the revenue records having been mutated in his name in accordance with M.R. No. 8/2008-09 and RRT order dated 10 September 2008. in Case No.RRT (Vivada) 41/2006-07 ("**RRT Order**"). The said RRT Order was challenged by Venkatesh and Bhagyamma in revenue appeal bearing No. R.A. (BE) 93(A)/2008-09, before the Assistant Commissioner, wherein the RRT Order was set aside. Muniyappa, son of Munikaveriga had preferred a revision petition bearing R.P. No. 283/2012-13 before the Special Deputy Commissioner, Bangalore Urban challenging the RA order and subsequently the same was withdrawn by Muniyapa. However, entire case papers in revision petition bearing R.P. No. 283/2012-13 are not made available for review and therefore unable to comment if there was any adverse order passed in the said petition.

13. The genealogical tree of Munikaveriga with the details of all his children and grandchildren have not been provided to confirm if all his legal heirs have joined in the execution of the sale deed dated 12 June 2013 (registered as document No. INR-1-01685-2013-14, stored in C.D. No. INRD68, in the office of the Sub-Registrar, Indiranagar), in relation to portion of Survey No.34/4 measuring 11½.

14. Gurappa had conveyed an extent of 22 ½ guntas in Survey No.34/4 in favour of Yellamma and an extent of 9½ guntas in favour of Munikaveriga, thereby retaining 13 ½ guntas. However, from a collective review with the RTC extracts, it appears that Gurappa retained only 11 ½ guntas, with Gullamma (subsequent purchaser from Yellamma) being recorded as the owner of 24 ½ guntas in Survey No.34/4.

15. PTCL Endorsement, nil tenancy endorsement and section 79(A) and (B) endorsement with respect to portion measuring 11½ guntas in Survey No. 34/4 is not available.

16. The title of the erstwhile owners of the KIADB lands (i.e., land in (i) Survey No.32/2 measuring 2 acres 22 guntas and 2 guntas of kharab, (ii) Survey No.34/1 measuring 29 guntas excluding 2 guntas of 'B' kharab, (iii) Survey No.34/2 measuring 1 acre 9 guntas, totally measuring 4 acres 20 guntas and 4 guntas of 'B' kharab) forming part of the Project i.e., title of Bhagyamma, Venkatesh, Suresh and Manjunath in respect of each of the land parcels for which they have consented the acquisition and subsequent allocation in favor of Project Platina has not been verified, given that title to the land held otherwise has been acquired from land owners vide KIAD Act and following conveyance of the same from KIADB in favour of Project Platina.

17. Out of the total extent of 4 acres 24 guntas allotted to Project Platina in Survey Nos. 32/P1, 34/1 and 34/2 (being the KIADB Lands), compensation with respect to only 4 acres 4 guntas has been determined by consent of the landowners in terms of the Principal Development Agreements.

18. An additional extent of 5 guntas in Survey No. 32/P1 (later renumbered Survey No. 32/2) was allotted to Project Platina under a separate allotment letter further to the consent terms recorded under the joint memo filed by Suresh and Manju in WA 4892. However, documents to reflect the consent terms in relation to 2 guntas forming part of Survey No. 32/P1 has not been made available.

19. No separate lease-cum-sale agreement or supplemental to the earlier existing lease-cum-sale agreement was executed by KIADB in favour of Project Platina with respect to the portion of Survey No. 32/P1 measuring 5 guntas though it appears that allotment letter in relation to the said land contemplated execution of a separate lease cum sale agreement. We note that 24/7 has obtained specific indemnity *inter alia* from PEPL in relation to failure of Project Platina to obtain a lease-cum-sale agreement for the said land from KIADB.

20. In furtherance of a public notice issued by Link Legal India Law Services in Times of India on 17 March 2016, one M Nagaraja had raised objection on 21 March 2016, claiming ownership over an extent of 4 ½ guntas in Survey No. 32/2 (previously Survey No. 32/P1), of which 2 guntas of land was phut *kharab*. Further to such objections, Link Legal India Law Services India on 29 March 2016 wrote to M Nagaraja requesting him to provide notarised copies of the documents basis which he has based his objections on or before 31 March 2016 failing which it would be deemed that he has consented to the purchase of the property as mentioned in the public notice. No further correspondence has been received from M Nagaraja since. In view of the objections raised by M Nagaraja, PEPL by way of its letter dated 28 March 2016 to 24/7 has undertaken to settle claims by M Nagaraja at its cost should he be able to establish his claims with respect to 2 guntas of land in Survey No. 32/P1.

21. By way of an agreement to sell dated 23 March 2015 (registered as document bearing No. INR-1-10214-2014-15, in Book-I, stored in C.D. No. INRD138, in the office of the Sub-registrar, Indiranagar), one of the erstwhile owners i.e. Chikkamuniyendappa @ Muniyendappa along with (1) Nethravathi, wife of Muniyendappa; and (2) Nandini; (3) Rekha; (4) Ramya; and (5) Sharath, all children of Muniyendappa (collectively "**Chikkamuniyendappa Family**"), *inter alia* agreed to sell built-up area being 1,743 square feet from and out of 3,485 square feet allocated to them in terms of the Principal Development Agreements and Supplementary Agreements, in favour of Project Platina. It was further agreed that possession of the above property would be handed over at the time of registration of the sale deed. By way of a subsequent agreement to sell dated 17 August 2015 (registered as document bearing No. 3739/2014-15, in Book-I), Chikkamuniyendappa Family, inter alia agreed to sell the remaining portion of the agreed built-up area being 1,742 square feet of built-up area in favour of Project Platina. It was further agreed that possession of the above property would be handed over at the time of registration of the sale deed. Further, we also note that a previous agreement to sell executed by Chikkamuniyendappa Family in favour of P. Narayanaswamy was cancelled and that the said P. Narayanaswamy joined the sale deed as a 'consenting witness'. We have not been provided with any clarification if the sale contemplated under the aforesaid agreements for sale was completed nor could we find reference to any such sale deeds being executed from our review of the encumbrance certificates provided to us.

## IV. Material litigation and regulatory action pending against the Project Platina

1. Appeal No. 610 of 2019 before the Karnataka Appellate Tribunal, Bengaluru: 24/7 Customer Private Limited ("**24/7**") has challenged the order dated 27 March 2019 in proceeding No. SJN/IND/46A/01/18-19/1685, wherein the District Registrar has assessed the market value of the property subject matter of the sale deed dated 30 April 2016 at Rs. 322,41,12,615/- for the purpose of stamp duty and accordingly a short levy of Rs. 2,34,02,550/- was identified in relation to the stamp duty and registration fee together. The order further provided that the short levy was to be paid within 90 days of the order failing which interest of 12% would be imposed. 24/7 has obtained a stay on the order dated 27 March 2019 and the appeal proceedings are in progress.

## V. Material litigation and regulatory action pending against the Valuer

As of the date of this Final Scheme Offer Document, the Valuer does not have any regulatory actions, criminal matters, or material litigation pending against it. For the purpose of pending civil/ commercial matters against the Valuer, matters involving amounts exceeding ₹ 5.00 million have been considered material.

***Tax Proceedings***

Details of all direct tax, indirect tax and property tax matters against the Relevant Parties, as of the date of this Final Scheme Offer Document is as follows:

| Nature of cases | Number of cases | Amount involved (in ₹ million) |
|---|---|---|
| **Platina SPVs** | | |
| Direct Tax | NIL | NIL |
| Indirect Tax | NIL | NIL |
| Property Tax | NIL | NIL |

## REGULATORY APPROVALS

*Other than as stated in this section, the Platina SPVs under the PropShare Platina and Project platina have received necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/or regulatory authorities, required for carrying out their present business, as applicable. In view of the approvals listed below, the Platina SPVs under the PropShare Platina can undertake the Offer as well as its current business and the Platina SPVs can undertake their current business, as applicable, and no further material approvals from any governmental or regulatory authority or any other entity are required to undertake the Offer or to continue its business, as applicable. Unless otherwise stated, these approvals are all valid as on the date of this Final Scheme Offer Document. Please note that regulatory approvals in relation to the Trust are covered under the Final Trust Offer Document.*

**I. Approvals required in relation to the Offer**

1. In-principle approval received from the BSE dated November 12, 2024.

**II. Approvals required for the Formation Transactions pursuant to PropShare Platina**

*1. Approvals applied for, but not received as of the date of this Final Scheme Offer Document*

There are no approvals applied and pending as of the date of this Final Scheme Offer Document.

*2. Approvals to be applied for as of the date of this Final Scheme Offer Document*

There are no approvals pending to be applied for as of the date of this Final Scheme Offer Document

**III. Approvals required for the operation of RPL**

1. Certificate of incorporation dated July 27, 2023, by Registrar of Companies, Central Registration Centre.

**IV. Approvals required for the operation of the PAPL**

1. Certificate of incorporation dated September 13, 2023, by Registrar of Companies, Central Registration Centre.

**V. Approvals required for the operation of APL**

1. Certificate of incorporation dated September 16, 2023, by Registrar of Companies, Central Registration Centre.

**VI. Approvals required for the operation of PPL**

1. Certificate of incorporation dated September 26, 2023, by Registrar of Companies, Central Registration Centre.

**VII. Approvals required for the operation of WPL**

1. Certificate of incorporation dated September 25, 2023, by Registrar of Companies, Central Registration Centre.

**VIII. Approvals required for the operation of EPL**

1. Certificate of incorporation dated September 26, 2023, by Registrar of Companies, Central Registration Centre.

**IX. Approvals required for the operation of Project Platina**

24/7 Customer Private Limited (proposed seller of the Project Platina to the Platina SPVs in relation to PropShare Platina) has obtained, the necessary permits, licenses, and approvals from the appropriate regulatory and governing authorities to operate Project Platina. These approvals and licenses include registrations and approvals under various central and state tax legislations, occupancy certificates, structural stability certificate, electrical approvals, fire safety approvals, other approvals from several central and state governmental authorities, including; Karnataka Industrial Area Development Board for building plan approval, Bruhat Bengaluru Mahanagara Palike for providing the commencement certificate, Bangalore Development Authority for modified development plan, Environmental Impact Assessment Authority, Karnataka for environmental and pollution approvals, Karnataka State Pollution Control Board for consent for establishment, authorization under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, for occupiers, recyclers, reprocessors, reusers, and operators of disposal facilities, office of the Director General of Police, Commandant General, Home Guards, and Director General of Karnataka State Fire and Emergency Services for the fire department No Objection Certificate, Bangalore Electricity Supply Company

Limited for the electricity No Objection Certificate, Chief Electrical Inspector, Electricity Inspectorate, Government of Karnataka for the lift licenses, Chief Manager (Aerodrome) for the General Manager, Airport Services Centre, Hindustan Aeronautics Limited (HAL) for the height No Objection Certificate, Bangalore Water Supply and Sewerage Board, issued by the Engineer-in-Chief, BWSSB for the No Objection Certificate and Bharat Sanchar Nigam Limited for No Objection Certificate.

## TAXATION

**INDEPENDENT AUDITOR'S REPORT ON STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO PROPSHARE PLATINA ("SCHEME OF THE TRUST"), THE 1ST SCHEME OF PROPERTY SHARE INVESTMENT TRUST ("TRUST"), AND ITS UNITHOLDERS UNDER THE APPLICABLE INCOME TAX LAWS IN INDIA**

To
The Board of Directors,
Propshare Investment Manager Private Limited (the "Investment Manager" or "Manager") in its capacity as the Manager of PropShare Platina the 1st Scheme of Property Share Investment Trust
10th Floor, SKAV Seethalakshmi,
21/22 Kasturba Road,
Bengaluru, Karnataka 560 001

Dear Sirs,

**Sub: Statement of possible tax benefits ('the Statement') available to the Scheme of the Trust and its unitholders**

We hereby confirm that the enclosed Annexure to the Statement, prepared by Propshare Investment Manager Private Limited states the possible tax benefits available to the Scheme of the Trust and its unitholders under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act (No. 2), 2024 read with the Income tax Rules, 1962, i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26 (referred to as 'the Direct Tax Law'), presently in force in India.

Several of these benefits are dependent on the Scheme of the Trust or its unitholders fulfilling the conditions prescribed under the relevant provisions of the Direct Tax Law. Hence, the ability of the Scheme of the Trust or its unitholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Scheme of the Trust may face in the future, which, the Scheme of the Trust or its unitholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated in the Annexure is the responsibility of the Investment Manager. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.

In view of the individual nature of the tax consequences and the changing Direct Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Units of the Scheme of the Trust (the "Offer") in accordance with the provisions of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended and the guidelines and circulars issued thereunder (the "REIT Regulations"). We are neither suggesting nor advising the investors to invest in the Offer relying on this statement.

We do not express any opinion or provide any assurance as to whether:

I. The Scheme of the Trust or its unitholders will obtain/continue to obtain these tax benefits in future;

II. The conditions prescribed for availing the tax benefits have been/would be met with; and

III. The revenue authorities/courts will concur with the views expressed herein.

We assume no obligation to update the Annexure on any events subsequent to this date, which may have a material effect on the discussions herein.

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Investment Manager and on the basis of our understanding of the business activities and operations of the Scheme of the Trust.

This Statement is prepared solely for the purpose of inclusion in the offer document and final offer document, or any other material prepared solely in connection with the Offer, and is not to be used, referred to or distributed for any other purpose.

**LIMITATIONS**

*Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the Issue relying on the Statement*

*This Statement has been prepared solely in connection with the Issue under the prescribed regulations.*

For ASA& Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 009571N/N500006

Vinay K S
Partner
Membership Number: 223085
UDIN: 24223085BKENMR6089
Bengaluru
Date: September 19, 2024

**ANNEXURE TO STATEMENT OF POSSIBLE TAX BENEFITS APPLICABLE TO PROPSHARE PLATINA AND ITS UNITHOLDERS UNDER THE APPLICABLE INCOME-TAX LAWS IN INDIA TAX REGIME FOR THE SCHEME OF THE TRUST AND UNITHOLDERS UNDER THE PROVISIONS OF THE INCOME-TAX ACT, 1961 ('ITA')**

The ITA has set-out a special regime for taxation of income arising to REIT and its unitholders under Chapter XII-FA of the ITA.

We have summarized below relevant income-tax provisions as applicable to Scheme of the Trust and its unitholders, under the ITA, as amended by the Finance Act (No. 2), 2024. The tax provisions listed below are available to Scheme of the Trust and its unitholders subject to compliance with the applicable provisions and/or the conditions laid out in the ITA and the regulations as prescribed under the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992) ('REIT Regulations') as amended including regulations under chapter VIB of the REIT Regulations applicable to Small and Medium Real Estate Investment Trust ("SM REIT").

**A. Tax provisions applicable to the Scheme of the Trust**

**1. Tax benefits in the hands of Scheme of the Trust in respect of interest and dividend income received from special purpose vehicles**

**1.1 Interest Income**

Interest income received or receivable by the Scheme of the Trust from an Indian company in which the Scheme of the Trust holds a controlling interest, as required under the REIT Regulations ('SPV') shall be exempt from tax in the hands of the Scheme of the Trust under section 10(23FC)(a) of the ITA.

**1.2 Dividend Income**

Dividend income received or receivable by the Scheme of the Trust from a SPV shall be exempt in the hands of the Scheme of the Trust under section 10(23FC)(b) of the ITA.

**2. Taxation of income, other than income referred to in paragraphs 1 and 2 above, in the hands of the Scheme of the Trust – Section 115UA(2) read with section 111A, section 112 and section 112A of the ITA**

**2.1 Income from capital gains**

(i) Capital gains arising in the hands of the Scheme of the Trust shall be chargeable to tax as under:

| ***Assets*** | **Calculation of Period of holding[10]** | **Nature of capital gains** | **Applicable tax rates [11]** |
|---|---|---|---|
| *Unlisted debentures and bonds* | Not applicable[12] | Short Term Capital Gains ('STCG') | 30% |
| *Unlisted securities (other than unlisted debentures)* | More than 24 months | Long Term Capital Gains ('LTCG') | 12.5% |
| | Less than or equal to 24 months | STCG | 30% |

(ii) Any income other than income referred to in paragraph (i) above shall be taxed at the maximum marginal rate in the hands of the Scheme of the Trust in accordance with section 115UA(2) of the ITA.

(iii) Section 74 of the ITA allows short-term capital loss arising during a financial year to be set-off against income, if any, from capital gains (short term or long-term), arising in the same financial year. However, long-term capital loss arising during a financial year is allowed to be set-off only against long-term capital gains. Balance loss, if any, is allowed to be carried forward and set-off against income from capital gains, arising during subsequent eight assessment years, as follows: (i) balance short-term capital loss can be carried forward and set-off against capital gains (short term or long-term); and (ii) balance long-term capital loss can be carried forward and set-off only against long-term capital gains.

[10] Section 2(29AA) read with section 2(42A) of ITA
[11] Excluding applicable surcharge and health and education cess
[12] Deemed short term capital gains under section 50AA of ITA with effect from 23 July 2024

**2.2 Income from buy back of shares.**

(i) As per provisions of section 115QA of ITA, in case of buyback of shares by a domestic company, the company shall pay tax at the rate of 20% plus surcharge of 12% and cess 4% (effectively 23.296%) on the difference between the amount distributed and amount paid at the time of allotment of shares by the shareholders.

(ii) The buyback proceeds received in the hands of the shareholders are exempt under section 10(34A) of ITA.

(iii) However, as per an amendment brought to effect in the Finance Act (No. 2), 2024, the provisions of section 115QA would not be applicable to any buyback of shares that takes place on or after 1st Day of October 2024.

(iv) With effect from 1st day of October 2024, the amount distributed by the SPV by way of buyback would be deemed to be dividend under section 2(22)(f) of ITA in the hands of the Scheme of the Trust. The actual cost of acquisition of the shares would be deemed to be the capital loss for the Scheme of the Trust.

(v) Further, the proceeds distributed by way of buyback would be taxed as dividends as per the section 2(22)(f) of ITA and such dividend would be exempt in the hands of the Scheme of the Trust under section 10(23FC)(b) of ITA and may be exempt in the hands of the unitholders, if the amount received is a qualified dividend income under section 10(23FD) of ITA (Refer Note below).

**B. Tax provisions applicable to the unitholders of the Scheme of the Trust**

**3. Income arising from Scheme of the Trust**

As per provisions of section 115UA (1) of the ITA, any income distributed by the Scheme of the Trust is taxable in the hands of the unitholders in the same manner and proportion as the underlying income stream received by or accrued to the Scheme of the Trust

We have discussed below taxability of the income in the hands of unitholders:

| Residential status of unitholders | Nature of income | Tax Rates |
|---|---|---|
| **Resident unitholders** | Interest income | At applicable rates^ |
| | Qualified dividend income | Tax exempt (Refer Note below) |
| | Disqualified dividend income | At applicable rates^ (Refer Note below). |
| | Any other income taxable in the hands of the Scheme of the Trust | Tax exempt |
| | Any distributions other than the above (specified sum as per section 56(2)(xii) of the ITA) | Taxable once such distributions exceed the issue price of unit# |
| **Non-resident unitholders** | Interest income | 5%*^ |
| | Qualified dividend income | Tax exempt (Refer Note below) |
| | Disqualified dividend income | At applicable rates^@ (Refer Note below) |
| | Any other income taxable in the hands of Scheme of the Trust | Tax exempt |
| | Any distributions other than the above (specified sum as per section 56(2)(xii) of the ITA) | Taxable once such distributions exceed the issue price of unit# |

* *Excluding applicable surcharge and cess*

^ *The income shall be subject to deduction of tax at source (for details see paragraph 5 below)*

\# *Any amount distributed by us to a unitholder which is not in the nature of dividends or interest, or any other income shall be reduced from the cost of acquisition of such unitholder, till such time that the aggregate of such distributions does not exceed the original issue price of our units. Distributions in excess of the original issue price of our units shall be taxed in the hands of the unitholder at applicable tax rate per section 56(2)(xii) of the ITA, i.e., Specified sum received by a unitholder from a Business Trust/Scheme of the trust shall be charged to tax as:*

*A (-) B (-) C;*

*A = Aggregate of sum distributed by the Business Trust/Scheme of the trust other than interest, dividend, rental and exempt income to any investor on every unit*

*B = Issue price of a unit of the Business Trust/Scheme of the trust*

*C = Amount charged to tax under these provisions in earlier years*

*Further, specified sum shall be deemed to be zero, if sum of B and C is greater than A*

**@** *Under the provisions of section 90(2) of the ITA, non-resident unitholders may seek to avail beneficial provisions under the applicable Double Taxation Avoidance Agreement ('DTAA') that India may have entered into with their respective country of residence*

*Note: As per section 10(23FD) of ITA, taxability of income in the nature of dividend distributed by Scheme of the Trust to unitholders is dependent*

*on the taxation regime adopted by the SPV(s), which distributes the dividend to Scheme of the Trust. If the SPV(s) has not opted for a concessional corporate tax rate under section 115BAA of the ITA ('Qualifying SPV'), dividend received from such Qualifying SPV ('Qualified Dividend') and distributed by Scheme of the Trust is exempt in the hands of the unitholders. Any dividend other than Qualified Dividend distributed by Scheme of the Trust ('Disqualified Dividend') is taxable in the hands of the unitholders.*

**4. Tax provisions applicable to unitholders on sale of units**

**For resident, non-resident and Foreign Portfolio Investor ('FPIs') / Foreign institutional Investors ('FIIs') unit holders**

(i) In case units of the Scheme of the Trust are held as capital asset by the unitholder, gains arising on sale of units of the Scheme of the Trust on a recognized stock exchange, which have been subjected to Securities Transaction Tax ("STT"), shall be liable to tax as under:

| Period of Holding | Nature of Capital Gains | Applicable Tax rates |
|---|---|---|
| **More than 12 months** | LTCG | 12.5%* on gains exceeding INR 0.125 million |
| **Less than or equal to 12 months** | STCG | 20%** |

* *Excluding applicable surcharge and cess under section 112A of the ITA*

** *excluding applicable surcharge and cess under section 111A of the ITA*

*Note: Gains arising on sale of units of the Scheme of the Trust, where sale is not pursued through a recognized stock exchange and not subject to STT, shall be chargeable to tax as under:*

- *at applicable tax rate, plus applicable surcharge and cess in case of STCG*
- *For calculating gains cost of acquisition of units to stand reduced to the extent of distributions received which is not in the nature of:*
- *interest or dividend from SPV covered by section 10(23FC) of the ITA*
- *sum not chargeable to tax for the unit holders under newly introduced 56(2)(xii) of the ITA*

**5. Applicability of Minimum Alternate Tax ("MAT") under section 115JB of ITA for domestic companies who earn income from units held in REIT**

- In case of domestic companies that are liable to pay MAT under provisions of section 115JB of the ITA (unless such domestic company has opted to be governed by the concessional tax regime provided under section 115BAA of the ITA), the gains arising, if any, on sale of units of Scheme of the Trust are to be included as part of book profits for the purposes of computing MAT lability. MAT paid by such companies shall be available as credit for set-off against future tax liability, provided such companies do not subsequently opt to be governed by the concessional tax rate under section 115BAA of the ITA.

- As per Explanation 4 to section 115JB(2) of the ITA, the provisions of section 115JB shall not be applicable to a foreign company if the foreign company is a resident of a country having DTAA with India and such foreign company does not have a permanent establishment within the definition of the term in the relevant DTAA, or the foreign company is a resident of a country with which India does not have a DTAA with India and such foreign company is not required to seek registration in India under any laws relating to companies for the time being in force.

- Pursuant to Central Board of Direct Tax press release dated September 24, 2015, the Government has clarified the inapplicability of Minimum Alternate Tax provisions to FIIs/FPIs.

**6. For Mutual Funds investing in units of REITs**

Under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorized by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

**C. Withholding tax provisions**

**7. Applicable withholding tax implications on income distributions to the Scheme of the Trust and its unitholders are set out below:**

**7.1 On income distributions made to Scheme of the Trust by SPVs**

(i) As per section 194A(3)(xi) of the ITA, any income by way of interest (other than 'interest on securities') received/receivable by the Scheme of the Trust from SPV is not subject to withholding tax.

(ii) As per clause (ix) of first proviso to section 193 of the ITA, any income by way of interest on securities received/receivable by the Scheme of the Trust from SPV is not subject to withholding tax.

(iii) Any dividends received by the Scheme of the Trust from SPV is not subject to withholding tax as per clause (d) of second proviso of section 194 of the ITA.

### 7.2 On income distributions made to Unitholders by the Scheme of the Trust

As per section 194LBA of the ITA, taxes shall be required to be deducted at source at the time of payment/credit (whichever is earlier) from following income distributions by the Scheme of the Trust to its unitholders:

| Income recipient | Nature of income | Applicable tax rates |
|---|---|---|
| **Resident unitholders** | Interest income<br>Disqualified dividend income<br>Qualified dividend income<br>Any distributions other than the above | 10%*<br>10%*<br>Not subject to withholding tax<br>Not subject to withholding tax |
| **Non-resident unitholders** | Interest income<br>Disqualified dividend income**<br>Qualified dividend income<br>Any distributions other than the above | 5%*<br>10%*<br>Not subject to withholding tax<br>Not subject to withholding tax |
| **Category I and II Alternative Investment Funds**<br><br>**Mutual funds** | Any distribution of nature referred to in section 10(23FBA) of the ITA<br><br>Any distribution | Not subject to withholding tax |

* *Excluding applicable surcharge and cess*

** *If the ITA provides withholding tax rate for any specific category of non-resident unitholders, then the same needs to be considered.*

\# *Non-resident unitholders may seek to avail any beneficial provisions under applicable DTAA that India may have entered into with its country of residence.*

**On sale of units of the Scheme of the Trust**

(i) No withholding tax applies in respect of capital gains arising from transfer of units to a resident or a non-resident which is a Foreign Portfolio Investor ('FPI') registered with the Securities and Exchange Board of India.

(ii) Withholding tax under section 195 of ITA may apply on capital gains arising to a non-resident who is not an FPI. Where such non-resident is entitled to benefits, including capital gains tax exemptions, under the applicable DTAA, it will have to furnish all the relevant documents / information to demonstrate his claim of taking DTAA benefits.

## D. General tax rates

The income-tax rates specified in this statement are as applicable for the financial year 2024-25 under the provisions of the ITA, and are exclusive of surcharge and education cess, if any. The rates of surcharge and cess are provided below:

Surcharge rate on income-tax is as follows:

(i) For companies:

| Particulars | Domestic Company* | Foreign Company |
|---|---|---|
| If the net income does not exceed INR 10 million | Nil | Nil |
| If the net income exceeds INR 10 million but does not exceed INR 100 million | 7% | 2% |
| If the net income exceeds INR 100 million | 12% | 5% |

* *Note: For domestic companies which have exercised the option under section 115BAA of the ITA, the surcharge shall be 10% irrespective of the amount of taxable income.*

(ii) For Individuals, HUF, AOP, BOI:

| Particulars | Surcharge Rate |
|---|---|
| If the net income does not exceed INR 5 million | Nil |
| If the net income exceeds INR 5 million but does not exceed INR 10 million | 10% |
| If the net income exceeds INR 10 million but does not exceed INR 20 million | 15% |
| If the net income exceeds INR 20 million but does not exceed INR 50 million | 25% |
| If the net income exceeds INR 50 million | 37% |

*Note:*

- *Highest surcharge rate applicable shall be 25% if the category of investors has opted to exercise option under section 115BAC of the ITA.*

- *The surcharge on dividend income, long term capital gains and short-term capital gains under section 111A of the ITA arising from disposal of REIT units shall not exceed 15%, even if the income exceeds INR 20 million.*
- *Health and education cess: In all cases, health and education cess will be levied at the rate of 4% of the income tax and surcharge.*

**E. Notes:**

1) The information provided in this statement sets out the possible tax benefits available to the unitholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of units of the Scheme of the Trust, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the units particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation impacting the provisions/benefits if any, which an investor can avail.

2) The stated possible tax benefits will apply only to the sole/first named holder in case the units are held by joint holders.

3) In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to benefits available, if any, under the applicable DTAA, if any, between India and the country in which the non-resident has fiscal domicile.

4) This statement of tax provisions enumerated above is as per the ITA as amended by the Finance Act (No. 2) 2024. This statement sets out the provisions applicable to the Scheme of the Trust and its unitholders under the current tax laws presently in force in India for FY 2024-25. Several of these provisions and benefits if any, are dependent on the Scheme of the Trust or its unitholders fulfilling the conditions prescribed under the relevant tax laws.

5) The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

6) No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## THE OFFER

The following is a general summary of the terms of the Offer. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Final Scheme Offer Document:

| | |
|---|---|
| **Offer** | 3,361 Platina Units (*Subject to finalization of basis of allotment*) aggregating to ₹ 3,529.05 million. |
| *Less* | |
| *Investment Manager portion (5% of the Offer)* | 169 Platina Units aggregating to ₹177.45 million |
| *Accordingly* | |
| *Net Offer* | 3192 Platina Units aggregating to ₹3351.60 million |
| *Comprising* | |
| Fresh Issue | 3,361 Platina Units *(Subject to finalization of basis of allotment)* aggregating to ₹ 3,529.05 million |
| *Of which* | |
| Institutional Investor Portion (not more than 75% of the Net Offer)* | Not more than 2394 Platina Units |
| Non Institutional Investor Portion (not less than 25% of the Net Offer)* | Not less than 798 Platina Units |
| **Floor Price** | ₹10,00,000 |
| **Cap Price** | ₹10,50,000 |
| **Offer Price** | ₹10,50,000 |
| **Face Value** | NA |
| **Minimum Bid Size** | ₹ 10,00,000 |
| **Bid/ Offer Opening Date** | December 2, 2024 |
| **Bid/ Offer Closing Date** | December 4, 2024 |
| **Trustee** | Axis Trustee Services Limited |
| **Investment Manager** | PropShare Investment Manager Private Limited [(1)]. |
| **Authority for the Offer** | The Offer was authorised and approved by the board of directors of the Investment Manager on September 17, 2024 read with board resolution dated September 26, 2024. |
| **Tenure of the Property Share Investment Trust** | The Property Share Investment Trust shall remain in force perpetually until it is dissolved or terminated in accordance with the Trust Deed and the REIT Regulations. For details, see "*Formation Transactions*" in the Final Scheme Offer Document and "*The Trustee*" on the Final Trust Offer Document. |
| **Platina Units issued and outstanding immediately prior to the Offer** | Nil |
| **Units issued and outstanding immediately after the Offer** | 3,361 *(Subject to finalization of basis of allotment.)* |
| **Investment Manager Units** | 169 Platina Units to the Investment Manager<br><br>The minimum Platina Units to be subscribed and allotted to the Investment Manager pursuant to the Offer. |
| **Distribution** | See "*Distribution*" on Final Trust Offer Document |
| **Indian Taxation** | See "*Taxation*" on pages 104 to 110 |
| **Use of proceeds** | See "*Use of Proceeds*" on pages 93 to 97 |
| **Listing and timelines for Listing** | Prior to this Offer, there was no market for the Platina Units. The Platina Units are proposed to be listed on the BSE. In-principle approvals for listing of the Platina Units have been received from BSE on November 12, 2024. The Investment Manager shall apply to BSE for the final listing and trading approvals post closure of the Offer. The Platina Units are required to be listed within six Working Days from the Bid/ Offer Closing Date. |
| **Designated Stock Exchange** | BSE Limited |
| **Transfer Restriction** | See "*Rights of Platina Unitholders*" on pages 136 to 138 |
| | |
| **Closing Date** | The date on which Allotment of the Platina Units pursuant to the Offer is expected be made, i.e. on or about December 10, 2024 |
| **Ranking** | The Platina Units being issued and transferred shall rank *pari passu* in all respects, including rights in respect of distribution. The Platina Unitholders will be entitled to participate in distribution, if any, declared by Property Share Investment Trust after the date of Allotment<br><br>See "*Rights of Platina Unitholders*" on pages 136 to 138 |
| **Alteration of terms of the Offer** | In case of any alteration of the terms of the Platina Units, including the terms of the Offer, which may adversely affect the interest of the Platina Unitholders, an approval from the Platina Unitholders shall be required where the votes cast in favour of the resolution shall be more than the votes cast against the resolution. |
| **Lock-in and Rights of Platina Unitholders** | For details, see "*Information concerning the Platina Units*" and "*Rights of Platina Unitholders*" on pages 115 and 136 to 138, respectively. |
| **Risk Factors** | Prior to making an investment decision, investors should carefully consider the matters discussed under *"Risk Factors*" on page 29 to 34 |

**Subject to finalization of basis of allotment.*

Allocation to Bidders in all categories, if any, shall be made on a proportionate basis within the specified investor categories and the number of Platina Units Allotted shall be rounded off to the nearest integer, subject to minimum Allotment in accordance with the REIT Regulations and the SEBI Guidelines.

The Net Offer is being made through the Book Building Process, wherein not more than 75% of the Net Offer shall be available for allocation to Institutional Investors on a proportionate basis and minimum 25% of the Net Offer shall be available for allocation to Non Institutional Investors in accordance with the REIT Regulations and the SEBI Guidelines.

In case of under-subscription in any category, the unsubscribed portion in either category may be Allotted to Bidders in the other category at the discretion of the Investment Manager, in consultation with the Lead Manager and the Designated Stock Exchange.

There shall not be multiple classes of Platina Units. Further, in accordance with the REIT Regulations and SEBI Guidelines, no Platina Unitholder shall enjoy superior voting rights or any other rights over another Platina Unitholder.

There shall be only one denomination of Units at any given time. The Investment Manager shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

In case Property Share Investment Trust does not receive (i) the minimum subscription of at least 90% of the Net Offer specified in this Final Scheme Offer Document; or (ii) subscription for the minimum public unitholding in accordance with REIT Regulations, or (iii) if to the number of prospective Allottees forming part of the public is less than 200, our Investment Manager shall refund the entire subscription money received.

No person connected with the Net Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application for Allotment of Platina Units.

The Platina Units, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

For further details, including in relation to manner and method of application, see "*Offer Information*" on page 116 to 134.

## OFFER STRUCTURE

Initial public offering of 3361 Platina Units (subject to finalization of basis of allotment) for cash at price of ₹ 10,50,000 per Platina Unit aggregating to ₹ 3,529.05 million by PropShare Platina comprising of a Fresh Issue of 3361 Platina Units (subject to finalization of basis of allotment), aggregating to ₹ 3,529.05 million. This Net Offer is being made through the Book Building Process or any other process in accordance with applicable laws.

| Particulars | Institutional Investors | Non Institutional Investors |
|---|---|---|
| Number of Platina Units available for Allotment/allocation(1) | Not more than 2,394 Platina Units | Not less than 798 Platina Units |
| Percentage of Net Offer size available for Allotment/allocation | Not more than 75% of the Net Offer | Not less than 25% of the Net Offer |
| Basis of Allotment/ allocation if respective category is oversubscribed | Proportionate | Proportionate |
| Minimum Bid | 1 Platina Units and in multiples of 1 Platina Units thereafter | 1 Platina Units and in multiples of 1 Platina Units thereafter |
| Maximum Bid (subject to applicable limits) | Such number of Platina Units (in multiples of 1 Platina Units) not exceeding the size of the Net Offer | Such number of Platina Units (in multiples of 1 Platina Units) not exceeding the size of the Net Offer |
| Mode of Allotment | Compulsorily in dematerialised form | Compulsorily in dematerialised form |
| Bid Lot | 1 | 1 |
| Allotment Lot | 1 | 1 |
| Trading Lot | Such number of Platina Units, the value of which is not less than ₹10,00,000 | Such number of Platina Units, the value of which is not less than ₹10,00,000 |
| Who can apply(2) | (i) QIBs; or<br>(ii) family trusts or intermediaries registered with SEBI, all with net-worth of more than ₹5,000 million, as per the last audited financial statements | Bidders other than Institutional Investors, eligible to apply in this Net Offer |
| Terms of Payment | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the Bid cum Application Form. (3) | Full Bid Amount shall be blocked in the bank account of the Non-Institutional Investor that is specified in the Bid cum Application Form. (3) |

*(1) Subject to finalization of basis of allotment*

*(2) In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only the First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Bidders are advised to consult their own advisors with respect to any restrictions or limitations that may be applicable to them, including any restrictions or limitations in relation to their ability to invest in the Platina Units. By making a Bid (including any revision thereof), the Bidder will be deemed to have represented to the Investment Manager, the Trustee, the Lead Manager and the Syndicate Members that it is eligible to participate in the Offer and be Allotted Platina Units under applicable law*

*(3) In case of ASBA Investors, the SCSBs shall be authorised to block such funds in the bank account of the Investor that are specified in the Bid cum Application Form*

In case of under-subscription in any investor category, the unsubscribed portion to the Institutional Investor Portion may be Allotted to Applicants in the other category at the discretion of the Investment Manager, in consultation with the Lead Manager.

### Indicative Offer Timeline

| Event | Indicative Date |
|---|---|
| | |
| Bid/ Offer Opening Date | December 2, 2024 |
| Bid/ Offer Closing Date | December 4, 2024 |
| Finalization of the Basis of Allotment | On or about December 9, 2024 |
| Closing Date(1) | On or about December 10, 2024 |
| Initiation of refunds | On or about December 11, 2024 |
| Listing Date | On or about December 12, 2024 |

*1. The date on which allotment of the Platina Units pursuant to the Offer is expected be made, i.e. on or about December 10, 2024.*

**The above timetable is indicative and does not constitute any obligation or liability on Property Share Investment Trust, the Investment Manager, the Trustee or the Lead Manager.**

**While the Investment Manager shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Platina Units on the BSE are taken within six Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, including any extension of the Bid/ Offer Period by the Investment Manager due to any revision(s) of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange or any force majeure, banking strike or similar circumstances. The commencement of trading of the Platina Units will be entirely at the discretion of the BSE and in accordance with the applicable laws.**

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Bid/ Offer Period

(except the Bid/ Offer Closing Date) at the Bidding Centres and the Designated Branches mentioned on the Bid cum Application Form. Bidders are not allowed to withdraw or lower their Bid (in terms of number of Platina Units or the Bid Amount) at any stage. Bidders can make upward revisions in their Bids, subject to applicable law. It is clarified that Bids not uploaded on the electronic bidding system would be rejected. Due to limitation of the time available for uploading the Bids on the Bid/ Offer Closing Date, Investors are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Final Scheme Offer Document is IST. Investors are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public holiday). None among the Property Share Investment Trust, the Investment Manager, the Trustee or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchange(s) shall be taken as the final data for the purpose of Allotment.

The Investment Manager, in consultation with the Lead Manager, reserve the right to revise the Price Band during the Bid/ Offer Period. In case the Price Band is revised, the Offer Period shall be extended for a minimum period of three Working Days, subject to the total Bid/ Offer Period not exceeding 30 days. Provided, that in case of force majeure, banking strike or similar circumstances, Property Share Investment Trust, for reasons to be recorded in writing, may extend the Bid/ Offer Period for a minimum period of three Working Days, subject to total Bid/ Offer Period not exceeding 30 days. The revised Price Band and Offer Period will be widely disseminated by notification to the Designated Intermediaries and BSE, and also by indicating the change on the websites of Property Share Investment Trust and the Lead Manager and the Stock Exchange and at the terminals of the Members of the Syndicate. In accordance with the REIT Regulations and the SEBI Guidelines, the Price Band cannot be revised more than two times during the Bid/ Offer Period.

## INFORMATION CONCERNING THE UNITS

### Unitholding of the Property Share Investment Trust

| Particulars | Number of Units* |
|---|---|
| Units issued and outstanding prior to the Offer | Nil |
| Units issued and outstanding after the Offer | 3,361* |

* *Subject to finalization of basis of allotment*

### Unitholders holding more than 5% of the Units of the Property Share Investment Trust

| S. No. | Name of Unitholders | Post-Offer# | |
|---|---|---|---|
| | | Number of Units | Percentage of holding (%) |
| 1. | PropShare Investment Manager Private Limited | 169 | 5.03% |
| 2. | Alpha Alternatives Financial Services Private Limited | 838 | 24.93% |
| 3. | Larsen and Toubro Limited | 666 | 19.82% |
| 4. | Trust Investment Advisors Private Limited | 286 | 8.51% |
| 5. | Tikri Management Private Limited | 286 | 8.51% |
| 6. | Astorne Capital VCC – Arven | 240 | 7.14% |
| 7. | Navi Technologies Limited | 240 | 7.14% |
| 8. | Tikri Hospitality Private Limited | 190 | 5.65% |

**Subject to finalization of basis of allotment*

### Pro forma Net Asset Value

| S. No. | Particulars | As at December 5, 2024 Book value | As at December 5, 2024 Fair value |
|---|---|---|---|
| 1. | Net Assets before the Offer (₹ million) | 0.01 | 0.01 |
| 2. | Fresh Issue (₹ million) | 3529.05 million | 3529.05 million |
| 3. | Net Assets after the Offer (₹ million) | 3,529.06 million | 3,529.06 million |
| 4. | Units issued and outstanding after the Offer | 3,361 | 3,361 |
| 5. | Pro forma NAV per Unit after the Offer (₹) | 10,50,003 | 10,50,003 |

** This is subject to finalization of basis of allotment.*

### Unitholding of the Investment Manager and the Trustee

The Investment Manager will hold 169 Units (*subject to finalisation of the basis of allotment*) of the Property Share Investment Trust, aggregating to 5.03% of the issued and paid-up Platina Units.

### Investment Manager lock-in

In terms of the REIT Regulations, the Investment Manager shall hold at least 5% of Platina Units on a post-Offer basis, which shall be locked-in for a period of three years from the date of listing of the Units, since there is no leverage at Investment Manager level. Details of Units proposed to be locked-in is set out below:

| Name | No. of Units | Percentage of post-Offer Units (%) |
|---|---|---|
| Investment Manager | 169 | 5.03% |

Additionally, the unitholding of the Investment Manager exceeding 5% on a post-Offer, aggregating to 169 Units, shall be locked-in for a period of not less than one year from the date of listing of the Units.

Any change in control of the Manager shall require the prior approval of the Unitholders and SEBI in accordance with the REIT Regulations.

### Manager employee incentivization plan

In order to incentivize the eligible employees of the Investment Manager, a unit-based benefit scheme or plan may be adopted, which may be implemented either by the Investment Manager in accordance with the REIT Regulations.

### Other Unitholders' lock-in

Any person other than the Investment Manager holding Units of the Property Share Investment Trust prior to the Offer, shall hold the Units for a period of not less than one year from the date of listing of the Units. The Investment Manager is subject to lock-in restrictions as described above.

## OFFER INFORMATION

*Below is a summary, intended to provide a general outline of the procedures for the bidding, application, payment, Allocation and Allotment of the Platina Units to be issued pursuant to the Offer. The procedure followed in the Offer may differ from the one mentioned below, and investors are presumed to have apprised themselves of the same from the Investment Manager or the Lead Manager.*

*The Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Investors that apply in the Offer will be required to confirm and will be deemed to have represented to the Trustee, the Investment Manager, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Platina Units. The Investment Manager and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Platina Units. The Investment Manager, the Trustee, the Lead Manager and Syndicate Members, if any, do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and are not liable for any amendment, modification or change in the applicable law which may occur after the date hereof.*

### Authority for the Offer

The Fresh Issue was authorised and approved by the board of directors of the Investment Manager on September 17, 2024 read with board resolution dated September 26, 2024. The Investment Manager have filed a copy of this Final Scheme Offer Document and the Final Trust Offer Document with SEBI and the Stock Exchange.

The Investment Manager has applied for the in-principle approval of the BSE for the listing of the Platina Units on the BSE. The Investment Manager will file a copy of the Scheme Offer Document, Trust Offer Document, Final Scheme Offer Document and Final Trust Offer Document with SEBI and the Stock Exchange.

**The Platina Units have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### Offer Procedure

*This section applies to all Bidders. All Bidders shall mandatorily participate in the Offer through the ASBA process. Bidders applying for Platina Units in this Offer should carefully read the provisions applicable to them before submitting a Bid. All Bidders are required to pay the full Bid Amount at the time of Bidding, by way of instructing the relevant SCSB to block the full Bid Amount at the time of Bidding.*

### Book Building Process

As of the date of the offer documents, the Property Share Investment Trust shall be eligible for the Offer in accordance with the REIT Regulations. This Net Offer is being made through the Book Building Process, wherein not more than 75% of the Net Offer shall be available for allocation to Institutional Investors on a proportionate basis and minimum 25% of the Net Offer shall be available for allocation to Non Institutional Investors in accordance with the REIT Regulations and the SEBI Guidelines. In case of undersubscription in any category, the unsubscribed portion in either category may be Allotted to Bidders in the other category at the discretion of our Investment Manager, in consultation with the Lead Manager and the Designated Stock Exchange.

ASBA Bidders, are required to submit their Bids through the Designated Intermediaries including the SCSBs with whom the ASBA Account is maintained.

**Bidders do not have the right to withdraw or lower their Bid (in terms of number of Platina Units or Bid Amount) at any stage. Bidders can only make upward revisions in their Bids, subject to applicable law.**

**Bidders should note that Allotment to successful Bidders will be only in the dematerialized form. Bid cum Application Forms which do not have the details of the Bidders' depository accounts including DP ID, PAN and Client ID will be treated as incomplete and rejected. Bidders will not have the option of receiving Allotment in physical form. On Allotment, the Platina Units will be traded only on the dematerialized segment of the Stock Exchange.**

### Bid cum Application Form

Copies of the Bid cum Application Form and the abridged offer document will be available at the offices of the Lead Manager, the Syndicate Member, if any, the principal place of business of the Property Share Investment Trust and the Designated Intermediaries at the Bidding Centres. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs and the BSE (www.bseindia.com).

Bidders should use only the specified Bid cum Application Form bearing the stamp of a Designated Intermediary submitted at Bidding Centres (except in case of electronic Bid cum Application Forms), for the purpose of making a Bid in terms of the Offer Document. Bid cum Application Forms (other than electronic Bid cum Application Forms), not bearing such stamps are liable to be rejected. Before being issued to Bidders, the Bid cum Application Form will be serially numbered.

All Bidders shall mandatorily participate in the Offer only through the ASBA process.

An ASBA Bidder shall use the ASBA Form obtained from the Designated Intermediaries for the purpose of making a Bid. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Form with the relevant Designated Intermediary. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Bids. The SCSB shall block an amount in the ASBA Account equal to the Bid Amount specified in the ASBA Form.

The Bid cum Application Form will contain information about the Bidder and the price and number of Platina Units that the Bidder wishes to Bid for. Bidders will have the option to make a maximum of three Bids in the Bid cum Application Form and such options will not be considered multiple Bids.

On filing of the Final Offer Document with SEBI and the Stock Exchange, the Bid cum Application Form will be treated as a valid application form for Allotment of the Platina Units. On submission of the completed Bid cum Application Form to a Designated Intermediary, the Bidder is deemed to have authorized the Manager to make the necessary changes in the Final Offer Document as may be required under the REIT Regulations, SEBI Guidelines and other applicable laws, for filing the Final Offer Document with SEBI and the Stock Exchange without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

| Category | Colour of Bid cum Application Form |
|---|---|
| Resident Indians | White |
| Non-Residents including Eligible NRIs and FPIs and multilateral and bilateral development financial institutions, applying on a repatriation basis | Blue |

Designated Intermediaries shall submit/deliver the Bid cum Application Forms of Bidders to the respective SCSBs where the Bidders have a bank account and shall not submit it to any non- SCSB Bank or Escrow Collection Bank (unless such Escrow Collection Bank is also an SCSB).

**Who can Bid?**

Each Bidder should check if it is eligible to apply under applicable law. Furthermore, certain categories of Bidders may not be permitted to bid in the Offer or hold Platina Units in excess of the limits specified under applicable law. Each Bidder is required to Bid for a Minimum Bid Size of ₹ 1 million.

Bidders are advised to ensure that applications from them does not exceed the investment limits or maximum number of Platina Units that can be held by them under applicable law.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

(i) QIBs;

(ii) Family trusts or intermediaries registered with SEBI, all with net-worth of more than ₹5,000 million, as per the last audited financial statements;

(iii) FPIs other than FPIs which are individuals, corporate bodies and family offices, under the QIB category;

(iv) Trusts (other than family trusts or REITs)/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in units of REITs;

(v) Any other person eligible to Bid/ Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under applicable law.

As per existing regulations, OCBs cannot participate in this Offer

**The Parties to the Property Share Investment Trust and the Members of the Syndicate are not liable for any amendment or modification or change to applicable law, which may occur after the date of this Final Scheme Offer Document. Bidders are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Bidders are advised to ensure that application from them does not exceed the applicable investment limits or maximum number of Platina Units that can be held by them under applicable law.**

**The Trustee, the Valuer and the employees of the Valuer who were involved in the valuation of the Portfolio are not permitted to Bid in this Offer.**

**The Platina Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Units are being offered or sold only to persons outside the United States in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulations S") and the applicable laws of the jurisdiction where those offers and sales occur.**

***Platina Units Offered and Sold within the United States***

Each purchaser that is acquiring the Platina Units offered pursuant to this Offer within the United States, by its acceptance of this Final Scheme Offer Document and of the Platina Units, will be deemed to have acknowledged, represented to and agreed with Property Share Investment Trust and the Lead Manager that it has received a copy of this Final Scheme Offer Document and such other information as it deems necessary to make an informed investment decision and that:

(i) the purchaser is authorized to consummate the purchase of the Platina Units offered pursuant to this Offer in compliance with all applicable laws and regulations;

(ii) the purchaser acknowledges that the Platina Units offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(iii) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the Securities Act, and (iii) is acquiring such Platina Units for its own account or for the account of a qualified institutional buyer with respect to which it exercises sole investment discretion;

(iv) the purchaser is not an affiliate of Property Share Investment Trust or a person acting on behalf of an affiliate;

(v) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Platina Units, or any economic interest therein, such Platina Units or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until Property Share Investment Trust determines, in its sole discretion, to remove them;

(vi) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Platina Units;

(vii) the purchaser understands that such Platina Units (to the extent they are in certificated form), unless Property Share Investment Trust determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE PLATINA UNITS REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(viii) Property Share Investment Trust will not recognize any offer, sale, pledge or other transfer of such Platina Units made other than in compliance with the above-stated restrictions; and

(ix) the purchaser acknowledges that Property Share Investment Trust, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Platina Units are no longer accurate, it will promptly notify Property Share Investment Trust, and if it is acquiring any of such Platina Units as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

***All Other Platina Units Issued and Sold in this Offer***

Each purchaser that is acquiring the Platina Units offered pursuant to this Offer outside the United States, by its acceptance of this Final Scheme Offer Document and of the Platina Units offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with Property Share Investment Trust and the Lead Manager that it has received a copy of this Final Scheme Offer Document and such other information as it deems necessary to make an informed investment decision and that:

(i) the purchaser is authorized to consummate the purchase of the Platina Units offered pursuant to this Offer in compliance with all applicable laws and regulations;

(ii) the purchaser acknowledges that the Platina Units offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(iii) the purchaser is purchasing the Platina Units offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;

(iv) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Platina Units offered pursuant to this Offer, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Platina Units was originated and continues to be located outside the United States and has not purchased such Platina Units for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of such Platina Units or any economic interest therein to any person in the United States;

(v) the purchaser is not an affiliate of the Property Share Investment Trust or a person acting on behalf of an affiliate;

(vi) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Platina Units, or any economic interest therein, such Platina Units or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until Property Share Investment Trust determines, in its sole discretion, to remove them;

(vii) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Platina Units;

(viii) the purchaser understands that such Platina Units (to the extent they are in certificated form), unless Property Share Investment Trust determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE PLATINA UNITS REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(ix) Property Share Investment Trust will not recognize any offer, sale, pledge or other transfer of such Platina Units made other than in compliance with the above-stated restrictions; and

(x) the purchaser acknowledges that Property Share Investment Trust, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Platina Units are no longer accurate, it will promptly notify Property Share Investment Trust, and if it is acquiring any of such Platina Units as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

*European Economic Area*

In relation to each Member State of the European Economic Area (each an "**EEA Member State**"), no Platina Units have been offered or will be offered pursuant to the Offer to the public in that EEA Member State prior to the publication of a prospectus in relation to the Platina Units which has been approved by the competent authority in that EEA Member State or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in

accordance with the EU Prospectus Regulation, except that it may make an offer to the public in that EEA Member State of any Platina Units at any time under the following exemptions under the EU Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the EU Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the EU Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation

provided that no such offer of the Platina Units shall require the Schemes of the Trust or Investment Manager to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Platina Units in any EEA Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Platina Units to be offered so as to enable an investor to decide to purchase or subscribe for any Platina Units, and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

*United Kingdom*

In relation to the United Kingdom, no Platina Units have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of a prospectus in relation to the Platina Units which has been approved by the Financial Conduct Authority in accordance with the UK Prospectus Regulation, except that it may make an offer to the public in the United Kingdom of any Platina Units at any time under the following exemptions under the UK Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Platina Units shall require Property Share Investment Trust or any Manager to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

In the United Kingdom, the Offer is only addressed to, and is directed only at, "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation, who are also (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise lawfully be communicated (all such persons being referred to as "**relevant persons**"). This document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

For the purposes of this provision, the expression an "offer to the public" in relation to the Platina Units in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offer and any Platina Units to be offered so as to enable an investor to decide to purchase or subscribe for any Platina Units, and the expression "**UK Prospectus Regulation**" means the UK version of Regulation (EU) No 2017/1129 as amended by The Prospectus (Amendment etc.) (EU Exit) Regulations 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

Property Share Investment Trust, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

**Participation by associates and affiliates of the Lead Manager and Syndicate Members**

The Lead Manager and the Syndicate Member(s), if any shall not be entitled to Bid for Platina Units in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members may Bid for Platina Units in the Offer, in the Institutional Investor Portion to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

***Bids by Eligible NRIs***

Eligible NRIs are permitted to participate in the Offer subject to compliance with the applicable restrictions and conditions

which may be prescribed by the GoI from time to time.

(i) Bid cum Application Forms for Eligible NRIs applying will be available at the office of the Property Share Investment Trust, the registered office of the Manager and with the Designated Intermediaries, as the case may be;

(ii) Only Bids accompanied by payment in freely convertible foreign exchange will be considered for Allotment;

(iii) In case of Bids by Eligible NRIs applying on repatriation basis, the Bid cum Application Form for Non-Residents should be used and the payments must be made through normal banking channels or out of funds held in Non-Resident External ("**NRE**") Accounts or Foreign Currency Non-Resident ("**FCNR**") Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of NRO Account of Eligible NRI bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account; and

(iv) In case of Bids by Eligible NRIs applying on non-repatriation basis, the payments may be made out of an NRO Account and the Bid cum Application Form for Residents should be used.

***Bids by FPIs***

Foreign Portfolio Investors are permitted to participate in the Offer subject to compliance with Schedule II and Schedule VIII of the FEMA Rules read with the applicable provisions of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, as amended and such other terms and conditions as may be prescribed by SEBI from time to time. In accordance with the SEBI FPI Regulations, a FPI means, a person who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the SEBI Act.

In case of Bids by FPIs the payment should be made out of funds held in a Special Non-Resident Rupee Account by an inward remittance through normal banking channels including debit to an NRE account or FCNR account along with documentary evidence in support of the remittance. In case of Bids made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the SEBI FPI Regulations is required to be attached along with the Bid cum Application Form, failing which, the Investment Manager in consultation with the Lead Manager, reserve the right to reject the Bid without assigning any reasons thereof.

**All Non-Resident Investors including Eligible NRIs and FPIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission.**

**There is no reservation for NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**Bids by SEBI registered VCFs and AIFs**

The SEBI VCF Regulations prescribe, amongst others, the investment restrictions on VCFs registered with SEBI under the said regulations. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Further, VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations. Additionally, VCFs and AIFs are subject to certain investment restrictions, including with respect to the percentage of investible funds held in each investee entity. Under the SEBI AIF Regulations, Category I and II AIFs are permitted to invest not less than 25% of the investible funds in one "investee company" (which includes a REIT) and Category III AIFs are permitted to invest not more than 10% of the investible funds in one "investee company" (which includes a REIT). Allotments made to VCFs and AIFs in the Offer shall be subject to the rules and regulations that are applicable to each of them, respectively. There is no reservation for NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

**Bids by Banking Companies**

Bids may be made by banks as permitted by the RBI and is subject to conditions specified in the Prudential Guidelines – Banks' investment in units of REITs and InvITs dated April 18, 2017. In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Banks may participate in public issuances by REITs within the overall ceiling of 20% of their net worth permitted for direct investments in shares, convertible bonds/debentures, units of equity-oriented mutual funds and exposures to Venture Capital Funds (VCFs), subject to the following conditions:

(i) Banks should put in place a board approved policy on exposures to REITs which lays down an internal limit on such investments within the overall exposure limits in respect of the real estate sector and infrastructure sector;

(ii) Banks shall not invest more than 10% of the unit capital of a REIT; and

(iii) Banks should ensure adherence to the prudential guidelines issued by RBI from time to time on Equity investments by Banks, Classification and Valuation of Investment Portfolio, Basel III Capital requirements for Commercial Real Estate Exposures and Large Exposure Framework, as applicable.

Failing this, the Bid(s) may be rejected.

**Bids by LLPs**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, the Bid(s) may be rejected.

**Bids by Provident Funds/Pension Funds**

On March 2, 2015, the Ministry of Finance issued a notification allowing investments by non-government provident funds, super-annuation funds and gratuity funds up to 5% in real estate investment trusts, as specified. On June 26, 2015, the Ministry of Labour and Employment issued a notification allowing investments by provident funds up to 5% in real estate investment trusts, as specified. The Pension Fund Regulatory and Development Authority issued circulars dated June 3, 2015 September 2, 2015 November 4, 2016 and May 4, 2017, respectively, allowing investments by national pension funds up to 5% in real estate investment trusts, as specified. However, such investments by provident funds and pension funds will be subject to, amongst others, the securities having a minimum of AA or equivalent rating from at least two credit rating agencies registered with SEBI. In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, the Bid(s) may be rejected.

**Bids by Mutual Funds**

Bids may be made by mutual funds under all its schemes, existing and future, subject to the investment conditions and other restrictions prescribed under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (including, the circular on mutual funds dated February 28, 2017 and any other circulars, notifications and guidelines issued thereunder). A mutual fund may invest in the Platina Units subject to the following:

(i) No mutual fund under all its schemes shall own more than 10% of the Platina Units; and

(ii) A mutual fund scheme shall not invest:

- more than 10% of its NAV in the units issued by REITs; and
- more than 5% of its NAV in the Platina Units.

Provided that the limits mentioned in sub-clauses (i) and (ii) above shall not be applicable for investments in case of index fund or sector or industry specific scheme pertaining to REITs.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

**Bids by insurance companies**

Bids may be made by insurance companies as permitted by the Insurance Regulatory and Development Authority of India in terms of the Master Circular – Investments, 2016 (Version 2, May 2017) and the circular issued by the IRDAI entitled, Investment in Units of Real Estate Investment Trusts (REIT) & Infrastructure Investment Trusts (InvIT) dated March 14, 2017. Insurance companies can invest in units of REITs which conform to the following:

(i) The REIT rated not less than "AA" which shall form part of approved investments. REITs rated less than AA shall form part of other investments.

(ii) An insurer can invest not more than 3% of respective fund size of the Insurer (or) not more than 5% of the Platina Units issued by a single REIT, whichever is lower.

(iii) No investment shall be made in the REIT where the Investment Manager is under the promoter group of the insurer.

(iv) Investments in units of REIT will form part of "investment property" as per Note 6 to Regulation 9 of IRDAI (Investment) Regulations, 2016 read along with Master Circular – Investments.

The investment in units of a REIT shall be valued at market value (last quoted price should not be later than 30 days). Where market quote is not available for the last 30 days, the units shall be valued as per the latest NAV (not more than six months old) of the units published by the trust.

**Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs (including FIIs), insurance companies, mutual funds, AIFs, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to Applicable Law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, the Investment Manager, in consultation with the Lead Manager, reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

The Investment Manager, in consultation with the Lead Manager, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

**The above information is given for the benefit of the Bidders. Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Offer is in compliance with the investment restrictions under applicable law. Certain categories of Bidders may not be allowed to Bid in the Offer or hold Platina Units exceeding certain limits specified under applicable law. The Parties to the Property Share Investment Trust, and the Members of the Syndicate are not liable for any amendment or modification or change to applicable law, which may occur after the date of this Final Scheme Offer Document.**

**Maximum and Minimum Bid Size**

(i) Each Bidder is required to Bid for a Minimum Bid Amount of ₹ 1 million and in multiples of ₹ 1 million thereafter.

(ii) No Bidder shall Bid for such number of Platina Units which exceeds the Offer size, subject to applicable investment limits or maximum number of Platina Units that can be held by them under applicable law.

(iii) The maximum Bid by any Bidder including Institutional Investors should not exceed the investment limits prescribed for them under the applicable law.

The price and quantity options submitted by a Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the highest number of Platina Units Bid for by a Bidder at or above the Offer Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid.

**Information for the Bidders:**

(i) The Offer Document will be filed with SEBI and the Stock Exchange at least five Working Days before the Bid/ Offer Opening Date.

(ii) After the filing of the Offer Document with SEBI and the Stock Exchange, the Manager (on behalf of the Property Share Investment Trust) shall make a pre-Offer advertisement on the websites of the Property Share Investment Trust, the Manager and the Stock Exchange. Further, such pre-Offer advertisement will also be published in all editions of Financial Express (a widely circulated English national daily newspaper) and in all editions of Jansatta (a widely circulated Hindi national daily newspaper) and in all edition of Vishwavani (a widely circulated Kannada national daily newspaper, with wide circulation in Bangalore).

(iii) Any Bidder (who is eligible to invest in the Platina Units) may obtain the Bid cum Application Form, the Abridged Offer Document and the Offer Document from the principal place of business of the Property Share Investment Trust, the office of the Manager or any member of the Syndicate or from the Designated Intermediary.

(iv) The Bid/ Offer Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Bid/ Offer Period shall be extended for a minimum period of one Working Day, subject to the total Bid/ Offer Period not exceeding 30 Working Days. In case of *force majeure*, banking strike or similar circumstances, the Bid/ Offer Period may be extended for a minimum period of three Working Days, subject to the total Bid/ Offer Period not exceeding 30 Working Days. The revised Price Band and Bid/ Offer Period will be widely disseminated by notification to the SCSBs and Stock Exchange, and also by indicating the change on the websites of the Property Share Investment Trust, the Investment Manager and the Lead Manager and at the terminals of the Members of the Syndicate. In accordance with the REIT Regulations and the SEBI Guidelines, the Price Band cannot be revised more than two times and differential price shall not be offered to any investor.

(v) The Designated Intermediaries will accept Bids during the Bid/ Offer Period in accordance with the terms of the Offer Document.

(vi) The Bids should be submitted on the prescribed Bid cum Application Form only. Bids by ASBA Bidders will be accepted by Designated Intermediaries at the Bidding Centres in accordance with applicable law and any other

circulars issued by SEBI in this regard. Bid cum Application Forms should bear the stamp of the respective Designated Intermediaries. Bid cum Application Forms (except electronic Bid cum Application Forms) which do not bear the stamp of a member of the Designated Intermediaries are liable to be rejected.

(vii) The Bidding Centres will acknowledge the receipt of the Bid cum Application Forms by stamping and returning to the Bidder the Acknowledgement Slip. This Acknowledgement Slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

**Instructions for completing the Bid Cum Application Form**

Bidders may note that Bid cum Application Forms not filled completely or correctly as per instructions provided in the Offer Document and the Bid cum Application Form are liable to be rejected.

Bids must be:

(i) made only in the prescribed Bid cum Application Form or Revision Form, as applicable;

(ii) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained here and in the Bid cum Application Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected. Bidders must provide details of valid and active DP ID, Client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended shall not be considered for Allotment. Bidders should note that the Members of the Syndicate and/or the SCSBs (as appropriate) will not be liable for errors in data entry due to incomplete or illegible Bid cum Application Forms; and

(iii) In a single name or in joint names (not more than three, and in the same order as their Depository Participant details).

Bidders should also note that:

(i) information provided by the Bidders will be uploaded in the online system by the Designated Intermediaries and the electronic data will be used to make allocation/ Allotment. Bidders are advised to ensure that the details are correct and legible;

(ii) Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/ Applicants should ensure that that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal; and

(iii) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Form should be signed by the account holder as provided in the ASBA Form.

**General Instructions**

***Do's:***

(i) Check if you are eligible to apply as per the terms of the Offer Document and under applicable laws and approvals;

(ii) Ensure that you have Bid within the Price Band;

(iii) Read all the instructions carefully and complete the relevant Bid cum Application Form;

(iv) Ensure that the details about the PAN, DP ID, and Client ID are correct, and the Beneficiary Account is activated, as Allotment of Platina Units will be in dematerialized form only;

(v) Ensure that the Bids are submitted at the Bidding Centres only on the Bid cum Application Forms bearing the stamp of Designated Intermediary;

(vi) Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

(vii) Ensure that your Bid is submitted at a Bidding Centre of a Designated Intermediary. Further, ensure that the Bid cum Application Form is signed by the ASBA Account holder if the Bidder is not the ASBA Account holder;

(viii) Ensure that you have correctly checked the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode for the Designated Branch to block funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

(ix) Ensure that you have correctly checked the authorization box in the ASBA Form, or have otherwise provided an authorization to the SCSB via the electronic mode for the Designated Branch to block funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form;

(x) Instruct your respective banks to not release the funds other than in relation to this Offer, blocked in the ASBA Accounts;

(xi) Ensure that you receive an Acknowledgement Slip from the Designated Intermediary for the submission of your Bid cum Application Form;

(xii) Submit revised Bids at the same Bidding Centre of a same Designated Intermediary, through which the original Bid was placed and obtain a revised Acknowledgment Slip, as the case may be;

(xiii) Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons exempt under applicable law from holding a PAN, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which the PAN is not mentioned will be rejected;

(xiv) In cases where the PAN is same, such Bids will be treated as multiple applications. Bidders should not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground. With effect from August 16, 2010, the demat accounts of Bidders for whom PAN details have not been verified shall be "suspended for credit" and no credit of Platina Units pursuant to the Offer will be made into the accounts of such Bidders;

(xv) Ensure that the Demographic Details (as defined below) are updated, true and correct in all respects;

(xvi) Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

(xvii) In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

(xviii) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant;

(xix) Ensure that the category and the investor status is indicated;

(xx) Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

(xxi) Ensure that Bids submitted by any person outside India are in compliance with applicable foreign and Indian laws; and

(xxii) With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Don'ts:***

(i) Do not Bid for lower than the Minimum Bid Size of ₹1 million;

(ii) Do not submit a Bid in case you are not eligible to acquire Platina Units under applicable law or your relevant constitutional documents or otherwise;

(iii) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidders;

(iv) Do not submit the Bid for an amount more than funds available in your ASBA Account;

(v) Do not submit a Bid without payment of the entire Bid Amount;

(vi) Do not Bid less than the Floor Price or higher than the Cap Price;

(vii) Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;

(viii) Do not pay the Bid Amount in cash, by money order or postal order or stockinvest and in relation to ABSA Bidders in any other mode other than blocked amounts in the ASBA Accounts;

(ix) Do not send Bid cum Application Forms by post and only submit the same to a Designated Intermediary at a Bidding Centre;

(x) Do not fill up the Bid cum Application Form such that the Platina Units Bid for exceed, the Offer size or the investment limit, or the maximum number of Platina Units that can be held or the maximum amount permissible under applicable laws;

(xi) Do not submit more than five Bid cum Application Forms per ASBA Account;

(xii) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground;

(xiii) Do not submit incorrect details of DP ID, Client ID and PAN or give details for which demat account is suspended or for which such details cannot be verified by the Registrar;

(xiv) Do not submit your Bid after the Bid/ Offer Closing Date;

(xv) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the Depository); and

(xvi) Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Platina Units or the Bid Amount) at any stage.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Method and Process of Bidding**

(i) The Investment Manager and the Lead Manager will declare the Bid/ Offer Opening Date and Bid/ Offer Closing Date at the time of filing the Offer Document with SEBI and the Stock Exchange.

(ii) Post filing of the Offer Document with SEBI and the Stock Exchange, the Manager shall make a pre-Offer advertisement on the websites of the Property Share Investment Trust, the Manager and the Stock Exchange. Further, such pre-Offer will also be published in all editions of Financial Express (a widely circulated English national daily newspaper), in all editions of Jansatta (Hindi) (a widely circulated Hindi national daily newspaper) and in Vishwavani (Kannada) edition (a widely circulated Kannada national daily newspaper with wide circulation in Bangalore)

(iii) The Price Band will be decided by the Manager in consultation with the Lead Manager and shall be disclosed at least two Working Days prior to the Bid/ Offer Opening Date on the websites of the Property Share Investment Trust, the Manager and the Stock Exchange and in the newspapers where the pre-Offer advertisement will be published, if any.

(iv) Bidders who are interested in subscribing to the Platina Units should approach any of the Designated Intermediaries to register their Bids during the Bid/ Offer Period. The Designated Intermediaries will accept Bids from all Bidders and will have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Syndicate Agreement and/or the Offer Document. The Bid/ Offer Period will be for at least three Working Days and not exceeding 30 Working Days (including the days for which the Offer is open in case of revision in Price Band). If the Price Band is revised, the revised Price Band and the Bid/ Offer Period will be disclosed on the websites of the Property Share Investment Trust, the Manager, the Lead Manager, Syndicate Member, SCSBs and the Stock Exchange and in the newspapers where the pre-Offer advertisement will be published.

(v) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices within the Price Band and specify the demand (i.e., the number of Platina Units Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. In case of an upward revision in the Price Band, in the event the Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the Cap Price prior to revision, the number of Platina Units Bid for will be adjusted downwards for the purpose of Allotment, such that no additional payment will be required from the Bidder and the Bidder shall be deemed to have approved such revised Bid. The Bidder can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Platina Units at a specific price. No Bidder shall either withdraw or lower its Bid at any stage.

(vi) After determination of the Offer Price, the maximum number of Platina Units Bid for by a Bidder at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

(vii) The Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an Acknowledgement Slip, and SCSBs will generate an Acknowledgement Slip for each price and demand option and will, on demand, give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form.

(viii) On receipt of the Bid cum Application Form (whether in physical or electronic mode) the Designated Branch of the SCSB will verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form, prior to uploading such Bids with the Stock Exchange. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB will reject such Bids and will not upload such Bids with the Stock Exchange. If sufficient funds are available in the ASBA Account, the SCSB will block an amount equivalent to the Bid Amount mentioned in the ASBA Form and will enter each Bid option into the electronic bidding system as a separate Bid.

(ix) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "*Offer Information – Payment Instructions*" on page 127.

**Bidders' Depository Account and Bank Account Details**

Bidders should note that on the basis of Bidders' PAN, DP ID, and Client ID provided by them in the Bid cum Application Form and as entered into the electronic bidding system of the Stock Exchange by the Members of the Syndicate and the SCSBs, as the case may be, the Registrar will obtain from the Depository the demographic details including the Bidders' address, occupation and bank account details, including the nine-digit magnetic ink character recognition ("**MICR**") code as appearing on the cheque leaf ("**Demographic Details**"), from the Depository. The Demographic Details will be used for giving refunds and allocation advice (including through physical refund warrants, direct credit, NACH, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their bank account details, PAN and Demographic Details as appearing on the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in dispatch/credit of refunds to Bidders at the Bidders sole risk and none of the Lead Manager, the Registrar, the Escrow Collection Banks, the SCSBs, the Manager or the Trustee will have any responsibility or undertake any liability for this. Accordingly, Bidders should carefully fill in their depository account details in the Bid cum Application Form.

By signing the Bid cum Application Form, the Bidder is deemed to have authorized the Depositories to provide to the Registrar, on request, the required Demographic Details as available in their records.

Bids with no corresponding record available with the Depositories matching the three parameters (namely, Bidders PAN (in case of joint Bids, PAN of first Bidder), the DP ID, and Client ID), are liable to be rejected.

**Payment mechanism for ASBA Bidders**

The ASBA Bidders will specify the ASBA Account in the Bid cum Application Form and the SCSB will block an amount equivalent to the Bid Amount in the ASBA Account so specified. The SCSB will keep the Bid Amount in the relevant ASBA Account blocked until finalization of the Basis of Allotment and consequent transfer of the Bid Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Bid, as the case may be.

In the event of rejection of the Bid cum Application Form, failure of the Offer or for unsuccessful Bid cum Application Forms, the Registrar will give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account and the SCSBs will unblock the Bid Amount on receipt of such instruction.

**Payment Instructions**

**The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement amongst the Manager, the Trustee (acting on behalf of the Property Share Investment Trust), the Syndicate, the Escrow Collection Banks and the Registrar to facilitate collections from Bidders.**

The Escrow Collection Banks will act in terms of this Offer Document and the Escrow Agreement. On the Designated Date, the Escrow Collection Banks will transfer the funds from the Escrow Account(s) as per the terms of the Cash Escrow into the Public Offer Account with the Escrow Collection Banks and the Refund Account. The balance amount after transfer to the Public Offer Account will be transferred to the Refund Account.

Cheques or bank drafts, cash, stockinvest, money orders or postal orders will not be accepted and is liable to be rejected.

**Other Instructions**

***Joint Bids in case of Individuals***

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

***Multiple Bids***

A Bidder should submit only one Bid for the total number of the Platina Units required. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is the same. However, a Bidder can revise the Bid through the Revision Form.

In case of a mutual fund, subject to investment conditions as per applicable law, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids, provided that the Bids clearly indicate the scheme concerned for which the Bid is made.

After Bidding on an ASBA Form either in physical or electronic mode, where such ASBA Bid is submitted to the Designated Intermediaries and uploaded with the Stock Exchange, an ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Form or a non – ASBA Form. Submission of a second Bid cum Application Form, whether an ASBA Form, to either the same or to another Designated Intermediary, or a non-ASBA Form, will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Platina Units in this Offer. However, the ASBA Bidder can revise the Bid through the Revision Form.

More than one ASBA Bidder may Bid for Platina Units using the same ASBA Account, provided that the SCSBs will not accept a total of more than five ASBA from such ASBA Bidders with respect to any single ASBA Account.

The Investment Manager, in consultation with the Lead Manager, reserve the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories. A check will be carried out for the same PAN. In cases where the PAN is same, such Bids will be treated as multiple applications.

***Right to Reject Bids***

In case of QIBs Bidding in the Institutional Investor Portion, the Members of the Syndicate may reject Bids provided that such rejection will be made at the time of acceptance of the Bid and the reasons for rejecting such Bids will be provided to such Bidder in writing. The Members of the Syndicate may also reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.

**Grounds for Technical Rejections**

Bidders are advised that incomplete or illegible Bid cum Application Forms will be rejected by the Designated Intermediaries. Bidders are advised to note that Bids are liable to be rejected on technical grounds including the following:

(i) The Bid Amount mentioned in the Bid cum Application Form does not tally with the amount payable for the value of the Platina Units Bid for;

(ii) Application on plain paper;

(iii) In case of partnership firms (excluding LLPs), Platina Units may be registered in the names of the individual partners and no firm as such will be entitled to apply;

(iv) Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, including minors. However, minors can Bid through their guardians;

(v) PAN not stated (except for Bids on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts);

(vi) GIR number furnished instead of PAN;

(vii) Where PAN details are not verified by demat accounts, i.e. where the demat account is “suspended for credit”;

(viii) Bids for lower value of Platina Units than specified for that category of Bidders;

(ix) Bids at a price less than the Floor Price;

(x) Bids at a price over the Cap Price;

(xi) Submission of more than five ASBA Forms per ASBA Account;

(xii) Bids for a value of less than ₹0.05 million;

(xiii) Bidder category not specified;

(xiv) Multiple Bids as described in the Offer Document;

(xv) In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents not being submitted;

(xvi) Bids accompanied by cash, stockinvest, money order or postal order;

(xvii) Signature of sole and/or the First Bidder (in case of joint Bids) is missing.

(xviii) Bid cum Application Form does not have the stamp of the Designated Intermediaries (except for electronic ASBA Bids), as the case may be;

(xix) Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Form, Bid/ Offer Opening Date advertisement and the Offer Document and as per the instructions in the Offer Document and the Bid cum Application Forms;

(xx) Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Form at the time of blocking such Bid Amount in the ASBA Account;

(xxi) Authorisation for blocking funds in the ASBA Account not provided;

(xxii) Bids for amounts greater than the maximum permissible amounts prescribed by applicable law;

(xxiii) Bids by OCBs;

(xxiv) Bids by persons in EEA Member States where the marketing of units has been registered or authorized (as applicable) under the relevant national implementation of Article 42 of AIFMD, other than "Professional Investors" or any other category of person to which such marketing permitted under the national laws of such EEA Member State. See "*Notice to Investors – Notice to Prospective Investors in the European Economic Area*" on page 5 for further details;

(xxv) Bank account details for the refund not given;

(xxvi) Bids by persons prohibited from buying, selling or dealing in the Platina Units directly or indirectly by SEBI or any other regulatory authority;

(xxvii) Bids by persons who are not eligible to acquire Platina Units under applicable law or their relevant constitutional documents or otherwise; and

(xxviii) Bids that do not comply with the securities laws of their respective jurisdictions;

**IN CASE THE DP ID, CLIENT ID AND PAN MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC BIDDING SYSTEM OF THE STOCK EXCHANGE DO NOT MATCH WITH THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE RECORDS WITH THE DEPOSITORIES THE APPLICATION IS LIABLE TO BE REJECTED.**

**Electronic Registration of Bids**

(i) The Designated Intermediaries will register the Bids received, using the online facilities of the Stock Exchange. The Lead Manager, the Manager and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Bids accepted by the Designated Intermediaries, (ii) the Bids uploaded by the Designated Intermediaries, (iii) the Bids accepted but not uploaded by the Designated Intermediaries or (iv) Bids accepted and uploaded without blocking funds in the ASBA Accounts. It will be presumed that for the Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

(ii) The Stock Exchange will offer a screen-based facility for registering such Bids for the Offer. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Bid/ Offer Period. The Designated Intermediaries can also set up facilities for offline electronic registration of Bids subject to the condition that it will upload the offline data file into the on-line facilities for book building on a regular basis.

(iii) On the Bid/ Offer Closing Date, the Designated Intermediaries will upload the Bids until such time as may be permitted by the Stock Exchange. In order to ensure that the data uploaded is accurate, the Designated Intermediaries may be permitted one Working Day after the Bid/ Offer Closing Date to amend some of the data fields (currently DP ID, Client ID and PAN) entered by them in the electronic bidding system, after which the Registrar will proceed with the Allotment of the Platina Units. Bidders are cautioned that a high inflow of Bids is typically experienced on the last Working Day of the Bidding, which may lead to some Bids received on the last Working Day, which may lead to some Bids received on the last Working Day not being uploaded due to lack of sufficient uploading time. Such Bids that could not uploaded will not be considered for allocation. Bids will only be accepted on Working Days (excluding any public holiday).

(iv) Based on the aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchange a graphical representation of consolidated demand and price will be made available at the Bidding centres and on the websites of each of the Stock Exchange during the Bid/ Offer Period on regular intervals as per applicable law.

(v) At the time of registering each Bid, the Designated Intermediaries in case of ASBA Bids will enter the following details of the Bidder in the electronic system:

- Name of the real estate investment trust;
- Bid cum Application Form/ASBA Form number;
- Investor Category;
- PAN of the first applicant;
- DP ID;
- Client ID;
- Number of Platina Units Bid for; and
- Price option

(vi) A system generated Acknowledgment Slip will be given to the Bidder (only on demand) as a proof of the registration of each of the Bidding options. It is the Bidders' responsibility to obtain the Acknowledgement Slip from the Designated Intermediaries. The registration of the Bid by the Designated Intermediary does not guarantee that the Platina Units will be allocated/ Allotted. Such Acknowledgment Slip will be non-negotiable and by itself will not create any obligation of any kind.

(vii) The permission given by the Stock Exchange to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Manager and/ or the Lead Manager are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Property Share Investment Trust, the management of the Manager or the Trustee or any property of the Property Share Investment Trust nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Offer Document; nor does it warrant that the Platina Units will be listed or will continue to be listed on the Stock Exchange.

**Build-up of the book and revision of Bids**

(i) Bids received from various Bidders through the Designated Intermediaries will be electronically uploaded to the Stock Exchange mainframe on a regular basis.

(ii) The book gets built up at various price levels. This information will be available with the Lead Manager at the end of the Bidding Period.

(iii) During the Bid/ Offer Period, any Bidder who has registered his or her interest in the Platina Units at a particular price level is free to revise the Bid upwards within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(iv) Upward revisions can be made in both the desired number of Platina Units and the Bid Amount by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or its previous Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries will not accept incomplete or inaccurate Revision Forms.

(v) The Bidder can make this upward revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same Designated Intermediary through whom such Bidder had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(vi) If revision of the Bids results in an incremental amount, the relevant SCSB will block the additional Bid Amount. The Registrar will reconcile the Bid data and consider the revised Bid data for preparing the Basis of Allotment.

(vii) When a Bidder revises his or her Bid, he or she will surrender the earlier Acknowledgement Slip and will, on demand, receive a revised Acknowledgment Slip from the Designated Intermediaries. It is the responsibility of the Bidder to

request for and obtain the revised Acknowledgment Slip, which will act as proof of his or her having revised the previous Bid.

**Price Discovery and Allocation**

(i) Based on the Bids received and the demand generated at various price levels, the Investment Manager, in consultation with the Lead Manager, will finalize the Offer Price.

(ii) In case of under-subscription in any category, the unsubscribed portion in the Institutional Investor category may be allotted to applicants in the other category.

(iii) Allocation to Non-Residents, including Eligible NRIs and FPIs will be subject to applicable law.

(iv) The Investment Manager, in consultation with the Lead Manager, reserve the right to cancel the Offer any time after the Bid/ Offer Opening Date, but before the Allotment without assigning any reasons whatsoever.

(v) No Bidders can withdraw or lower their Bids at any time.

**Illustration of Book Building and Price Discovery Process**

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per unit, issue size of 3,000 units and receipt of five bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the units of the issuer infrastructure investment trust at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Price (₹) | Cumulative Quantity | Subscription |
|---|---|---|---|
| 500 | 24 | 500 | 16.70% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.70% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of units is the price at which the book cuts off, i.e., ₹22.00 in the above example. The issuer, in consultation with the book running lead manager, will finalise the issue price at or below such cut-off price, i.e., at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

**Signing of Underwriting Agreement**

(i) The Trustee (acting on behalf of the Property Share Investment Trust), the Investment Manager, the Lead Manager and the Syndicate Members may enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price.

(ii) After signing the Underwriting Agreement, the Manager will update and file the updated Offer Document with SEBI and the Stock Exchange in terms of the REIT Regulations and the SEBI Guidelines, which then will be termed the "Final Offer Document". The Final Offer Document will contain details of the Offer Price and Offer size if any, underwriting arrangements and will be complete in all material respects.

**Issuance of Allotment Advice**

(i) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Syndicate a list of the Bidders who have been Allotted Platina Units in the Offer.

(ii) The Registrar will then dispatch an Allotment Advice to the Bidders who have been Allotted Platina Units in the Offer. The dispatch of an Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Bidder.

**Designated Date and Allotment of Platina Units**

On the Designated Date, the Registrar shall instruct the SCSBs to transfer funds represented by allocation of Platina Units from ASBA Accounts into Public Offer Account. The balance amount after transfer to the Public Offer Account shall be unblocked by the relevant SCSB. Whilst the Investment Manager shall ensure all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Platina Units on the Stock Exchange are completed within six Working Days of the Bid/ Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/ Offer Period by the Manager, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Platina Units will be entirely at the discretion of the Stock Exchange and in accordance with the Applicable Laws.

**Bidders are advised to instruct their Depository Participant to accept the Platina Units that may be Allotted to them in this Offer.**

**Basis of Allotment**

***For Bidders***

(i) The allotment of Platina Units to Bidders shall be on proportionate basis within the specified investor categories and the number of Platina Units Allotted shall be rounded off to the nearest integer, subject to minimum Allotment as per REIT Regulations and the SEBI Guidelines.

(ii) In case of under-subscription in any investor category, the unsubscribed portion in the Institutional Investor category may be allotted to applicants in the other category.

(iii) The aggregate Allotment to Institutional Investors will not exceed 75% of the Net Offer Size and and balance 25% of the Net Offer shall be available for allocation to Non-Institutional Investors in accordance with the REIT Regulations and the SEBI Guidelines.

(iv) The identity of Institutional Investors shall not be made public.

**Method of Proportionate Basis of Allotment in the Offer**

In the event of the Offer being over-subscribed, the Investment Manager will finalize the Basis of Allotment in consultation with the Designated Stock Exchange. The Designated Stock Exchange along with the Lead Manager, the Manager and the Registrar will be responsible for ensuring that the Basis of Allotment is finalized as per REIT Regulations and SEBI Guidelines.

The Allotment will be made on a proportionate basis as explained below:

(i) Bidders will be categorized according to the number of Platina Units applied for.

(ii) The total number of Platina Units to be allotted to each category as a whole will be arrived at on a proportionate basis, which is the total number of Platina Units applied for in that category (number of Investors in the category multiplied by the number of Platina Units applied for) multiplied by the inverse of the over-subscription ratio.

Number of Platina Units to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Platina Units applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

**Platina Units in Dematerialized Form with NSDL or CDSL**

As per the REIT Regulations, the Allotment of Platina Units in the Offer will be only in dematerialized form.

In this context, two agreements have been signed amongst the Trustee (acting on behalf of the Property Share Investment Trust), the respective Depositories and the Registrar:

(i) Agreement dated October 22, 2024, between NSDL, the Trustee (acting on behalf of the Property Share Investment Trust) and the Registrar; and

(ii) Agreement dated November 7, 2024, between CDSL, the Trustee (acting on behalf of the Property Share Investment Trust) and the Registrar.

Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

(i) A Bidder applying for Platina Units must have at least one valid beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

(ii) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

(iii) Bid cum Application Forms or Revision Forms containing incomplete or incorrect details under the heading "Bidder's Depository Account Details" are liable to be rejected.

(iv) Platina Units in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL and CDSL. The Stock Exchange where the Platina Units are proposed to be listed have electronic connectivity with CDSL and NSDL.

**Communications**

All future communications in connection with Bids made in this Offer should be addressed to the Registrar quoting the full

name of the sole or First Bidder, Bid cum Application Form number, PAN, Bidders depository account details, number of Platina Units applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof or with respect to ASBA Bids, the bank account number in which an amount equivalent to the Bid Amount was blocked.

Bidders can contact the Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allotment, credit of allotted Platina Units in the respective beneficiary accounts, refund orders etc. In case of ASBA Bids submitted with the Designated Branches, Bidders can contact the relevant Designated Branch.

**Payment of Refunds**

In the case of Bidders other than ASBA Bidders, the Registrar will obtain from the Depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID and the Client ID provided by the Bidders in their Bid cum Application Forms.

In the case of Bids from Eligible NRIs and FPIs, any refunds, and other distributions, will normally be payable in Indian Rupees only and net of bank charges and/ or commission. Where desired, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post. Neither the Manager nor the Trustee will be responsible for any loss incurred by Bidders on account of conversion of foreign currency.

**Mode of Refunds**

***Refunds for ASBA Bidders***

In the case of ASBA Bidders, the Registrar will instruct the relevant SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Bid Amounts specified in the ASBA Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids, within 6 Working Days of the Bid/ Offer Closing Date.

**Disposal of Applications and Application Moneys and Interest in Case of Delay**

With respect to Bidders other than ASBA Bidders, the Manager will ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange after the Allotment of Platina Units.

In case of Bidders who receive refunds through NACH, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Bid/ Offer Closing Date. A suitable communication will be sent to the Bidders receiving refunds through this mode within 6 Working Days from the Bid/ Offer Closing Date, giving details of the bank where refunds will be credited along with amount and expected date of electronic credit of refund.

**Refund Orders or instructions to the SCSBs**

In the case of ASBA Bidders, the Registrar will instruct the relevant SCSBs to unblock the funds in the relevant ASBA Accounts to the extent of the Bid Amounts specified in the Bid cum Application Forms for withdrawn, rejected or unsuccessful or partially successful ASBA Bids, within 6 Working Days of the Bid/ Offer Closing Date.

**Interest in case of delay in dispatch of Allotment Advice or refund orders/ instruction to SCSB by the Registrar**

Allotment, including the credit of Allotted Platina Units to the beneficiary accounts of the Depository Participants, will be made not later than 6 Working Days of the Bid/ Offer Closing Date. If Allotment letters/ refund orders have not been dispatched to the Bidders or if, in a case where the refund or portion thereof is made in electronic manner through direct credit, NEFT, RTGS or NACH, the refund instructions have not been issued to the clearing system in the disclosed manner and/ or demat credits are not made to investors within 6 Working Days from the Bid/ Offer Closing Date, the Manager will be liable to pay interest at 15% per annum, as prescribed under the REIT Regulations and other applicable laws.

The Trustee, the Investment Manager shall not have recourse to the Offer Proceeds until the final approval for listing and trading of the Platina Units from all the Stock Exchange where listing is sought has been received.

**Withdrawal of the Offer**

The Investment Manager, in consultation with the Trustee and the Lead Manager, reserve the right not to proceed with the Offer at any time after the Bid/ Offer Opening Date but before Allotment. If the Investment Manager withdraw the Offer, it will issue a public notice within two days or such other time as may be prescribed by SEBI in this regard, providing reasons for not proceeding with the Offer. The Lead Manager, through the Registrar, will notify the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such notification. The notice of withdrawal will be made available on our website and the websites of the Stock Exchange and will also be issued in the same newspapers where the pre-Offer

advertisements have appeared.

If the Investment Manager withdraw the Offer after the Bid/ Offer Closing Date and thereafter determines that they will proceed with a further public offering of Platina Units, it will file a fresh draft offer document with SEBI or the Stock Exchange, as the case may be.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange; and (ii) the final approval of the Final Offer Document after it is filed with SEBI and the Stock Exchange.

**Minimum Subscription and Minimum Allotment**

In case the Property Share Investment Trust does not receive (i) the minimum subscriptions of at least 90% of the Fresh Issue; or (ii) subscription for the minimum public unitholding stipulated under the REIT Regulations, or (iii) if to the number of prospective Allottees is less than 200, the Investment Manager shall refund the entire subscription money received.

## BASIS FOR OFFER PRICE

The Offer Price will be determined by the Investment Manager, in consultation with the Lead Manager, on the basis of assessment of market demand for the Platina Units offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below.

Bidders are requested to also refer to "*Risk Factors*", and "*Our Business and Properties"* on pages 29 to 34 and 14 to 24 to make an informed investment decision.

The Price Band is ₹10,00,000 to ₹10,50,000.

Based on the evaluation of the qualitative and quantitative factors listed below, the unit value at the floor price, the cap price and the Offer Price is as follows:

| Particulars | At Floor Price | At Cap Price | At Offer Price |
|---|---|---|---|
| Platina Unit Value | 10,00,000 | 10,50,000 | 10,50,000 |
| Number of Platina Units Issued | 3,530 | 3,361* | 3,361 |

**Subject to finalization of basis of allotment.*

### Qualitative Factors

We believe that some of the qualitative factors which form the basis for computing the Offer Price are as follows:

- Grade A, LEED Gold asset built by one of India's leading developers, The Prestige Group.
- Located on the Outer Ring Road, Bangalore's largest office market.
- 100% proposed lease to a US-based technology company.
- Stable cash flows from a long 9-year lease and a 3-7 year staggered lock-in period under the proposed lease.
- Inflation linked cash flows with contracted escalations every 3 years under the proposed lease.

For further details, see "*Our Business and Properties*" on pages 14 to 24.

### Quantitative Factors

We believe that some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

***1. Valuation provided by the Valuer***

The Valuer has followed the income approach, wherein the value of the Project Platina has been assessed through the discounted cash flow method (basis term plus reversion) is likely to reveal the market value estimate of the Project Platina. The assumptions based on which the value of the Project Platina has been arrived at, have been disclosed in the section entitled "*Summary Valuation Report*" on Annexure 2.

***2. Projections***

The Investment Manager has provided the projected revenue from operations, EBITDA cash flow from operating activities NOI and NDCF of the Property Share Investment Trust for the Fiscals 2026, 2027 and 2028. For details of the Projections and notes thereto, see "*Projections*" on Annexure 1.

***3. Price/ Net Asset Value per Platina Unit ratio in relation to Offer Price:***

| Particulars | Amount (in ₹) | Price/ Net Asset Value per Unit | | |
|---|---|---|---|---|
| | | At Floor Price | At Cap Price | At Offer Price |
| Net Asset Value per Platina Unit as of March 31, 2024 (1) | NA(2) | NA | NA | NA |

*(1) Net assets in accordance with the projections have been used in the analysis. For further details, refer to Projections of the Prtoperty Share Investment Trust on Annexure 1.*

*(2) There are no audited financial statements as of March 31, 2024. Therefore, NAV can not be determined.*

***4. Comparison with Industry Peers***

Currently there are no listed schemes under the small and medium real estate investment trusts in India. Accordingly, it is not possible to provide an industry comparison in relation to the PropShare Platina.

## RIGHTS OF PLATINA UNITHOLDERS

*The rights and interests of Platina Unitholders are contained in this Final Scheme Offer Document and the REIT Regulations. Under the Trust Deed and the Investment Management Agreement, these rights and interests are safeguarded by the Trustee and the Investment Manager. Any rights and interests of Platina Unitholders as specified in this Final Scheme Offer Document would be deemed to be amended to the extent of any amendment to the REIT Regulations.*

***Face Value***

The Platina Units will not have a face value. However, the minimum price of each Platina Unit of the PropShare Platina shall be rupees ten lakhs or such other amount as may be specified by SEBI from time to time.

***Beneficial Interest***

Each Platina Unit represents an undivided beneficial interest in the PropShare Platina Scheme by way of Property Share Investment Trust. A Platina Unitholder has no equitable or proprietary interest in the Platina SPVs (or any part thereof) and is not entitled to the transfer of the assets of the Platina SPVs (or any part thereof) or any interest in the Property Share Investment Trust and PropShare Platina's assets (or any part thereof). A Platina Unitholder's right is limited to the right to require due administration of the Property Share Investment Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement. The Beneficial Interest of each Platina Unitholder shall be equal and limited to the proportion of the number of Platina Units held by that Platina Unitholder to the total number of Platina Units.

***Ranking***

No Platina Unitholder of the Property Share Investment Trust shall enjoy superior voting or any other rights over another Platina Unitholder. Further, there shall not be multiple classes of Platina Units of the Property Share Investment Trust. Each Platina Unit Allotted to the Platina Unitholders shall have one vote for any decisions requiring a vote of the Platina Unitholders.

***Redressal of grievances***

The Trustee shall periodically review the status of Platina Unitholder's complaints and their redressal undertaken by the Investment Manager. The Stakeholders' Relationship Committee of the Investment Manager shall consider and resolve the grievances of the Platina Unitholders as per applicable laws. For details, see "*Corporate Governance*" on Final Trust Offer Document.

***Distribution***

The Platina Unitholders shall have the right to receive distribution in the manner set forth in this Final Scheme Offer Document, Final Trust Offer document and/ or the Trust Deed, subject to the REIT Regulations.

***Limitation to the Liability of Platina Unitholders***

The liability of each Platina Unitholder of the PropShare Platina (a first scheme of Property Share Investment Trust) shall be limited to making the capital contributions payable by it in respect of the Platina Units subscribed by it. The Platina Unitholders shall not be responsible or liable, directly or indirectly, for acts, omissions or commissions of the Trustee, the Investment Manager or any other person, whether or not such act, omission or commission, has been approved by the Platina Unitholders in accordance with the REIT Regulations or not.

***Meeting of Platina Unitholders***

Meetings of Platina Unitholders will be conducted in accordance with the REIT Regulations.

*Passing of resolutions*

1. With respect to any matter requiring approval of the Platina Unitholders:

    (i) a resolution shall be considered as passed when the votes cast by Platina Unitholders, so entitled and voting, in favour of the resolution exceed a certain percentage as specified in the REIT Regulations, of votes cast against;

    (ii) the voting may be done by postal ballot or electronic mode;

    (iii) a notice of not less than 21 days either in writing or through electronic mode shall be provided to the Platina Unitholders;

    (iv) voting by any Platina Unitholder, who is a related party (as understood in accordance with the REIT Regulations) in such transaction, as well as associates (as defined under Regulation 2(1)(b) of the REIT Regulations) of such Platina Unitholder(s) shall not be considered on the specific issue; and

(v) the Investment Manager shall be responsible for all the activities pertaining to conducting of meeting of the Platina Unitholder, subject to overseeing by the Trustee.

Provided that for issues pertaining to the Investment Manager, including a change in Investment Manager, removal of Investment Manager or change in control of Investment Manager; the Trustee shall convene and handle all activities pertaining to conduct of the meetings. Provided further that, for issues pertaining to the Trustee, including change in Trustee, the Trustee shall not be involved in any manner in the conduct of the meeting.

2. Further, with respect to the Property Share Investment Trust:

(i) an annual meeting of all Platina Unitholders shall be held not less than once a year within 120 days from the end of each Fiscal and the time between two meetings shall not exceed 15 months;

(ii) with respect to the annual meeting of Platina Unitholders,

(a) any information that is required to be disclosed to the Platina Unitholders and any issue that, in the ordinary course of business, may require approval of the Platina Unitholders may be taken up in the meeting including:

- latest annual accounts and performance of the Property Share Investment Trust;
- approval of auditor and fees of such auditor, as may be required;
- latest valuation reports;
- appointment of valuer, as may be required;
- any other issue including special issues as specified under the REIT Regulations; and

(b) for any issue taken up in such meetings which require approval from the Platina Unitholders, votes cast in favour of the resolution shall be more than the votes cast against the resolution or such other percentage as may be prescribed under the REIT Regulations.

3. In case of the following, approval from Platina Unitholders shall be required where votes cast in favour of the resolution shall be more than the votes cast against the resolution:

(i) any transaction, other than any borrowing, the value of which is equal to or greater than 25% of the assets of the Property Share Investment Trust;

(ii) any borrowing in excess of specified limit as required under REIT Regulations;

(iii) any issue of Platina Units after the Offer by the Property Share Investment Trust, in whatever form, other than any issue of Platina Units which may be considered by SEBI, under REIT Regulations;

(iv) any issue, in the ordinary course of business, which in the opinion of the Investment Manager or Trustee, is material and requires approval of the Platina Unitholders, if any;

(v) any issue for which SEBI or the stock exchanges requires approval of the Platina Unitholders.

4. In case of the following, approval from Platina Unitholders shall be required where votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution:

(i) any change in the Investment Manager, including removal of the Investment Manager or change in control of the Investment Manager;

Provided that the Trustee delivers a 90-day prior written notice to the Investment Manager identifying the grounds of removal and give reasonable opportunity to the Investment Manager to refute the grounds for removal before the Trustee and the Platina Unitholders.

(ii) any material change in investment strategy or any change in the Property Share Investment Trust management fees;

(iii) the Investment Manager proposing to seek delisting of units of the PropShare Platina (a scheme of the Property Share Investment Trust);

(iv) any issue, not in the ordinary course of business, which in the opinion of Investment Manager or Trustee requires approval of the Platina Unitholders;

(v) any issue for which SEBI or the stock exchanges requires approval of the Unitholders; and

(vi) any issue taken up on request of the Platina Unitholders including:

(a) removal of the Investment Manager and appointment of another manager to the Property Share Investment Trust;

(b) removal of the Auditor and appointment of another auditor to the Property Share Investment Trust;

(c) removal of the Valuer and appointment of another valuer to the PropShare Platina (a scheme of the Property Share Investment Trust);

(d) delisting of the PropShare Platina (a scheme of the Property Share Investment Trust), if the Platina Unitholders have sufficient reason to believe that such delisting would act in the interest of the Unitholders;

(e) any issue which the Platina Unitholders have sufficient reason to believe that is detrimental to the interest of the Platina Unitholders; and

(f) change in the Trustee if the Platina Unitholders have sufficient reason to believe that acts of such Trustee are detrimental to the interest of the Platina Unitholders.

(vii) With respect to the right(s) of the Platina Unitholders under clause (vi) above:

(a) not less than 25% of the Platina Unitholders by value, other than any party related to the transactions and its associates (as defined under Regulation 2(1)(b) of the REIT Regulations, shall apply, in writing, to the Trustee for the purpose;

(b) on receipt of such application, the Trustee shall require the Investment Manager to place the issue for voting in the manner as specified in the REIT Regulations; and

(c) with respect to sub-clause (f) of clause (vi) above, not less than 60% of the Platina Unitholders by value shall apply, in writing, to the Manager for the purpose.

***Information rights***

The PropShare Platina (a scheme of the Property Share Investment Trust) and the Investment Manager shall also submit such information to the Stock Exchange and Platina Unitholders on a periodical basis as may be required under the REIT Regulations and the Listing Agreement. The Property Share Investment Trust and the Investment Manager shall disclose to the Stock Exchange, Platina Unitholders and SEBI, such information and in such manner as per applicable law.

***Buyback and Delisting of Platina Units***

Any buyback, redemption, return of capital or delisting of Platina Units, will be in accordance with the REIT Regulations.

## SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the website of SEBI and the stock exchanges and has not been prepared or independently verified by the Parties to the Trust or the Book Running Lead Manager or any of their respective affiliates or advisors. The information below is given for the benefit of investors in the Offer. Investors are advised to make their independent investigations and ensure that they are eligible to subscribe to, purchase or otherwise acquire the units they bid for under Indian laws or regulations.*

### The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE, together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

### Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Securities Contracts (Regulation) Rules, 1957 ("**SCRR**"). SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Regulations, which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### Listing and Delisting of Units

The REIT Regulations provide for listing and delisting of units of real estate investment trusts on the stock exchanges.

### NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

### BSE

Established in 1875, it is the oldest stock exchange in India. In 1957, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India.

### Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

### Trading Hours

Trading on the NSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m. that has been introduced). The NSE is closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and equity derivatives segments) subject to certain conditions.

### Trading Procedure

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

**Depositories**

The Depositories Act provides a legal framework for the regulation of depositories in securities and for matters connected therewith or incidental thereto. Further, SEBI has framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners.

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, which are or may be deemed material have been entered into in due course. These contracts and also the documents for inspection referred to hereunder, may be inspected at the principal place of business of the Property Share Investment Trust, from 10:00 A.M. to 5:00 P.M., on all Working Days from the date of the Final Scheme Offer Document until the date of listing of the Platina Units pursuant to this Offer. Any of the contracts or documents mentioned in this Final Scheme Offer Document may be amended or modified at any time if so required in the interest of the Property Share Investment Trust or if required by the other parties, without reference to the Platina Unitholders, subject to compliance with applicable law.

1. Trust deed entered into between the Investment Manager (as the Settlor) and the Trustee dated June 27, 2024 amended on July 19, 2024.

2. SEBI registration certificate for the Property Share Investment Trust bearing number IN/SM-REIT/24-25/0001 dated August 5, 2024 as a small and medium real estate investment trust.

3. Investment management agreement entered into between the Trustee (on behalf of the Property Share Investment Trust), and the Investment Manager dated June 27, 2024 amended first, on July 19, 2024 and second, on November 5, 2024.

4. Agreement dated October 22, 2024 between NSDL, the Property Share Investment Trust (on behalf of the PropShare Platina) and the Registrar to the Offer.

5. Agreement dated November 7, 2024, between CDSL, the Property Share Investment Trust (on behalf of the PropShare Platina) and the Registrar to the Offer.

6. Offer Agreement entered into between the Trustee, the Investment Manager and the Lead Manager dated September 26, 2024.

7. The share purchase agreements dated November 17, 2024 executed amongst Platina SPVs, shareholders of Platina SPVs, Trustee (on behalf of the PropShare Platina) and the Investment Manager.

8. Securities subscription agreements dated November 19, 2024 executed between the Trustee (on behalf of the PropShare Platina), the Investment Manager, and the Platina SPVs.

9. Trust loan agreements dated November 19, 2024 executed between the Trustee (on behalf of the PropShare Platina), the Investment Manager, and the Platina SPVs.

10. The registrar agreement dated November 21, 2024 executed between the KFIN Technologies Limited, Axis Trustee Services Limited, and the Investment Manager.

11. The cash escrow agreement dated November 21, 2024 executed between the Axis Trustee Services Limited, the Investment Manager, ICICI Securities Limited, KFIN Technologies Limited and ICICI Bank Limited.

12. The underwriting agreement dated December 05, 2024 executed between Axis Trustee Services Limited, the Investment Manager, ICICI Securities Limited and KFIN Technologies Limited.

13. Trademark license letter agreement dated September 18, 2024 executed between the AltInvest Online Platform Private Limited (formerly known as PropertyShare Online Platform Private Limited) and the Investment Manager.

14. Certified copies of the Memorandum and Articles of Association of the Investment Manager as amended from time to time.

15. Board resolution of the Investment Manager dated September 17, 2024 read with board resolution dated September 26, 2024, authorizing this Offer.

16. Board resolution of the Investment Manager dated November 22, 2024, approving the Scheme Offer Document.

17. The letter of intent dated July 10, 2024, as amended on November 8, 2024, and November 18, 2024 have been executed amongst the Investment Manager and 24/7 Customer Private Limited.

18. Final observation letter dated November 14, 2024 received from the Securities and Exchange Board of India on Draft Scheme Offer Document.

19. In-principle approval received from the BSE for listing of our Platina Units pursuant to letter dated November 12, 2024.

20. Consents from the (i) Lead Manager; (ii) Legal counsel to the Property Share Investment Trust and the Investment Manager as to Indian law (iii) Valuer dated September 11, 2024; (iv) Registrar to the Offer dated September 11, 2024; (v) Compliance Officer of the Property Share Investment Trust dated September 26, 2024, as applicable.

21. Consent from the Auditors dated September 25, 2024.

22. Valuation Report dated September 14, 2024 issued by Kzen Valtech Private Limited Partners (represented by its partner Sachin Gulaty), a registered valuer.

23. Industry report titled "Industry Report on SM REITs in India" dated September 13, 2024, issued by JLL.

24. Consent from Tax Advisers dated September 13, 2024

25. Technical Due Diligence Report dated September 11, 2024, issued by Colliers International

26. Consent from Title Lawyer September 14, 2024

Any of the contracts or documents mentioned in this Final Scheme Offer Document may be amended/modified at any time if so, required in the interest of the Property Share Investment Trust or if required by other parties, without reference to the Platina Unitholders, subject to compliance with applicable law.

## DECLARATION

The Trustee (on behalf of the Property Share Investment Trust) hereby declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Trustee (on behalf of the Property Share Investment Trust) further certifies that all the statements and disclosures in this Final Scheme Offer Document are material, true, correct, not misleading and adequate in order to enable the investors to make a well-informed decision.

For **Axis Trustee Services Limited (on behalf of the Property Share Investment Trust)**

……..

Authorized Signatory

Date: December 5, 2024

Place: Bengaluru

## DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, the SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Final Scheme Offer Document are true, fair and adequate in order to enable the investors to make a well informed decision as to their investment in the Offer.

For **PropShare Investment Manager Private Limited**:

Benjamin Oliver Speat Cassey

*Non-Independent Director*

Date: December 5, 2024

Place: London

## DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, the SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Final Scheme Offer Document are true, fair and adequate in order to enable the investors to make a well-informed decision as to their investment in the Offer.

For **PropShare Investment Manager Private Limited**:

Hashim Qadeer Khan

*Non-Independent Director*

Date: December 5, 2024

Place: Bengaluru

## DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, the SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Final Scheme Offer Document are true, fair and adequate in order to enable the investors to make a well informed decision as to their investment in the Offer.

For **PropShare Investment Manager Private Limited**:

Jagdish Chandra Sharma

*Independent Director*

Date: December 5, 2024

Place: Bengaluru

## DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, the SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Final Scheme Offer Document are true, fair and adequate in order to enable the investors to make a well informed decision as to their investment in the Offer.

For **PropShare Investment Manager Private Limited**:

Kunal Moktan

*Non-Independent Director*

Date: December 5, 2024

Place: London

## DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, the SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Final Scheme Offer Document are true, fair and adequate in order to enable the investors to make a well informed decision as to their investment in the Offer.

For **PropShare Investment Manager Private Limited**:

Rachna Dikshit

*Independent Director*

Date: December 5, 2024

Place: Goa

## DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the REIT Regulations, SEBI Guidelines, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Final Scheme Offer Document (Section 1 – Details of the Trust and Section 2 – Details of the Scheme, collectively referred to as PropShare Platina's Final Scheme Offer Document, referred to as the "**Final Scheme Offer Document**") is contrary to the provisions of the REIT Regulations, the SCRA, the SEBI Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Final Scheme Offer Document are true, fair and adequate in order to enable the investors to make a well informed decision as to their investment in the Offer.

For **PropShare Investment Manager Private Limited**:

Ramakrishnan Seshan

*Independent Director*

Date: December 5, 2024

Place: Mumbai

**ANNEXURE 1**

**PROJECTIONS**

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

53/B, LOLS Citadel Level 2 & 3
1st Main Road, 3rd Phase
Sarakki Industrial Layout
J P Nagar
**Bengaluru** 560 078 INDIA
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**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 and underlying assumptions**

To
The Governing Board,
Propshare Investment Manager Private Limited (the "Investment Manager" or "Manager") in its capacity as an Investment Manager of Propshare Platina (the "Issuer" or the Scheme")
10th Floor, SKAV Seethalakshmi, 21/22,
Kasturba Road, Bengaluru 560001.

1. We have examined the accompanying statement of projected revenue from operations, statement of projected net operating income, statement of projected earnings before finance cost, tax, depreciation and amortization, statement of projected cash flows from operating activities and statement of projected net distributable cash flows and the underlying assumptions of Propshare Platina ("the Scheme") and its proposed subsidiaries, Rumosch Private Limited ('RPL'), PropAreas Private Limited ('PAPL'), AvenuProps Private Limited ('APL'), WillowProps Private Limited ('WPL'), Premiumbiz Private Limited ('PPL'), Estapropfront Private Limited ('EPL') (individually known as "Asset SPV") (the Scheme, Assets SPVs together referred to as the "Propshare Platina Group") as described in note 1 of the projected combined financial information for the years ending March 31, 2026, 2027 and 2028 (collectively, hereinafter referred to as the "Projections", initialled by us for identification purpose only), in accordance with the Standard on Assurance Engagement 3400, "The Examination of Projected Financial Information", issued by the Institute of Chartered Accountants of India (ICAI).

2. The preparation and presentation of the projections including the underlying assumptions and the basis of preparation, set out in Note I to IX including Annexures to the Projections, is the responsibility of the Investment Manager and has been approved by the Governing Board of the Investment Manager. Our responsibility is to examine the evidence supporting the assumptions (excluding the hypothetical assumptions) and other information in the Projections. Our responsibility does not include verification of the accuracy of the projections. Therefore, we do not vouch for the accuracy of the same.

3. These projections have been prepared for the proposed initial public offering of units of the Scheme in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended by the Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024, and the circulars and guidance issued thereunder ("SM-REIT Regulations" or "REIT Regulations"). The projections have been prepared using a set of assumptions that include hypothetical assumptions about future events and the Investment Manager's actions that are not necessarily expected to occur, as set out in Note IX to the Projections; and has been approved by the Governing Board of the Investment

ASA & Associates LLP Chartered Accountants

Manager. Consequently, users are cautioned that these projections may not be appropriate for purposes other than that described above.

4. We have examined the evidence supporting the assumptions and other information in the Projection Information on a test basis. Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Projections, assuming the investments in the SPV's by the Scheme before November 1, 2024.

5. Further, in our opinion the Projections, read with the Basis of Preparation and notes therein, is properly prepared on the basis of the assumptions as set out in Note I to IX to the Projections and using the recognition and measurement principles of Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ('Ind AS'), read with SM REIT Regulations, as amended from time to time and the SEBI circular number CIR/IMD/DF/141/2016 dated 26 December 2016 (SEBI Circular) and included in the draft offer document, offer document and the final offer document (collectively, the "Offer Documents"). Even if the events anticipated under the hypothetical assumptions described above occur, actual results are still likely to be different from the projections since other anticipated events frequently do not occur as expected and the variation may be material.

6. We draw attention to the following:

   a) As more fully explained in Note I in "Basis and Notes to Projections", the projections are prepared assuming that the scheme comes to existence from November 01, 2024. However, the manager has presented the projections only for three complete financial years ended March 31, 2026 , March 31, 2027 and March 31, 2028.

   b) As more fully explained in Notes to projected cash flow from operations, projected net distributable cash flows and Note I in Annexure C of projections, for the purpose of calculation of cash flow from operations and net distributable cash flows of SPVs, the manager has not considered movement in security deposit as the same is in the nature of liability which is refundable upon expiry or termination of the lease.

7. This report is required by REIT Regulations requiring the independent auditor to issue a report on the Projections and is issued for the sole purpose of the Offering in accordance with Indian SM REIT Regulations. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India, including in the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. US securities regulations do not require profit forecasts to be reported on by a third party. This report should not be relied upon by prospective investors in the United States of America, including persons who are Qualified Institutional Buyers as defined under Rule 144A under the United States Securities Act of 1933 participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation.

ASA & Associates LLP Chartered Accountants

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. This report is addressed to and is provided to enable the Investment Manager to include this report in the Offer Documents in connection with the proposed initial public offer of units of the Trust and that the Projections may not be meaningful for any other purpose. Our report is intended solely for the purpose of inclusion in Offer Documents and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For ASA & Associates LLP
Chartered Accountants
(Firm's Reg. No. 009571N/ N500006)

ASA & Associates LLP Chartered Accountants

Vinay K S
Partner
Membership No.223085
UDIN: 24223085BKENMO6428

Place: Bengaluru
Date: September 17, 2024

## Projections

***General Terms, Definitions and Abbreviations***

| Term | Definition |
|---|---|
| **SM REIT related Terms** | |
| Property Share Investment Trust (PSIT) | Property Share Investment Trust, set up on June 27, 2024, as contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882 and registered with SEBI on August 5, 2024 as a small and medium real estate investment trust under Regulation 26L(1) of the REIT Regulations |
| PropShare Platina Scheme or PropShare Platina | The first Scheme of Property Share Investment Trust |
| Asset SPVs | Rumosch Private Limited ("RPL"), PropAreas Private Limited ("PAPL"), AvenueProps Private Limited ("APL"), Willowprops Private Limited ("WPL"), Premiumbiz Private Limited ("PPL"), Estapropfront Private Limited ("EPL") |
| Asset | 6 floors in the building Prestige Tech Platina, located on Outer Ring Road in Bengaluru, to be purchased by the PropShare Platina Scheme |
| IPO or Issue | Initial Public Offering of the units of PropShare Platina |
| Manager or Investment Manager | PropShare Investment Manager Private Limited |
| Shareholder loan | Loan to be provided by the PropShare Platina Scheme to the Asset SPVs |
| Optionally convertible debentures | Debentures issued by the Asset SPVs and subscribed by the PropShare Platina Scheme |
| Trustee | Axis Trustee Services Limited |
| **General Terms** | |
| Fiscal or FY | Year ending March 31 |
| INR or ₹ | Indian rupees |
| Ind AS | Indian Accounting Standards |
| IT Act | Income Tax Act, 1961 |
| Cr | Crores |
| Projections | Projections of PropShare Platina Scheme for FY26, FY27, and FY28, prepared in accordance with the REIT regulations and the SEBI guidelines |
| Projections Period | The three fiscal years commencing April 1, 2025 and ending March 31, 2028 |
| SEBI | Securities and Exchange Board of India |
| DTAA | Double Taxation Avoidance Agreement |
| **Operational and Financial Metrics** | |
| Occupied Area | Leasable Area for which lease agreements/LOIs have been signed with tenants. |
| Leasable Area (sf) | The total area of 6 floors in Prestige Tech Platina that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation. |
| Occupancy % | $\frac{\textit{Occupied Area}}{\textit{Leasable Area}}$ |
| Rental Income | Total rent received from the tenant |

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Upshare Investment Manager Private Limited

| | |
|---|---|
| Revenue from Operations | For details on components of Revenue from Operations, refer to *Indicative Profit and Loss statement framework used for the purpose of Projections* |
| NOI | Net Operating Income. For details on components of Net Operating Income, refer to *Indicative Profit and Loss statement framework used for the purpose of Projections* |
| NOI Margin (%) | $\frac{\textbf{NOI}}{\textbf{Revenue from Operations}}$ |
| EBITDA | Earnings before interest, tax, depreciation, and amortization. For details on components of EBITDA, refer to *Indicative Profit and Loss statement framework used for the purpose of Projections* |
| EBITDA Margin (%) | $\frac{\textbf{EBITDA}}{\textbf{Revenue from Operations}}$ |
| NDCF | Net Distributable Cash Flow for the PropShare Platina Scheme proposed to be calculated by the Manager in the manner laid out in *Annexure C: NDCF framework for the PropShare Platina Scheme* |
| Gross Proceeds | Amount aimed to be raised by PropShare Platina from the IPO |
| Yield (%) | $\frac{\textbf{NDCF}}{\textbf{Gross Proceeds}}$ |
| Letter of Intent | Binding Letter of Intent dated July 10, 2024 between the Manager and the tenant to take up 100% of the Leasable Area |
| Sf | Square feet |
| CAGR | Compound Annual Growth Rate |
| CFO | Cashflow from Operating activities |

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PropShare Investment Manager Private Limited

*Asset Overview*

| Property Name | Entity Name | Ownership (%) | Leasable Area (sf) | City |
|---|---|---|---|---|
| ***Prestige Tech Platina:*** | | | | |
| Ground Floor | Rumosch Private Limited | 100% | 34,991 | Bengaluru |
| First Floor | PropAreas Private Limited | 100% | 37,075 | Bengaluru |
| Second Floor | Avenueprops Private Limited | 100% | 43,717 | Bengaluru |
| Third Floor | Willowprops Private Limited | 100% | 43,717 | Bengaluru |
| Fourth Floor | Premiumbiz Private Limited | 100% | 43,717 | Bengaluru |
| Fifth Floor | Estapropfront Private Limited | 100% | 43,717 | Bengaluru |
| | | **100%** | **2,46,935** | |

**Note:**

(1) All the floors are assumed to be completely occupied at all times (100% Occupancy) during the projections period based on the lock-in period in Letter of Intent signed with the tenant. For first, second and third floor, the lock-in period expires in 31st October 2027. However, the Manager assumed continuation in lease for first, second and third floor for balance 5 months in FY28 as the lease period is for 9-years.

(2) The Scheme is proposed to invest in above entities through equity, shareholder loan and optionally convertible debentures in a pre-decided manner.

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Propshare Investment Manager Private Limited

***Projected Revenue from Operations, NOI, EBITDA, CFO and NDCF for PropShare Platina scheme (on a combined basis)***

***Projected Revenue from Operations for PropShare Platina scheme (on a combined basis)***

*₹ cr*

| Portfolio Assets | FY26 | FY27 | FY28 |
|---|---|---|---|
| Prestige Tech Platina – Ground Floor | 4.58 | 4.58 | 4.58 |
| Prestige Tech Platina – First Floor | 4.08 | 4.08 | 4.67 |
| Prestige Tech Platina – Second Floor | 4.81 | 4.81 | 5.50 |
| Prestige Tech Platina – Third Floor | 4.81 | 4.81 | 5.50 |
| Prestige Tech Platina – Fourth Floor | 5.65 | 5.65 | 5.65 |
| Prestige Tech Platina – Fifth Floor | 5.15 | 5.15 | 5.15 |
| **Total** | **29.07** | **29.07** | **31.05** |

**Note:**

Refer to Purpose and basis of preparation, Notes, General Terms, Definitions and Abbreviations for details. Revenue from operations for the Projections period has been derived solely from the assumptions outlined in this report.

*The Revenue from Operations for PropShare Platina Scheme has been presented for the asset proposed to be owned by the Scheme*

For and on behalf of the Board of Directors of

PropShare Investment Manager Private Limited

(as Manager for the PropShare Platina scheme)

Hashim Qadeer Khan
Director

Place:
Date: September 17, 2024

PropShare Investment Manager Private Limited

ASA & Associates LLP Chartered Accountants

***Projected Net Operating Income for PropShare Platina scheme (on a combined basis)***

*₹ cr*

| **Portfolio Assets** | **FY26** | **FY27** | **FY28** |
|---|---|---|---|
| Prestige Tech Platina – Ground Floor | 4.44 | 4.44 | 4.52 |
| Prestige Tech Platina – First Floor | 4.34 | 4.34 | 4.41 |
| Prestige Tech Platina – Second Floor | 5.12 | 5.12 | 5.20 |
| Prestige Tech Platina – Third Floor | 5.12 | 5.12 | 5.20 |
| Prestige Tech Platina – Fourth Floor | 5.54 | 5.54 | 5.65 |
| Prestige Tech Platina – Fifth Floor | 5.31 | 5.31 | 5.39 |
| **Total** | **29.87** | **29.87** | **30.37** |

**Note:**

Refer to Purpose and basis of preparation, Notes, General Terms, Definitions and Abbreviations for details. Net Operating Income for the Projections period has been derived solely from the assumptions outlined in this report.

*The Net Operating Income for PropShare Platina Scheme has been presented for the asset proposed to be owned by the PropShare Platina scheme.*

Hashim Q. Khan

Propshare Investment Manager Private Limited

For and on behalf of the Board of Directors of

PropShare Investment Manager Private Limited

(as Manager for the PropShare Platina scheme)

Hashim Qadeer Khan
Director

Place:
Date: September 17, 2024

ASA & Associates LLP
Chartered Accountants

***Projected EBITDA for PropShare Platina scheme (on a combined basis)***

₹ cr

| Portfolio Assets | FY26 | FY27 | FY28 |
|---|---|---|---|
| Prestige Tech Platina – Ground Floor | 4.56 | 4.56 | 4.65 |
| Prestige Tech Platina – First Floor | 4.47 | 4.46 | 4.53 |
| Prestige Tech Platina – Second Floor | 5.27 | 5.26 | 5.34 |
| Prestige Tech Platina – Third Floor | 5.27 | 5.26 | 5.34 |
| Prestige Tech Platina – Fourth Floor | 5.69 | 5.69 | 5.81 |
| Prestige Tech Platina – Fifth Floor | 5.45 | 5.45 | 5.54 |
| Scheme Level Income[1] | 0.01 | 0.01 | 0.01 |
| Scheme Level Expense[2] | (0.20) | (1.08) | (1.26) |
| **Total** | **30.52** | **29.61** | **29.97** |

**Note:**

Refer to Purpose and basis of preparation, Notes, General Terms, Definitions and Abbreviations for details. EBITDA for the Projections period has been derived solely from the assumptions outlined in this report.

*The EBITDA for PropShare Platina Scheme has been presented for the asset proposed to be owned by the PropShare Platina scheme.*

*[1]Scheme level income includes interest income on the cash held at the Scheme.*

*[2]Scheme level expenses include Professional and regulatory fees such as Audit fee, Valuation fee, Fund accounting fee, Investment Manager fee, Demat fee and Other Annual report and related costs.*

*[3]Percentages rounded off to nearest single decimal.*

PropShare Investment Manager Private Limited

For and on behalf of the Board of Directors of

PropShare Investment Manager Private Limited

(as Manager for the PropShare Platina scheme)

Hashim Qadeer Khan
Director

Place:
Date: September 17, 2024

ASA & Associates LLP Chartered Accountants

***Projected Cashflow from Operating activities for PropShare Platina scheme (on a combined basis)***

*₹ cr*

| **Portfolio Assets** | **FY26** | **FY27** | **FY28** |
|---|---|---|---|
| Prestige Tech Platina – Ground Floor | 4.41 | 4.41 | 4.49 |
| Prestige Tech Platina – First Floor | 4.32 | 4.32 | 4.38 |
| Prestige Tech Platina – Second Floor | 5.09 | 5.09 | 5.16 |
| Prestige Tech Platina – Third Floor | 5.09 | 5.09 | 5.16 |
| Prestige Tech Platina – Fourth Floor | 5.51 | 5.51 | 5.61 |
| Prestige Tech Platina – Fifth Floor | 5.27 | 5.27 | 5.36 |
| **Total*** | **29.68** | **29.68** | **30.16** |

**Note:**

Refer to Purpose and basis of preparation, Notes, General Terms, Definitions and Abbreviations for details. Cashflow from operating activities for the Projections period has been derived solely from the assumptions outlined in this report.

*The Cash flows from operating activities for PropShare Platina Scheme has been presented for the asset proposed to be owned by the PropShare Platina scheme.*

**Manager has not considered changes in Security Deposit as part of CFO as the same is in the nature of liability which is refundable at the time of expiry or termination of the lease.*

Hashim K. Khan

PropShare Investment Manager Private Limited

For and on behalf of the Board of Directors of

PropShare Investment Manager Private Limited

(as Manager for the PropShare Platina scheme)

Hashim Qadeer Khan
Director

Place:
Date: September 17, 2024

ASA & Associates LLP Chartered Accountants

***Projected NDCF for PropShare Platina scheme (on a combined basis)***

₹ cr

| **Portfolio Assets** | **FY26** | **FY27** | **FY28** |
|---|---|---|---|
| Prestige Tech Platina – Ground Floor | 4.56 | 4.56 | 4.74 |
| Prestige Tech Platina – First Floor | 4.77 | 4.77 | 4.54 |
| Prestige Tech Platina – Second Floor | 5.62 | 5.62 | 5.36 |
| Prestige Tech Platina – Third Floor | 5.62 | 5.62 | 5.36 |
| Prestige Tech Platina – Fourth Floor | 5.69 | 5.69 | 5.92 |
| Prestige Tech Platina – Fifth Floor | 5.62 | 5.60 | 5.54 |
| Scheme Level Income[1] | 0.01 | 0.01 | 0.01 |
| Scheme Level Expense[2] | (0.20) | (1.08) | (1.26) |
| **Total** | **31.69** | **30.79** | **30.21** |
| **Yield[3,4] (%)** | **9.0%** | **8.7%** | **8.6%** |

**Note:**

Refer to Purpose and basis of preparation, Notes, General Terms, Definitions and Abbreviations for details.

*The NDCF for PropShare Platina Scheme has been presented for the asset proposed to be owned by the PropShare Platina scheme.*

*[1]Scheme level income includes interest income on the cash held at the Scheme.*

*[2]Scheme level expenses include Professional and regulatory fees such as Audit fee, Valuation fee, Fund accounting fee, Investment Manager fee, Demat fee and Other Annual report and related costs. Refer note V(2)(iii) for IM fees.*

*[3]Percentages rounded off to nearest single decimal.*

*[4]Manager has not considered changes in Security Deposit as part of NDCF as the same is in the nature of liability which is refundable at the time of expiry or termination of the lease.*

For and on behalf of the Board of Directors of

PropShare Investment Manager Private Limited

(as Manager for the PropShare Platina scheme)

Hashim Qadeer Khan
Director

Place:
Date: September 17, 2024

*Basis and notes to Projections*

I. ***Purpose and basis of preparation***

The Projections have been prepared by the Manager solely for inclusion in the Draft Offer Document and Final Offer Document (collectively "Offer Documents") in connection with the proposed IPO in accordance with the requirements of The Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended by SEBI (Real Estate Investment Trusts) (Amendment) Regulations, 2024 dated on March 8, 2024 and any circulars and guidelines issued thereunder (the "SM REIT Regulations").. Therefore, the use of the Projections may not be appropriate and should not be used or relied upon for any purpose other than that described above.

The Projections are prepared based on the measurement and recognition principles of Ind AS as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 read with the REIT Regulations (including the SEBI master circular number SEBI/HO/DDHS-PoD-2/P/CIR/2024/43 dated May 15, 2024. Though the aforesaid Projections are prepared under the Ind AS framework, they do not provide for all the detailed disclosures as required under Ind AS.

It is noted that Projections for all the entities proposed to be acquired, refer to standalone assets and do not include any impact of synergies, income or expenses due to consolidation of other entities or investments.

The Projections are proforma for the capital structure and corporate structure as if the PropShare Platina Scheme was in existence at the beginning of November 1, 2024. However, the Manager has decided to provide the projections for the period of 3 years starting from April 1, 2025, i.e., FY 26 to FY 28.

II. ***Significant assumptions for the Projections***

The Projections and assumptions are based on estimates as deemed appropriate and reasonable by the Manager at the date of the Projections and has been adopted by the Board of Directors of the Manager on September 17. 2024. However, the investors should consider these estimates, assumptions as well as the Projections and make their own assessment of the future performance of PropShare Platina Scheme. Investors should be aware that future events cannot be predicted with any certainty and there may be deviations from the figures reflected in the Projections.

It is clarified that the Projections have been prepared on the basis of a mixture of best-estimate (i.e., assumptions as to future events which are expected to take place and the actions expected to take place as of the date the information is prepared) and hypothetical assumptions (about future events and actions which may or may not necessarily take place). Selected material assumptions are identified as a part of the report and the resulting sensitivity of those results have been disclosed in Annexure A: Sensitivity Analysis on Material Assumptions.

The Manager has entered into a Letter of Intent for the purpose of acquisition of property on behalf of Scheme and let out of 100% space of each SPV, the Manager has considered the Letter of Intent as a basis of projections assuming to commence from November 1, 2024.

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PropShare Investment Manager Private Limited

III. ***Snapshot of select key line items for PropShare Platina Scheme***

The table below represents a summary of key line items during the Projections Period:

*₹ cr*

| | FY26 | FY27 | FY28 |
|---|---|---|---|
| Revenue from operations | 29.07 | 29.07 | 31.05 |
| NOI | 29.87 | 29.87 | 30.37 |
| *NOI (%)* | *102.8%* | *102.8%* | *97.8%* |
| EBITDA | 30.71 | 30.68 | 31.22 |
| *EBITDA Margin (%)* | *105.6%* | *105.5%* | *100.6* |
| Cashflows from Operating Activities | 29.68 | 29.68 | 30.16 |
| **NDCF from PropShare Platina** | 31.69 | 30.79 | 30.21 |
| *Yield (%)* | 9.0% | 8.7% | 8.6% |

**Note:**

*(1) Numbers reflected above are based on assets proposed to be owned by PropShare Platina scheme*

*(2) For details in relation to NOI, refer to General Terms, Definitions and Abbreviations*

*(3) For details in relation to EBITDA, refer to General Terms, Definitions and Abbreviations*

*(4) For details in relation to NDCF, refer to General Terms, Definitions and Abbreviations*

IV. ***Revenue drivers and assumptions***

**Summary Observations**

During FY2026 to FY2028, subject to the assumptions stated herein and limitations inherent in these Projections, PropShare Platina Scheme is projected to generate a 2.22% CAGR in Revenue from operations, driven by contractual growth and other adjustments. The impact of key growth drivers is reflected in the table below:

*₹ cr*

| | FY27 | FY28 | Total (FY26-28) | % growth contribution to growth (FY26-28) |
|---|---|---|---|---|
| Revenue from Operations for the previous year | 29.07 | 29.07 | 29.07 | 100% |
| Total growth for the year | 0.0 | 1.98 | 1.98 | 100% |
| Contractual rent growth | 0.0 | 0.22 | 0.22 | 11.1% |
| Other adjustments | 0.0 | 1.76 | 1.76 | 88.9% |
| Revenue from Operations for the current year | 29.07 | 31.05 | 31.05 | |

**1. Lease Rentals**

Revenue from Operations growth drivers include only Contractual Rental growth as the proposed leases are agreed for a term of 9-years including a lock-in period of 3-7 years as per Letter of Intent.

i. Contractual Rental growth

For the escalation in the proposed leases, the Manager has used contractual Letters of Intent terms under proposed lease agreements. The overall tenure of the leases is 9 years with initial lock-in which varies from 3 to 7 years. The leases have the contractual rent growth as per the Letter of Intent. The Manager assumes continuation in lease, post lock-in period for the first, second and third floors.

ii. Other Adjustments

Other adjustments is on account of IndAS adjustments.

PropShare Investment Manager Private Limited

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V. ***Drivers and assumptions for NOI and EBITDA***

NOI = Revenue from operations less: Direct operating expenses less: Ind AS adjustments.

EBITDA = NOI less: Indirect Operating expenses add: Interest and other income less: Scheme level expenses

Refer Indicative Profit and Loss Statement Framework Used for the Purposes of Projections for additional details on calculation of NOI and EBITDA.

NOI, EBITDA, NOI margin, and EBITDA margin do not have standardized meaning, and not recognized measures under Ind AS, and they may not be comparable with measures with similar names presented by other companies. These metrics should not be considered by themselves or as substitutes for comparable measures under Ind AS or other measures of operating performance, liquidity or ability to pay dividends. For further details, refer to General Terms, Definitions and Abbreviations.

**1. NOI**

During the Projections Period, subject to the assumptions stated herein and limitations inherent in these Projections, PropShare Platina Scheme is assumed to generate growth in NOI driven by contractual growth. The impact of growth drivers is reflected in the table below:

*₹ cr*

| | FY27 | FY28 | Total (FY26-28) | % growth contribution to growth (FY26-28) |
|---|---|---|---|---|
| NOI for the previous year | 29.87 | 29.87 | 29.87 | 100% |
| Total growth for the year | 0.0 | 0.49 | 0.49 | 100% |
| NOI from contractual rent growth | 0.0 | 0.0 | 0.0 | 100% |
| NOI for current year | 29.87 | 30.37 | 30.37 | |

**Note:**

*For details in relation to NOI, refer to General Terms, Definitions and Abbreviations*

**2. EBITDA**

Expenses:

i. Direct Operating expenses

a) Property Tax: Property tax is assumed to be payable on leasable area, the property tax is estimated to be ₹2.35 per square feet, based on current property tax rates. Historically, property taxes have not witnessed a linear increase and have been subject to periodic increases as per regulatory norms. Hence, the Manager has not accounted for any escalation.

b) Insurance: Estimates for FY2026 to FY 2028 is based on historical industry trends and escalation in insurance during the Projections period which is in proportion with escalation in Gross receipts.

ii. Indirect Operating expenses:

a) Indirect operating expenses includes annual reports & related costs, fund accounting charges, annual valuation fees, trustee fees, stock exchange fees, dematerialization charges, legal and professional fees, director fees, audit fees, other expenses(unforeseen) and it is approximated at 0.63% of the Gross receipts at the SPV level and 0.64% of the Gross receipts at the Scheme level.

b) Other administrative expenses such as employee related expenses are not considered at the Scheme and SPV level since the Scheme will be managed by the Manager and recovered through the management charges.

iii. The Investment manager fees at the Scheme level is assumed to be 0%, 0.25% and 0.30% of the Gross proceeds for FY 26, FY 27 and FY 28 respectively.

iv. The issue expenses at the Scheme level are assumed to be Rs.4.4 crores.

VI. ***Drivers and assumptions for cash flows from operating activities***

1. Changes in working capital: Manager has assumed that there shall be an increase in the security deposit on account of escalation in the rent at the end of 3 years from the lease commencement date. However, the Manager has not considered changes in Security Deposit as part of NDCF as the same is in the

Professional Investment Manager Private Limited

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nature of liability which is refundable at the time of expiry or termination of the lease.

2. Income Taxes: Income taxes have been computed at income tax rates applicable for FY2025 which are expected to apply for the entire Projections Period. The taxes have been computed as per the provisions of Chapter IV of the IT Act. Unabsorbed depreciation of earlier years and expected losses of future years, if any, have been carried forward and considered for set-off as per the provisions of Chapter VI of the IT Act. Whilst interest paid on debt is generally tax deductible, its treatment depends on the specific facts of entity. During the Projections Period, the PropShare Platina Scheme is estimated to receive cash flows from the SPVs in the form of interest income, and potential repayment of shareholder loan by Asset SPVs which are considered exempt under IT Act.

VII. ***Drivers and assumptions for NDCF***

**Summary Observations**

NDCF receivable by the PropShare Platina Scheme may be in the form of interest income and repayment of shareholder loan from the Asset SPVs.

As per the SM REITs Regulations, not less than 95% of the NDCF of the Asset SPVs are required to be distributed to the PropShare Platina Scheme in proportion of their shareholding in the Asset SPV, subject to applicable provisions of the Companies Act, 2013. For the purpose of Projection, Manager has assumed that 100% of NDCF during the year after accounting for all outflows will be distributed for the Projections Period. Additionally, Manager has also included surplus cash available in the SPV from the Gross Proceeds kept as reserves to meet desired distributions.

Presently, the Manager proposes to calculate the NDCF for PropShare Platina Scheme in the manner laid out in Annexure B: NDCF framework for the PropShare Platina Scheme.

VIII. ***Other key assumptions (relevant for cash outflow from income tax payments for computing cash flows from operating activities and the calculations of NDCF):***

1. Depreciation and Amortization: Depreciation is calculated on the depreciable amount of Investment Property over their estimated useful lives. Depreciable amount is the cost of the assets or other amount substituted for cost, less its estimated residual value. Depreciation for income tax purpose has been considered at the applicable rates of depreciation under the IT Act for FY2025 which are expected to apply for the Projections Period.

2. Finance Costs: The Manager intends to maintain an optimal mix of debt and equity to provide flexibility to PropShare Platina Scheme to manage its risk exposure, implement its strategies and provide total returns to Unitholders. The Manager has assumed 10% equity, 30% shareholder loan and 60% Optionally Convertible Debentures mix for the capital proposed to be infused in each SPV, proportionate to the Leasable Area.

   Based on the market environment and Manager's ongoing discussions with various financial institutions, the Manager has made the following assumptions for the purpose of Projections:

i. The Unsecured loan advanced to SPVs shall bear an interest of 8% p.a. and the repayment terms are as on basis availability of surplus funds with the maximum tenure of 15 years.

ii. The Optionally convertible debentures carry a coupon rate of 0.01% with face value of OCD is Rs. 1,000, term of 10 years and the conversion right attached to OCDs may be exercised by the Scheme, in one or more tranches, at any time during the term thereof as agreed, by issuing a written notice to the SPVs, specifying the number of OCDs proposed to be converted based on the valuation on conversion date.

Additionally, Ind AS adjustment in relation to unwinding of security deposits from tenants are expected to lead to additional notional finance costs during the Projections Period.

IX. ***Additional assumptions***

The Manager has made the following additional assumptions in preparing the Projections as on the date of this report:

1. No further assets (apart from the Portfolio) are assumed to be acquired and no assets are assumed to be divested during the Projections Period.

2. Sensitivity analysis in Annexure B to the Projections is prepared based on the movements from the agreed rents of the first, second and third floor.

Propshare Investment Manager Private Limited

ASA & Associates LLP Chartered Accountants

3. Acquisition fee/brokerage to International Property Consultants and the Investment Manager which is capitalized to Investment property is based on the Letter of Intent or agreements with third parties.
4. All leases will be enforceable and will be performed in accordance with their terms in the Letter of Intent.
5. No further equity capital or buyback is assumed to be raised during the Projections Period.
6. It is assumed that there will be no material change in taxation legislations or other applicable legislations during the Projection Period
7. It is assumed that the OCDs are not converted or redeemed during the Projections period.
8. The Projections have been prepared using Ind AS standards and interpretations that are effective for the Ind AS financial statements as at March 31, 2024. The Projections do not take into account the impact of any new Ind AS standard or interpretation not effective as at March 31, 2024, as the impact of the same is not expected to be significant.
9. No additional outflow and inflow have been assumed on account of any litigation related matters

Propshare Investment Manager Private Limited

ASA & Associates LLP Chartered Accountants

## Annexure A: Post-tax distributions

### I. Post-tax distributions in the hands of Resident HNI investor

*₹ cr*

| Particulars | FY26 | FY27 | FY28 |
|---|---|---|---|
| Net distributions to Investors | 31.69 | 30.79 | 30.21 |
| *Yield (%)* | *9.0%* | *8.7%* | *8.6%* |
| Post-Tax Yield (for investor having total income above INR 5 Crores)[1,2] | 8.1% | 8.2% | 8.2% |
| Post-Tax Yield (For investors having income between 2 Crores to 5 Crores) | 8.2% | 8.2% | 8.3% |
| Post-Tax Yield (For investors having income between 1 Crores to 2 Crores) | 8.3% | 8.2% | 8.3% |
| Post-Tax Yield (For investors having income between 50 lakhs to 1 Crores) | 8.3% | 8.3% | 8.3% |
| Post-Tax Yield (For investors having income less than 50 lakhs)[3] | 8.4% | 8.3% | 8.3% |

*[1]In case of investors opting for tax under section 115BAC (new regime), the highest surcharge rate is capped at 25% instead of 37% for income above INR 5 Crores as well.*

*[2]Assumed that the investor has not opted for tax under section 115BAC.*

*[3]Minimum tax slab for investor is assumed at 30%*

### II. Post-tax distributions in the hands of Non-Resident HNI investor

*₹ cr*

| Particulars | FY26 | FY27 | FY28 |
|---|---|---|---|
| Net distributions to Investors | 31.69 | 30.79 | 30.21 |
| *Yield (%)* | 9.0% | 8.7% | 8.6% |
| Post-Tax Yield (for investor having total income above INR 5 Crores)[1] | 8.8% | 8.6% | 8.5% |
| Post-Tax Yield (For investors having income between 2 Crores to 5 Crores) | 8.9% | 8.6% | 8.5% |
| Post-Tax Yield (For investors having income between 1 Crores to 2 Crores) | 8.9% | 8.6% | 8.5% |
| Post-Tax Yield (For investors having income between 50 lakhs to 1 Crores) | 8.9% | 8.6% | 8.5% |
| Post-Tax Yield (For investors having income less than 50 lakhs) | 8.9% | 8.7% | 8.5% |

*[1] Assuming investors are eligible for beneficial rates under DTAA. The rates include surcharges and education cess.*

### III. Distribution in the hands of the AIF

*₹ cr*

| Particulars | FY26 | FY27 | FY28 |
|---|---|---|---|
| Net distributions to Investors | 31.69 | 30.79 | 30.21 |
| *Yield (%)* | *9.0%* | *8.7%* | *8.6%* |
| Post-Tax Yield (Post-tax yield)[1] | 9.0% | 8.7% | 8.6% |

**Note:**

*[1]Under section 10(23FBA) of the IT Act, any income earned by an AIF registered under the SEBI Act, 1992, would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf. Central Government vide CBDT notification No 51/2015 dated 25th June 2015 has granted TDS exemption on all incomes other than business profits received by Category I and II AIFs*

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## IV. Distribution in the hands of the Mutual Funds

*₹ cr*

| Particulars | FY26 | FY27 | FY28 |
|---|---|---|---|
| Net distributions to Investors | 31.69 | 30.79 | 30.21 |
| *Yield (%)* | 9.0% | 8.7% | 8.6% |
| Post-Tax Yield (Post-tax yield)[1] | 9.0% | 8.7% | 8.6% |

**Note:**

*[1]Under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the SEBI Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorized by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf. Further, section 196 provides that tax is not required to be deducted for any sum payable, being in the nature of interest or dividend in respect of any securities owned by mutual funds specified under section 10(23D) of the Act.*

*[This space is intentionally left blank]*

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## Annexure B: Sensitivity Analysis on Material Assumptions

I. Below table shows impact on the results of operations of the PropShare Platina Scheme (on a combined basis) in case change in the agreed rent. The analysis assumes all other variables remain the same. The sensitivity is only presented for 5 months in FY2028 considering the lock-in period in the Letter of Intent.

1. *Market rent decreases by 10%*

₹ cr

| | FY28 (5 months) |
|---|---|
| Revenue from operations | 5.80 |
| *From base change %* | *(9.6%)* |
| *NOI* | 5.65 |
| *From base change %* | *(9.8%)* |
| EBITDA | 5.84 |
| *From base change %* | *(9.5%)* |
| Cashflows from operating activities | 5.61 |
| From base change % | *(9.9%)* |
| NDCF | 5.84 |
| *From base change %* | *(9.5%)* |

2. *Market rent decreases by 5%*

₹ cr

| | FY28 (5 months) |
|---|---|
| Revenue from operations | 6.12 |
| *From base change %* | *(4.6%)* |
| NOI | 5.97 |
| *From base change %* | *(4.7%)* |
| EBITDA | 6.16 |
| *From base change %* | *(4.5%)* |
| Cashflows from operating activities | 5.98 |
| *From base change %* | *(4.7%)* |
| NDCF | 6.16 |
| *From base change %* | *(4.5%)* |

3. *Market rent increases by 5%*

₹ cr

| | FY28 (5 months) |
|---|---|
| Revenue from operations | 6.77 |
| *From base change %* | *5.5%* |
| NOI | 6.62 |
| *From base change %* | *5.6%* |
| EBITDA | 6.81 |
| *From base change %* | *5.4%* |
| Cashflows from operating activities | 6.58 |
| *From base change %* | *5.6%* |
| NDCF | 6.81 |
| *From base change %* | *5.4%* |

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4. *Market rent increases by 10%*

*₹ cr*

| | FY28 (5 months) |
|---|---|
| Revenue from operations | 7.09 |
| *From base change %* | *10.5%* |
| NOI | 6.94 |
| *From base change %* | *10.7%* |
| EBITDA | 7.13 |
| *From base change %* | *10.4%* |
| Cashflows from operating activities | 6.90 |
| *From base change %* | *10.8%* |
| SDCI | 7.13 |
| *From base change %* | *10.4%* |

**Note:**

*The SPVs have entered into contracts with the Tenant which have lock-in period varying from 3-7 years. The Ground and Fourth floor as included above have a lock-in period of 7 years whereas First, Second and Third floors have a lock-in period of 3 years and Fifth floor with a lock-in period of 5 years. The Sensitivity analysis as above is provided for the First, Second and Third floors for a period of 5 months post expiry of the lock-in period of 3 years from the lease commencement date.*

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## Annexure C: NDCF framework for the PropShare Platina Scheme

### I. *Calculation of Net distributable cash flows at each Asset SPVs:*

*Profit after tax as per statement of profit and loss (standalone) (A)*

Add/(Less): Non-cash adjustments, including but not limited to:

- Depreciation and amortization
- Deferred tax and provision for income tax
- Ind-AS adjustments (straight lining, effective interest for finance costs, etc.)

Add: Interest on Shareholder Debt charged to statement of profit and loss

Add/(Less): Other adjustments, including but not limited to net changes in working capital, etc.*

Add: Surplus cash available in the SPV from the Gross Proceeds kept as reserves

Less: Income tax and other taxes paid (as applicable)

***Total adjustments (B)***

***NDCF (C) = (A+B)***

**Note:**

*In accordance with the SM REIT Regulations, not less than 95% of net distributable cash flows of the Asset SPV shall be distributed to the PropShare Investment Trust, by way of (i) interest on Shareholder Debt; (ii) repayment of Shareholder Debt; (iii) dividends in proportion of its holding in the Asset SPV; or (iv) share buyback and capital reduction, etc., all of which are subject to compliance with relevant provisions under the Companies Act, 2013 and any other applicable law and in any other form permitted under applicable*

**Manager has not considered changes in Security Deposit as part of NDCF as the same is in the nature of liability which is refundable at the time of expiry or termination of the lease.*

### II. *Calculation of Net distributable cash flows at the PropShare Platina Scheme Level:*

Cash flows received from Asset SPVs and Investment Entity in the form of:

- Interest
- Repayment of Shareholder Debt

Add: Any other income at the PropShare platina scheme level (interest on cash reserves)

Less: Any other expense at the PropShare Platina scheme level, and not captured herein (to the extent not paid through debt or equity)

Less: Any payment of expenses, including but not limited to:

- Trustee fees
- Fund accounting fees
- Stock exchange related fees
- Investment Management fees
- Valuer Fees
- Legal and professional fees

Less: Income tax and other taxes (if applicable) at the Scheme Level

Add/(Less): Other adjustments including changes in working capital

***NDCF***

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*III. Indicative Profit and Loss statement framework used for the purpose of Projections*

| Sr. No. | Key Components | Additional Description |
|---|---|---|
| A | Revenue from leases | Sum of rentals for the relevant period |
| B | Ind AS adjustments | Includes impact of straight lining of lease rentals and unwinding of security deposit from tenants and its corresponding adjustment in lease rentals |
| C=A+/-B | **Revenue from operations** | Revenue from leases |
| D | Direct Operating expenses | Expenses include<br>• Property tax<br>• Insurance |
| E=C-D [illegible]-B | Net Operating income | Net Operating income |
| F | Indirect Operating expenses | Expenses include:<br>• Annual report related charges<br>• Fund accounting charges<br>• Annual valuation fees<br>• Trustee fees<br>• Stock exchange fees<br>• Dematerialization charges<br>• Legal & Professional fees<br>• Director fees<br>• Audit fees<br>• Other expenses |
| G=D+F | Total operating expenses | |
| H | Interest and other income | |
| I=E-F+H | EBITDA | |

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# ANNEXURE 2

# VALUATION REPORT

# Valuation Report

## Leasable Space in 6 (six) floors in Building 2, Prestige Tech Platina

Karnataka, India

Submitted To:

**PropShare Investment Manager Private Limited**

Date of Valuation:

**01-September-2024**

Date of Report:

**17-September-2024**

Prepared By:

**KZEN VALTECH PRIVATE LIMITED**

**IBBI/RV-E/05/2022/164**

# EXECUTIVE SUMMARY

| | |
|---|---|
| **Subject Project Name** | Prestige Tech Platina, Bengaluru, Karnataka, India. |
| **Subject Property Address** | Floors Ground to Fifth (both floors included), Building 2, Prestige Tech Platina, Property No. 380/201, Kadubisanahalli Village, Bengaluru, Karnataka, India 560103 |
| **Land Area** | Proportionate undivided share, right, title and interest of 73,523 (Seventy Three Thousand Five Hundred and Twenty Three) square feet (~6,830.51 (six thousand eight hundred thirty point five one) square meters) in the Subject Project land together with 355 (three hundred and fifty five) exclusive car parking spaces (*inclusive of stack parking*) *i.e.,* 193 (One Hundred and Ninety Three) car parking spaces in the lower basement, 150 (One Hundred and Fifty) car parking spaces in the upper basement, and 12 (Twelve) surface-level car parking spaces along with rights to enjoy other utilities including cricket pitch, basketball court, amphitheatre with common services and facilities, all rights of easements, latent or patent, enjoyed or reputed to be enjoyed in connection with the Schedule Property including right to use the internal roads of Prestige Tech Platina and 24/7 Tech Hotel (*developed on lands adjacent to the Prestige Tech Platina*) conditional only on successful execution of sale deed(s) and lease deed(s) as indicated and envisaged in the LOI. |
| **Brief Description** | Subject Project and Subject Property are located in Zone 1 of the Outer Ring Road (ORR) in the southeast quadrant of Bengaluru, which is one of the fast-developing IT corridors of the city with high concentration of IT Park, Campus type & SEZ developments. It is situated along Outer Ring Road, 1.5 km the Marathahalli Junction and at a distance of approx. 4.5 km from the Sarjapura - Outer Ring Road Junction. Subject Project and Subject Property are Grade A commercial/office developments that are currently operational. Subject Property offers a total leasable area of approximately 246,935 sq. ft. covering Ground + 5 Upper Floors building (out of G+12 upper floors that constitute the Subject Tower).<br><br>Subject Project has good frontage along the access road with one (1) main entrance, separate exit and separate secured gates for the buildings within. Subject Project is predominantly surrounded by commercial office spaces followed by residential and industrial developments. |
| **Subject Property Details** | Leasable area details of the Subject Property as shared by the Client is given below: |

| Sl. No. | Subject Project Name | Leasable Area (sq.ft.) of Subject Property |
|---|---|---|
| 1. | Prestige Tech Platina | 246,935 |
| | **Total Leasable Area** | **246,935** |

Based on the site inspection, it is found that the Subject Tower and Subject Property are completed and operational. There are no under-construction components within the Subject Property, Subject Tower, and Subject Project.

**Location Map**

**Key Assumptions**

The table below summarizes key valuation assumptions used in the estimate.

| Particulars | Description |
|---|---|
| **Subject Property Specific Information** | |
| Nature of Property | Commercial / Office |
| Current Status | Completed and Operational |
| Total Leasable Area | 246,935 sq. ft. |
| Age of Towers in the Subject Project | |

| Sl. No. | Subject Project Name | Age of the Subject Project | Usage Type | Status | Subject Property Leasable Area (sq. ft.) |
|---|---|---|---|---|---|
| 1. | Prestige Tech Platina | ~ 8 years | Non-SEZ | Completed in 2015 as per Technical Due Diligence Report provided by Client | 246,935 |

In addition to the above, the undivided rights, title and interest in the following components are also part of the Subject Property.

- Total utility areas and internal roads.
- Total open spaces.
- Other areas, such as open amphitheatre, basketball court, cricket pitch, among others.

| | |
|---|---|
| **Revenue Assumptions** | |
| In-Place Rent | INR 103.17 per sq.ft. per month |
| Market / Marginal Rent | INR 96.00 per sq. ft. per Month for FY2024-25 |
| **Financial Assumptions** | |
| Exit Cap Rate | 8.00% |
| Discount Rate / WACC | 11.75% |

**Opinion on Market Value as on 1st September 2024**

**INR3,537.25 million (Indian Rupees Three Billion Five Hundred Thirty Seven Million Two Hundred Fifty Thousand)**

***Note**: Opinion on market value presented in this report is under the following facts and Special and Significant Assumptions, and is based conditionally on successful execution of sale deed(s) and lease deed(s) on a future date as envisaged in the LOI, which LO has confirmed to be binding on Client, Client's nominated companies and/or SPVs, and the current owner ("**CO**"):*

*a) LO indicates that complete ownership and rights and interests in Subject Property are with CO.*
*b) LO, with reference to LOI provided by Client, confirms that LOI is binding on CO and that complete ownership and rights and interests in Subject Property will devolve to the companies and/or special purpose vehicles ("**SPVs**") nominated by Client ("**Proposed Owners**") indicated by Client subsequently in this report, when the sale deed(s) envisaged in LOI are executed.*
*c) LO has also confirmed that Client will be the sole, primary, and exclusive beneficiary of all cash flows from the Subject Property from the dates indicated in the aforementioned sale deed(s) whenever it(they) is(are) executed.*
*d) LO further states that there are no arrears and/or payments due to any government authority(ies) and/or banks and/or financial institutions and/or any other creditor(s) who may have the first and/or subsequent charges on the title, ownership, rights, and interests of the reference-cited Subject Property, it can be freely transacted without any encumbrances and/or restrictions in the open market, and there are no onerous aspects pertaining to the legal ownership of CO with respect to the reference-cited Subject Property that may hinder and/or obstruct its free and unrestricted sale in the open market.*

*Readers of the report are hereby advised that the aforementioned opinion on market value of the Subject Asset is contingent and based on the LO (please refer Annexure – 7 to this report for the LO issued by Trilegal to Client and Valuer) with respect to ownership, rights, and interests in the Subject Property, among other aspects stated in the LO. In the event that the LO with respect to ownership, rights, and interests, liens, encumbrances, debt, among other aspects related to and in the Subject Property along with Client's representation and CO's representation on execution of sale deed(s) and lease deed(s), is not valid as on the valuation date and Propshare Platina REIT has no or limited ownership, rights, and/or interests in the Subject Property as on valuation date, then this opinion on market value of Subject Asset will be rendered invalid, voided, and will stand cancelled, and is not to be considered for any purposes, including those as indicated in this report.*

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# LIST OF ABBREVIATIONS

| | |
|---|---|
| BSE | Bombay Stock Exchange |
| CBD | Central Business District |
| ORR | Outer Ring Road |
| DCR | Development Controls & Regulations |
| FSI | Floor Space Index |
| GNT | Grand Northern Trunk |
| GST | Grand Southern Trunk |
| HVAC | Heating, Ventilation, and Air Conditioning |
| INR | Indian National Rupees |
| IT | Information Technology |
| ITES | IT enabled Services |
| IVSC | International Valuation Standards Council |
| km | kilometer |
| LOE | Letter of Engagement |
| LOI | Letter of Intent |
| LO | Legal Opinion for Subject Property prepared by Trilegal |
| PBD | Peripheral Business District |
| PO | Proposed Owners |
| REIT | Real Estate Investment Trust |
| RICS | Royal Institution of Chartered Surveyors |
| SBD | Secondar Business District |
| SEZ | Special Economic Zone |
| SH | State Highway |
| STP | Sewage Treatment Plant |
| sq. ft. | square feet |
| sq. m | square meter |
| TDD | Technical Due Diligence Report for Subject Property prepared by Colliers International |
| Title DD | Title Due Diligence Report for Subject Property prepared by Trilegal |

# CONVERSION OF UNITS

| | |
|---|---|
| 1 acre | 43559.66 sq. ft. |
| 1 acre | 4046.9 sq. m. |
| 1 sq. m. | 1.196 sq. yards |
| 1 sq. m. | 10.764 sq. ft. |
| 1 meter | 1.0936 yards |
| 1 meter | 3.28 ft. |
| 1 cent | 435.6 sq. ft. |

# 1 INTRODUCTION

## 1.1 INSTRUCTIONS

PropShare Investment Manager Private Limited (hereinafter referred to as the "**Client**" and/or "**Manager**"), in its capacity as Manager of the small and medium real estate investment trust, namely **Propshare Platina REIT**, has appointed KZEN VALTECH PRIVATE LIMITED, Registered Valuer Entity with Insolvency and Bankruptcy Board of India ("**IBBI**") bearing registration no. IBBI/RV-E/05/2022/164 (hereinafter referred to as the "**Valuer**") to provide an independent opinion on Market Value of commercial / office space located along Outer Ring Road, Kadubeesanahalli, Bengaluru vide Letter of Engagement dated 06 August 2024 ("**LOE**"). Client intends to seek an independent opinion on Market Value for the disclosure of valuation of assets, forming part of the portfolio of Propshare Platina REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024 dated 8th March 2024 and Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, together with clarifications, guidelines and notifications thereunder in the Indian stock exchange.

This Valuation Report presents opinion on Market Value of six commercial office floors (Floors Ground to Five) (hereinafter referred to as the "**Subject Property**") in Tower 2 (hereinafter referred to as "**Subject Tower**") within the overall development namely "**Prestige Tech Platina**" (hereinafter referred to as the "**Subject Project**") located at Property No. 380/201, Kadubisanahalli Village, Bengaluru, Karnataka, India 560103. Client has indicated that Client will have 100% (one hundred percent) ownership, rights and interests in the Subject Property, which is also confirmed in the legal opinion ("**LO**") document for Subject Property prepared by a specialist and globally reputed law firm engaged by the Client, namely TriLegal, that was provided by Client to Valuer, conditionally only on successful execution of sale deed(s) as envisaged in the LOI prior to or immediately after listing of Propshare Platina REIT. Client's conditional 100% (one hundred percent) ownership, rights and interests in Subject Property, which may also be construed as all cash flows from the Subject Property whose sole, exclusive, entire, and primary beneficiary and recipient will be the Client, are referred to as "**Subject Asset**" for the purpose of this opinion on market value report.

## 1.2 PURPOSE OF VALUATION

The purpose of this valuation is to estimate the market value of the Subject Asset as part of Propshare Platina REIT for disclosure of valuation of assets, forming part of the portfolio of Propshare Platina REIT, in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024 dated 8th March 2024, and Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended together with clarifications, guidelines and notifications thereunder in the Indian stock exchange. In addition, other documents in relation to the regulatory filings such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies, summary or extracts of the Valuation Report are intended to be included.

## 1.3 RELIANT PARTIES

The reliance on the Valuation Report prepared as part of this engagement is extended to the Manager, Propshare Platina REIT and other parties including the trustee of Propshare Platina REIT, debenture trustee(s), stock exchanges, unitholders of Propshare Platina REIT, Securities and Exchange Board of India ('SEBI'), credit rating agencies, lenders to the Propshare Platina REIT and/or its special purpose vehicles or any other person within or outside India as the Manager may deem fit for the purpose as highlighted in this report (valuation). The Valuer, however, would extend no liability to such reliant parties save and except for gross and willful negligence. The valuation exercise is conducted strictly and only for the use of the parties as stated above who need to rely on such valuation ("**Reliant Party**")

and for the Purpose specifically stated. The Client shall make all reliant parties aware of the terms and conditions of the engagement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 1.4 VALUER'S CAPABILITY

**KZEN VALTECH PRIVATE LIMITED**, bearing Registered Valuer Entity number IBBI/RV-E/05/2022/164 with IBBI has been appointed as the Valuer for providing opinion on market value of the Subject Asset.

Mr. Sachin Gulaty, Director, KZEN VALTECH PRIVATE LIMITED, is registered as a valuer with IBBI for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 13 August 2021. He qualified for the degree of Bachelor of Architecture from School of Planning and Architecture, New Delhi in 1997, and qualified for the degree of Master in Planning with specialization in Urban Planning from School of Planning and Architecture, New Delhi in 2002. He, subsequently, undertook distance learning from SVKM's Narsee Monjee Institute of Management Studies ("NMIMS") Global Access – School for Continuing Education, qualified for the two-years Post Graduate Diploma in Banking & Financial Management and was awarded this Post Graduate Diploma in July 2018.

Mr. Gulaty has more than 26 years of experience, including one and a half years of post-graduate education, spread over domains of architecture, urban planning, urban infrastructure, real estate advisory, and real estate asset valuation. He was the National Head of Valuations for Jones Lang LaSalle Property Consultants (India) Private Limited ("JLL India"), a leading International Property Consulting firm in India, from 2010 to 2021. Prior to this role, Mr. Gulaty gained practical experience in providing architecture services, town and city planning, and research related to regulatory studies and urban governance covering urban infrastructure such as water supply, sanitation, solid waste management, and urban transport, among other aspects. In the early part of his career, he worked with renowned architectural services firm, Kuldip Singh & Associates, and The Energy and Resources Institute ("TERI"). His last employment was with JLL as Senior Director and National Head for Valuations. As the National Head of Valuations at JLL India, he led numerous valuation exercises for multiple financial institutions, private equity/real estate funds, corporates, industrial houses, government departments, and developers across multiple real estate asset classes of commercial, retail, residential, industrial, healthcare, and hospitality, among others. Clientele served by him across his entire career till date, under various employments, includes Brookfield, GIC, Qatar Investment Authority, JP Morgan, BlackRock, CapitaLand, Citibank, Standard Chartered Bank, Yes Bank, Kotak Mahindra, Maruti Suzuki, Indiabulls, Dubai Port World, World Bank, DLF, RMZ, Shriram Properties, DIPAM, NHAI, NBCC, AAI, and RLDA, among others. Mr. Gulaty, who carries IBBI Registration Number: IBBI/RV/02/2021/14284, is enrolled with the Institute of Valuers Registered Valuers Foundation ("**IOVRVF**"), is a Fellow of Royal Institution of Chartered Surveyors ("**RICS**"), Fellow and Lifetime Member of Institute of Valuers, India ("**IOV**"), admitted as an Arbitrator (India) on the RICS Panel of Dispute Resolvers & Expert Witnesses, and features in the global list of RICS Trained Assessors and RICS Auditors, has prepared and signed this report on behalf of Valuer.

## 1.5 INDEPENDENCE, CONFLICT OF INTEREST AND VALUER'S INTEREST

The Valuer confirms that there are no conflicts of interest in so far as discharging his duties as a valuer for the Subject Asset is concerned. The Valuer has undertaken the valuation exercise without the presence of any bias, coercion, or undue influence of any party, whether directly connected to the valuation assignment. There has not been any professional association with the Client and/or the Subject Project and/or the Subject Asset in past five years from his engagement as the Valuer, except as valuer under the SEBI (REIT) Regulations, 2014, and Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024 dated 8th March 2024.

The Valuer certifies that he/she does not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the Subject Asset (including the parties with whom the Client is dealing, including the lender or selling agent, if any) and has accepted instructions to opine on market value the Subject Asset only from the Client.

## 1.6 ASSUMPTIONS, DEPARTURES AND RESERVATIONS

This Valuation Report has been prepared on the basis of the assumptions indicated and detailed within this report. The leasable area, undivided share in land area and lease details such as lease rent, lease commencement, rent commencement and lease end dates, lock-in period, escalation terms, among other covenants pertaining to the Subject Property, and, consequently Subject Asset, is based on the appropriate relevant documents, which have been provided by the Client and the same have been adopted for the purpose of this opinion on market value.

## 1.7 INSPECTION OF THE SUBJECT PROPERTY

Subject Property was visually inspected on 02 September 2024 by the Valuer in the presence of Client-nominated representative and subsequently no site visits have been conducted. No measurement or building survey has been carried out as part of the valuation exercise. The Valuer has relied entirely on the site and built areas provided by the Client, which have been assumed to be correct. Based on discussions with Client, it has been assumed that no material change in the condition of the Subject Property has taken place in accordance with the information shared post Valuer's visit to and visual inspection of Subject Property.

## 1.8 GENERAL COMMENT

A valuation is an estimation of price, not a guarantee. By necessity, it requires the Valuer to make subjective judgments that, even if logical and appropriate, may differ from those made by a purchaser, or another valuer. Historically it has been considered that valuers may properly conclude within a range of possible values. The purpose of the valuation does not alter the approach to the valuation.

Property values can change substantially, even over short periods of time, and thus the valuation of the Subject Asset herein could differ significantly if the date of valuation was to change. This report should not be relied upon for any other purpose other than for which this valuation exercise has been undertaken.

## 1.9 CONFIDENTIALITY

The contents of this Valuation Report are intended for the specific purpose stated. Consequently, and in accordance with current practice, no responsibility is accepted to any other party in respect of the whole or any part of its contents, except as maybe required in connection with the disclosure of valuation of assets, forming part of the portfolio of Propshare Platina REIT, under the applicable law.

## 1.10 AUTHORITY

Client acknowledges and agrees that the valuation exercise undertaken (including, without limitation, the Reports itself and the contents thereof) is solely for the purpose set out in Section 1.2 herein. If Client desires to use this Report in any offering or other investment material for purpose other than as mentioned in the Section 1.2 herein, then (a) Valuer will require, and the Client must provide or cause to be provided, an indemnification agreement in Valuer's favor, given by parties reasonably satisfactory to Valuer, and (b) Client will obtain Valuer's consent to the references to this Report in such materials.

## 1.11 LIMITATION OF LIABILITY

Valuer has provided these services exercising due care and skill but does not accept any legal liability arising from negligence or otherwise to any person in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the opinion on market value of the Subject Property and/or Subject Asset. Further, the Valuer shall not accept liability for any errors, misstatements, omissions in the report caused due to false, misleading or incomplete information or documentation provided to Valuer by the Client. Valuer's maximum aggregate liability for claims arising out of or in connection with the Valuation, under this engagement shall not exceed the professional fee paid to Valuer under the engagement. In the event that the Manager, the sponsors, the trustee(s) of Propshare Platina REIT, or other intermediaries appointed by the Manager and/or Propshare Platina REIT and/or its SPVs be subject to any claim ("**Claim Parties**") in connection with, arising out of or attributable to the Report, the Claim Parties will be entitled to require the Valuer to be a necessary party/respondent to such claim and Valuer shall not object to its inclusion as a necessary party/respondent. In all such cases, the Manager, on behalf of Propshare Platina REIT, agrees to bear upfront the actual cost (which shall include legal fees and external counsel's fee) incurred by the Valuer while becoming a necessary party/respondent. If the Valuer does not cooperate to be named as a party/respondent to such claims in providing adequate/successful defense in defending such claims, the Claim Parties jointly or severally will be entitled to initiate a separate claim against the Valuer in this regard. The Valuer will neither be responsible for any legal due diligence, title search, and physical measurements nor undertake any verification/validation of the zoning regulations/development controls with any government departments/authorities, among other aspects.

## 1.12 RESTRICTIONS ON DISCLOSURE AND PUBLICATION

The Valuer must not disclose the contents of this Valuation Report to a third party in any way, except as allowed under the Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024 dated 8th March 2024, Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars. As per the terms and regulation 2(1) of the Securities Exchange Board of India (Real Estate Investment Trust) Regulations, 2014 along with SEBI (Real Estate Investment Trusts) (Amendment) Regulations 2016 and subsequent amendments and circulars and Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024 dated 8th March 2024, it may be noted that the Valuation report is prepared in accordance with said REIT regulations.

## 1.13 ANTI-BRIBERY AND ANTI-CORRUPTION

Valuer represents, warrants and undertakes that the Valuer is familiar with applicable Anti-Corruption Laws under this Agreement including but not limited to Prevention of Corruption Act 1988 and will ensure that neither it nor any of its officers, directors, shareholders, employees and agents or any other person acting under its implied or express authority will engage in any activity, practice or conduct which would constitute an offence under, or expose or potentially expose either Party to any direct or indirect liability, under Applicable Anti-Corruption Laws. It is further agreed that breach of any of the above undertakings shall be deemed to be a material breach of the Agreement and in case the Valuer is insisted upon or asserted by Client to violate any of the above said undertakings including Anti-Corruption regulations in any form or manner, on pretext of business relationship or otherwise, the Valuer shall have a discretionary right to terminate this Agreement without any liability or obligation on his part. Such termination of this Agreement shall not in any way prejudice the rights and obligations (including payment for the services delivered under this Agreement) already accrued to the Valuer, prior to such termination.

## KEY ASSUMPTIONS, QUALIFICATIONS, LIMITATIONS AND DISCLAIMERS

| | | |
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| 1. | **Type of Estimate** | The scope of the assignment covers only estimating Market Value of the Subject Asset and not a business valuation for either the Client or any of their subsidiaries or associated companies, etc. The estimate is based on extent of data/information provided by the Client and estimate has limited coverage wherever full data/information is not made available by the Client. |
| 2. | **Legal Due-Diligence** | Legal due diligence for establishing clarity of title, ownership, encumbrances if any, notices and/or disputes if any, among other legal-related issues are not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client. Trilegal has shared LO (please refer Annexure – 7 to this report) which Valuer has relied upon assuming it to be correct, authentic, and reliable, basis Client's instructions. |
| 3. | **Information Provided by the Client and Others** | The Valuer has relied on the information provided by the Client and the same has been assumed to be correct and has been used in the valuation. Where it is stated that another party has supplied information to the Valuer, this information is believed to be reliable. The Valuer cannot accept any responsibility for accuracy and non-reliability of such information. |
| 4. | **Regulatory Due-Diligence** | Regulatory due diligence is not part of scope of work for this assignment. In all likelihood, an independent legal agency would be covering this aspect, details of which can be obtained from the Client. |
| 5. | **Subject Project Status, Schedule and Subject Project Costing** | Review of the Subject Asset and Subject Property is based on information provided by the Client and does not consider any unforeseeable developments which could impact the same in the future. The estimate does not account for any capital expenses incurred by the Client on the existing and/or ongoing development works in the Subject Property, if any. Auditing any figures is not part of the scope of work under this assignment. In all likelihood, an independent auditing agency would be covering this aspect, details of which can be obtained from the Client. |
| 6. | **Market Conditions and Trends** | The Valuer has taken into consideration the general conditions in the market with respect to broad demand and supply while opining on market value of the Subject Asset. The Valuer has compared other comparable properties on the basis of many factors and as far as possible tried to remove / account for the differences in type, location and quality of the properties. |
| 7. | **Information on Leases and Sales Performance** | The Valuer has relied on the rent roll including lease terms & conditions of the existing and pre-committed leases, as given by the Client. At this stage, Valuer has only been provided with a typical draft lease agreement that is not signed and executed by Client and/or Client's nominated company(ies) and/or SPV(s) and CO, which the Client has confirmed will be executed at a future date. The Valuer is, consequently, unable to verify any individual lease agreements and the Valuer has relied on all information provided to him by the Client as complete, authentic, correct, and reliable. The Valuer has relied on pre-leasing details to the extent data/information made available by the Client. |
| 8. | **Site Investigations and Illustrations** | The Valuer has visited and only visually inspected the Subject Property and based on the information made available by the Client the opinion on market value of Subject Asset has been formed on the basis that Subject Property and Subject Asset are free from any encroachments and encumbrances as on the date of valuation. The Valuer has not carried out any structural survey nor tested the building services. No geographical or geo-physical survey was carried out. No environmental assessment has been carried out. Any sketch, plan or map in the report is included to assist reader while visualizing the Subject Property and Valuer assumes no responsibility in connection with such matters. |

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| 9. | **Development Cost Estimates** | No project cost estimates have been provided by the Client. Development/fit-out progress, if any, including capital expenditure progress reported is based on the cost incurred data as shared by the Client. |
| 10. | **Environmental Compliance** | Based on Client's confirmation, Valuer has assumed that the Subject Project, Subject Tower, and Subject Property are not contaminated and are not adversely affected by any existing and/or proposed environmental law and/or any processes which may be carried out on the Subject Property, Subject Tower, and Subject Project. |
| 11. | **Present Ground Conditions** | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the current or future occupation, and/or development and/or fit-outs, if any, at the Subject Property and Subject Project. The estimate assumes that the Subject Property, Subject Tower, and Subject Project are free from rot, infestation, structural or latent defect and no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of or subsequent alterations or additions to the Subject Project, Subject Tower, and Subject Property and comments made in the Subject Property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts. |
| 12. | **Town Planning and Statutory Considerations** | The Valuer has not made formal search but has generally relied on readily available information to general public. Valuation Report is on the premise of existing use of the Subject Property and Subject Project and the Valuer has not considered any government proposals for road widening or compulsory purchase/ acquisition, or any other statute in force that might affect the Subject Project and/or Subject Property. |
| 13. | **Future Market Development and Prospects** | The Valuer has not accounted for any future market development and prospects that have not been announced in the market yet, and market information has been considered to the extent information is known to the Valuer as on the date of valuation. The Valuer does not warrant that such statements are accurate or correct. |
| 14. | **Disclaimer** | The estimate of Market Value is based on documents/information shared by the Client. The Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>The Valuer has relied on the measurements and information provided at all times, whether from public and private sources, and has ensured to the best of their ability the correctness and the validity of the same, by cross checking from various sources. Whilst every effort has been taken to provide authentic data and analysis, the Valuer, and/or any of their associated companies and/or their employees are not responsible for any loss, major or minor incurred on the basis of the information and analyses provided, nor are liable to any damages in any form or shape.<br><br>Given the confidential nature of real estate transactions, transaction details for most properties, which are privately actually transacted, are not in the public domain. Consequently, there is reliance on information from market sources, which may not be completely accurate. Thus, information has been crosschecked independently from other market sources to ascertain the broad credibility of information being provided by the market sources. This assignment has been done on best effort and knowledge basis.<br><br>For ease and simplicity of representation, certain figures may have been rounded. |
| 15. | **Significant Assumptions / Major factors considered while opining on** | 1. Client has shared copies of latest sale deeds that show Subject Property being owned by the current occupant of the Subject Property. Client is neither the owner nor has any rights and interests in the Subject Property as per the copies of these sale deeds as of the valuation date.<br>2. Client has also shared a Letter of Intent ("**LOI**") between the current owner and occupant of the Subject Property outlining the terms and conditions for Sale-cum-Leaseback Agreement to be signed between Client and the current owner of Subject |

| | |
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| **market value of Subject Asset** | Property. Client has stated that this LOI is a binding document between Client and current owner of the Subject Property, which the LO has confirmed.<br><br>Given that Valuer possesses neither the education and qualification nor the necessary tools and is not allowed to provide title due diligence which establishes ownership, rights and interests in real properties, Valuer has relied upon LO that states that the Client will have 100% (one hundred percent) ownership, rights and interests in the Subject Property on a future date and this is binding on Client and/or Client's nominated company(ies) and/or SPV(s) and CO as confirmed by LO, and Client will become the sole, exclusive, and entire beneficiary and recipient of all cash flows from the Subject Property conditionally only on successful execution of sale deed(s) and lease deed(s) as indicated and envisaged in LOI confirmed by LO to be binding on Client and/or Client's nominated Company(ies) and/or SPV(s) and CO. Basis Client's instruction and confirmation by LO, Valuer has considered that Client and/or Client's nominated company(ies) and/or SPV(s) will be the sole, exclusive, and entire beneficiary and recipient of all cash flows from Subject Property while providing this opinion on market value of the Subject Asset. Valuer disclaims any and all liabilities, financial and/or otherwise, to all entities and/or individuals, including the Client, for any losses, etc. that may be caused on account of these aspects. Readers of this report are advised to commission their own title and ownership due diligence, including establishing Client's rights and interests, with respect to the Subject Property, by engaging a reputed and specialist law firm/lawyers.<br><br>3. Given that only the binding LOI as per Client has been signed between the Client and current owner of the Subject Property, Client has shared a draft lease agreement that is proposed to be signed between the Client and the current owner of Subject Property at the time of execution of the Sale-cum-Leaseback Agreement, which is confirmed by Client. Valuer has assumed, upon Client's instructions, that there will be no change in the relevant covenants and terms and conditions stated in this draft lease agreement at a later date, to be correct, authentic, and reliable, and has proceeded to opine on the market value of the Subject Asset considering the covenants, and terms and conditions indicated in this draft lease agreement.<br><br>This review of the draft lease agreement by the Valuer is not to be construed as a legal opinion on and/or approval of the draft lease agreement shared by Client. Valuer disclaims any and all liabilities, financial and/or otherwise, to all entities and/or individuals, including the Client, for any losses, etc. that may be caused in the event that there are any changes in future projected cash flows on account of any future changes in the draft lease agreement shared by the Client.<br><br>4. Further, Client has stated that there are no prior debt and/or dues and/or arrears pending against the Subject Property and that Subject Property is not mortgaged and/or encumbered through any prior and/or priority/first charge, among other encumbrances, created on the Subject Property as of the valuation date, which is confirmed by the LO. Valuer, basis Client's representation letter and aforementioned LO, has assumed that no such debt and/or dues and/or arrears and/or any encumbrances, including any charge of any type and manner, exists on Subject Property and that it can be freely transacted in the open market.<br><br>Adoption of Significant and Special Assumptions by the Valuer is not to be construed as a legal opinion on and/or confirmation that no encumbrances of any manner and/or any amounts pending whatsoever as indicated above. Valuer disclaims any and all liabilities, financial and/or otherwise, to all entities and/or individuals, including the Client, for any losses, etc. that may be caused in the event that this information and assumptions by Valuer are discovered to be incorrect. |

# 2 VALUATION APPROACH AND METHODOLOGY

## 2.1 VALUATION STANDARDS ADOPTED

This Report is prepared in accordance and compliance with:

1. Securities and Exchange Board of India (Real Estate Investment Trusts) (Amendment) Regulations, 2024 ("**SMREIT Regulations**") dated 8th March 2024
2. Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 as amended from time to time ("**SEBI Regulations 2014**"), including Regulation 21 Sub-Regulation (3) and mandatory minimum disclosures as specified in Schedule V of these SEBI Regulation 2014,
3. Companies (Registered Valuers and Valuation) Rules, 2017 as amended from time to time ("**Valuer Rules 2017**"), including reporting requirements as specified in Rule 18 to these rules,
4. International Valuation Standards 2022 ("**IVS 2022**") as set out by International Valuation Standards Council ("**IVSC**") and adopted by Royal Institution of Chartered Surveyors ("**RICS**") presented in the RICS Valuation Standards and Guidelines 2022 ("**RICS Red Book 2022**"), subject to variation to meet local established law, custom, practice, and market conditions.

## 2.2 BASIS OF VALUATION

Basis of valuation of the Subject Property is **Market Value** as defined in IVS 2022 and adopted by Royal Institution of Chartered Surveyors (RICS) to be: *"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".*

## 2.3 APPROACH AND METHODOLOGY

The purpose of this valuation exercise is to estimate the Market Value of the Subject Asset, which emerges from a real estate asset. Market Value of real estate assets can be estimated using different approaches and methodologies.

**Income Approach**: Under this valuation approach, the income generating potential of the real estate asset is estimated while opining on its market value. This approach is typically adopted for real properties that are income-generating (completed and operational with multiple tenancies, multiple strata units that can be sold with phased/milestone-based revenue collections, among others). For income-generating assets with single/multiple tenancies, the discounted cash flow entailing term and reversion method is most commonly adopted.

**Market Approach**: Under this valuation approach, the price that an asset could fetch in an open market is estimated. This approach is typically adopted for homogeneous assets in their micro-market and are typically traded on a unit basis. The most commonly adopted valuation method under this valuation approach is the Comparable Transaction / Listed Instances Method, also commonly known as the Direct Comparison or the Comparable Sales/Quoted Instances Method.

**Cost Approach**: Under this valuation approach, the cost required to create an asset of similar or equal utility is estimated. This valuation approach is typically adopted for real estate assets that can be clearly broken down into constituent elements, namely land and built structures. The most commonly adopted valuation method under this valuation approach is the Physical Method, also commonly known as Land and Building Method, which typically entails estimation of the underlying land value (while normally adopting the Market Approach) and the built structures (while adopting the Depreciated Replacement Cost Method) separately.
The table below presents different valuation methods and their brief description.

Table 2.1: Different Valuation Methods and Description

| Sl. No. | Valuation Method | Description |
|---|---|---|
| 1. | Comparable Sales / Quoted Instances Method | This method is based on comparing the Subject Property directly with other comparable property pre-leased strata transactions (actually been sold in the vicinity or are offered for sale). Efforts would be made to collect transacted instances. In case of non-availability of transacted instances in the micro-market, the opinion will be offered based on the available asking/quoted instances, if available, in the market with appropriate adjustments for margin for negotiation and other aspects. Given the homogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative and quantitative differences that may affect the price likely to be achieved by the Subject Property under consideration. These adjustments are typically made in the form of premium and/or discount factors for various property attributes, which affect the value. This method demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This method is a fair estimate of the prevailing prices. |
| 2. | Depreciated Replacement Cost Method | Replacement cost method is based on the construction cost of assets. The cost to be estimated is the cost of construction as per the construction status at the valuation date. This is based on inspection of the facility. Appropriate depreciation rates are applied based on schedules given under the Indian Companies Act. This is generally used for estimating the Market Value of only the built components. |
| 4. | Discounted Cash Flow Method | This method is based on the present value of the future receivable net income from the current operational leases / revenues. The current revenues and the future achievable revenues derived from the operational project components of the Subject Asset would be adjusted for the outgoing expenses to derive 10-year cash flows. The same is then discounted at an appropriate discounting rate linked with risk adjusted discounting factor to estimate the market value for the operational project components. This method is sometimes referred to as 'Rent Roll method as well. |

**Approach and Method Adopted for Estimating Market Value of the Subject Asset**

Client has indicated that they will acquire 100% (one hundred percent) ownership, rights and interests in the Subject Property on a future date considering the LOI executed between Client and CO, which the LO has confirmed to be binding on Client and/or Client's nominated company(ies) and/or SPV(s) and CO. Client has indicated that they will sign the Sale-cum-Leaseback Agreement with CO in due course before listing of Propshare Platina REIT, wherein CO will transfer 100% (one hundred percent) ownership, rights and interests in Subject Property to the Client and/or Client's nominated company(ies) and/or SPV(s) and lease it back from Client and/or Client's nominated company(ies) and/or SPV(s) on pre-agreed lease covenants as indicated in the LOI confirmed by LO to be binding on Client and CO, while adopting the draft lease agreement shared by Client with Valuer and confirmed by Client to be without any changes. Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, demand-supply dynamics, quality of spaces, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been observed that the market rent for some properties or submarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these pending leases in isolation to estimate the intrinsic value of the Subject Property under review. Considering the objective of this engagement and the nature of the real property involved (completed & operational commercial office space), Income Approach entailing Discounted Cash Flow Method (basis term plus reversion) is likely to reveal the market value estimate of the Subject Asset. Market Approach has not been considered as there are no known recent transactions instances of pre-leased commercial office at the scale and levels of rentals under the proposed leases in the Subject Property. Cost Approach has not been considered as it is typically adopted in the case of specialized real estate assets (such as industrial buildings) and replacement value estimate of the built component is unlikely to capture the revenue generation potential of the Subject Asset. In addition. IVS 2022 advises the use of Cost Approach only in cases where it is not possible to adopt the Market Approach and/or Income Approach, which is not the case with Subject Property.

# 3 VALUATION ASSUMPTIONS AND INPUTS

## 3.1 INVESTIGATION, NATURE AND SOURCE OF INFORMATION

The Valuer physically visited the Subject Project, Subject Tower, and Subject Property wherein the interiors and fit-outs were only visually inspected to review the condition of the built component and the apparent state of their maintenance / upkeep.

Information related to state and structure of the relevant real estate market for the Subject Property was sourced from the industry and market report prepared by Jones Lang LaSalle Property Consultants (India) Private Limited ("**JLL**"), who were appointed by the Client to undertake market research and portfolio analysis of the properties that are part of Propshare Platina REIT.

Subject Property-related information referred to for the valuation exercise has been provided by the Client unless otherwise mentioned. The Valuer has assumed the documents to be a true copy of the original. The proposed rent roll provided by Client has been cross-checked with the typical draft lease deed provided by the Client that they intend to sign with CO to broadly check for the lease covenants.

In addition, the Valuer relied on the following information and documents shared by the Client with respect to the Subject Tower and Subject Property:

- Copies of Sale Deeds that indicate ownership of Subject Property to currently be with CO, who is also the likely tenant. LO has been provided to the Valuer that establishes clarity of title to be with CO, tenure of the title being freehold, and lack of disputes and/or litigation with reference to the Subject Property.
- Copy of Letter of Intent digitally signed by Client and CO dated 10 July 2024, who will also be the tenant, stating various lease covenants including mentioning site areas and leasable areas. LO has been provided to the Valuer that establishes Client will have 100% (one hundred percent) ownership, rights and interests in Subject Property and that Client will become sole and exclusive beneficiary of any and all cash flows from the Subject Property.
- Draft Lease Agreement that Client intends to sign with CO, who is also the likely tenant for Subject Property, along with e-mail communication between Client and CO, confirmed by CO on 10 September 2024, which is the addendum to this LOI. Client has also confirmed that this draft lease agreement will be executed between Client and CO of Subject Property, who is also the likely tenant, without any changes except those agreed between Client and CO and confirmed by CO via aforementioned e-mail communication on 10 September 2024.

## 3.2 CAPITALIZATION RATE

The capitalization rate adopted for valuing the Subject Asset has been based on various factors such as:

- Historical entry yields (going in cap rates) for freehold commercial / office asset transactions across various key markets in India, which have steadily shown a downward trend over last 7 - 8 years from 10.5% - 11.5% to about 7.5% - 8.5% in 2024.
- The increased appetite for income generating assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- The demand supply situation in the respective city and expected dynamics of demand leading supply - given entry challenges such as land availability, higher initial cost outlays etc. developers are expected to focus on fully built to suit or semi-speculative projects (with key tenants tied in prior to launch of construction).

- Inflation (and interest rates) expected to be maintained in check with interventions from the Reserve Bank of India, in case of significant change.
- Liquidity associated with REIT listed / public listings (multiplicity of buyers and relatively lower budgets per buyer).
- Specifically for the Subject Property and Subject Asset, Valuer has, in addition, considered risks pertaining to relatively smaller size of assets in small and medium real estate investment trusts with lesser number of tenancies, which puts the cash flows at a higher level of risk in the event that potential tenants exit the assets for reasons beyond their control. However, the upside and ability of smaller assets to be re-leased faster given the smaller size of the asset and evolving nature of services sector, particularly IT/ITeS, that typically requires smaller investments and relatively smaller asset sizes but larger number of potential entrepreneurs, cannot be ignored. Considering the above aspects in light of the nature, location, evolving market dynamics for commercial office strata spaces and that the tenure of Subject Property, and consequently, Subject Asset is freehold, the Valuer has considered a capitalization rate of 8.00% for the net cash flows estimated from the Subject Property, which is the Subject Asset.

***Based on the above factors, the Valuer has adopted an exit cap rate of 8.00% for the Subject Asset, for the purposes of estimating the Market Value, considering the 1 year forward net operating income after 10 years, is utilized for the purpose of calculation of exit value / terminal cash flow.***

## 3.3 DISCOUNT RATE

This discount rate used for discounting the available cash flows represents cost of equity (the opportunity cost for shareholders) and cost of debt (the opportunity cost for creditors), weighted by their respective contribution to the total capital of the company, which is the weighted average cost of capital ("**WACC**"). The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived using the below formula:

Cost of equity = Risk Free Rate (Rf) + Beta (β) * (Market Return (Rm) – Risk Free Rate (Rf))

The cost of debt for competed commercial / office blocks has been considered based on prevalent financing rates for Grade A commercial / office parks in the city. The weightages accorded to equity and debt are derived through benchmarking the Subject Property against similar portfolios / properties in the market. For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated WACC, which is derived to be 11.75% for the Subject Asset.

This derived discount rate was found to be aligned with the expectations of investors investing in similar smaller assets.

# 4 VALUATION CERTIFICATE

| | |
|---|---|
| **Subject Project** | Prestige Tech Platina, Bengaluru, Karnataka, India. |
| **Subject Property Address** | Floors Ground to Fifth (both floors included), Building 2, Prestige Tech Platina, Property No. 380/201, Kadubisanahalli Village, Bengaluru, Karnataka, India 560103 |
| **Land Area** | Proportionate undivided share, right, title and interest of 73,523 (Seventy Three Thousand Five Hundred and Twenty Three) square feet (~6,830.51 (six thousand eight hundred thirty point five one) square meters) in the Subject Project land together with 355 (three hundred and fifty five) exclusive car parking spaces (*inclusive of stack parking*) *i.e.,* 193 (One Hundred and Ninety Three) car parking spaces in the lower basement, 150 (One Hundred and Fifty) car parking spaces in the upper basement, and 12 (Twelve) surface-level car parking spaces along with rights to enjoy other utilities including cricket pitch, basketball court, amphitheatre with common services and facilities, all rights of easements, latent or patent, enjoyed or reputed to be enjoyed in connection with the Schedule Property including right to use the internal roads of Prestige Tech Platina and 24/7 Tech Hotel (*developed on lands adjacent to the Prestige Tech Platina*) conditional only on successful execution of sale deed(s) and lease deed(s) as indicated and envisaged in the LOI. |
| **Brief Description** | Subject Project and Subject Property are located in Zone 1 of the Outer Ring Road (ORR) in the southeast quadrant of Bengaluru, which is one of the fast-developing IT corridors of the city with high concentration of IT Park, Campus type & SEZ developments. Subject Project is situated along Outer Ring Road, 1.5 km the Marathahalli Junction and at a distance of approx. 4.5 km from the Sarjapura - Outer Ring Road Junction.<br>Subject Project, Subject Tower, and Subject Property are Grade A commercial/office developments that are currently operational. Subject Property offers a total leasable area of approximately 246,935 sq. ft. covering Ground + 5 Upper Floors building (out of G+12 upper floors that constitute Subject Tower). Subject Project has good frontage along the access road with one (1) main entrance, separate exit and separate secured gates for the buildings within. Subject Project is predominantly surrounded by commercial office spaces followed by residential and industrial developments. |
| **Valuation Approach and Method** | The estimate of Market Value is prepared considering following approach and method: |

| Sl. No. | Asset Type | Valuation Approach and Method Adopted |
|---|---|---|
| 1. | Completed and Operational | Income Approach considering Discounted Cash Flow Method entailing Term + Reversion |

**Client's Ownership, Rights and Interests, in Subject Property**

As of the valuation date, Client has no ownership, rights, and interests in the Subject Property as these vest with CO, which is confirmed by LO. However, LO also confirms that LOI signed between Client and CO is binding in nature, and Client will have 100% (one hundred percent) ownership, rights and interests in the Subject Property after successful execution of sale deeds as envisaged in this LOI, which will happen on a future date. Client has further indicated that sale deeds and lease deeds for each respective floor of Subject Property will be executed between CO and the following SPVs who will be the Proposed Owners of their respective floors:

| Floor | Leasable Area (sq.ft.) | First 3-year Contracted Term Rent (as per e-mail addendum to LOI) (INR psft per month) | SPV Name / Proposed Owners |
|---|---|---|---|
| Ground | 34,991 | 108.00 | Rumosch Private Limited |
| 1st | 37,075 | 100.00 | PropAreas Private Limited |
| 2nd | 43,717 | 100.00 | Avenueprops Private Limited |
| 3rd | 43,717 | 100.00 | Willowprops Private Limited |
| 4th | 43,717 | 108.00 | Premiumbiz Private Limited |
| 5th | 43,717 | 103.50 | Estapropfront Private Limited |

| | | | |
|---|---|---|---|
| **TOTAL** | **2,46,935** | 103.17 (this is the weighted average rental for the total leasable area) | Valuer has not measured the areas of each floor as it was physically not possible owing to access constraints to various parts of the Subject Property, since CO has confidential operations for which visitation is not allowed to outsiders. Further, Valuer is not a surveyor, and measurement of Subject Property is outside the scope of Valuer's services under this engagement. Valuer has assumed that the leasable area indicated in the LOI, which is binding on Client and CO as per LO, is correct, accurate, and reliable. Readers of the report are advised to contact the Client for more authentic information on this aspect and/or commission their independent physical surveys. |

Readers of this report are advised that this is a special and significant assumption made by the Valuer, and in the event this assumption of Client not being able to obtain 100% (one hundred percent) ownership, rights and interests in the Subject Property on a future date is found to be invalid and/or incorrect, then this opinion on market value of Subject Asset will stand voided, cancelled, and withdrawn.

| | |
|---|---|
| **Purchase Price of the Subject Property (proposed)** | INR310,70,00,000/- (Indian Rupees Three Hundred Ten Crores Seventy Lakhs) is the proposed purchase price of Subject Property as indicated in the e-mail dated 10 September 2024 by CO and shared by the Client, which is an addendum to the LOI and confirmed by LO to be binding on Client, Client's nominated company(ies) and/or SPV(s), and CO. |
| **Historical Valuation of the Subject Asset in 3 Previous Years** | Since this is the first valuation of Subject Asset proposed to be utilized for Propshare Platina REIT, there are no historical valuations of the Subject Asset to present. |
| **Ready Reckoner Rate** | Commercial (Built-Up Area)**–** INR96,250/- per sq.mt. as on 01 September 2024 |
| **Date of Valuation** | 01 September 2024 |
| **Date of Inspection** | 02 September 2024 |
| **Opinion on Market Value as on 1st September 2024** | **INR3,537.25 million (Indian Rupees Three Billion Five Hundred Thirty Seven Million Two Hundred Fifty Thousand)**<br>***Note****: Opinion on market value presented in this report is under the following facts and Special and Significant Assumptions, and is based conditionally on successful execution of sale deed(s) and lease deed(s) on a future date as envisaged in the LOI, which LO has confirmed to be binding on Client, Client's nominated companies and/or SPVs, and CO:*<br>*a) LO indicates that complete ownership and rights and interests in Subject Property are with CO.*<br>*b) LO, with reference to LOI provided by Client, confirms that LOI is binding on CO and that complete ownership and rights and interests in Subject Property will devolve to the Proposed Owners indicated by Client subsequently in this report, when the sale deed(s) envisaged in LOI are executed.*<br>*c) LO has also confirmed that Client will be the sole, primary, and exclusive beneficiary of all cash flows from the Subject Property from the dates indicated in the aforementioned sale deed(s) whenever it(they) is(are) executed.*<br>*d) LO further states that there are no arrears and/or payments due to any government authority(ies) and/or banks and/or financial institutions and/or any other creditor(s) who may have the first and/or subsequent charges on the title, ownership, rights, and interests of the reference-cited Subject Property, it can be freely transacted without any* |

| | |
|---|---|
| | *encumbrances and/or restrictions in the open market, and there are no onerous aspects pertaining to the legal ownership of CO with respect to the reference-cited Subject Property that may hinder and/or obstruct its free and unrestricted sale in the open market.*<br>*Readers of the report are hereby advised that the aforementioned opinion on market value of the Subject Asset is contingent and based on the LO (please refer Annexure – 7 to this report for the LO issued by Trilegal to Client and Valuer) with respect to ownership, rights, and interests in the Subject Property, among other aspects stated in the LO. In the event that the LO with respect to ownership, rights, and interests, liens, encumbrances, debt, among other aspects related to and in the Subject Property along with Client's representation and CO's representation on execution of sale deed(s) and lease deed(s), is not valid as on the valuation date and Propshare Platina REIT has no or limited ownership, rights, and/or interests in the Subject Property as on valuation date, then this opinion on market value of Subject Asset will be rendered invalid, voided, and will stand cancelled, and is not to be considered for any purposes, including those as indicated in this report.* |
| **Matters Affecting the Subject Asset and its Value** | Please refer to Chapter 7 of this Valuation Report |
| **Assumptions, Disclaimers, Limitations and Qualifications** | This Valuation Report is provided subject to significant and special assumption(s), assumptions, disclaimers, limitations and qualifications detailed throughout this report, which are made in conjunction with those included within the Assumptions, Limitations & Qualifications section located within this report. Reliance on this report and extension of Valuer's liability is conditional upon the reader's acknowledgement and understanding of these statements. This Valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party, who may use or rely on the whole or any part of the content of this Valuation Report. The Valuer has no pecuniary interest that would conflict with the proper valuation of the Subject Asset. |
| **Prepared by** | **KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**<br>Represented through its Director.<br>Mr. Sachin Gulaty FRICS FIV FIIA<br>IBBI/RV/02/2021/14284 |

**Name:** Sachin Gulaty FRICS FIV FIIA
**Designation:** Director
**Valuer Registration No.:** IBBI/RV/02/2021/14284

# 5 SUBJECT PROPERTY ANALYSIS

## 5.1 DETAILS OF THE SUBJECT PROJECT AND SUBJECT PROPERTY

Table 5.1 below presents details of the Subject Project and Subject Property.

Table 5.1: Details of the Subject Project and Subject Property

| DETAILS OF PROJECT | |
|---|---|
| **Subject Property** | Floors Ground to Fifth (both floors included), Tower 2 Prestige Tech Platina, located along Outer Ring Road, Kadubeesanahalli Village, Bengaluru, Karnataka, India |
| **Subject Property Address** | Floors Ground to Fifth (both floors included), Tower 2, Prestige Tech Platina, Property No. 380/201, Kadubisanahalli Village, Bengaluru, Karnataka, India 560103 |
| **Land Area** | Proportionate undivided share, right, title and interest of 73,523 (Seventy Three Thousand Five Hundred and Twenty Three) square feet (~6,830.51 (six thousand eight hundred thirty point five one) square meters) in the Subject Project land together with 355 (three hundred and fifty five) exclusive car parking spaces (*inclusive of stack parking*) *i.e.,* 193 (One Hundred and Ninety Three) car parking spaces in the lower basement, 150 (One Hundred and Fifty) car parking spaces in the upper basement, and 12 (Twelve) surface-level car parking spaces along with rights to enjoy other utilities including cricket pitch, basketball court, amphitheatre with common services and facilities, all rights of easements, latent or patent, enjoyed or reputed to be enjoyed in connection with the Schedule Property including right to use the internal roads of Prestige Tech Platina and 24/7 Tech Hotel (*developed on lands adjacent to the Prestige Tech Platina*) conditional only on successful execution of sale deed(s) and lease deed(s) as indicated and envisaged in the LOI. |
| **Total Leasable Area** | Total leasable area of 246,935 sq.ft. from G to 5th Floor |
| **Access** | Subject Project is accessible through Outer Ring Road on the east, while Subject Property is accessed through exclusive 24 m. wide internal access road within the Subject Project |
| **Frontage** | Subject Project enjoys excellent frontage along the primary access road (Outer Ring Road). |
| **Shape and Visibility** | Regular in shape. Relatively flat terrain. Excellent visibility from access road |
| **Approval Status** | Subject Project, Subject Tower and Subject Property have all requisite approvals in place as confirmed by the Client. |
| **INFRASTRUCTURE** | |
| **Water Supply, Sewerage & Drainage** | Available within the Subject Project, Subject Tower, and to Subject Property |
| **Power & Telecommunication** | Available within the Subject Project, Subject Tower, and to Subject Property |

## 5.2 LOCATION OF THE SUBJECT PROJECT

Subject Project is located in Zone 1 of the Outer Ring Road (ORR) in the eastern quadrant of Bengaluru, which is one of the fast-developing IT corridors of the city with high concentration of IT Park, Campus type & SEZ developments. It is situated along Outer Ring Road, 1.5 km from Marathahalli Junction and at a distance of approx. 4.50 km from the Sarjapura - Outer Ring Road Junction. Map alongside presents the location of the Subject Project with respect to the city.

Map 5.1: Location of the Subject Project Site with respect to Bengaluru City

**Source:** Real Estate Market Research & Analysis; JLL, August 2024

Distance and accessibility to the Subject Project from major landmarks in the city is given below:

Table 5.2: Distance of the Subject Project from Major Landmarks of Bengaluru City

| Location / Landmark | Approximate Distance from Subject Project (km) |
|---|---|
| Majestic Railway Station | ~20.0 |
| Kempegowda International Airport | ~46.0 |
| MG Road | ~14.50 |
| Sarjapura - Outer Ring Road Junction | ~4.50 |
| Marathahalli Junction | ~1.50 |

**Source**: Valuer's Analysis; August 2024

## 5.3 DESCRIPTION OF THE SUBJECT PROJECT AND ITS SURROUNDINGS

Subject Project is located along the Outer Ring Road within Kadubeesanahalli in proximity of major work centers along Outer Ring Road, Whitefield and Marathahalli. This strategic location offers great accessibility and connectivity to other prime areas like Whitefield, Bellandur, and K R Puram from the Outer Ring Road and under-construction Phase 2A Metro line will further enhance accessibility to the area. Subject Project, being the larger development Prestige Tech Platina, has a total leasable area of ~1.19 million sq. ft. Map 5.2 on the following page presents indicative location of the Subject Project and its surroundings.

Map 5.2: Indicative Location of Subject Project and its Surrounding Developments

**Source:** Real Estate Market Research & Analysis; JLL, August 2024

Subject Project, namely Prestige Tech Platina, comprises of 3 Towers, viz. Tower A, B and C, with a total leasable area of approx. 1.19 million sq. ft. comprising both commercial / office and food court. Subject Property, which is a total leasable area of about 246,935 sq. ft., is located in Building 2 of the Subject Project from Ground to 5 upper floors (out of G+12 UF which constitute Building 2 of the Subject Project). Basis LO, Subject Property is currently occupied by CO of Subject Property, who is also the likely tenant subsequent to execution and registration of the relevant Sale-cum-Leaseback Agreement, Sale Deed(s), and Lease Deed(s). Table 5.3 presents the boundary/edge conditions of the Subject Project.

Table 5.3: Subject Project and its directional boundaries

| | |
|---|---|
| **North** | Private Property |
| **South** | Private Property |
| **West** | Prestige Tech Park |
| **East** | Outer Ring Road |

**Source:** Valuer's visit to Subject Property; September 2024

Subject Project is majorly surrounded by Grade A commercial offices and tech park developments followed by high rise residential developments with few support retail and hospitality developments.

## 5.4 DESCRIPTION OF THE SUBJECT PROPERTY

Following table presents key Subject Property-specific information.

Table 5.4: Key Subject Property-Specific Information

| Particulars | Description |
|---|---|
| Full Legal Name of the Client | PropShare Investment Manager Private Limited |
| Ownership, Rights and Interests | Basis Client's indication and confirmation in LO, which was provided by Client to Valuer, Client will have 100% (one hundred percent) ownership, rights and interests in the Subject Property on a future date, as indicated in other parts of this report. |
| Land Extent | Proportionate undivided share, right, title and interest of 73,523 (Seventy Three Thousand Five Hundred and Twenty Three) square feet (~6,830.51 (six thousand eight hundred thirty point five one) square meters) in the Subject Project land together with 355 (three hundred and fifty five) exclusive car parking spaces (*inclusive of stack parking*) *i.e.,* 193 (One Hundred and Ninety Three) car parking spaces in the lower basement, 150 (One Hundred and Fifty) car parking spaces in the upper basement, and 12 (Twelve) surface-level car parking spaces along with rights to enjoy other utilities including cricket pitch, basketball court, amphitheatre with common services and facilities, all rights of easements, latent or patent, enjoyed or reputed to be enjoyed in connection with the Schedule Property including right to use the internal roads of Prestige Tech Platina and 24/7 Tech Hotel (*developed on lands adjacent to the Prestige Tech Platina*) conditional only on successful execution of sale deed(s) and lease deed(s) as indicated and envisaged in the LOI. |
| Asset Type | IT Park with Non SEZ buildings |
| Sub-Market | ORR Zone 1 |
| Approved and Existing Usage | Commercial IT purposes |
| Current Status | Completed and Operational |
| Approvals Status | Subject Project, Subject Tower, and Subject Asset have all requisite approvals in place as confirmed by the Client. |
| Tenure | Freehold, as indicated by Client and confirmed by LO, which was provided by Client to Valuer. |
| Leasable Area | 246,935 sq. ft. |
| Occupied Area | 246,935 sq. ft. |
| Committed Area | 246,935 sq. ft. |
| Occupancy [1/] | 100% |
| Committed Occupancy [2/] | 100% |
| Number of Tenants | 1 (after CO signs sale deed(s)) |

**Note:**
[1/] Occupancy refers to proportion of area leased, which is actively occupied by the tenants/occupiers
[2/] Committed occupancy also includes area, which has been pre-leased to tenants/occupiers

## 5.5 SUBJECT PROPERTY INSPECTION

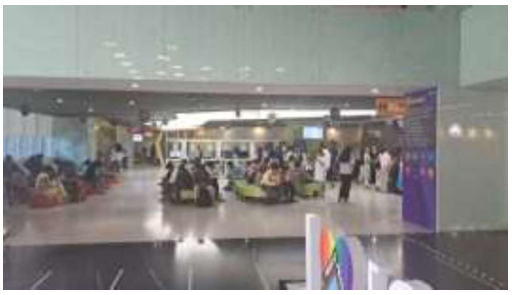
Subject Project is the larger campus spread across three (3) towers (Towers A, B & C). All building towers are completed and operational and are non-SEZ buildings, as on the date of inspection by the Valuer. Subject Project, Subject Tower, and Subject Property were inspected by the Valuer on 02 September 2024. The inspection comprised limited and restricted visual inspection of the interior space of Subject Property, fit-outs and fixtures, and key utility areas

like LT Electric Room, Pump Room, HVAC installations, Power Back up, STP, among others that are supporting the Subject Property. Client has confirmed that they have undivided share in the ownership of various plant and machinery utilities (as indicated in Annexure 3 to this report) and utility areas that support the Subject Property. Common areas within Subject Tower and open areas associated with Subject Property were also visited on a sample basis as the Subject Property area had access restrictions. Limited visual and restricted inspection of the Subject Property and Subject Tower did not reveal any cause of concern with no visible signs of any disrepair or poor maintenance. Utility areas also appeared to be well maintained. No instances of any waterlogging or water accumulation were observed during this limited visual inspection. This limited visual inspection of Subject Property and Subject Tower did not comprise any structural survey, technical/engineering review or safety audit and the assessment of the condition of Subject Tower, as this is not within the scope of work under this engagement.

**Entry to Subject Project from service road to main access road (ORR)**

**Service Road next to Subject Project along with main access road (ORR)**

**Cafeteria Area on Ground Floor (part of Subject Property) of Subject Tower**



**Hiring Area on Ground Floor (part of Subject Property) of Subject Tower**

**Typical Lift Lobby (part of Subject Property) on all floors of Subject Tower**

**Typical AHU (part of Subject Property) on all floors of Subject Tower**

**Internal View of Subject Property**

**Internal View of Subject Property**

**View of Open Air Theatre at Subject Project**

**View of Basketball Court and Cricket Nets at Subject Project**

**Internal View of STP in Subject Tower**

**Internal View of Pump Room in Subject Tower**

**Internal View of DG Set Room in Subject Tower**

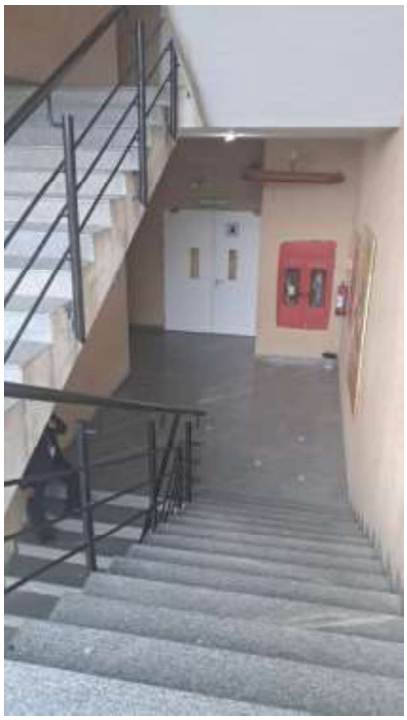
**View of Chillers on terrace of Subject Tower**

**View of basement and stack parking in Subject Tower**

**View of electric substation at ground level of Subject Project**

**View of Subject Project Entrance from upper floor of Subject Tower**

**View of upcoming metro station close to Subject Project from upper floor of Subject Tower**



**Internal View of stairwell in Subject Tower**

**RV-LB with Client Representative in front of Subject Tower at its Ground Level entrance**

## 5.6 OTHER RELEVANT INFORMATION: SUBJECT PROJECT AND SUBJECT PROPERTY

**Site Services and Finishes**

Subject Property, including common areas and key utility areas such as LT Electric Room, Pump Room, STP, Chillers, HVAC Installations etc., was visually inspected though in a limited and restricted manner. As per the visual survey there was no concern related to finishes and site services. The campus is well maintained with proper landscaping in common areas.

**Condition and Repairs**

Subject Tower, Subject Property, and open areas within the Subject Project were observed to be in good condition. The inspection of key utility areas was done on a sample basis, and it did not reveal any cause of concern or poor maintenance in any of the areas. Hence, no major building repair works are expected to be required except periodic general testing of plants and machineries.

**Environmental Considerations**

Valuer has not carried out any investigations or tests or been supplied with any information from the Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Property and/or in any other part of the Subject Project (including any ground water).

For the purpose of assessing the vulnerability of the Subject Project and Subject Property to any natural or induced disaster, the location of the Subject Project, of which Subject Property is a part, with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Bengaluru, where the Subject Project is located, falls in Seismic Zone II with low to moderate risk. Bengaluru city faces low risk in terms of high winds or cyclones too. Subject Project is not likely to face any higher risk than the overall risk profile of the city. Subject Project and Subject Property are topographically located at a relatively higher elevation compared to their immediate surroundings, indicating low risk of flooding and sustained water logging. Further, no hazardous activity was noted in vicinity of the Subject Project and Subject Property, which may expose it to any man-made disaster.

**Option or Pre-Emption Rights and Encumbrances**

Unless disclosed and recorded by the Client, the Subject Project and Subject Property are considered to possess a good and marketable title and are free from any unusually onerous encumbrances with no option or pre-emption rights in relation to them except for those created in favor of the lenders or as specified below, based on the information given in the LO. Valuer has not checked and verified the title of the Subject Project, Subject Tower, and Subject Property, as this is not within the purview and scope of Valuer's work under this engagement.

**Revenue Pendencies**

On the basis of LO and discussion with the Client, there are no revenue pendencies including local authority taxes and/or any compounding charges associated with the Subject Project, Subject Tower, and Subject Property. No independent verification of this has been made from revenue authorities and reliance has been made on the Client information for the same.

**Material Litigation**

Based on discussions with the Client and LO, there are no major material litigation including tax disputes other than the litigation disclosed to the Valuer, relating to the Subject Project, Subject Tower, and Subject Property that may adversely impact the opinion on market value of the Subject Asset. Please refer to Annexure – 8 to this report for more information with respect to material litigations with respect to Subject Property as provided by Client to Valuer.

## 5.7 TENANCY ANALYSIS

**Tenant Profile of Top Tenants in Subject Project**

As on 1st September 2024, Subject Property comprises of a total leasable area of about 246,935 sq.ft., placed in Subject Tower from Ground to 5 Upper Floors (out of G+12UF), which is proposed to be fully leased to CO, after execution of the sale deed(s) and lease deed(s) as envisaged in the LOI which LO has confirmed to be binding on Client and CO.

Top tenant as per leasable areas are listed below:

Table 5.5: Top Tenants Arranged as per Leasable Areas*

| Sl. No. | Tenant | Leasable Area (Sq Ft) |
|---|---|---|
| 1 | US Based Tech Company (likely) | 246,935 |
| | **Total** | **246,935** |

**Source:** Analysis of Client-provided rent roll, July 2024
***Note*:*** *Includes contracted areas for which rent may start at a future date*

Tenants as per gross rents are listed below:

Table 5.6: Tenants as per Gross Rentals

| Sl. No. | Tenant* | Share of Gross Rentals (%) |
|---|---|---|
| 1 | US Based Tech Company (likely) | 100% |
| | **Total** | **100%** |

**Source:** Analysis of Client-provided rent roll, July 2024
***Note*:*** *Includes contracted areas for which rent may start at a future date*

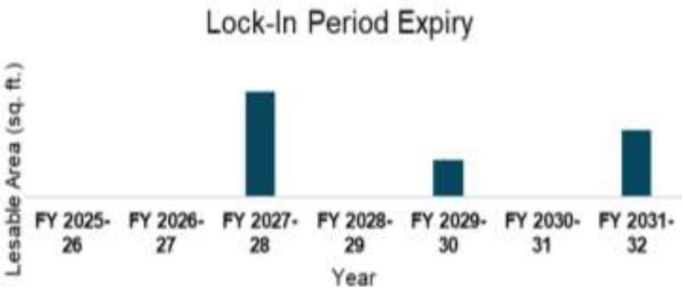
**Escalation Analysis**

Following is the lease escalation as provided by Client and confirmed by CO, basis copy of e-mail between Client and CO shared with Valuer:

| Floors | Rent psf per month (Year 1-3) | Rent psf per month (Year 4-6) | Rent psf per month (Year 7-9) |
|---|---|---|---|
| Ground Floor | 108.00 | 112.70 | 129.60 |
| First Floor | 100.00 | 103.50 | 119.00 |
| Second Floor | 100.00 | 103.50 | 119.00 |
| Third Floor | 100.00 | 103.50 | 119.00 |
| Fourth Floor | 108.00 | 112.70 | 129.60 |
| Fifth Floor | 103.50 | 107.50 | 123.70 |
| **Weighted Average Rent INR per square foot per month** | **103.17** | **107.14** | **123.21** |

**Lock-In Period Expiry Analysis**

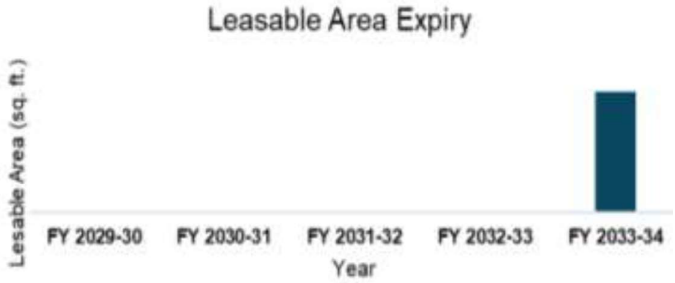
WALIE (weighted average lock-in expiry) of the Subject Property assuming that CO will become the tenant at Subject Property considering the binding LOI signed between Client and CO is estimated to be approx. 4.63 (four point six three) years. Graph alongside presents proposed occupied area expiring between FY2027-28 to FY 2031-32:




**Source**: Analysis, July 2024

**Lease Expiry Analysis**

WALE (weighted average lease expiry) of the Subject Property assuming that CO will become the tenant at Subject Property considering the binding LOI signed between Client and CO is 9 (nine) years. Graph alongside presents proposed occupied area expiring around FY33-34:




**Source**: Analysis, July 2024

# 6 MARKET SCAN OF THE CITY AND THE MICRO-MARKET

## 6.1 INTRODUCTION

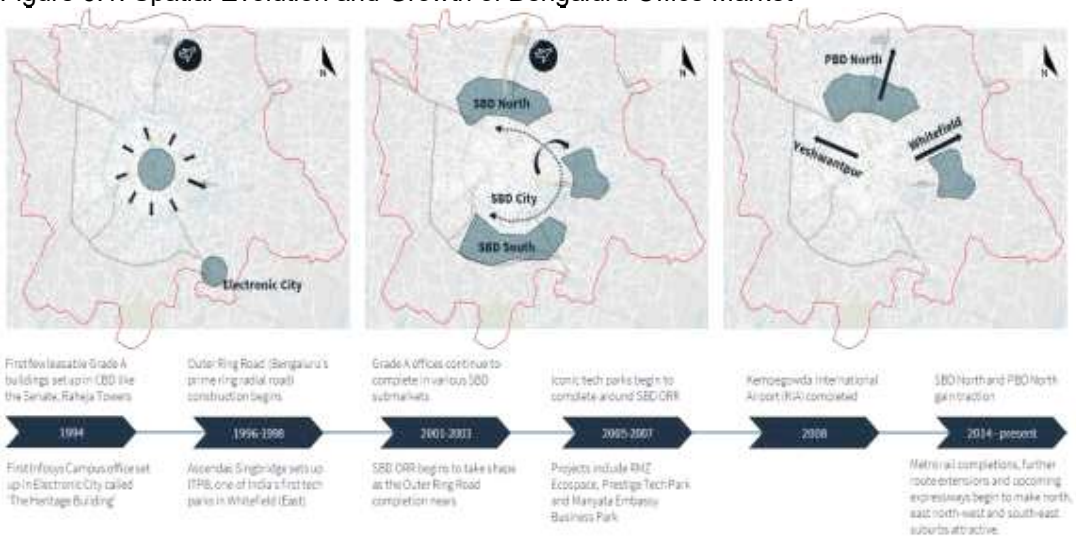
The valuation exercise takes into account the market performance and various other indicators that are relied upon the industry report which has been prepared by Jones Lang LaSalle India Property Consultants, who are appointed as an independent consultant by the Client.

## 6.2 CITY OVERVIEW

Bengaluru, popularly known as the 'Garden City' and 'Pensioner's Paradise', has gradually transformed into one of the world's leading technology hubs. Referred to as the Silicon Valley of India, Bengaluru accounts for approximately 38-40% of India's software exports and nearly 98% of Karnataka's software exports. The city's economy is heavily driven by the technology industry, employing around 75% of India's IT professionals. In addition to the technology sector, Bengaluru is home to defense organizations, public sector industries, aerospace companies, biotechnology firms, and more. The city is a vital aviation hub, responsible for 65% of India's overall aviation business, and hosts around 40% of India's biotech companies. The economy also benefits from manufacturing, research, and other industries. As of 2023, Bengaluru's GDP was ~USD 115.22 billion.

The city can be divided into five zones namely central, east, south, west, and north. The central area consists mainly of administrative setups, public sector industries, and corporate offices. The IT and ITeS hubs are predominantly located in the eastern and southern parts of the city, specifically Whitefield and Outer Ring Road respectively. The western zone is characterized by industrial clusters such as Peenya and Yeshwanthpur and is expanding towards Nelamangala-Dabaspete on Tumkur Road. The northern part of the city has experienced significant real estate activity since the relocation of the international airport to Devanahalli. This region has witnessed the development of IT parks, aerospace parks, and industrial hubs, making it a prominent real estate destination in Bengaluru. The city's favorable climate, supportive government policies, and comparatively affordable property rates have been influential in attracting numerous global IT/ITeS firms to establish their presence in Bengaluru over the past two decades.

Figure 6.1: Spatial Evolution and Growth of Bengaluru Office Market




**Source:** JLL Research, NASSCOM

Bengaluru, an innovation-oriented city, is undergoing notable demographic changes as it charges into the Fourth Industrial Revolution, also known as the digital revolution. This transition is presenting abundant opportunities for professionals in various fields. Therefore, it attracts migrants, forming a multicultural, cosmopolitan city. The city population stands at around 15.6 million (2023), of which at least 5.5 million constitute the working population. Many Global Capability Centres (GCCs) in India are headquartered in Bengaluru and the city is home to several unicorn start-ups in the country.

Bengaluru topped the JLL City Momentum Index (CMI) globally for the first time in 2019. This ranking was supported by the rapidly evolving real estate sector, which is benefitting from strong growth in the technology sector and positive socio-economic momentum. In 2020, the innovative tech ecosystem helped the city maintain second place in the global rankings.

## 6.3 DRIVERS OF COMMERCIAL REAL ESTATE IN THE CITY

**Demographic Dividend:** Bengaluru which experienced its highest decadal population growth rate between 2001 and 2011 has 75% of the population in the working age group (15 – 64 years). Importantly, the dependency ratio is low at 33% and the population is relatively young with only 7% of individuals over 64 years in age. Driven by its favorable business climate and vibrant entrepreneurial culture, has experienced impressive economic growth.

**Talent pool:** Bengaluru is known for its thriving technology sector and the ICT sector accounts for ~9-10% of the total employment in the city. Total employment continues to increase at a steady pace with manufacturing, construction, wholesale and retail trade, transportation and ICT contributing more than 65% to the total employment figure. When compared to the national average, unemployment rate in Bengaluru is generally lower with factors such as the presence of IT giants, a robust start-up ecosystem, and a highly skilled workforce contributing to higher employment levels in the city.

**Diversified Occupier mix:** High on the ease of doing business and ease of living index, the city is not just a hub for the IT industry but also biotechnology, textiles, automobiles, and manufacturing of electronics and has emerged as one of the highest employment generating cities, over the years. Initially, major public sector undertakings made the city their base, later with globalization and IT sector growth, Bengaluru became a hub of Information Technology, finding itself a spot among the global cities known for innovative technologies.

**Evolution of support infrastructure enabling continued dominance in India's office story:** While the city's infrastructure development has not kept pace with the information technology led rapid growth of the city which leads to slow traffic and road congestions in peak hours, the upcoming developments are expected to augment road infrastructure, improve the efficiency of existing road infrastructure, and expand the public transport system to connect underserved areas.

Table 6.1: Upcoming Infrastructure

| *Subject Project Name* | *Completion Timeline* | *Details* | *Impact Zone* |
|---|---|---|---|
| ***Peripheral Ring Road*** | December 2027 | • 65 km long road which will connect Tumkur Road & Hosur Rd completing the NICE Road loop<br>• Will run parallel to the ORR, on the outside | SBD North, PBD North, Whitefield |

| ***Subject Project Name*** | ***Completion Timeline*** | ***Details*** | ***Impact Zone*** |
|---|---|---|---|
| ***Green Line Extension*** | April 2024 | • Hesarghatta Cross to Bengaluru International Exhibition Centre (BIEC) – 3 more stations | SBD North |
| ***Yellow Line*** | April 2024 | • RV Road to Bommasandra – 16 stations | Electronic City |
| ***Pink Line*** | 2025 | • Gottigere to Nagawara – 18 stations | SBD North, SBD South |
| ***Blue Line*** | June 2026 | • Central Silk Board to KR Puram (Blue Line- Phase 2A) – 13 stations<br>• KR Puram to Kempegowda International Airport (Blue Line-Phase 2B) – 17 stations | SBD North, PBD North, SBD ORR |
| ***Orange Line*** | Work likely to start in 2025, operations by 2028-2029 | • Hebbal to J.P. Nagar 4th Phase<br>• Hosahalli to Kadabagere<br>• Sarjapur to Hebbal | North and South Bengaluru |
| ***Bengaluru-Chennai Expressway*** | Q4 2024 | • Hoskote-Malur-Bangarpet-Bethamangala in Karnataka to Sriperumbudur & Chennai in Tamil Nadu via Chittoor in Andhra Pradesh<br>• Aimed at reducing travel time from Bengaluru to Chennai to around 2 hours | Whitefield |

Figure 6.2: Existing and Upcoming Infrastructure of Bengaluru

Source: JLL Research

**GCC and Flex Hub**: Bengaluru is the undisputed GCC leader housing ~42% of the GCC occupied stock in India, amounting to around 85 million sq ft with over 460 GCC occupiers present in the city. Bengaluru remains the biggest GCC ecosystem with its existing tech base and GCC footprint acting as a pull factor for similar firms. The city on an average has accounted for around 40% share of leasing demand from GCCs entering the country, over the past decade. Bengaluru has also been the leader in operational flex stock, accounting for ~40% share on average since 2018. Bengaluru along with Pune and Delhi NCR have been the biggest markets during the past three financial years, holding a~60% share in all enterprise seat take-ups during those years.

Table 6.2: GCC and Flex Hub Overview

| Ecosystem for sustainable growth | Largest office market in India | Infrastructure upgradation to ease travel woes |
|---|---|---|
| Young, educated population- talent availability and supportive ecosystem | Bengaluru is India's main IT cluster and has managed to attract several large and fast-growing IT companies | The expansion of the Namma Metro network is influencing travel patterns with a reduction in long distance travel by bus |
| Education hub- also known for the quality of life the city offers | Country's **GCC and start -up capital**; home to 40+ Unicorn Startups | People prefer using the metro for long distance travel while buses are being used for last mile connectivity |
| Government policies supporting growth of the IT and manufacturing sector | Holds the **largest office stock** (~209 mn sq ft) in the country. It is also the **flex capital** with ~40% share in India's flex inventory. | The upcoming developments aim at increasing the modal share of public transport from the existing 39% to 70% in 2031 |
| Ease of doing business; enjoys competitive edge - rental advantage | India's tech and R&D hub globally recognized for prolific & diverse tech talent. | Will lead to reduction in travel time between residential and commercial hubs |
| Attractive workforce at competitive price points | Sustainability footprint: ~60% of city's Grade A office stock is green certified | Enhancement of infrastructure shall ensure better quality of life for the working population |
| Large migration into the city from different parts of the country, population is relatively young (working age group) with only 7% of individuals over 64 years in age | Bengaluru is forecasted to grow at a faster pace than the national economy, driven by information technology and business services sectors | Upcoming developments are expected to augment road infrastructure and expand the public transport system to connect underserved areas |

## 6.4 KEY OFFICE SUBMARKETS: SNAPSHOT

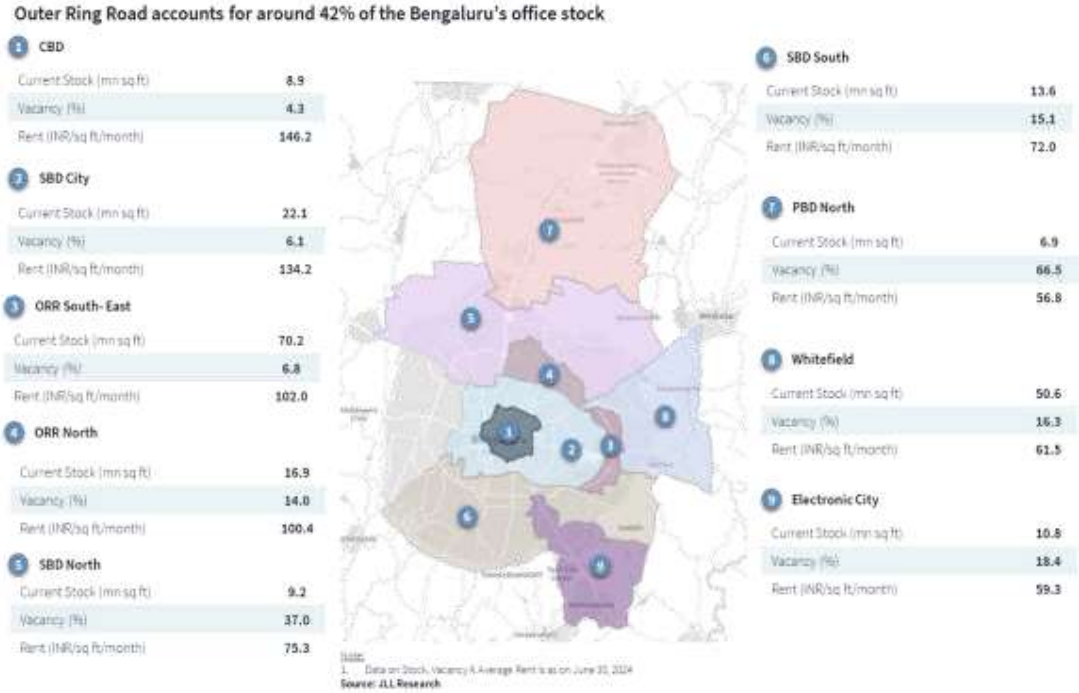
Table 6.3: Overview of Bengaluru's office submarkets

| Particulars | CBD | SBD City | ORR North | ORR South east | PBD North | SBD North | SBD South | White field | Electronic City | Overall |
|---|---|---|---|---|---|---|---|---|---|---|
| Completed Stock, mn sq ft | 8.9 | 22.1 | 16.9 | **70.2** | 6.9 | 9.2 | 13.6 | 50.6 | 10.8 | 209.1 |
| Vacancy, % | 4.3% | 6.1% | 14.0% | **6.8%** | 66.5% | 37.0% | 15.1% | 16.3% | 18.4% | 13.9% |
| Average Annual Net Absorption, mn sq ft (2016 – 2023) | 0.3 | 0.7 | 0.4 | **3.7** | 0.3 | 0.5 | 0.8 | 1.9 | 0.4 | 9.0 |

| Particulars | CBD | SBD City | ORR North | ORR South east | PBD North | SBD North | SBD South | White field | Electronic City | Overall |
|---|---|---|---|---|---|---|---|---|---|---|
| Average Annual New Supply, mn sq ft (2016 – 2023) | 0.4 | 0.7 | 0.7 | **4.4** | 0.8 | 1.0 | 1.0 | 2.7 | 0.4 | 12.1 |
| Average Rent, INR/sq ft/month | 146.2 | 134.2 | 100.4 | **102.0** | 56.8 | 75.3 | 72.0 | 61.5 | 59.3 | 90.5 |

Source: JLL Research, Q2 2024
*Property Share SM REIT submarket

Figure 6.3: Bengaluru's Office Market delineation




Source: JLL Research, Q2 2024

## 6.5 MARKET DYNAMICS - DEMAND, SUPPLY, VACANCY & RENTAL TRENDS

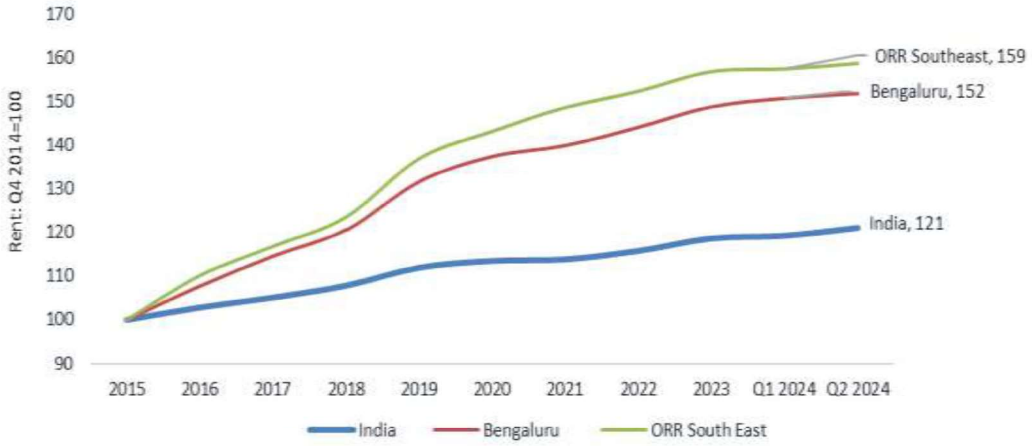
Bengaluru's current stock by end Q2 2024 is 25% of total Grade A office in India. The city along with Hyderabad, Mumbai and Delhi NCR leads in terms of y-o-y office supply. Bengaluru's share in annual pan India supply since 2019 has been between 26-30% which indicates that the robust demand is backed by a strong supply pipeline. Going forward, the city is expected to witness a steady stream of supply in line with historical trends. As India's vacancy rises going forward, Bengaluru's is also expected to rise owing to a large share of incoming supply. Bengaluru has also played a key role in shaping India's total Grade A office absorption each year with the city's share in pan India annual net absorption ranging between 24-28% from 2019 to 2023. Absorption momentum going forward is set to remain within the range of 10-11 million sq ft each year until 2025 and Bengaluru will continue to lead with maximum share in net absorption going forward.

Figure 6.4: New supply, net absorption, and vacancy trends -Bengaluru

Source: JLL Research, Q2 2024

The strong market fundamentals and superior quality office assets in Bengaluru have resulted in steady upward movement of rents across prime office markets in the city. Even during the pandemic, with deals getting signed at earlier prevailing market rates backed by steady demand for quality space in Bengaluru, the overall city office rent inched up.

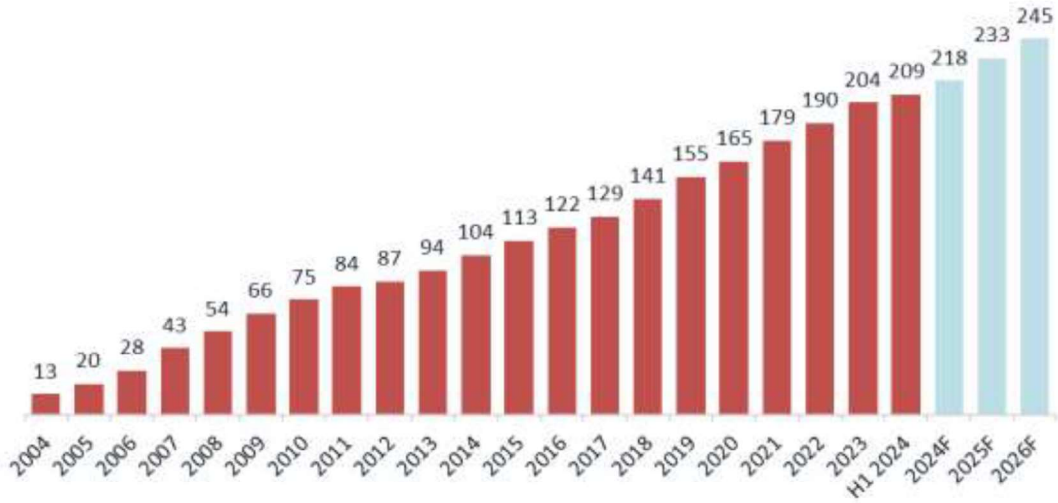
Figure 6.5: Bengaluru & ORR South-East Office market rental index trends




Source: JLL Research, Q2 2024

The city boasts of an expansive Grade A office market of 209.1 million sq. ft. This growth has been possible with the strong occupier demand momentum propelling the city's development and ensuring that for a market this big, its average vacancy levels have remained in single digits for nearly the entire last decade. Despite the rise in office vacancy rates across cities during the pandemic, Bengaluru remains one of the few major Indian cities with tight vacancy levels, which speaks about the strong growth in absorption level and the healthy prospect of the city in terms of office demand.

Figure 6.6: Expansion of Grade A office stock (mn sq ft) in Bengaluru, 2004-2026F




Source: JLL Research, Q2 2024

## 6.6 TRENDS IN GROSS LEASING ACTIVITY

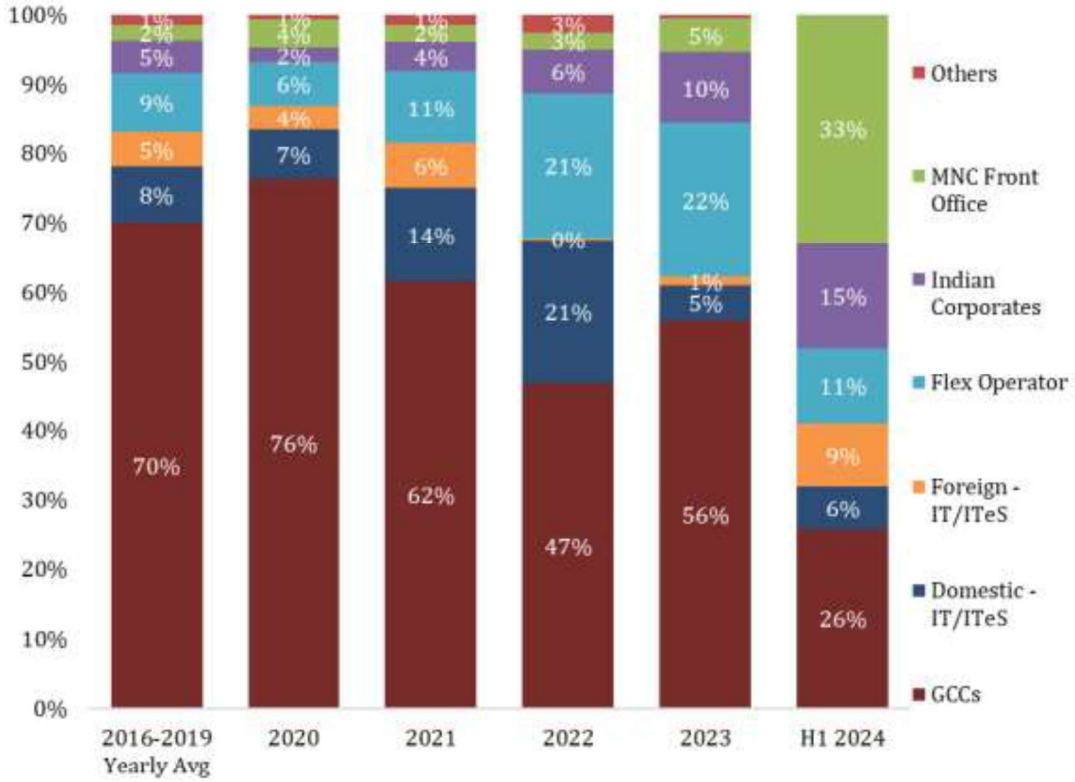
Bengaluru has always been one of the frontrunners in pan India office leasing since 2016. During 2016-H1 2024, The city's annual average gross lease volume has ranged between 11.5-12.5 million sq ft accounting for around 25% average share in pan India annual lease volume during the period. Sustained and healthy demand for quality space from domestic and foreign occupiers, conducive business environment, favorable weather conditions have all been successful in driving the office sector demand.

GCCs have been dominating the leasing activity in Bengaluru from 2016 onwards to H1 2024 with an average share of ~60%. During the last two years with the emergence of flex, the share of GCCs has reduced but it is still the biggest occupier segment in the city, indicative of the global tech ecosystem that is established here and which continues to thrive. US firms dominate the GCC landscape with an overwhelming majority, though EMEA-based firms as they make an entry into India, also look at Bengaluru as their first stop for setting up their captives/capability centers. Bengaluru though popularly known as big tech GCC hub but is emerging as a key GCC center for engineering R&D firms as well, as is visible from the rising share of the manufacturing/industrial segment.

Figure 6.7: Gross leasing trends

Source: JLL Research, Q2 2024

Figure 6.8: Sector-wise share of gross leasing in Bengaluru




Source: JLL Research, Q2 2024

## 6.7 OUTLOOK -BENGALURU OFFICE SECTOR

Bengaluru's Grade A office market has transformed over the past few years, backed by rising Global Capability Centre (GCC) demand, which has paved the way for a higher influx of quality office space. Over the years, the city has evolved as a leading destination for GCCs not just in India (~42%) of GCCs in India are in Bengaluru) but globally.

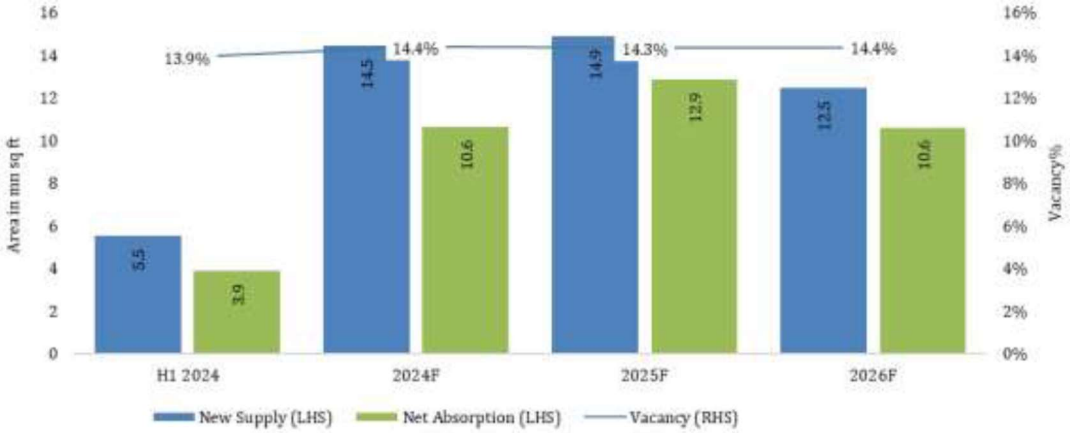
Bengaluru has also gained prominence in recent times due to the rising focus of developers on the quality of buildings and the adoption of sustainability programmes, which not only have driven occupier demand but have enabled higher institutional investments in the city's office inventory. Bengaluru's growth as a start-up hub, backed by its well-developed tech ecosystem and competitive office rentals, has been one of the driving factors for its prolific growth in recent years. The city's office footprint expansion can also be attributed to a post-pandemic increased demand for space from flexible workspace operators (Bengaluru holds a 36-38% share in pan-India flex stock).

The city's prospect for office sector expansion is also influenced by rising demand from manufacturing, healthcare, and life sciences occupiers. In recent years, the diverse talent pool and supporting government policies have resulted in higher absorption from these emerging sectors. While Outer Ring Road (one of India's largest and prime office submarkets) and Whitefield continue to thrive as office destinations for tech occupiers, emerging corridors in the north and southern quadrants of the city are catering to healthcare and life sciences occupiers. This trend results in expanding the city's office inventory across locations.

The city is expected to witness office space supply addition of around 14-15 million sq ft during 2024-2025. Most of this will be coming in the SBD City, ORR, SBD North, and Whitefield submarkets. In terms of ongoing demand in the market around 14 million sq ft of demand is

active among various occupiers. Net absorption is expected to touch around 10.0-11.0 million sq ft by end of 2024, higher than the previous two years as Bengaluru office market traction shall sustain the momentum observed during 2023 with manufacturing/industrial, GCC, flex, healthcare/biotech and some of the IT occupiers continuing with their footprint expansions in the city. Driven by the demand traction, vacancy levels in the city's office sector shall continue to remain tight despite healthy supply addition every year.

Figure 6.9: Outlook on New supply, net absorption, and vacancy trends - Bengaluru




Source: JLL Research, Q2 2024

## 6.8 Outer Ring Road (Southeast) Office Market Overview

### *6.8.1 Evolution of ORR Office Market*

The Outer Ring Road, popularly referred to as ORR, stretching from Hebbal to KR Puram, Marathahalli and Sarjapur, and then till Silk Board Junction, provides uninterrupted access to the North-East-South corridors of Bengaluru. The ORR belt has developed manifold in the past decade, primarily owing to the ease of connectivity, easy access to Central Business District (CBD) areas, expanding tech sector and has emerged as one of the most preferred residential and commercial destinations in the city. Corporates have also been preferring this corridor due to additional benefits such as access to large talent pools, availability of contiguous land parcels, and competitive edge the market provides in terms of presence of several MNC and domestic firms.

ORRs development as IT growth corridor commenced in early 2000s with land acquisition and allotment by Karnataka Industrial Areas Development Board (KIADB) to promote tech sector growth in Bengaluru. KIADB acquired large land parcels along ORR and ensured conversion of the same for industrial hi-tech use. Announcement of the Special Economic Zone (SEZ) Act in 2005, led to the export-oriented IT sector to focus on their growth in upcoming SEZs due to expiry of the incentive structure under the Software Technology Parks India (STPI) scheme. Readily available large land banks near ORR and Karnataka Government's initiative on the revised Master Plan 2007-2015 acted as a catalyst in IT sector development in this part of the city backed by favorable zoning regulations.

Prior to 2008, developments were largely concentrated between Marathahalli-Sarjapur stretch. With the commencement of Bangalore International Airport Limited (BIAL) in 2008 at Devanahalli, the KR Puram-Hebbal stretch of ORR started gaining prominence as Hebbal-Silk Board Junction served as the main artery between BIAL and the tech hubs of the city at Marathahalli-Sarjapur, Whitefield and Electronics City. Currently the Sarjapur-Marathahalli-KR Puram Stretch (ORR Southeast) and KR Puram-Hebbal stretch (ORR North account for 34% and 8% shares in Bengaluru's total Grade A office inventory.

Table 6.4: Overview of ORR office submarket

| Particulars | ORR North | ORR Southeast | Overall ORR |
|---|---|---|---|
| Completed Stock, mn sq ft | 16.9 | **70.2** | 87.1 |
| Vacancy, % | 14.0% | **6.8%** | 8.2% |
| Average Annual Net Absorption, mn sq ft (2016 – 2023) | 0.4 | **3.7** | 4.1 |
| Average Annual New Supply, mn sq ft (2016 – 2023) | 0.7 | **4.4** | 5.1 |
| Average Rent, INR/sq ft/month | 100.0 | **102.0** | 101.0 |

Source: JLL Research, Q2 2024

### *6.8.2 ORR Office Market Dynamics - Demand, Supply, Vacancy & Rental Trends*

Outer Ring Road (Southeast) the biggest office cluster in Bengaluru and enjoys highest traction and occupancy levels with most Fortune 500 occupiers and major tech occupiers based out of this corridor. This is the most sought-after office submarket in Bengaluru, with several tech parks being taken over partly or wholly by international investors like Blackstone and Brookfield. Mostly dotted with tech parks having a campus-like development, located along the semi-circular spine of ORR, the submarket as well houses prominent hospitality and residential projects by prominent developers. The Outer Ring Road submarket remains the biggest in terms of all physical parameters that includes new supply addition, total office stock and share of net absorption vis-à-vis the city numbers.

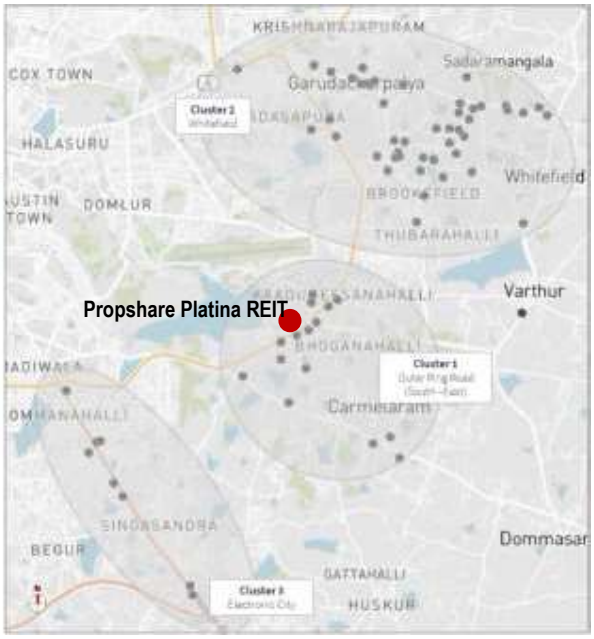
Table 6.5: Highlights of ORR (Southeast) office submarket

| |
|---|
| • **70.2** million sq ft of operational Grade A office space, **~34%** of city stock & **8.5%** of India's stock; Largest office cluster in India |
| • **34%** share in Bengaluru's total operational IT space |
| • **44%** share in Bengaluru's total operational SEZ space |
| • **44%** share in Bengaluru's institution owned space |
| • **8.3** million sq ft of REIT owned office space, **31%** of total REIT owned space in Bengaluru |
| • **6.8%** of vacant space as of Q2 2024, vis-a vis **13.9%** at the city level & **17.0%** at pan India level |
| • **7.2** million sq ft of Grade A office space under construction (2024-2026), vis-vis city's total expected supply of **40.0-42.0** million sq ft |

Source: JLL Research, Q2 2024

Figure 6.10: Prominent Office Clusters

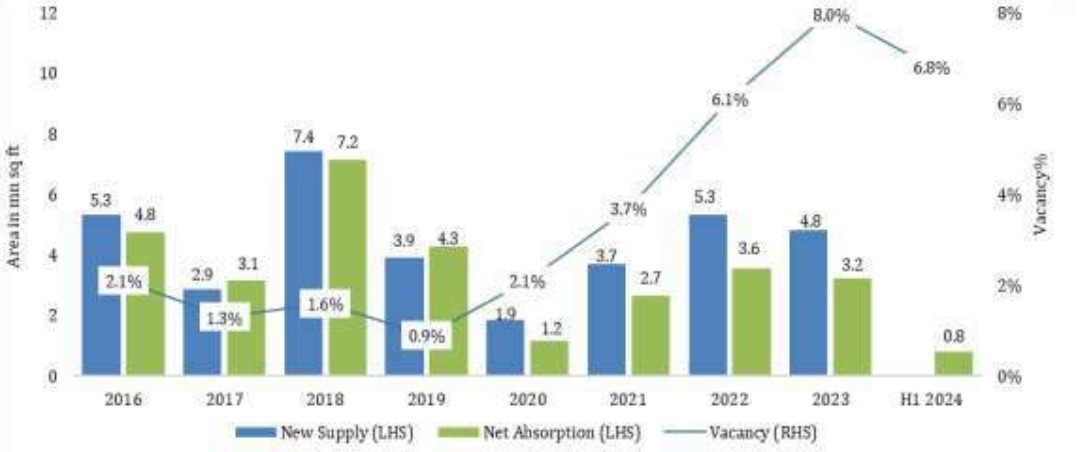
| | Cluster | Grade A Office Stock (mn sq ft) | Key Projects | Upcoming Supply (2024-2028) | Average Distance from subject site (km) |
|---|---|---|---|---|---|
| 1 | Outer Ring Road (ORR): KR Puram to Bellandur | 70.2 | Brookfield Ecospace, Brookfield Ecoworld, Embassy Tech Village, Prestige Tech Park, RGA Tech Park, Wipro Campus | 12.0-13.0 mn sq ft | 3-9 |
| 2 | Whitefield | 50.6 | Bagmane Solarium City, Brigade Tech Gardens, ITPL, Prestige Technostar, Divyasree Techno Park | 7.0-8.0 mn sq ft | 20-22 |
| 3 | Electronic City | 30.8 | Gold Hill Excelsior, Velamsani Infotech Park, AMB Tech Park and several owned campuses of IT players | 3.0-3.2 mn sqft | 18-20 |




Source: JLL Research, Q2 2024

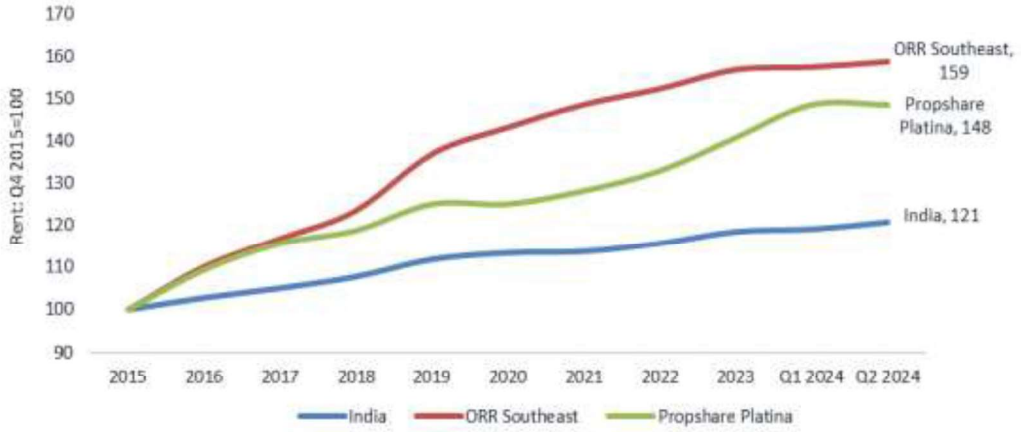
Outer Ring Road (Southeast) has witnessed perceptible addition in supply during 2016-2019, at par with the demand traction, thereby resulting tight vacancy lev. With a slowdown in demand during Covid years, like in other submarkets, the vacancy level started rising from 2021 onwards. This rise in vacancy was caused by steady levels of supply entering the market post revival from pandemic, however the vacancy level remains as one of the lowest in the prime office submarkets in India. Demand resulting in low vacancy levels have well resulted in sustained rental growth in the submarket, which remained undeterred even during the pandemic period.

Figure 6.11: New supply, net absorption, and vacancy trends – ORR Southeast




Source: JLL Research, Q2 2024

Figure 6.12: Rental index trend – ORR Southeast

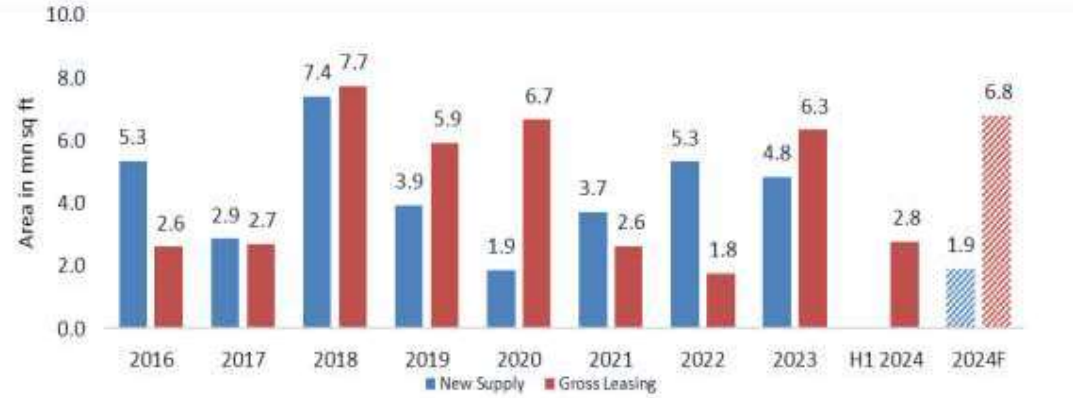



Source: JLL Research, Q2 2024

### *6.8.3 Trends in Gross Leasing Activity*

ORR Southeast has always been one of the star performers in Bengaluru office leasing since 2016. During 2016-2023, the submarket's annual average gross lease volume ranged between 4.5-5.0 million sq ft accounting for around 35-40% average share in the city's annual lease volume during the period. Presence of superior grade buildings in SEZ as well as non-SEZ tech parks have been a driving factor for the occupiers across categories. Availability of larger floor plates in these buildings, technical specifications that are offered and adoption of latest sustainable standards have been attracting occupiers over the years.

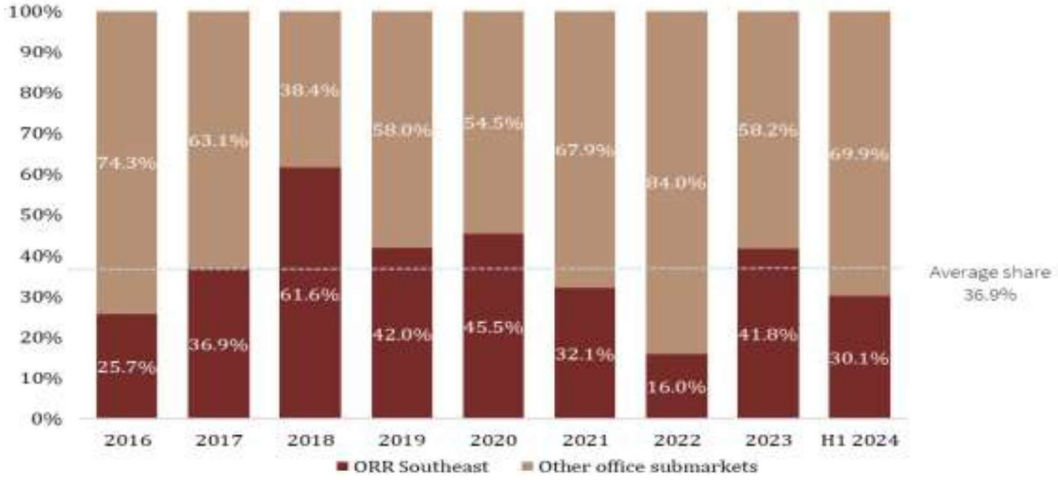
Figure 6.13: Gross leasing trends – ORR Southeast




Source: JLL Research, Q2 2024

ORR Southeast submarket's contribution in overall city leasing has always been significant with an average 30% share during 2016-2017. This share further increased to around 50% during 2018-2020 with rising preference for space take-up in the market backed by quality supply inflow. During post covid period of 2021-2022 a drop was observed in the submarket's share amid low vacant space availability in Grade A+ buildings, traffic bottlenecks and some tech occupiers shifting their base to Whitefield. 2023 has however seen a revival in its share, and the trend is likely to continue in 2024 as well with perceptible volume of supply due for completion during the year.

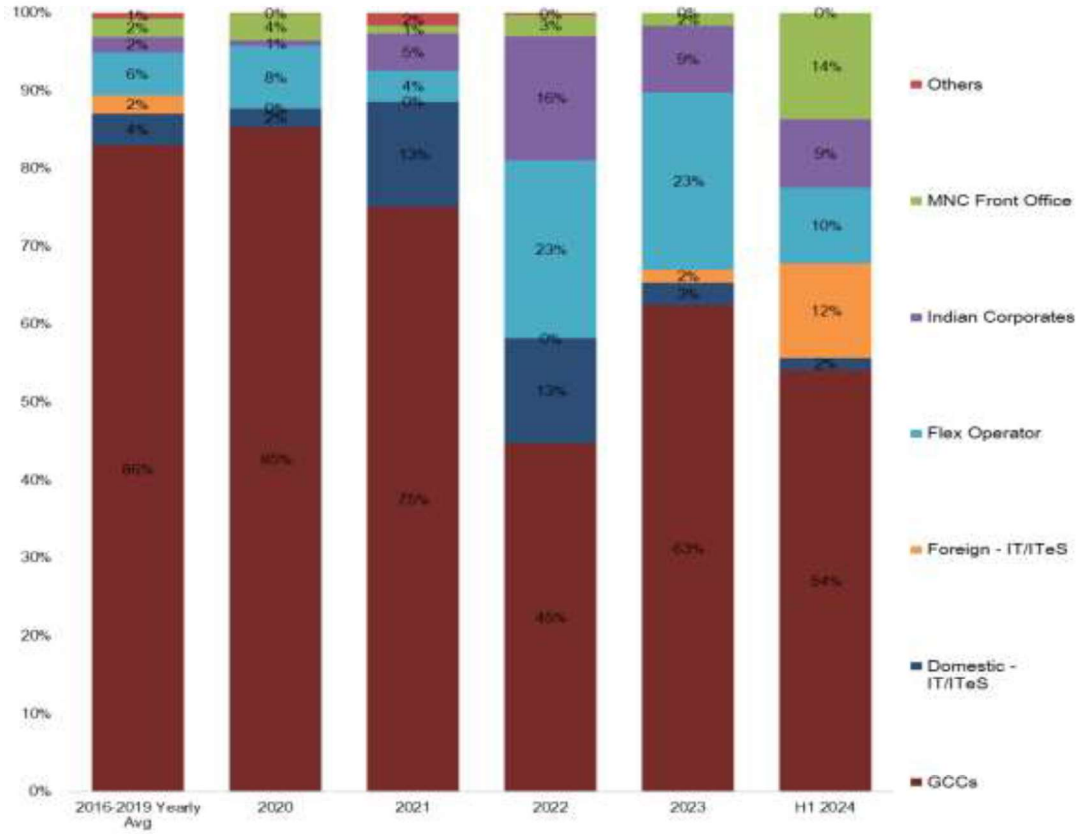
Figure 6.14: Gross leasing trends – ORR Southeast's share in City leasing volume




Source: JLL Research, Q2 2024

ORR Southeast is the most preferred submarket across all categories mainly by GCC occupiers in Bengaluru over the years owing to the availability of quality projects by reputed developers and supporting ecosystem. GCC occupiers have been holding the highest share, ranging between 75-80% in annual gross lease volume over the years. Increase in contribution by Foreign IT/ITeS occupiers, flex operators and Indian corporates in annual space take-ups in the submarket has however resulted in a reduction in GCC sectors' share, though it continues to remain the highest contributor.

Figure 6.15: Sector-wise share of gross leasing - ORR South-East



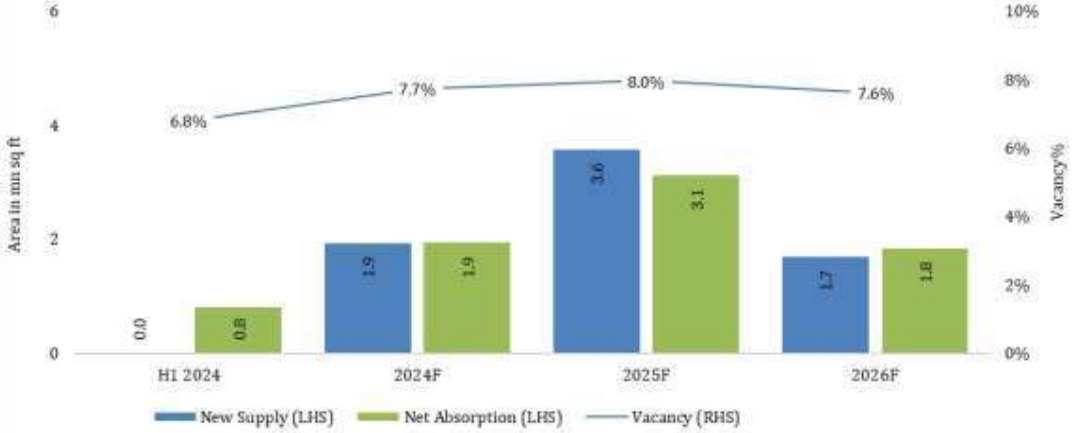

Source: JLL Research, Q2 2024

### *6.8.4 OUTLOOK - ORR SOUTHEAST OFFICE SECTOR*

ORR Southeast expected to lead in terms of upcoming supply and net absorption and continue to remain a popular submarket with key developers and global occupiers in the coming years. Majority of the active discussions on future space take-up between developers and occupiers also indicate sustained preference for Outer Ring Road Southeast among the latter as the submarket continues to dominate the Bengaluru office market in terms of both supply and demand.

The submarket is expected to witness an annual average supply of around 2.5-3.0 million sq ft during 2024-2026, accounting for around 22-25% share in the city's overall supply. Demand shall continue to complement supply with an average annual net absorption of 2.3-2.5 million sq ft during the period. Demand momentum shall continue to sustain driven by active space take-ups by tech, manufacturing/industrial, GCC, flex and healthcare/biotech occupiers. Vacancy levels in the submarket's office sector shall continue to remain tight backed by a healthy balance in supply and demand.

Figure 6.16: Outlook on New supply, net absorption, and vacancy trends – ORR Southeast




Source: JLL Research, Q2 2024

### *6.8.5 PROMINENT LEASE TRANSACTIONS*

Table 6.6: Prominent Lease Transactions in ORR (Southeast) office submarket, during Q3 2023-Q2 2024

| Particulars | Quarter | Year | Area Leased (sq ft) | Rent (INR/ sq ft/month) | Tenant |
|---|---|---|---|---|---|
| Bagmane Capital - Troy | 2Q | 2024 | 650,000 | 100-105 | Synopsys |
| Embassy Tech Village - Block 8 - 8A | 2Q | 2024 | 631,978 | 100-105 | Intuit |
| Mantri Commercio | 1Q | 2024 | 128,000 | 74-75 | Spatium |
| Brookfield Ecospace 3A & 3B | 2Q | 2024 | 125,740 | 95-100 | Deloitte |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 32 | 2Q | 2024 | 113,296 | 105-110 | Freshworks |
| RMZ Ecoworld 4D | 2Q | 2024 | 66,703 | 105-110 | Kotak Mahindra |
| Brookfield Ecoworld Campus 8A | 1Q | 2024 | 66,292 | 100-105 | AwaveSemi Technologies |
| Pardhanani Wilshire | 1Q | 2024 | 66,241 | 65-70 | Havells India |

| Particulars | Quarter | Year | Area Leased (sq ft) | Rent (INR/ sq ft/month) | Tenant |
|---|---|---|---|---|---|
| Pardhanani Wilshire | 1Q | 2024 | 61,282 | 85-90 | Thought Focus |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 31 | 2Q | 2024 | 58,212 | 105-110 | WestBridge Capital |
| Kalyani Tech Park (Helios Business Park) | 1Q | 2024 | 55,780 | 95-100 | Indiqube |
| Prestige Tech Park 4 - Building 2 | 2Q | 2024 | 52,360 | 95-100 | Blackline |
| Gopalan Fortune City - Block 2 - Water | 3Q | 2023 | 996,000 | 95-98 | Smartworks |
| Bagmane Capital - Angkor Block 1 | 3Q | 2023 | 585,196 | 95 - 105 | Qualcomm |
| Embassy Tech Village - Block 8 - 8D -Bluebell | 4Q | 2023 | 436,635 | 100-102 | JPMC |
| RMZ Ecoworld 4D | 3Q | 2023 | 330,506 | 95-100 | Deloitte |
| Prestige Tech Park 4 - Building 2 | 4Q | 2023 | 181,831 | 95-98 | Genpact |
| Kalyani Tech Park (Helios Business Park) | 3Q | 2023 | 163,446 | 90-92 | Meesho |
| Bagmane Capital - Angkor Block 2 | 3Q | 2023 | 160,000 | 100-105 | Samsung |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 31 | 4Q | 2023 | 154,328 | 102-105 | Redbrick Offices Limited |
| Embassy Tech Village - 3A - Iris - Wing A | 4Q | 2023 | 143,191 | 100-105 | Sony India Software |
| Prestige Tech Park 4 - Building 2 | 4Q | 2023 | 105,291 | 95-98 | Tredence Analytics |
| Brookfield Ecospace 3A & 3B | 3Q | 2023 | 94,817 | 95-100 | Deloitte |
| Nucleus Tech Park Exora - Etamin | 3Q | 2023 | 79,221 | 90-92 | Amadeus Software Labs |
| Nucleus Tech Park Exora - Etamin | 4Q | 2023 | 73,741 | 90-92 | Amadeus Software Labs |
| RMZ Ecoworld - Series 30 - Phase 1 - Block 31 | 4Q | 2023 | 60,454 | 102-105 | DE Shaw |
| Bagmane WTC Citrine | 4Q | 2023 | 56,929 | 95-98 | Iron Mountain Services |

# 7 MARKET VALUE ESTIMATE

## 7.1 ADOPTED PROCEDURE

The market practice in most commercial/ office developments involves contracting tenants / occupiers in the form of pre-commitments at sub-market rent to increase attractiveness of the property to prospective tenants - typically extended to anchor tenants. Additionally, there are instances of tenants paying above-market rent for certain properties as well (primarily owing to market conditions at the time of contracting the lease). In order to arrive at a unit value for these tenancies, the Valuer has considered the impact of such sub/above market rents on the opinion on market value of the Subject Asset.

For the purpose of this valuation exercise, the Valuer has analyzed the tenancy details provided by the Client, to identify variances vis-à-vis prevailing market/marginal rent. Each lease is assessed separately for below aspects, for the rent over a 10-year time horizon:

- Rent roll (and the corresponding draft lease deed) were reviewed to identify tenancy characteristics for the Subject Property. However, this review of draft lease agreement is not to be construed as a legal review of the draft lease agreement by the Valuer.
- LO and other related documents as mentioned in relevant sections of the report were reviewed for validation of area details, ownership interests in the Subject Property.
- Limited visual inspection at the time of physical site visit was undertaken to review the status of the Subject Tower and Subject Property.

## 7.2 CASH FLOW PROJECTIONS

Cash flows for the Subject Property have been projected separately for each lease, to opine on their respective value estimates.

Net Operating Income (NOI) has primarily been used to estimate the value of the Subject Asset. Projected future cash flows from the Subject Property are based on existing lease terms for the operational leases till the expiry of the leases or re-negotiation, whichever is earlier. In the case of Subject Property, lease terms are observed to end prior to the 10-year time horizon, basis which reversion to market rent is required.

These cash flows have been projected for 10-year duration from the date of valuation and for 11$^{th}$ year (for estimation of terminal value based on NOI). These future cash flows are then discounted to present-day value (valuation date) at an appropriate discount rate. Each lease is reviewed separately for below aspects, for the rent over a 10-year time horizon:

- Projecting the rental income for identified tenancies up to the period of lease expiry, lock-in expiry, escalation milestones, among other aspects, whichever are applicable.
- Computing the monthly income based on rent projected above and translating the same to quarterly income (for the next 10 years and 11$^{th}$ year is considered for estimation of terminal value).

Further, to estimate the total value of revenue (from base rentals as the LOI states that rentals are all inclusive of parking, etc.) from Subject Property, which is the Subject Asset, appropriate revenues and operational expenses are projected on quarterly basis. Some of such adjustments on revenue and operational expenses are presented in the table on the following page:

Table 7.1: Adjustments on Revenues and Operational Expenses

| Parameters | Description / Basis |
|---|---|
| Parking and Fit-out Income | Not considered as LOI states that agreed upon rental is all inclusive of parking rent, fit-outs, etc. |
| Miscellaneous Income | Not considered as LOI states that agreed upon rental is all inclusive of parking rent, fit-outs, etc. |
| Annual Insurance Premium Payable | As provided by Client |
| Annual Lease Rental / Property Taxes | Based on annual lease rental / property tax for the Subject Property as provided by Client |
| Asset Management Fee | Not applicable as indicated by Client |
| Margin on CAM | Not applicable as indicated by Client |
| Revenue Escalation | Based on term-led 3-yearly escalation on the contracted rent |
| Rent Free Period | Based on the trend prevalent in the submarket, appropriate rent free periods from lease commencement date (for future / new leases) are considered |
| Brokerage | Based on prevalent market dynamics, brokerage for future / new leases are considered |
| Transaction Cost on Exit | Considered as a percentage of the terminal value after aforesaid adjustments |

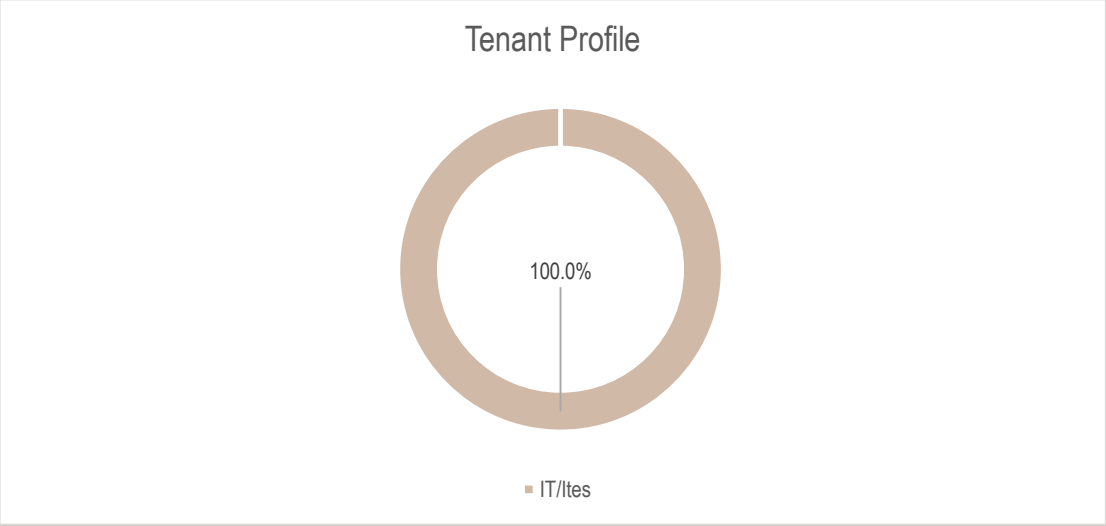
## 7.3 Construction Timelines

Subject Project, Subject Tower, and Subject Property have received full occupancy certificate as confirmed by Client.

## 7.4 Absorption/ Leasing Velocity and Occupancy Profile

Occupancy profile of the Subject Property is as follows:

- 100% space is taken by IT/ITeS Sector




**Source:** Analysis of Client-provided rent roll, July 2024

## 7.5 KEY ASSUMPTIONS AND INPUTS

The table below presents key assumptions and/or inputs used in the cash flow configuration used for opining on market value of the Subject Asset.

Table 7.2: Key Assumptions Used while opining on market value of Subject Asset

| Parameters | Assumptions / Inputs | Remarks / Basis |
|---|---|---|
| **Cash Flow Period** | | |
| Valuation Date | 01 September 2024 | As indicated by Client |
| Cash Flow Period | 10 years | As per market practice |
| Cash Flow Exit Period | 31 August 2034 | Derived basis valuation date and cash flow period |
| **Asset Details** | | |
| Total Leasable Area | 246,935 sq. ft. | As per the information provided by the Client |
| Leased Area | 246,935 sq. ft. | As per the information provided by the Client |
| Vacant Area / Vacancy | - | As per the information provided by the Client |
| Vacancy Allowance | 2% (applicable from expiry of latest Lock In Period end date, i.e. 31 October 2031) | Considering to-be-contracted terms and conditions as indicated in LOI till end of last lock in period, thereafter as per market benchmarks for small to medium scale Grade A office spaces. |
| Area to be Leased | Not Applicable | As per the information provided by the Client |
| Rent Free Period for Existing Lease Rollovers | 2 months | As prevalent in the micro-market |
| Rent Free Period for New Leases | 3 months | As prevalent in the micro-market |
| **Revenue Assumptions** | | |
| Term Lease Rentals | Actual rentals as per the Rent Roll including additional charges (if any) | As per the information provided by the Client |
| Lease Commencement Date | 01 November 2024 | As per the information provided by the Client |
| Rent Commencement Date | **Ground to Third Floor**: 01 January 2025<br>**Fourth & Fifth Floor**: 01 February 2025 | As per the information provided by the Client |
| Rent Escalation | Escalation in rentals as per the Rent Roll for the validity period of the leases, i.e., 3.85% after the first 3 years, and 15% every 3 years thereafter | Derived basis e-mail addendum to LOI confirmed by CO to Client and shared by Client with Valuer |
| Market / Marginal Rent – Office for FY25 | INR 96 per sq. ft. per month | The lease transactions in Grade A office space in the said micro market are recorded in the range of |

| Parameters | Assumptions / Inputs | Remarks / Basis |
|---|---|---|
| | | INR 90 – 100 per sq. ft. per month. The asking instances are observed in the range of INR 95 – 105 per sq. ft. per month. Please refer table 6.1 and 6.3<br>Based on the market benchmarking of recent leases on aspects such as location, size of transaction, type of development etc. the achievable rent for the Subject Project is derived. |
| Market Rent - Car Parking Space for FY25 | Not Applicable | As per LOI |
| Market Rent Growth from FY26 | 5% per annum | Considering the historical growth rate and the current market dynamics we have assumed a market rent growth of 5.0% per annum for the Subject Property, while this is not being applied as the contracted term period is for the time horizon considered for this valuation. |
| Term Lease Tenure | 9 years | As per LOI provided by Client |
| Target Efficiency | 75% | As provided by the Client |
| Maintenance Services Income / CAM Income for FY25 | Not Applicable | As provided by the Client |
| **Operating Cost Assumptions** | | |
| Brokerage - New Leases | 2 months receivable on base rent | As prevalent in the market |
| Brokerage - Renewals / Release | 1 month receivable on base rent | As prevalent in the market |
| Maintenance Services Cost for FY25 | Not Applicable | As provided by the Client |
| Property Tax | INR 2.94 per sq.ft. per month | As provided by the Client |
| Insurance Premium | INR 0.29 per sq.ft. per month | As prevalent in the market |
| Cost Escalation | 5% per annum | As prevalent in the market |
| CAM Escalation (Income + Expense) from FY26 onwards | Not Applicable | As provided by the Client |
| **Other Assumptions** | | |
| Transaction Cost on Sale | 1% of Terminal Value | As prevalent in the market. This is to be incurred towards brokerage and transaction cost |
| Other Operating Expenses | Not Applicable | As provided by the Client |

| Parameters | Assumptions / Inputs | Remarks / Basis |
|---|---|---|
| Capital Expenditure for Maintenance | NIL | As indicated by Client, no major refurbishment and/or maintenance is required for Subject Property basis the maintenance schedule for Subject property |
| Property Management Fees | Not Applicable | As provided by the Client |
| Pending Debt, Dues, Arrears, hypothecation, among other possible cash outflows from Subject Property | NIL | As provided by the Client. |
| Discounting Rate / WACC | Adopted Discount Factor: 11.75% | Refer Section 3.3 of this report |
| Cap Rate for Terminal Value | Capitalized using long-term net yield rate of 8.00% (post yield shrinkage).<br>Capitalized based on the Net Cash Flows of the 11th year | Refer Section 3.2 of this report |
| Cash Flow Configuration | Cash flows have been drawn on quarterly basis for a period of 10 years, considering both cash inflows and outflows. Cash flows of terminal year is then capitalized and adjusted with transaction costs, to estimate the terminal value. | Value assumptions as practiced in the market |

## 7.6 CONCLUSION: OPINION ON MARKET VALUE

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which the Valuer has no knowledge, the Market Value of the complete rights and interests in the Subject Property, which is the Subject Asset, including undivided share of land and improvements thereon, as explained earlier in this report, on the below mentioned date, is as follows:

Table 7.3: Opinion on Market Value of the Subject Asset

| Component | Leasable Area (sq. ft.) | Opinion on Market Value (INR Million) | Percentage Share |
|---|---|---|---|
| Commercial / Office Space - Completed | 246,935 | 3,537.25 | 100% |

**Note:** The above-mentioned value includes proportionate undivided ownership in the Amenity Plot, Utility Areas and Internal Roads and total open spaces of the Entire Campus

With all assumptions as mentioned in this report, we are of the opinion that the Market Value of the Subject Asset, which are all cash flows due to the Client, from Subject Property comprising total leasable area of 246,935 sq.ft., which is part of Prestige Tech Platina, located along Outer Ring Road, Kadubeesanahalli Village, Bengaluru, Karnataka, India 560103, as on 01 September 2024 is estimated to be approx. **INR3,537.25 million (Indian Rupees Three Billion Five Hundred Thirty Seven Million Two Hundred Fifty Thousand).**

***Note**: Opinion on market value presented in this report is under the following facts and Special and Significant Assumptions, and is based conditionally on successful execution of sale deed(s) and lease deed(s) on a future date as envisaged in the LOI, which LO has confirmed to be binding on Client, Client's nominated companies and/or SPVs, and CO:*

*a) LO indicates that complete ownership and rights and interests in Subject Property are with CO.*
*b) LO, with reference to LOI provided by Client, confirms that LOI is binding on CO and that complete ownership and rights and interests in Subject Property will devolve to the Proposed Owners indicated by Client subsequently in this report, when the sale deed(s) envisaged in LOI are executed.*
*c) LO has also confirmed that Client will be the sole, primary, and exclusive beneficiary of all cash flows from the Subject Property from the dates indicated in the aforementioned sale deed(s) whenever it(they) is(are) executed.*
*d) LO further states that there are no arrears and/or payments due to any government authority(ies) and/or banks and/or financial institutions and/or any other creditor(s) who may have the first and/or subsequent charges on the title, ownership, rights, and interests of the reference-cited Subject Property, it can be freely transacted without any encumbrances and/or restrictions in the open market, and there are no onerous aspects pertaining to the legal ownership of CO with respect to the reference-cited Subject Property that may hinder and/or obstruct its free and unrestricted sale in the open market.*

*Readers of the report are hereby advised that the aforementioned opinion on market value of the Subject Asset is contingent and based on the LO (please refer Annexure – 7 to this report for the LO issued by Trilegal to Client and Valuer) with respect to ownership, rights, and interests in the Subject Property, among other aspects stated in the LO. In the event that the LO with respect to ownership, rights, and interests, liens, encumbrances, debt, among other aspects related to and in the Subject Property along with Client's representation and CO's representation on execution of sale deed(s) and lease deed(s), is not valid as on the valuation date and Propshare Platina REIT has no or limited ownership, rights, and/or interests in the Subject Property as on valuation date, then this opinion on market value of Subject Asset will be rendered invalid, voided, and will stand cancelled, and is not to be considered for any purposes, including those as indicated in this report.*

Table 7.4 Ready Reckoner Rates applicable to Subject Property on 01 September 2024

| Component | Ready Reckoner Rate (INR per sq m.) |
|---|---|
| Commercial (Built-Up Area) | 96,250 |

Note: The mentioned guideline value is as per N & M/CVC/99/2023-24 dated Sept 2023, please refer Annexure – 5 for more details on this aspect.

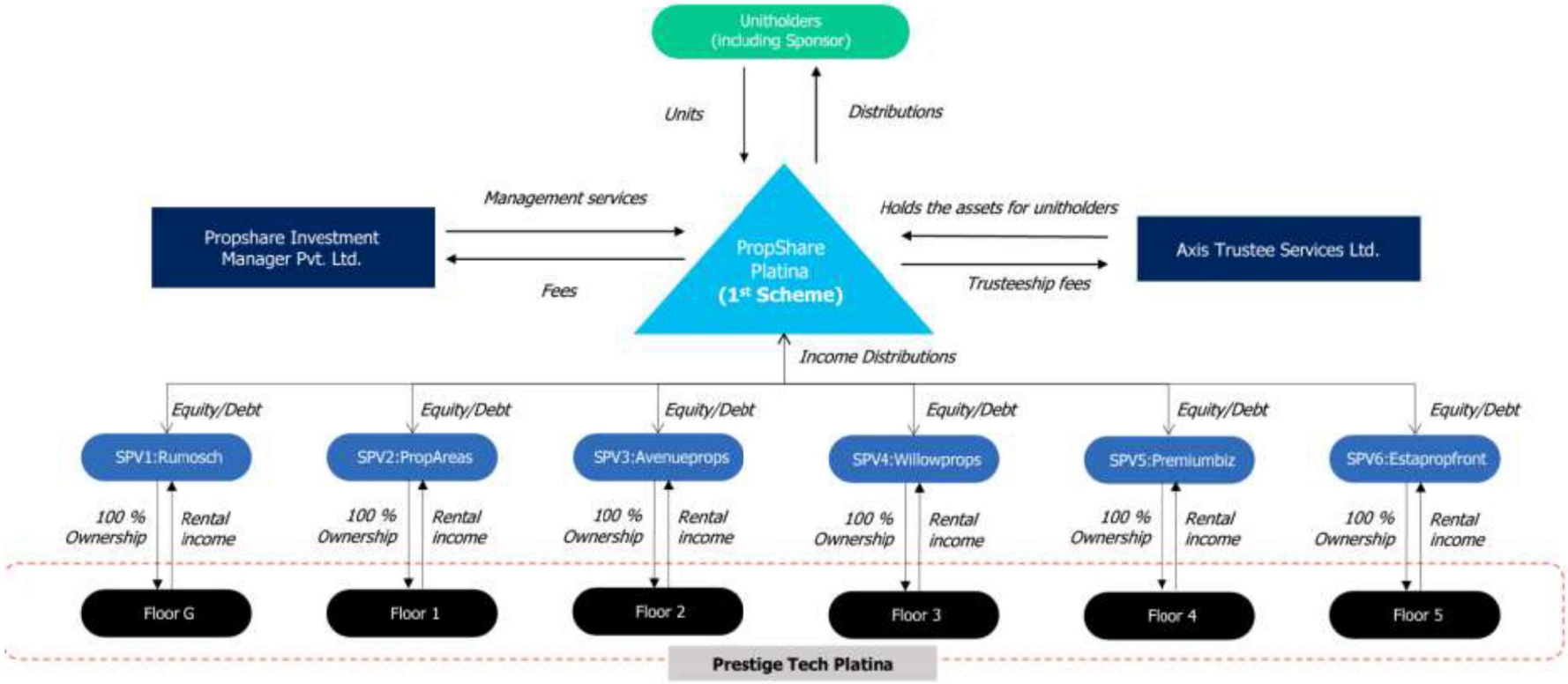
**KZEN VALTECH PRIVATE LIMITED (IBBI/RV-E/05/2022/164)**, the Valuer for the Subject Asset, hereby declares that:

- We are fully competent to undertake the valuation;
- We are independent and have prepared the report on a fair and unbiased basis; and
- We have valued the Subject Asset based on the valuation standards as specified under sub-regulation 10 of regulation 21 of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended from time to time.

---

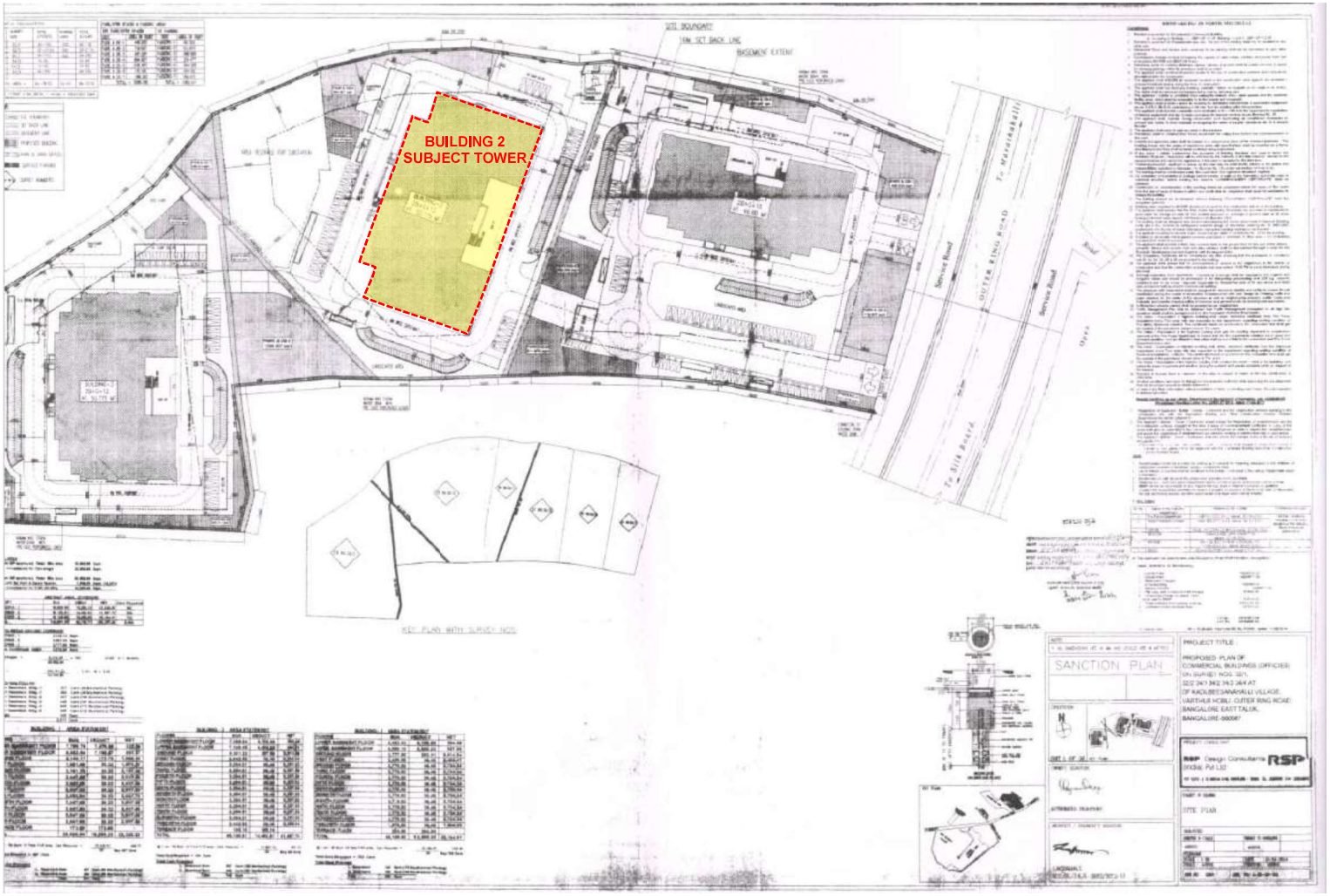
**Name:** Sachin Gulaty FRICS FIV FIIA,
**Designation:** Director
**Valuer Registration No.:** IBBI/RV/02/2021/14284
**Address:** 5th Floor, India Accelerator, The Iconic Corenthum, Sector 62, NOIDA – 201309. Uttar Pradesh. INDIA.
**E-Mail ID:** sachin.gulaty@k-zen.in

# ANNEXURE – 1: OWNERSHIP STRUCTURE: SUBJECT PROPERTY AND SUBJECT ASSET




**Source**: Client H1 2024

# ANNEXURE – 2: LAYOUT PLAN OF THE SUBJECT PROJECT AND SUBJECT PROPERTY




**Source**: Base Map provided by Client; H1 2024

# ANNEXURE – 3: STATEMENT OF KEY ASSETS FOR THE SUBJECT PROPERTY

| Sl. No. | Equipment Name | Make | Capacity | Serial. No | Type/Model No |
|---|---|---|---|---|---|
| 1 | Transformer 01 | VoltAmp | 2750 KVA | NA | Oil Cooled |
| 2 | Transformer 02 | VoltAmp | 2750 KVA | NA | Oil Cooled |
| 3 | DG 01 | Caterpillar | 1500 KVA | 8RMGS00263 | BBRG |
| 4 | DG 02 | Caterpillar | 1500 KVA | 8RMGS00258 | BBRG |
| 5 | DG 03 | Caterpillar | 1500 KVA | 8RMGS00257 | BBRG |
| 6 | DG 04 | Caterpillar | 1500 KVA | 8RMGS00255 | BBRG |
| 7 | 20KVA Inverter | Zener | 20 KVA | NA | Online |
| 8 | Sewage treatment plant | NA | 170 KLD capacity | NA | NA |
| 9 | Water treatment plant | NA | 200 KLD capacity | NA | NA |
| 10 | Jockey Pump 01 | Kirloskar | NA | 1782714108 | k2115a105710050 |
| 11 | Sprinkler pump | Kirloskar | NA | 1782714177 | k0715a1024/0080 |
| 12 | Booster pump | Kirloskar | NA | 1780914119 | k0715a102170020 |
| 13 | Hydrant pump | Kirloskar | NA | U5WMTE00030 | 3 phase induction motor |
| 14 | Diesel engine | Kirloskar | NA | 6H26082211400091 | 6R1080T |
| 15 | Passenger Lift-01 | Mitsubishi | 1600 KG | 1409A22180042 | MRL |
| 16 | Passenger Lift-02 | Mitsubishi | 1600 KG | 1409A22180039 | MRL |
| 17 | Passenger Lift-03 | Mitsubishi | 1600 KG | 1409A22180127 | MRL |
| 18 | Passenger Lift-04 | Mitsubishi | 1600 KG | 1409A22180153 | MRL |
| 19 | Passenger Lift-05 | Mitsubishi | 1600 KG | 1409A22180126 | MRL |
| 20 | Service Lift | Mitsubishi | 1600 KG | 1409A22180156 | MRL |

**Source:** Client, H1 2024

# ANNEXURE – 4: APPROVALS AND NOCS: SUBJECT PROJECT AND SUBJECT PROPERTY

Following table presents the list of approvals received for the Subject Project and Subject Property, which have been reproduced *ad verbum* from the Technical Due Diligence Report ("**TDD**") prepared by Colliers International, which was provided by Client to Valuer for reference:

| S. No. | Particulars | Approval Authority | Reference No. | Date of Approval | Valid upto |
|---|---|---|---|---|---|
| **A** | **Pre-construction** | | | | |
| 1 | Development Plan (DP) | Bruhut Bengaluru Mahanagara Palike | BDA/TPM/DLP-79/2011- 2012 | 17-12-2012 | Development Plan (DP) |
| 2 | NOC from HAL | HAL | ASC/CM(AO)/181/HAL - BG-257/2011 | 2011 | 2016 |
| 3 | NOC from AAI | AAI | Not Provided | | |
| 4 | Development Plan (Modified) | Bruhut Bengaluru Mahanagara Palike | BDA/TPM/DLP-79/2011-2012/6850/2013-14 | 18-03-2014 | |
| 5 | Building Plan Sanction/Approval Drawings & Documents | Karnataka Industrial Areas Development Board | KIADB/DO-II/SVC/16864/pl.sane/2 0 14.15 | 12-02-2015 | 11-02-2016 |
| 6 | Fire NOC / Approval with Drawings | Karnataka Fire & Emergency Services | GBC(1)102/2012 | 03-05-2012 | |
| 7 | EIA/Environmental Clearance from MoEF | SEIAA | SEIAA 72 CON 2014 | 04-02-2015 | |
| 8 | BESCOM NOC | BESCOM | CE/BMAZ/AEEE-2/PA-145/4317- 20 | 17-08-2012 | |
| 9 | BWSSB NOC | BWSSB | BWSSB/EIC/ACE(M)-I/DCE (M)/TA-9/548/2012-13 | 26-04-2012 | |
| 10 | BSNL NOC | BSNL | AGM (TP)/ S6/ XII/2011-12/ | 31-10-2011 | |
| 11 | Consent to Establishment from PCB | KSPCB | PCB/397/CNP/11/H 1911 | 31-03-2011 | |
| **B** | **Post-construction** | | | | |
| 1 | PCB - CFO | KSPCB | PCB/397/CNP/13/H14 | 21-06-2014 | |
| 2 | Fire Clearance Certification | KSFES | a. GBC(1)102/2012<br>b. GBC(1)102/2012 | a. 31/08/2020<br>b. 25/01/2023 | 02/07/2016<br>16/03/2020 |
| 3 | OC | BBMP | BBMP/Addl.Dir/JD North/0521/2012-13 | 31-03-2015 | |
| 4 | HSD | PESO | Not provided | | |
| 5 | LEED | LEED | LEED Gold (Core & Shell) Platinum (Commercial Interiors) | June 2017 | |

It may be noted here that TDD has not indicated any risk to the Subject Project and Subject Property from the perspective of area deviations and approvals. Valuer has relied on relevant parts of TDD while opining on market value of the Subject Asset assuming these to be correct, authentic, and reliable, and Valuer takes no responsibility and/or liability for any changes in opinion on market value of Subject Asset that may emerge in the event any aspect of TDD is found to be incorrect and/or unreliable.

# ANNEXURE – 5: READY RECKONER RATE APPLICABLE FOR THE SUBJECT PROPERTY

**Guideline Value as on 1st September 2024**

| 2023-24 ನೇ ಸಾಲಿನ ಪರಿಷ್ಕರಣೆ ಮಾರ್ಗಸೂಚಿ ಕಛೇರಿ ವ್ಯಾಪ್ತಿಯ ಸ್ವತ್ತುಗಳ ಮಾರುಕಟ್ಟೆ ಮೌಲ್ಯಗಳ ಮಾರ್ಗಸೂಚಿ ದರಪಟ್ಟಿ | | | | | | |
|---|---|---|---|---|---|---|
| Sl No | Village /Area Name | Village /Area Name | ಸ್ವತ್ತು/ಕಟ್ಟಡ ಸ್ವಾಧೀನದ ಹಕ್ಕು ಮಾರಾಟಕ್ಕೆ ಪ್ರತಿ ಚದರ ಮೀಟರಿಗೆ | ಕಟ್ಟಡ ಸ್ವಾಧೀನದ ಹಕ್ಕು ಮಾರಾಟಕ್ಕೆ ಪ್ರತಿ ಚದರ ಮೀಟರಿಗೆ | ಪ್ರತಿ ಎಕರೆಗೆ (ಒಣ ಭೂಮಿ ಗಳಿಗೆ) | ಸ್ವತ್ತು/ಕಟ್ಟಡ ಸ್ವಾಧೀನದ ಹಕ್ಕು ಮಾರಾಟಕ್ಕೆ ಮೀಸಲಿಟ್ಟ ಅಪಾರ್ಟಮೆಂಟ್ ಹಾಗು ಫ್ಲಾಟ್‌ಗಳ ಮೇಲ್ಮೈ ಪ್ರತಿ ಚದರ ಮೀಟರಿಗೆ |
| 469 | XIX ಕರಿಯಮ್ಮನ ಅಗ್ರಹಾರ | XIX Kariyammana Agrahara | | | | |
| 470 | ಕರಿಯಮ್ಮನ ಅಗ್ರಹಾರ | Kariyammana Agrahara | 49950 | | | |
| 471 | ಕರಿಯಮ್ಮನ ಅಗ್ರಹಾರ (ಜಮೀನು) | Kariyammana Agrahara Land | | | 449 | |
| 472 | ಹೊರವರ್ತುಲ ರಸ್ತೆಗೆ ಹೊಂದಿಕೊಂಡಿರುವ ಸರ್ವೆ ನಂಬರುಗಳು (28,29) | Outer Ring Road Attached Sy.Nos. (28,29) | | | 897 | |
| 473 | ವಸ್ವಾನಿ ಆಸ್ಟೋರಿಯಾ ವಿಲ್ಲಾ / ರೋ ಹೌಸ್ | Vaswani Astoria Villa / Row House | | 100000 | | |
| 474 | ಬ್ಯಾನಿಯನ್ ಟ್ರೀ ಅಪಾರ್ಟಮೆಂಟ್ | Banyan Tree Apartment | | | | 56100 |
| 475 | ಪ್ರೆಸ್ಟಿಜ್ ಟೆಕ್ ಪಾರ್ಕ್ I, II, III ಎಲೆಕ್ಟ್ರಾ (ವಾಣಿಜ್ಯ) | Prestige Tech Park Electra I, II, III (Commercial) | 100000 | | | 96250 |

**Source:** Registration Department, Govt. of Karnataka, Document No. N & M/CVC/99/2023-24 dated Sept 2023

# ANNEXURE – 6: DISCOUNTED CASH FLOW PROFILE

| | Year Start Date | 1-Sep-23 | 1-Sep-24 | 1-Sep-25 | 1-Sep-26 | 1-Sep-27 | 1-Sep-28 | 1-Sep-29 | 1-Sep-30 | 1-Sep-31 | 1-Sep-32 | 1-Sep-33 | 1-Sep-34 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year End Date | 31-Aug-24 | 31-Aug-25 | 31-Aug-26 | 31-Aug-27 | 31-Aug-28 | 31-Aug-29 | 31-Aug-30 | 31-Aug-31 | 31-Aug-32 | 31-Aug-33 | 31-Aug-34 | 31-Aug-35 |
| Sl. No. | Particulars | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 | Y6 | Y7 | Y8 | Y9 | Y10 | Y11 |
| | | | | | | | | | | | | | |
| A | **NET OPERATING INCOME** | | | | | | | | | | | | |
| | Base Rental | | | | | | | | | | | | |
| | Office | | 254.76 | 305.71 | 305.71 | 315.53 | 317.49 | 317.49 | 357.18 | 365.12 | 365.12 | 428.61 | 459.69 |
| | Total Base Rental | | 254.76 | 305.71 | 305.71 | 315.53 | 317.49 | 317.49 | 357.18 | 365.12 | 365.12 | 428.61 | 459.69 |
| | Less: Concessions | | | | | | | | | | | | |
| | Free Rent | | | | | | | | | | | | |
| | Office | | (60.20) | - | - | - | - | - | - | - | - | (73.55) | - |
| | Vacancy Allowance | | - | - | - | - | - | - | - | (5.48) | (7.30) | (7.10) | (9.19) |
| | Total Concessions | | (60.20) | - | - | - | - | - | - | (5.48) | (7.30) | (80.65) | (9.19) |
| B | **Facility Rentals** | | **194.56** | **305.71** | **305.71** | **315.53** | **317.49** | **317.49** | **357.18** | **359.64** | **357.82** | **347.96** | **450.50** |
| | Add: Reimbursements & Others | | | | | | | | | | | | |
| | CAM Income | | | | | | | | | | | | |
| | Other Income | | | | | | | | | | | | |
| | Other Operating Income | | 1.95 | 3.06 | 3.06 | 3.16 | 3.17 | 3.17 | 3.57 | 3.60 | 3.58 | 3.48 | 4.50 |
| | Total Reimbursements & Others | | 1.95 | 3.06 | 3.06 | 3.16 | 3.17 | 3.17 | 3.57 | 3.60 | 3.58 | 3.48 | 4.50 |
| C | **Revenue from Operations** | | **196.51** | **308.77** | **308.77** | **318.69** | **320.67** | **320.67** | **360.75** | **363.24** | **361.39** | **351.44** | **455.00** |
| D | **Direct Operating Expenses** | | | | | | | | | | | | |
| | CAM Expense (LO Units) | | | | | | | | | | | | |
| | CAM Expense (PS Units) | | | | | | | | | | | | |
| | Property Tax | | (8.88) | (9.33) | (9.79) | (10.28) | (10.80) | (11.34) | (11.90) | (12.50) | (13.12) | (13.78) | (14.47) |
| | Insurance Premium | | (0.88) | (0.93) | (0.97) | (1.02) | (1.07) | (1.13) | (1.18) | (1.24) | (1.30) | (1.37) | (1.44) |
| | Total Direct Operating Expense | | (9.77) | (10.25) | (10.77) | (11.30) | (11.87) | (12.46) | (13.09) | (13.74) | (14.43) | (15.15) | (15.91) |
| E | **Net Operating Income (NOI)** | | **186.74** | **298.52** | **298.01** | **307.38** | **308.80** | **308.21** | **347.67** | **349.50** | **346.97** | **336.29** | **439.10** |
| F | **Add: Exit Value (less 1% brokerage fee)** | | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **5,433.83** | **-** |
| | Brokerage Fee (re-leasing after lease term expiry) | | - | - | - | - | - | - | - | - | - | (36.78) | - |
| | Property Management Fee | | - | - | - | - | - | - | - | - | - | - | - |
| | Other Operational Expense | | - | - | - | - | - | - | - | - | - | - | - |
| | Total Indirect Operating Expense | | - | - | - | - | - | - | - | - | - | (36.78) | - |
| G | **Net Cashflow** | **0** | **186.74** | **298.52** | **298.01** | **307.38** | **308.80** | **308.21** | **347.67** | **349.50** | **346.97** | **5,733.34** | **-** |

**Note:** We have arrived at the valuation using the quarterly cash flows and reproduced the above-mentioned annual cashflow for representation purposes.

# ANNEXURE – 7: LEGAL OPINION ISSUED BY TRILEGAL

TRILEGAL

7th floor, Marksquare,
61, St. Marks Road,
Bangalore 560001
Karnataka, India
T +91 80 4343 4646

**LEGAL OPINION**

To,

Date: 16 September 2024

PROPSHARE INVESTMENT MANAGER PRIVATE LIMITED,
10th Floor, SKAV Seethalakshmi,
21/22, Kasturba Road,
Bengaluru – 560001

Copy to:

KZEN VALTECH PRIVATE LIMITED
5th Floor, India Accelerator,
Iconic Corenthum, Sector 62,
NOIDA – 201309. Uttar Pradesh. INDIA.

**SUBJECT** : **Legal Opinion on status of ownership, rights, interests, disputes, and litigation with respect to reference-cited property.**

**REFERENCE** : **Subject Property (real property) forming part of building known as 'Building 2' and forming part of 'Prestige Tech Platina.**

Dear Madam(s)/Sir(s),

We have undertaken a title due diligence and issued our report on title dated 16 September 2024 (**Report**) with respect to the reference-cited Subject Property (*morefully described in Annexure hereto*). We have also reviewed the letter of intent made between PropShare Investment Manager Private Limited (**PropShare**) and 24/7 Customer Private Limited (**24/7**) dated 10 July 2024 (**LOI**).

Basis our review of documents, steps undertaken during the course of title due diligence and on terms set out in the Report, our legal opinion as to the title of the Subject Property is as follows:

1. Complete ownership of and rights and interests in the reference-cited Subject Property lies with 24/7.

2. Tenure of reference-cited Subject Property is freehold.

3. LOI is binding in nature on 24/7 and PropShare on terms as contemplated thereunder.

4. PropShare or its nominees as contemplated under the LOI will have complete ownership of and rights and interests in the reference-cited Subject Property on execution and registration of the transaction documents (*being sale deed and lease deeds as contemplated under the LOI*).

5. Further, from the date of execution and registration of transaction documents as contemplated under the LOI, PropShare or its nominee/s that completes the transaction contemplated will become the sole and exclusive beneficiary of all and entire cash flows

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from the reference-cited Subject Property subject to payment of property taxes and maintenance charges.

6. There are no pending disputes and/or litigations in any legal platform anywhere in India, including any arbitrations and/or alternate dispute resolution platforms, with respect to the reference-cited Subject Property, and it can be freely transacted without any encumbrances and/or restrictions in the open market. There are no onerous aspects pertaining to the legal ownership of 24/7 with respect to the reference-cited Subject Property that may hinder and/or obstruct its free and unrestricted sale in the open market.

7. Except as recorded in the Report, there are no arrears and/or payments due to any government authority(ies) and/or banks and/or financial institutions and/or any other creditor(s) who may have the first and/or subsequent charges on the title, ownership, rights, and interests of the reference-cited Subject Property.

8. There is no debt(s) pending secured against the reference-cited Subject Property, which may need to be incorporated in any valuation and/or financial calculation model(s).

On behalf of **M/s. Trilegal**

Yours sincerely,

**Mridul Kumbalath**
Partner

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**ANNEXURE**

The ground floor and first to fifth floors of the office building identified as Building 2 comprising of lower basement, upper basement, ground floor plus 12 upper floors bearing Khata Nos. 380/101 to 380/601 having total super built up area of 2,11,590 square feet together with 355 car parking spaces, and forming part of the larger development known as Prestige Tech Platina Park and bounded as under:

| | | |
|---|---|---|
| East by | : | Building No. 1 in Prestige Tech Platina; |
| West by | : | Building No. 3 in Prestige Tech Platina; |
| North by | : | Bellandur Ammani Village boundary; and |
| South by | : | Opens towards Private Property. |

Together with 73,523 square feet of undivided right, title and interest in the land admeasuring 8 acres 28 ½ guntas comprised of lands bearing Survey Nos. 32/1, 32/2, 34/1, 34/2, 34/3, and 34/4, all situated at Kadubeesanahalli Village, Varthur Hobli, Bangalore East Taluk along with the rights to enjoy other utilities including cricket pitch, basketball court and amphitheater with common services and facilities, and all rights of easements, latent or patent, enjoyed or reputed to be enjoyed in connection with Building including the right to use the internal roads of Prestige Tech Platina Park.

3

# ANNEXURE – 8: MATERIAL LITIGATIONS

Following is summary of legal cases active as of 22 July 2024 which involve the CO presented in the Title Due Diligence Report ("**Title DD**") prepared by Trilegal, which has been reproduced *ad verbum* (with the exception of CO name which has been redacted on Client's instruction), given that Valuer has neither the expertise nor qualifications and no tools to provide any form of legal advice.

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**ANNEXURE G2 - UPDATED LITIGATION SEARCH REPORT**

LITIGATION SEARCH REPORT | Powered by LEGAL CUBES | CUBICTREE Technology Solution Pvt.Ltd

PREPARED ON:22 July 2024

**SUMMARY**

Company Name : [redacted]

**Legal Cases**

| Supreme Court | High Court | District Court | Consumer Court | ITAT/ CESTAT | NCLT/ NCLAT | DRT/ DRAT | RERA | NGT/Others |
|---|---|---|---|---|---|---|---|---|
| 0 | 26 | 8 | 0 | 58 | 0 | 0 | 0 | 0 |

*Others include cases from SEBI/SAT, APTEL, and IPAB.

Readers of the report are advised to contact the Client for access to the Title DD for more detailed and authentic information on this aspect, and/or commission their independent legal due diligence, including title due diligence, by independently engaging specialist lawyers and/or law firms. Valuer takes no responsibility and/or liability for any changes in opinion on market value of Subject Asset that may emerge in the event any aspect of Title DD adversely impacts the opinion on market value of Subject Asset presented in this report.

# ANNEXURE – 9: CAVEATS, LIMITATIONS, AND DISCLAIMERS

1. **External Consultant**: The Valuation Report (hereafter referred to as the 'Report') covers specific markets and situations that are highlighted in the Report based on independent market report prepared by JLL and does not entail any comprehensive analysis of the market and the industry given the nature of the scope of the assignment.
2. **Select limitations**: The opinions expressed in the Report are subject to the limitations expressed below.
   a) The valuation method adopted is based on the Valuer's expertise and knowledge considering the forecasts on demand, supply and pricing as undertaken by JLL as part of an independent market/ industry research and considered to be relevant and reasonable at that point of time. The Report and the opinions therein do not constitute any recommendation to PropShare Investment Manager Private Limited and/or the Client and/or Manager and/or its affiliates and/or subsidiaries and/or its customers and/or any other party to adopt a particular course of action. The use of the Report at a later date may invalidate the assumptions and bases on which this opinion has been expressed and is not recommended as an input to any financial decision.
   b) It should be noted that the valuation is based upon the facts and evidence available, and assumptions made at the time of conduct of the valuation and applicable on the date of valuation. It is therefore recommended that these valuations be periodically reviewed.
   c) Changes in socio-economic and political conditions could result in a substantially different situation than those presented herein. The Valuer assumes no responsibility for changes in such external conditions.
   d) The Valuer has considered the independent market report prepared by JLL and macro understanding of the market through readily available information in public domain. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis herein.
   e) The services provided is limited to valuation of the Subject Asset primarily comprising developed and operational built space and any part thereof along with undivided share in land and does not constitute any audit, survey, due diligence, tax related services etc. Accordingly, no opinion has been expressed on the financial information of the business of any party, including the Client and its affiliates and subsidiaries. The Report is prepared solely for the purpose stated and should not be used for any other purpose.
   f) While the information included in the Report is accurate and reliable to the best of the knowledge of the Valuer, no representations or warranties, expressed or implied, as to the completeness of such information is being made. The Valuer shall not undertake any obligation to update or supplement any information contained in the Report save as provided for in the LOE.
   g) Apart from the sources already mentioned in the report, the Valuer has relied on readily available public information for the purpose of preparing this report.
3. **Current Matters**: The Report reflects matters as they currently exist. Any changes thereon may materially affect the information contained in the Report.
4. **Context to Assumptions**: All assumptions made in order to determine the valuation of the Subject Asset are based on information or opinions as current. In the course of analyses, Valuer has relied on information or opinions, both written and verbal, as obtained from the Client as well as from third parties provided with, including limited information on the market, financial and operating data, which has been accepted as accurate in bona-fide belief. No responsibility is assumed for technical or specialized information furnished by the third-party organizations, and this is believed bona-fide to be reliable.
5. **Tenant(s) ability to pay rent**: Review of tenants' ability and willingness to continually pay lease rents as per their respective contractual terms is not within the scope of work of Valuer. Valuer has assumed that (all) tenant(s) will be able to pay their rents on time as and when demanded as per their contractual terms and that no arrears exist with respect to any tenancy.
6. **Limitation of Valuer's Liability**: The Valuer's total aggregate liability to the Client including that of any third-party claims, in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the services is limited to an aggregate sum as agreed in the LOE. The Valuer shall not be liable for any pure economic loss, loss of profit, loss of business, depletion of goodwill, in each case whether direct or indirect or consequential or any claims for consequential loss compensation whatsoever which, arise out of or in connection with services provided under this engagement.
7. **Confidentiality**: The Client including its agents, affiliates and employees, must not use, reproduce or divulge to any third party any information it receives from the Valuer for any purpose except set out herein.
8. **Jurisdiction**: This Report is governed by and construed in accordance with Indian laws and any dispute arising out of or in connection with the engagement, including the interpretation thereof, shall be submitted to the exclusive jurisdiction of courts in New Delhi.

9. **Restriction on use of Valuation Report**: This document has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Client is the only authorized user of this report and is restricted for the purpose indicated in the LOE. This restriction does not preclude the Client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. Valuer does not take any responsibility for the unauthorized use of this report.
10. **Responsibility of Valuer**: Valuer owes responsibility to only to the Client that has appointed it under the terms of the LOE. Valuer will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall Valuer be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the Client, their directors, employees or agents.
11. **Accuracy of Information**: While Valuer's work has involved an analysis of information, Valuers engagement under the LOE does not include an audit in accordance with generally accepted auditing standards of the Clients existing business records. Accordingly, Valuer expresses no audit opinion or any other form of assurance on this information.
12. **Achievability of forecast results**: Valuer does not provide assurance on the achievability of the results forecast by the Client as events and circumstances do not occur as expected; differences between actual and expected results may be material. Valuer expresses no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of Client's management.
13. **Post Valuation Date Events**: The user to which this opinion on market value is addressed should read the basis upon which this opinion on market value of Subject Asset has been formed and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.
14. **Range of Value Estimate**: Valuation of companies and assets is made based on the available facts and circumstances and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Although every scientific method has been employed in systematically arriving at the value, there is no indisputable single value and the estimate of the value is normally expressed as falling within a likely range. To comply with Client's request, Valuer has provided a single value for the overall opinion on market value of Subject Asset. Whilst, Valuer considers the opinion on market value of Subject Asset to be both reasonable and defensible based on the information available, others may place a different value.
15. **No Responsibility to the Actual Price of the Subject Asset if sold or transferred/ exchanged**: The actual market price achieved may be higher or lower than Valuer's estimate of market value depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, Valuer's conclusion will not necessarily be the price at which actual transaction will take place.
16. **Reliance on the representations of the owners/clients, their management and other third parties**: The Client and its management/representatives warranted to Valuer that the information they supplied was complete, accurate and true and correct to the best of their knowledge. Valuer has relied upon the representations of the Client, their management and other third parties concerning the data and maintenance schedule of all plant- machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. Valuer shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the Client, their directors, employee or agents.
17. **No procedure performed to corroborate information taken from reliable external sources**: Valuer has relied on data from external sources also to conclude the opinion on market value of Subject Asset. These sources are believed to be reliable and therefore, Valuer assumes no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where Valuer has relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and/or reproduced in its proper form and context.
18. **Compliance with relevant laws**: The report assumes that the Subject Property complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Subject Property will be managed in a competent and responsible manner. Further, unless stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register, which has not been provided to the Valuer.
19. **Multiple factors affecting the Valuation Report**: This opinion on market value report is tempered by the exercise of judicious discretion by the Valuer, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable income-generating commercial

properties, market sentiment, among other aspects, which may not be apparent from the documents shared by Client but could strongly influence the value.

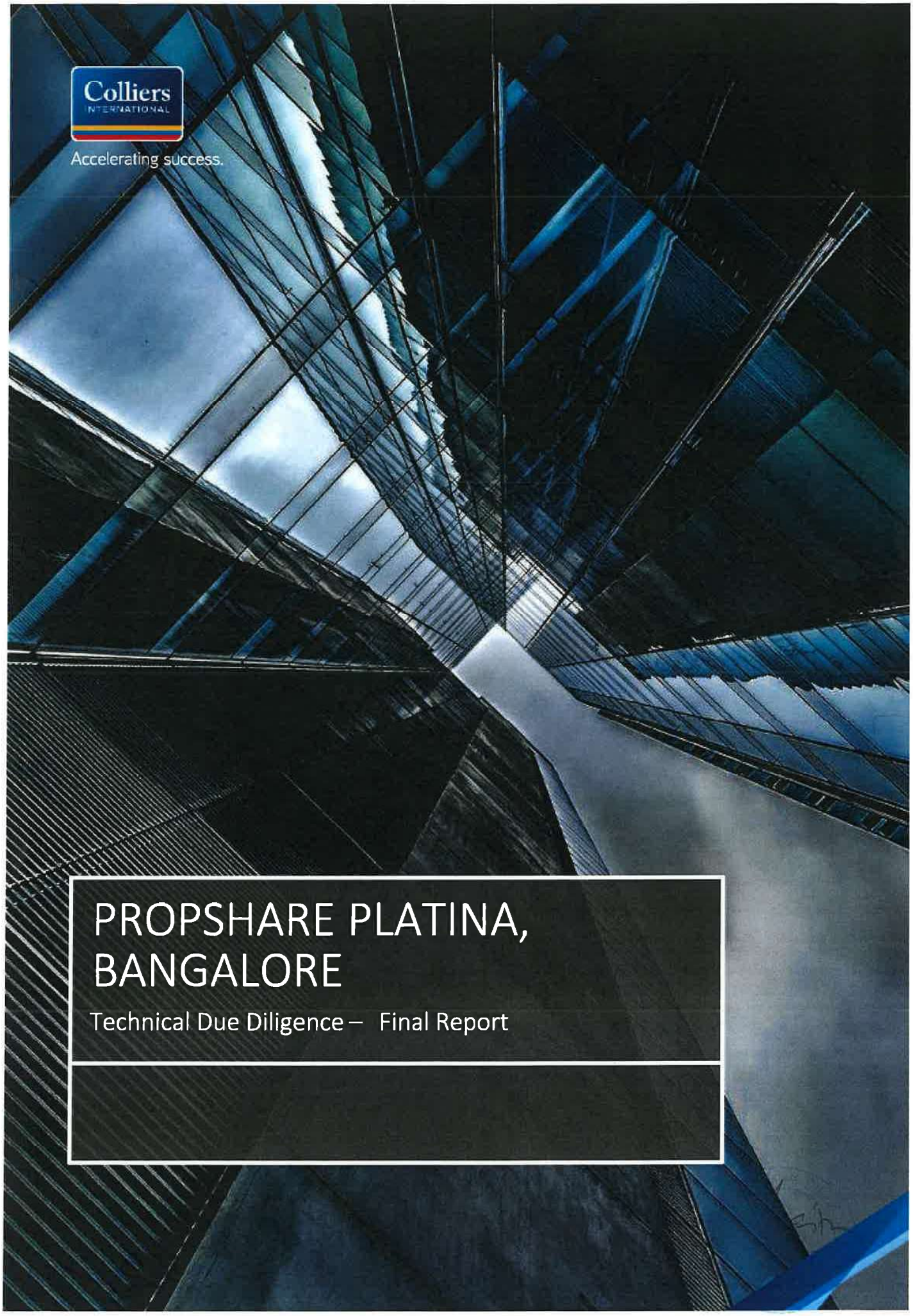
20. **Future services including but not limited to Testimony or attendance in courts/ tribunals/ authorities for the opinion on market value in the Valuation Report**: Valuer is fully aware that based on the opinion on market value expressed in this report, Valuer may be required to give testimony or attend court / judicial proceedings with regard to the Subject Asset, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking Valuer's evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and Valuer tendering evidence before such authority shall be under the applicable laws.
21. **Title deeds of properties**: Valuer has not verified the title deeds of the Subject Property with the records of Registrar's office as this is beyond the agreed scope of services stated in the LOE. Valuer assumes no responsibility for all legal matters including, but not limited to, legal or title concerns. No investigation of the title of the Subject Property has been made and Client's claims to 100% (one hundred percent) rights and interests in the Subject Property are assumed to be valid unless anything contrary is mentioned in this report. Subject Property and interests therein, namely Subject Asset, have been valued free and clear of any liens or encumbrances unless stated otherwise. No hidden or apparent conditions regarding the Subject Property and/or its ownership are assumed to exist. No opinion of title is rendered by this report and a good title is assumed.
22. **Legal and other issues**: This opinion on market value is primarily from a real estate perspective and has not considered various legal and other corporate structures beyond the limited information made available. The scope of work has been limited both in terms of the areas of the business and operations which have been reviewed. There may be matters, other than those noted in this report, which might be relevant in the context of the transaction and which a wider scope might uncover.
23. **Sketch plans and photographs**: Valuer has endeavoured to visually identify the Subject Property land boundaries and dimensions. However, Valuer is not a surveyor. So, where there is a doubt about the precise position of the Subject Property, it is recommended that a Licensed Surveyor be contacted.
24. **Latent defects affecting the Value**: Physical condition in most instances has been determined by observation of Valuer. Any unknown conditions existing at the time of inspection could alter the value. No responsibility is assumed for latent defects of any nature whatsoever, which may affect value, or for any expertise required to disclose such conditions.
25. **Valuer's observations are not a warranty**: Valuer has examined the Subject Property described herein exclusively for the purposes of identification and description of the Subject Property. Valuer's observations and reporting of the subject improvements are for the valuation process and purposes only and should not be considered as a warranty of any component of the Subject Property. This valuation assumes, unless otherwise specifically stated, that the Subject Property is structurally sound, and all components are in working condition.
26. **Hazardous conditions/material**: In the absence of a statement to the contrary, Valuer has assumed that no hazardous conditions or materials exist which could affect the Subject Property or any business operations on it. Valuer is not qualified to establish the absence of such conditions or materials, nor does the Valuer assume the responsibility for discovering the same. This opinion on market value takes no such liabilities into account, except as they have been reported to the Valuer by the Client and/or by an environmental consultant of the Client, and then only to the extent that the liability was reported to Valuer in an actual or estimated amount. To the extent such information has been reported to Valuer, Valuer has relied on it without verification and offers no warranty or representation as to its accuracy or completeness.
27. **Accuracy of architectural plans**: Where a sketched plan is attached to this report, it does not purport to represent accurate architectural plans. Sketch plans and photographs are provided as general illustrations only.
28. **Validity of permits and licenses**: Unless otherwise stated as part of the LOE, Valuer has not made a specific compliance survey or analysis of the various permits and licenses under central, state and local laws / regulations applicable to the operation and use of the Subject Property, and this opinion on market value does not consider the effect, if any, of non-compliance.
29. **Continuation of subject business**: Valuer has assumed that the business continues normally without any disruptions due to statutory or other external/internal occurrences.
30. **Independent Third Party**: Valuer has acted as an independent third party and, as such, shall not be considered an advocate for any concerned party for any dispute. This opinion on market value has been carried out independently. Valuer has no present or planned future interest in PropShare Investment Manager Private Limited or any of its group companies and the fee for this report is not contingent upon outcome of any transaction. Valuer's opinion on market value of Subject Asset should not be construed as investment advice; specifically, Valuer does not express any opinion on the suitability or otherwise of entering into any transaction with PropShare Investment Manager Private Limited.
31. **Valuation assumptions made by Valuer**: Valuer has made certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, this exercise that has not been verified as part of the LOE rather,

treated as "a supposition taken to be true". If any of these assumptions prove to be incorrect then Valuer's opinion on market value of Subject Asset will need to be reviewed.

32. **Site Survey**: Valuers are generally not qualified as surveyors. Valuers are often expected to state that the improvements on a property are located within the boundaries of the site. Generally, valuers are not qualified to make that certification, unless also qualified and registered as a Surveyor. Valuer is not a qualified and/or registered as a Surveyor. Valuer has not been provided any land survey report, and Valuer's opinion on market value of Subject Asset is made on the basis that there are no encroachments by or upon the Subject Property and this should be confirmed by a current survey report and/or advice from a Registered Surveyor. If any encroachments are noted subsequently by the survey report, Valuer should be consulted to reassess any effect on the opinion on market value stated in this report.
33. **Town Planning/Resource Management**: Town planning information was verbally obtained from offices of the Town Planning Department, however, Valuer recommends that this zoning or planning area should be verified by application to appropriate authority for the issue of a zoning certificate.
34. **Environmental / Contamination Issues**: Valuer's enquiries at the town planning department indicate that the Subject Property has not previously been utilized for any industrial or manufacturing use or for the storage (either above ground or underground) of any chemical substance. Valuer's verbal enquiries indicate that the town planning department is unaware of the existence of any site contamination. Further, limited visual survey of Subject Property did not reveal the use of asbestos products in the building. We must point out that we are not experts in this area and therefore, in the absence of an environmental consultant's report concerning the presence of any asbestos fibre within the Subject Property, this opinion on market value of Subject Asset is formed on the assumption that there is no health risk from asbestos within the Subject Property. Should it subsequently transpire that an expert report establishes that there is an asbestos related health risk, Valuer reserves the right to review this opinion on market value. The cost of removing any contamination(s) and/or environmental hazard(s) have not been incorporated in the report. An environmental consultant's report concerning such costs may be separately obtained. This Opinion on market value of Subject Property is formed on the assumption that there are no such costs involved in the Subject Property. Limited visual survey and inspection of the Subject Property did not reveal any apparent pest infestation. This should, however, be confirmed by a certified pest control firm. Whilst Valuer's inspection of the Subject Property surface confirms the results of these enquiries, Valuer has not investigated the site beneath the surface or undertaken vegetation or soil sampling. This opinion on market value of Subject Asset is, therefore, subject to a satisfactory contaminated site assessment report from environmental consultants. Valuer's right is reserved to review and, if necessary, vary, the opinion on market value figure for the Subject Property if any contamination(s) and/or other environmental hazard(s) is(are) found to exist
35. **Extent of Investigations in respect of structural integrity**: An inspection of all readily accessible parts of the Subject Property has been carried out by Valuer. Valuer did not have access to a qualified engineer's structural survey of the Subject Property, or its plant and equipment, nor has Valuer inspected unexposed or inaccessible portions of the premises. Valuer is not a building construction and/or structural expert and is, therefore, unable to certify the structural soundness of the Subject Property. Users of the report would need to make their own enquiries in this regard.
36. **Tenancy Details**: This opinion on market value of Subject Asset is subject to satisfactory conclusion of lease negotiations and is based on the assumption that the proposed Lease Deed(s) outlined earlier in this report are all executed, signed and stamped. Upon being stamped, those Lease Deed(s) should be referred to the Valuer to confirm that the particulars of the Lease Deed(s) concur with those set out in this report.
37. **Transaction structure**: Sale of Subject Property is assumed to be on an all cheque basis. Financial arrangements would affect the price at which the Subject Property may sell for if placed on the market.
38. **Value varies with the purpose and date**: This report is not to be referred if the purpose is different other than mentioned. This report is meant for the purpose mentioned earlier and should not be used for any purpose other than the purpose mentioned therein.
39. **Restrictions on Use**: This report should not be copied or reproduced without obtaining Valuer's prior written approval for any purpose other than the purpose for which it is prepared.
40. **Actual realizable value**: that is likely to be fetched upon sale of the Subject Property under consideration shall entirely depend on the demand and supply of the same in the market at the time of sale.
41. **Reliance on information**: In the course of opining on market value of Subject Property, valuer was provided with both written and verbal information. Valuer has, however, evaluated the information provided to them by the Client through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose under this LOE. Valuer's conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Client.
42. **Independence**: Vauer is independent of the Client and has no current and/or expected interest in the Client or its assets. Fee paid for Valuer's services is in no way influenced by the results of Valuer's analysis.

# ANNEXURE 3

# TECHNICAL DD REPORT



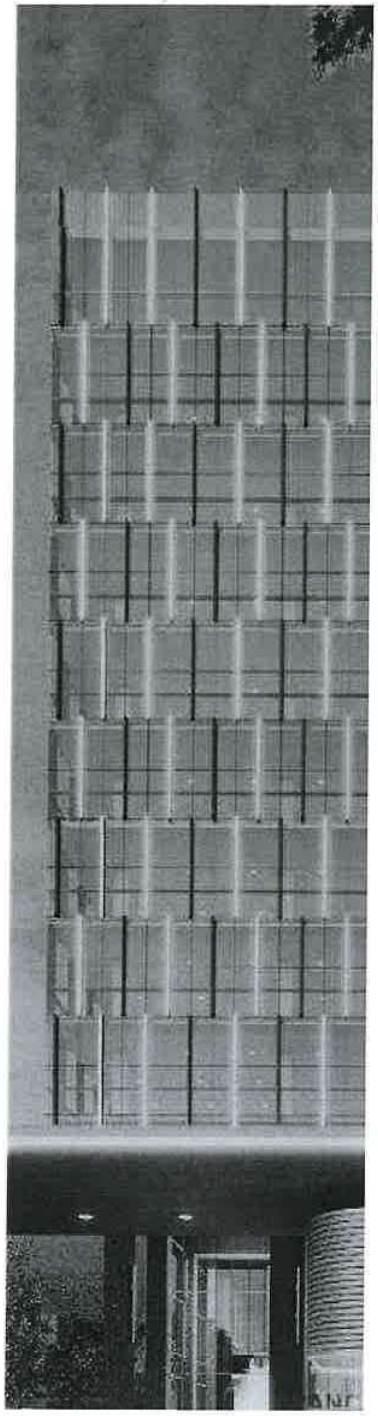
Colliers INTERNATIONAL

Accelerating success.

# PROPSHARE PLATINA, BANGALORE

Technical Due Diligence – Final Report

# CONTENTS




01 PROJECT BRIEF & SCOPE OF WORK

02 CONCLUSION

03 ARCHITECTURE

04 STATUTORY AND REGULATORY CLEARANCES

05 EXECUTIVE SUMMARY DASHBOARD

# PROJECT BRIEF & SCOPE OF WORK

# 01 | PROJECT BRIEF & SCOPE OF WORK

**M/s. PropShare Investment Manager Pvt. Ltd. (PIMPL)** has appointed **M/s Colliers** to undertake a detailed Technical evaluation and Due Diligence of Platina-2, located in Prestige Tech Platina Park, Bangalore.

A Team of Specialists from Colliers visited the Project for inspection on **August 25, 2024 and August 31, 2024.**

Based on the data furnished by the Developer and visual inspection of the Building & Services, a detailed evaluation/analysis has been done and key observations are recorded in this report.

## Project Brief

- The project "Platina-2" is the second tower located in the 8.81 acres of Prestige Platina Campus, comprising of three towers located on Sy. No. 32/1, 32/2, 34/1, 34/2, 34/3, 34/4 of Kadubeesanahalli Village, Varthur Hobli, Outer Ring Road, Bangalore East Taluk, Bangalore-560087.
- Platina-2 building comprises of an independent tower of 2 Basements + Ground +12 Upper Floors with parking in Basement & Surface. The average floor plate is of 37,400 sft.

## Scope of Work:

Broad scope of work for Technical Evaluation is to check and verify the following:

- Review of Architecture, Façade, Finishes and Parking
- Observations wrt to compliances as per Norms & adopted in the Project
- Review and comment on FAR & BUA
- Review and comment on saleable/leasable area
- Review and comment on Structure and Design Basis Report
- Random Review of Quality Tests Reports & comment on the quality of constructions
- Review and comment on MEP Services Design Basis Reports (if provided)
- Review of Project specifications & suggestion for upgradation if required
- Undertake Physical Health Assessment of existing MEP & infrastructure and comment on adequacy and recommend upgradation if required
- Review of Guarantees and Warranties & AMCs
- Review of Test Reports, Operation and Maintenance Manuals
- Review of Overall Quality of work carried out
- Review of Security, Fire and Life Safety Systems
- Review of Lift safety and function
- Review of Statutory & Regulatory Building Approval documents and any other documents with respect to the Approval. Comment on the correctness, adequacy and applicability of the Statutory/Regulatory approvals. Flag such issues that require further consideration on variations in Statutory/Regulatory documents.
- Review and comment on (if needed by the client)
  - Water Cess
  - Labour license/Workmen Compensation
  - Principal employer's license
  - ESIC PF challans
  - Building insurance
- Land area measurement, Building setbacks and comment on mismatches/discrepancies wrt to approved sanction drawing.
- Review of Property Management Contract
- Suggestion on Third Party Quality and Performance audit/tests of Structure & MEP Services if felt necessary during the Due Diligence
- Detailed observations and recommendations regarding each of the above scope are highlighted in respective chapters.

# 01 | PROJECT BRIEF & SCOPE OF WORK

## Platina-2 Building

**Location:** At Sy. No. 32/1, 32/2, 34/1, 34/2, 34/3, 34/4 of Kadubeesanahalli Village, Varthur Hobli, Outer Ring Road, Bangalore East Taluk, Bangalore-560087.

**Approvals Obtained by** : M/s. Platina Projects.

**Area Configuration:** 2 Basement + Ground + 12 Floors + Terrace

**Asset Class:** Office*

**Building Status:** Completed & Operational since 2015

***Platina-2 is a part of Prestige Tech Platina.**

# CONCLUSION

# 2 | CONCLUSION

## Conclusion of Items in Audit Scope

| S.No. | Particulars | Typical Grade A Building Specifications | Platina-2 Specifications |
|---|---|---|---|
| 1 | Population Density | • 1:90 – 1:80 sft per person on saleable area. | • 1:100 provided on typical floors, but it is 1:54 at a few floors |
| 2 | Structural System | • Flat Slab system with clear soffit.<br>• Structural grid 11 m<br>• Floor to floor height 4.05 m | • Structural Grid is 11 m<br>• Floor to Floor height is 3.9 m |
| 3 | Common Area Finishes | • Marble for Entrance and Lift Lobby<br>• Staircase in Granite | • Engineered marble provided for entrance lobby & Typical floor lift lobby. |
| 4 | Façade | • Combination of Glazing / ACP / Granite Cladding and Texture Paint<br>• BMU system | • Combination of Glazing / Texture Paint / Punch Windows and Cladding. |
| 5 | External Development | • Pavers /Granite for Driveway<br>• Soft cape and seaters.<br>• Landscape Irrigation<br>• Lighting to specs | • Granite for Dropoff / Brush Finish RCC for Driveways<br>• Landscape Irrigation executed.<br>• Lighting and signage completed in landscape areas. |
| 6 | Parking | • 1 Car for 750 sft of sale area. | • Provided for 1:545 sft. provided for the Business Park |
| 7 | Security | • CCTV for common area, turnstiles, reception counter.<br>• Access control for lobbies. | • CCTV provided.<br>• Turnstiles provided.<br>• Boom Barriers provided for parking access.<br>• Reception counter provided. |

Property Services Pvt Ltd * Colliers International (India)

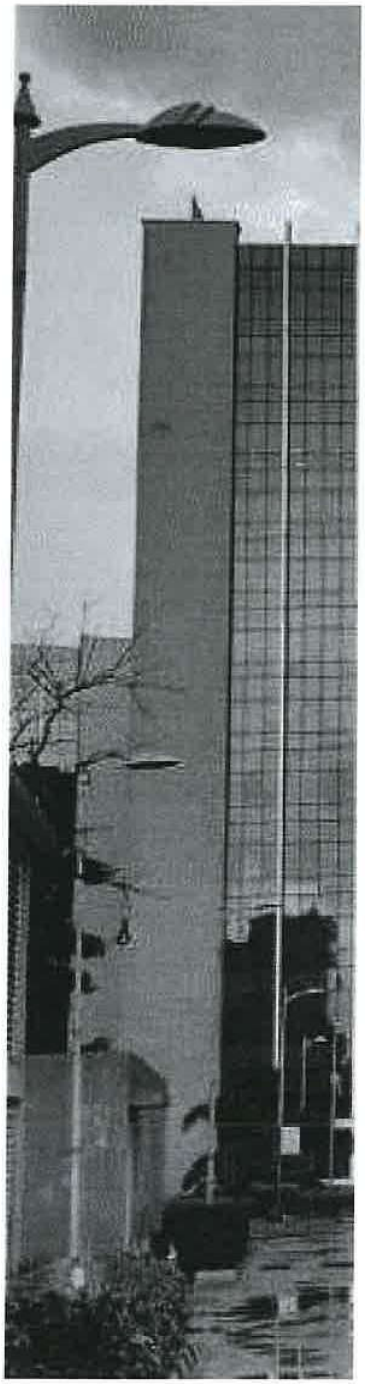
# 2 | CONCLUSION

## CONCLUSION ON AUDIT SCOPE POINTS

| S.No. | Particulars | Observations |
|---|---|---|
| 1 | Overall Review of Architecture, Façade and finishes., Structure and MEP. | • Review conducted and systems in line with specs / drawings.<br>• Design considerations in line with norms. |
| 2 | Review and comment on FAR & BUA. | • In line with sanction OC. |
| 3 | Review & comment on the quality of construction and specifications. | • Quality of construction is in line with Specifications and Drawings.<br>• Specifications are generally in line with Grade A Specs. |
| 4 | Review of Statutory & Regulatory Approvals documents and comment on status and compliance. Review sanctioned vs. as built. | • Buildings in line with statutory approvals. |

# ARCHITECTURE

# 03 I ARCHITECTURE



## General Observations

> As per Survey, Total Site Area – **NA**

As per Sanction Drawing (KIADB), Total Site Area – 4.6 acres

> Building age: 8 years (based on OC)

> Carpet area: 37,191.40 sqm

> Raised floor: None

> Floor to floor height: 3.9 meters, 3.825 meters (12th floor)

> Total height of the building: 50.775 m (Considered from KIADB sanction)

> Total maximum height achieved is 53.85 m (compliant to Airport Authority)

> Height b/w FFL and CL: 2875 mm clear (considered 675 mm for services)

> Building orientation is meeting the climatic requirements

> Refuge areas are indicated on sixth and tenth floor as per the NBC requirements.

> The refuge areas are not connected with staircase which is accessible from inside.

> The fire-tower is absent in the design as it was not part of NBC 2005.

> Park and Open Space provided as per the requirement.

> Enough façade opening is provided in the building.

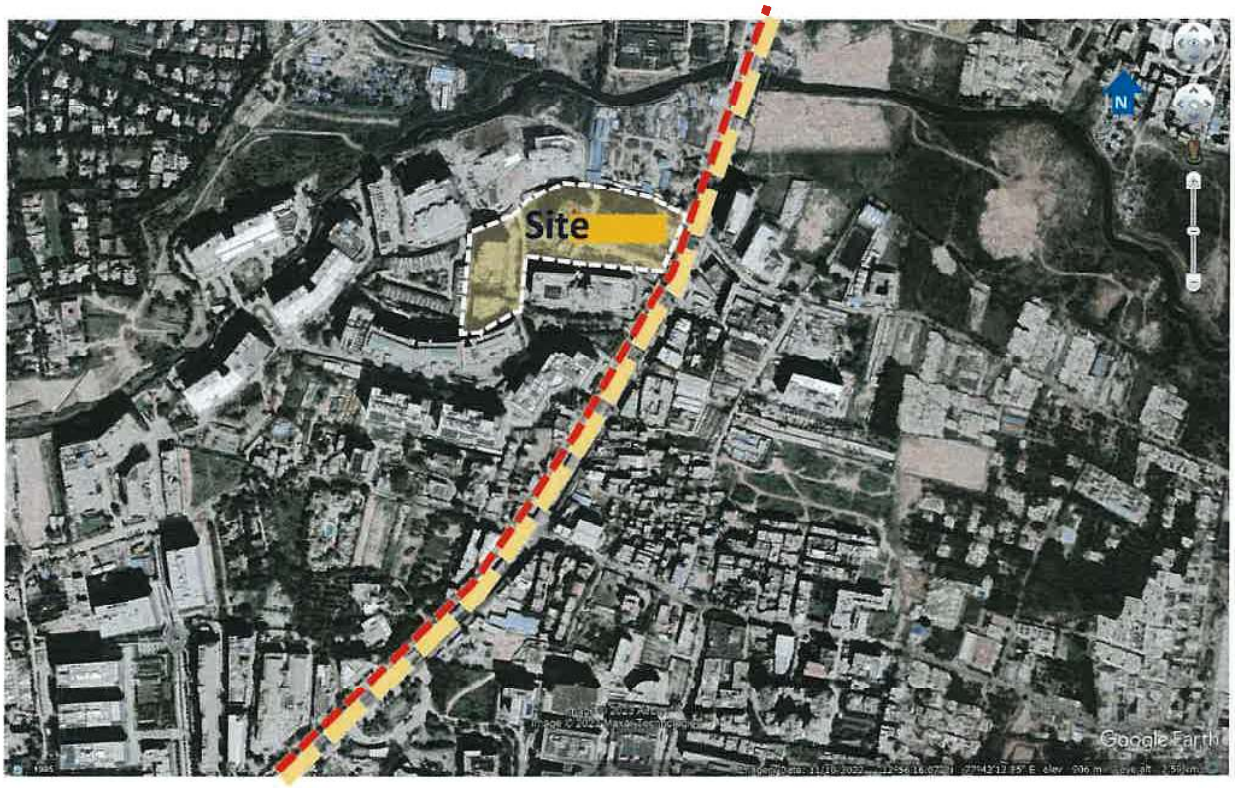
> Fire tender of 8.0m is provided around the building.

> Two one-way-Ramps driveways have been provided of 4.5 metre carriage way each.

> The building has been designed based on NBC-2005.

# 03 | ARCHITECTURE

## CONNECTIVITY MAP




Outer Ring Road

Service Road

# 03 I ARCHITECTURE

## TIMELINE

# 03 | ARCHITECTURE

## TIMELINE

# 03 I ARCHITECTURE

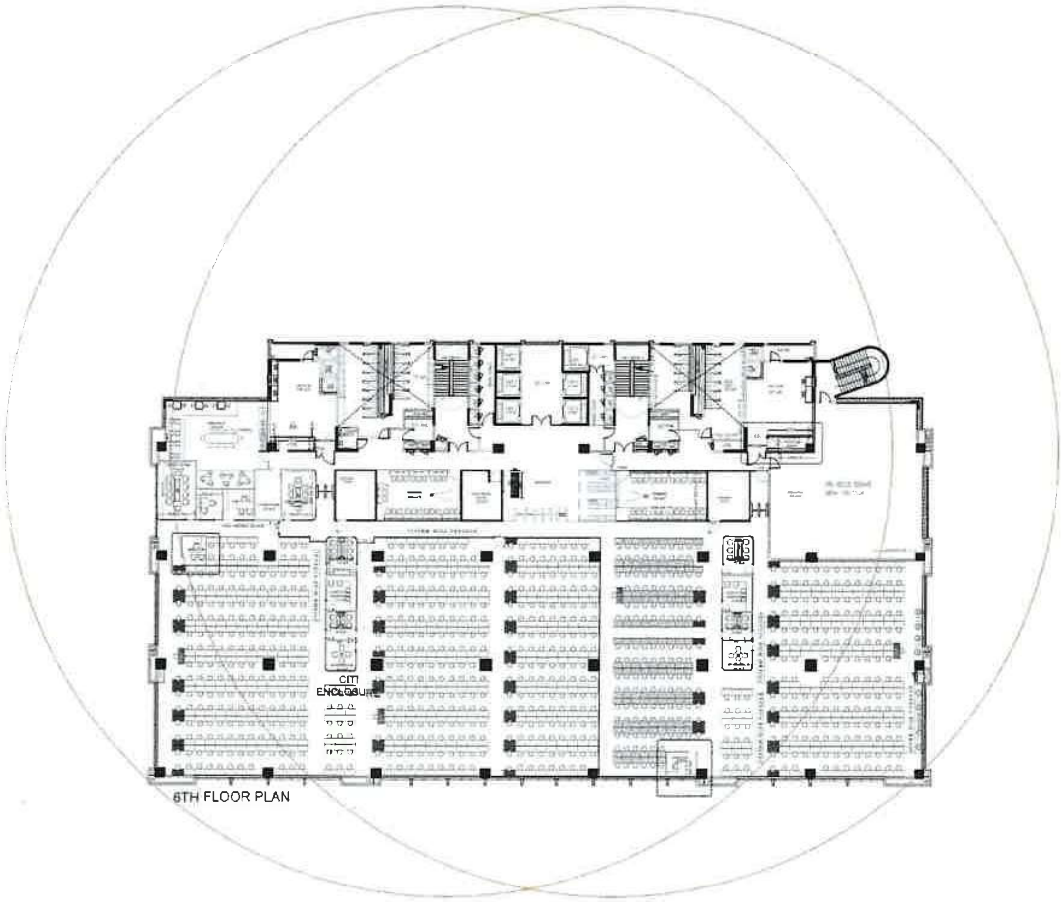
## Development Summary

| Parameters | SQM | SFT |
|---|---|---|
| Site area | 18615.556 | 2,00,376 |
| Net Plot Available for FAR | 18615.556 | 2,00,376 |
| As per Sanction Drawing FAR available | 3.25 | 6,51,222 |
| Proposed FAR | 41774.44 | 4,49,656 |
| Proposed FAR | 2.44 | |
| Permissible coverage | 45% | |
| Achieved coverage | 17.97% | |
| Total Sale Area | 42464.58 | 4,57,085 |
| Total Carpet Area | 37191.40 | 4,00,325 |
| Total BUA ( Sanction FSI+ Basement non FSI Area) | 55599.466 | 5,98,467 |
| Total Parking Area (Calculated based on Sanction Drawing) | 13,613.01 | |
| Sale V/s BUA Ratio | 76.37% | |
| Carpet V/s Sale Area Ratio | 87.58% | |
| Permissible aviation ht | 54 Mtrs | |
| Achieved aviation ht | 53.85 Mtrs | |
| Required setback | 16 m | |
| Provided setback | 16 m | |
| Permissible building ht | No limit | |
| Achieved building ht | 50.775 m | |
| No of floors | 2B+GR+12 | |
| Floor to Floor Ht | 3.9 Meter | |
| Fire drive way | 8 m | |
| Total car park required as per FAR @ 50 SQM | 835.48 | |
| Total car park provided | 838 (sanction), 745 (Sale Deed) | |

# 03 I ARCHITECTURE

N

## Fire Circle Check Typical Floor




45M RADIUS STAIRCASE FIRE DISTANCE

### STAIRCASE FIRE DISTANCE DIAGRAM

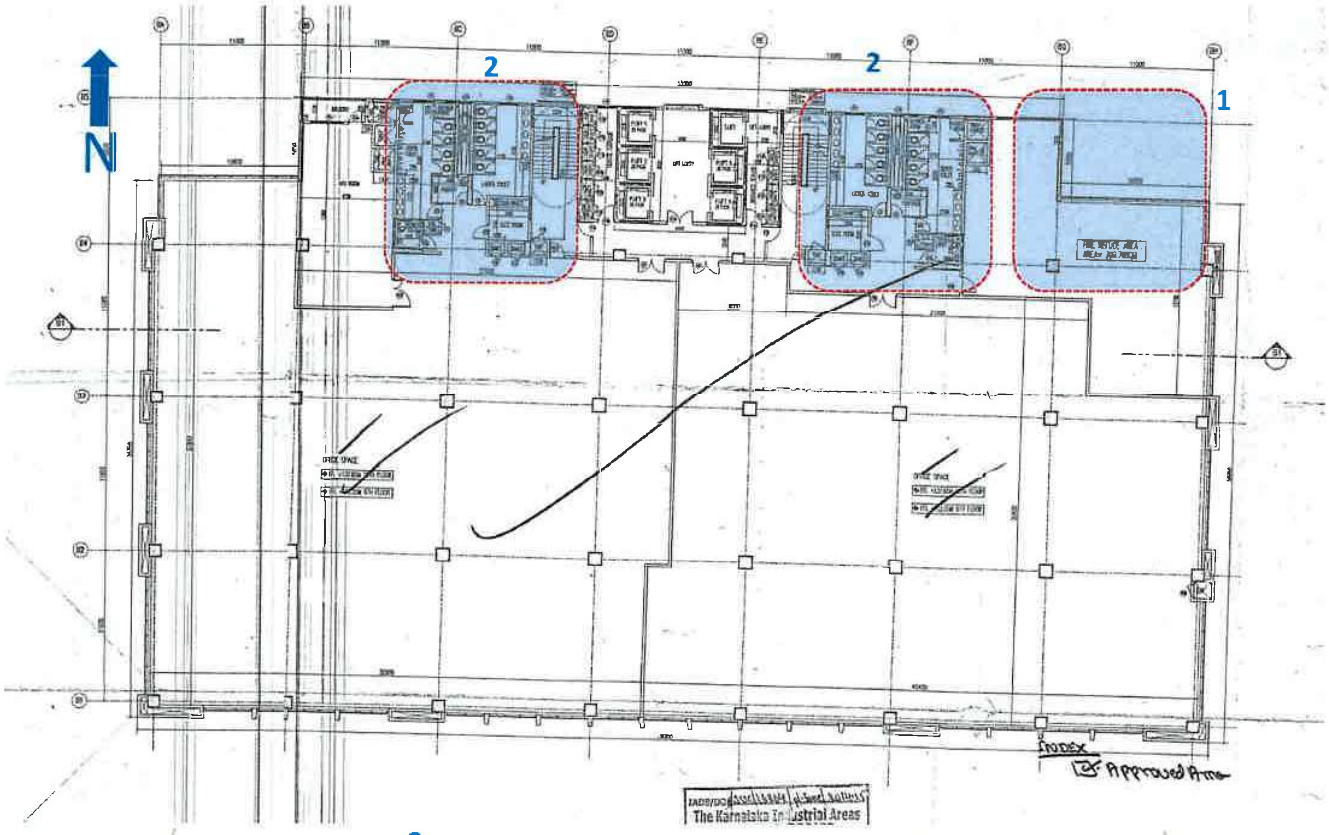
The Building have adequate no. of staircases as per the NBC standards.

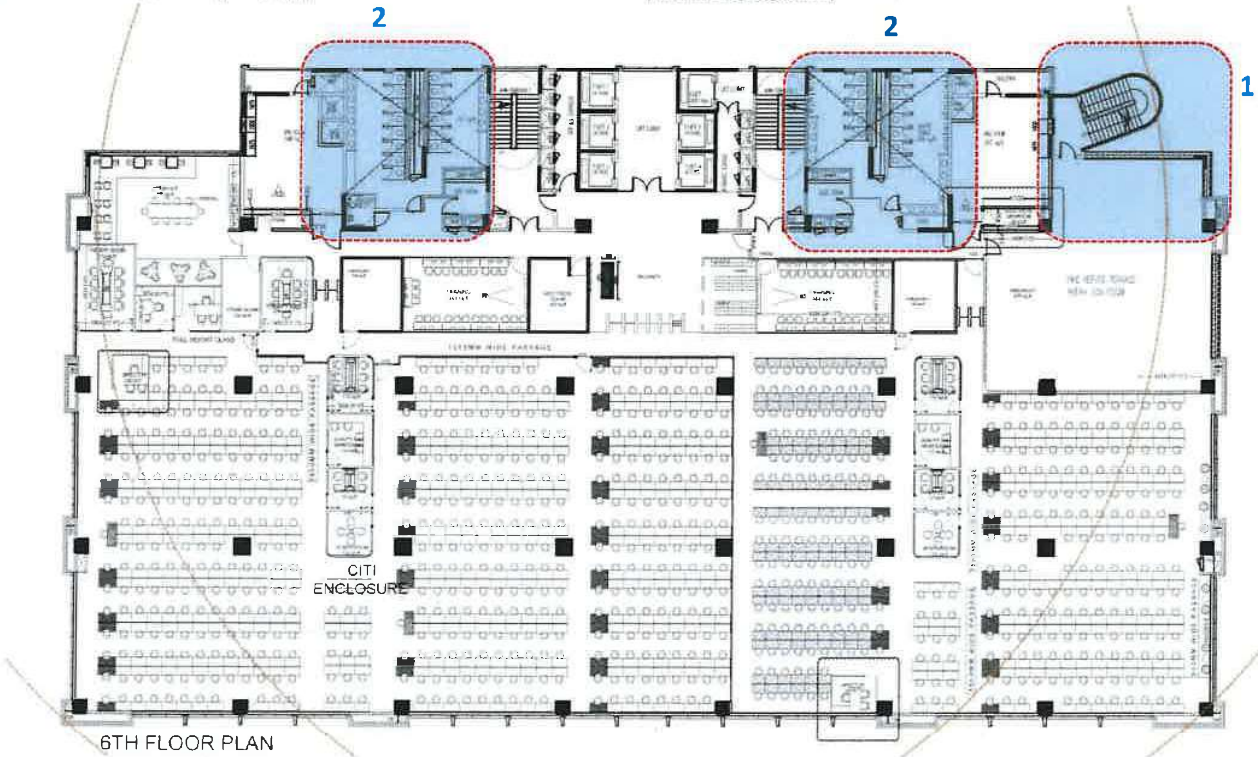
# 03 I ARCHITECTURE

## Façade

- A minimum of one openable windows has been provided in each grid.
- Spiderman System is being used for cleaning the façade.
- The ACP claddings are in good condition in general.

# 03 I ARCHITECTURE



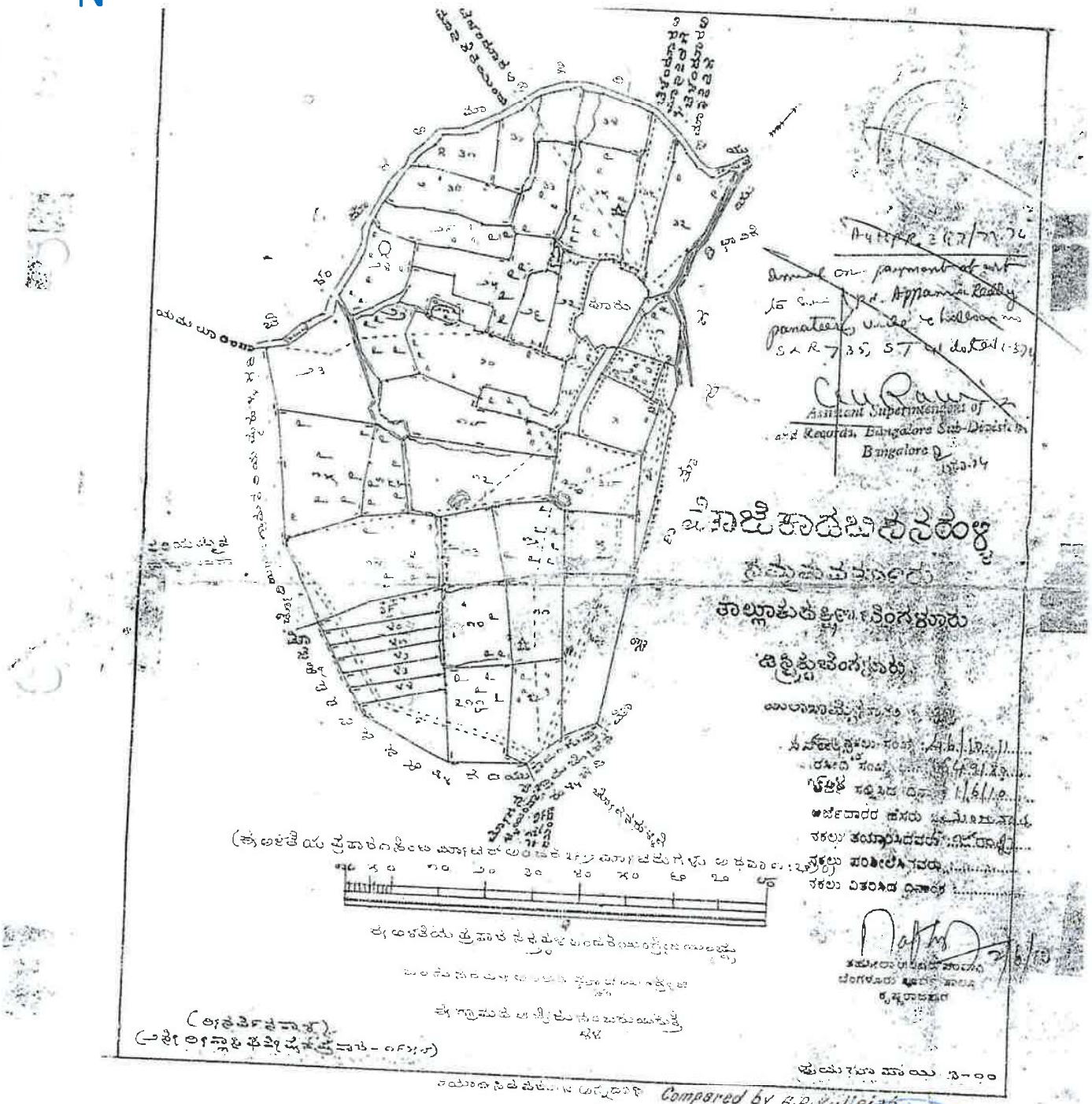




6TH FLOOR PLAN

1. Refuge area has an external staircase and the core-based staircase has been detached in the existing situation as/ as-built drawing provided
2. The Toilet fitment number and layout are different in sanction (it is lesser) and as-built drawing

# 03 | ARCHITECTURE

N




**Village Map**

# 03 I ARCHITECTURE

## Toilet Fitment Calculations (Male Toilets)

| Sale Areas (Sft) | | Occupancy Density | | | | Toilet Fixtures required as per 107.64 sqft per person on Salebale area & NBC 2016 requirement | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total Saleable | Occupancy Density | Total Occupancy | Male Occupancy | Female Occupancy | Male Total nos. of Water closets | Provided | Male Total nos. of Health faucet with each WC | Provided | Male Total nos. of Washbasin | Provided | Male Total nos. of Urinals | Provided |
| | C=A+B | sqft/person | nos. | 60% | 40% | nos. | | nos. | | nos. | | nos. | |
| Ground Floor | 29,954 | 107.64 | 278 | 167 | 112 | 7 | 10 | 7 | 10 | 7 | 8 | 5 | 10 |
| First Floor | 31,940 | 107.64 | 297 | 179 | 119 | 8 | 10 | 8 | 10 | 8 | 8 | 5 | 10 |
| Second Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 10 | 9 | 10 | 9 | 8 | 6 | 10 |
| Third Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 10 | 9 | 10 | 9 | 8 | 6 | 10 |
| Fourth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 12 | 9 | 12 | 9 | 11 | 6 | 12 |
| Fifth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 12 | 9 | 12 | 9 | 11 | 6 | 12 |
| Sixth Floor | 34,433 | 107.64 | 320 | 192 | 128 | 8 | 12 | 8 | 12 | 8 | 11 | 5 | 12 |
| Seventh Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 12 | 9 | 12 | 9 | 11 | 6 | 12 |
| Eighth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 12 | 9 | 12 | 9 | 11 | 6 | 12 |
| Ninth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 12 | 9 | 12 | 9 | 11 | 6 | 12 |
| Tenth Floor | 34,433 | 107.64 | 320 | 192 | 128 | 8 | 12 | 8 | 12 | 8 | 11 | 5 | 12 |
| Eleventh Floor | 37,424 | 107.64 | 348 | 209 | 140 | 9 | 12 | 9 | 12 | 9 | 11 | 6 | 12 |
| Twelfth Floor | 26,933 | 107.64 | 250 | 151 | 101 | 7 | 7 | 7 | 7 | 7 | 7 | 4 | 8 |
| | | | | | | | | | | | | | |
| Total | 457085.00 | | 4246 | 2548 | 1699 | 110 | 143 | 110 | 143 | 110 | 127 | 72 | 144 |
| | | | | | | | | | | | | | |
| Notes | | | | | | | | | | | | | |
| 1) Considering 60% as the male occupancy and 40% as the female occupancy (Female Occupancy to be 40% as confirmed by Colliers team) | | | | | | | | | | | | | |

1. Toilet Fitments are adequate as per 107.64 sqft per person on Saleable Area.

# 03 | ARCHITECTURE

## Toilet Fitment Calculations (Female Toilets)

| Sale Areas (Sft) | | Occupancy Density | | | | Toilet Fixtures required as per 107.64 sqft per person on Salebale area & NBC 2016 requirement | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total Saleable | Occupancy Density | Total Occupancy | Male Occupancy | Female Occupancy | Female Total nos. of Water closets | Provided | Female Total nos. of Health faucet with each WC | Provided | Female Total nos. of Washbasin | Provided | Total nos. of Handicapped Toilet | Provided |
| | C=A+B | sqft/person | nos. | 60% | 40% | nos. | | nos. | | nos. | | nos. | |
| Ground Floor | 25,954 | 107.64 | 278 | 167 | 112 | 8 | 10 | 8 | 10 | 5 | 10 | 2 | 2 |
| First Floor | 31,940 | 107.64 | 297 | 179 | 119 | 8 | 10 | 8 | 10 | 5 | 10 | 2 | 2 |
| Second Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 10 | 10 | 10 | 6 | 10 | 2 | 2 |
| Third Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 10 | 10 | 10 | 6 | 10 | 2 | 2 |
| Fourth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 14 | 10 | 14 | 6 | 16 | 1 | 1 |
| Fifth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 14 | 10 | 14 | 6 | 16 | 1 | 1 |
| Sixth Floor | 34,433 | 107.64 | 320 | 192 | 128 | 9 | 14 | 9 | 14 | 6 | 16 | 1 | 1 |
| Seventh Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 14 | 10 | 14 | 6 | 16 | 1 | 1 |
| Eighth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 14 | 10 | 14 | 6 | 16 | 1 | 1 |
| Ninth Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 14 | 10 | 14 | 6 | 16 | 1 | 1 |
| Tenth Floor | 34,433 | 107.64 | 320 | 192 | 128 | 9 | 14 | 9 | 14 | 6 | 16 | 1 | 1 |
| Eleventh Floor | 37,424 | 107.64 | 348 | 209 | 140 | 10 | 14 | 10 | 14 | 6 | 16 | 1 | 1 |
| Twelfth Floor | 26,933 | 107.64 | 250 | 151 | 101 | 7 | 6 | 6 | 6 | 5 | 5 | 1 | 1 |
| | | | | | | | | | | | | | |
| Total | 457085.00 | | 4246 | 2548 | 1699 | 121 | 158 | 120 | 158 | 75 | 173 | 17 | 17 |

1. Toilet Fitments are adequate as per 107.64 sqft per person on Saleable Area.

# 03 | ARCHITECTURE

## Toilet Fitment Calculations (Male Toilets)

| Sale Areas (Sft) | | Occupancy Density | | | | Toilet Fixtures required as per 80 sqft per person on Salebale area & NBC 2016 requirement | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total Saleable | Occupancy Density | Total Occupancy | Male Occupancy | Female Occupancy | Male Total nos. of Water closets | Provided | Male Total nos. of Health faucet with each WC | Provided | Male Total nos. of Washbasin | Provided | Male Total nos. of Urinals | Provided |
| | C=A+B | sqft/person | nos. | 60% | 40% | nos. | | nos. | | nos. | | nos. | |
| Ground Floor | 29,954 | 80 | 374 | 225 | 150 | 9 | 10 | 9 | 10 | 9 | 8 | 6 | 10 |
| First Floor | 31,940 | 80 | 399 | 240 | 160 | 10 | 10 | 10 | 10 | 10 | 8 | 6 | 10 |
| Second Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 10 | 12 | 10 | 12 | 8 | 8 | 10 |
| Third Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 10 | 12 | 10 | 12 | 8 | 8 | 10 |
| Fourth Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 12 | 12 | 12 | 12 | 11 | 8 | 12 |
| Fifth Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 12 | 12 | 12 | 12 | 11 | 8 | 12 |
| Sixth Floor | 34,433 | 80 | 430 | 259 | 173 | 11 | 12 | 11 | 12 | 11 | 11 | 7 | 12 |
| Seventh Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 12 | 12 | 12 | 12 | 11 | 8 | 12 |
| Eighth Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 12 | 12 | 12 | 12 | 11 | 8 | 12 |
| Ninth Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 12 | 12 | 12 | 12 | 11 | 8 | 12 |
| Tenth Floor | 34,433 | 80 | 430 | 259 | 173 | 11 | 12 | 11 | 12 | 11 | 11 | 7 | 12 |
| Eleventh Floor | 37,424 | 80 | 468 | 281 | 188 | 12 | 12 | 12 | 12 | 12 | 11 | 8 | 12 |
| Twelfth Floor | 26,933 | 80 | 337 | 202 | 135 | 9 | 7 | 9 | 7 | 9 | 7 | 6 | 8 |
| | | | | | | | | | | | | | |
| Total | 457085.00 | | 5714 | 3429 | 2286 | 146 | 143 | 146 | 143 | 146 | 127 | 96 | 144 |
| | | | | | | | | | | | | | |
| Notes | | | | | | | | | | | | | |
| 1) Considering 60% as the male occupancy and 40% as the female occupancy (Female Occupancy to be 40% as confirmed by Colliers team) | | | | | | | | | | | | | |

1. Toilet Fitments are inadequate as per 80 sqft per person on Saleable Area (Wash basins are short in requirement by 19 numbers).

# 03 I ARCHITECTURE

## Toilet Fitment Calculations (Female Toilets)

| Sale Areas (Sft) | | Occupancy Density | | | | Toilet Fixtures required as per 80 sqft per person on Salebale area & NBC 2016 requirement | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total Saleable | Occupancy Density | Total Occupancy | Male Occupancy | Female Occupancy | Female Total nos. of Water closets | Provided | Female Total nos. of Health faucet with each WC | Provided | Female Total nos. of Washbasin | Provided | Total nos. of Handicapped Toilet | Provided |
| | C=A+B | sqft/person | nos. | 60% | 40% | nos. | | nos. | | nos. | | nos. | |
| Ground Floor | 29,954 | 80 | 374 | 225 | 150 | 10 | 10 | 10 | 10 | 6 | 10 | 2 | 2 |
| First Floor | 31,940 | 80 | 399 | 240 | 160 | 11 | 10 | 11 | 10 | 7 | 10 | 2 | 2 |
| Second Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 10 | 13 | 10 | 8 | 10 | 2 | 2 |
| Third Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 10 | 13 | 10 | 8 | 10 | 2 | 2 |
| Fourth Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 14 | 13 | 14 | 8 | 16 | 1 | 1 |
| Fifth Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 14 | 13 | 14 | 8 | 16 | 1 | 1 |
| Sixth Floor | 34,433 | 80 | 430 | 259 | 173 | 12 | 14 | 12 | 14 | 7 | 16 | 1 | 1 |
| Seventh Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 14 | 13 | 14 | 8 | 16 | 1 | 1 |
| Eighth Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 14 | 13 | 14 | 8 | 16 | 1 | 1 |
| Ninth Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 14 | 13 | 14 | 8 | 16 | 1 | 1 |
| Tenth Floor | 34,433 | 80 | 430 | 259 | 173 | 12 | 14 | 12 | 14 | 7 | 16 | 1 | 1 |
| Eleventh Floor | 37,424 | 80 | 468 | 281 | 188 | 13 | 14 | 13 | 14 | 8 | 16 | 1 | 1 |
| Twelfth Floor | 26,933 | 80 | 337 | 202 | 135 | 9 | 6 | 6 | 6 | 6 | 5 | 1 | 1 |
| | | | | | | | | | | | | | |
| Total | 457085.00 | | 5714 | 3429 | 2286 | 158 | 158 | 155 | 158 | 97 | 173 | 17 | 17 |

1. Toilet Fitments are adequate as per 80 sqft per person on Saleable Area.

Colliers International (India) Property Services Pvt Ltd

# 03 | ARCHITECTURE

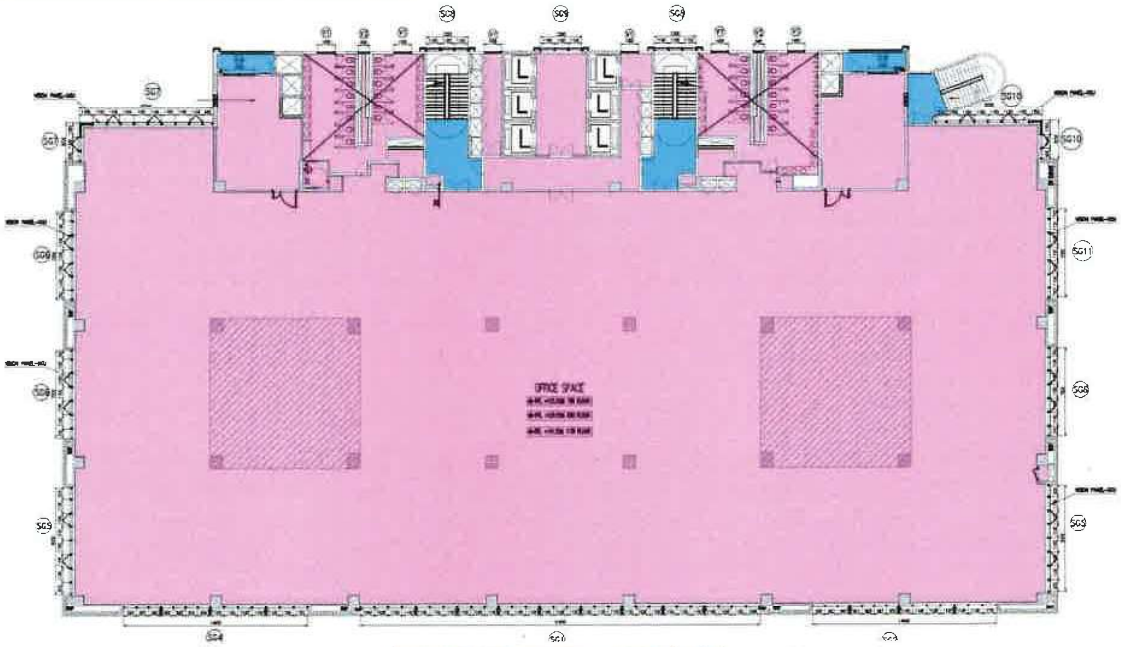
## Area Statement Analysis

| Saleable Area as per Document | Built-up Area as per Approval | FAR Area as per Approval | Saleable area as per Documents | Carpet Area as per Document | Carpet area as per Drawing | Efficiency % as per Document | Efficiency % as per Drawings / Measured | Carpark No (as per document) | Difference in Carpet Areas (sqft) |
|---|---|---|---|---|---|---|---|---|---|
| Basement -1 | | 7,306 | | | | | | | |
| Basement -2 | | 3,365 | | | | | | | |
| | | | Tranche 1 | | | | | | |
| 6th Floor | 35,178 | 34,785 | 34,433 | 30188 | 30,189 | 88% | 88% | | 1 |
| 7th Floor | 35,178 | 34,785 | 37,424 | 32788 | 32,455 | 88% | 87% | | -333 |
| 8th Floor | 35,178 | 34,785 | 37,424 | 32788 | 32,455 | 88% | 87% | | -333 |
| 9th Floor | 35,178 | 34,785 | 37,424 | 32788 | 32,455 | 88% | 87% | | -333 |
| 10th Floor | 35,178 | 34,785 | 34,433 | 30188 | 30,189 | 88% | 88% | 413 | 1 |
| 11th Floor | 35,178 | 34,785 | 37,424 | 32788 | 32,444 | 88% | 87% | | -344 |
| 12th Floor | 25,975 | 25,583 | 26,933 | 23596 | 23,581 | 88% | 88% | | -15 |
| Terrace Floor | 646 | 0 | | | | | | | |
| Total | 2,37,687 | 2,44,963 | 2,45,495 | 2,15,124 | 2,13,766 | 88% | 87% | | -1,358 |
| PropShare Platina | | | Tranche 2 | | | | | | |
| Ground Floor | 36,004 | 35,611 | 29,954 | 26243 | 26,624 | 88% | 89% | | 381 |
| 1st Floor | 30,339 | 29,947 | 31,940 | 27806 | 27,514 | 87% | 86% | | -292 |
| 2nd Floor | 35,178 | 34,796 | 37,424 | 32788 | 32,466 | 88% | 87% | | -322 |
| 3rd Floor | 35,178 | 34,796 | 37,424 | 32788 | 32,466 | 88% | 87% | 355 | -322 |
| 4th Floor | 35,178 | 34,796 | 37,424 | 32788 | 32,466 | 88% | 87% | | -322 |
| 5th Floor | 35,178 | 34,796 | 37,424 | 32788 | 32,466 | 88% | 87% | | -322 |
| Total | 2,07,054 | 2,04,741 | 2,11,590 | 1,85,201 | 1,84,000 | 88% | 87% | | -1,201 |
| | | | | | | | | | |
| Grand Total | 4,44,740 | 4,49,704 | 4,57,085 | 4,00,325 | 3,97,766 | 88% | 87% | | -2,559 |

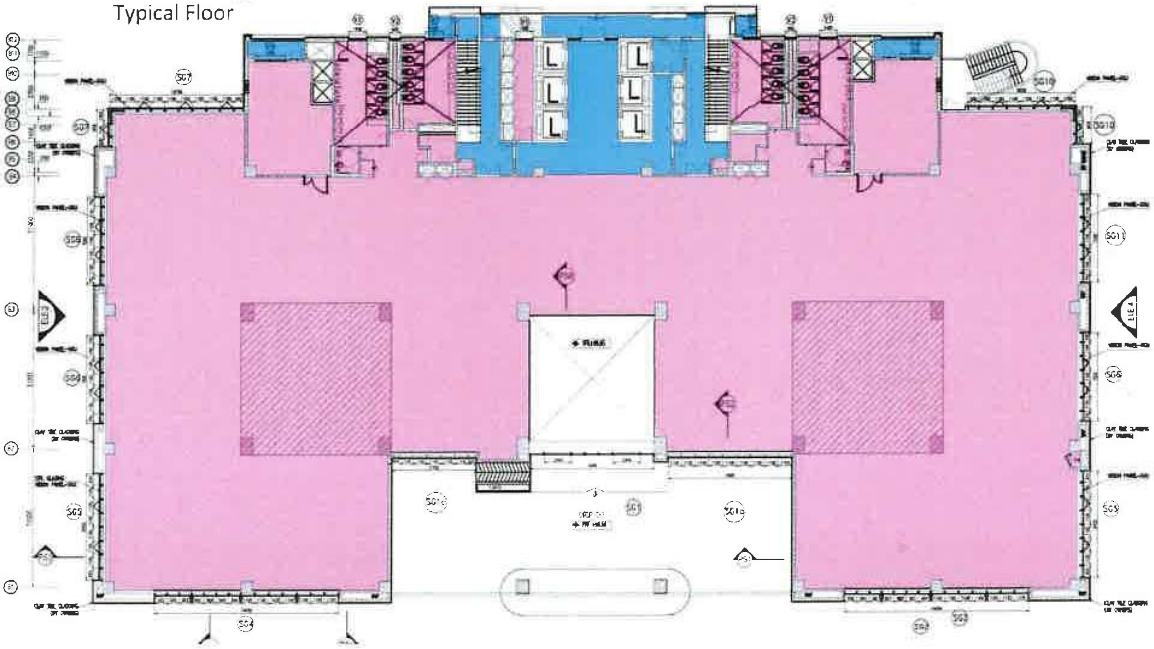
An overall difference of 2559 sqft (0.635% lesser) is observed in the carpet areas when calculated with p-lines on as-built drawings

# 03 | ARCHITECTURE

## Area Statement Analysis Diagram



Typical Floor



Ground Floor

**Legend**

Carpet Area Considered

Common Area Deducted

# 03 I ARCHITECTURE

## Parking Summary

| Parking Requirement | Parking as per Approval Drawings | Parking as per As-built / Site | Efficiency Car/sqm | Remarks |
|---|---|---|---|---|
| 2 Basements | 745 | 745 | To be verified | The parking number of the existing situation is based on sale-deed document. |
| Surface Carpark | 93 | 25 | | |
| Parking Nos | 838 | 745 + (25 on Surface) | | |
| Difference from approval | | The number matches in the basement. Surface parking is 68 lesser than approved. | | |
| Ratio as per Sale Area | 545.44 | 601.1 | | |
| Ratio as per FAR | 536.58 | 591.65 | | Because of Metro Station nearby, parking ratio on FAR (sft)is needed to be 807.3 |

# STATUTORY AND REGULATORY CLEARANCES

# 04 | STATUTORY / REGULATORY CLEARANCES

Statutory Approvals for Platina-2, are obtained by Platina Projects.

Plan Developed by M/s RSP Design Consultants (India) Pvt Ltd.

Survey No of the Development : 32/P1, 34/1, 34/2

## Site Description

| | |
|---|---|
| **Geographical Location** | Kadubeesanahalli Village, Varthur Hobli, Outer Ring Road, Bangalore East Taluk, Bengaluru - 560087 |
| **Latitude** | 12°56'12.6" N |
| **Longitude** | 77°41'36.3"E |
| **Altitude / Elevation** | 870 Meters |
| **Site area** | 35662.95 Sqm |
| **Land Use Zone** | Commercial Space |

## Approvals / Statutory Compliances:

The pre-construction Approvals required, and authority concerned has been detailed in the table below

| S.No. | Particulars | Approval authority | Reference No. | Date of Approval | Valid upto |
|---|---|---|---|---|---|
| **A** | **Pre-construction** | | | | |
| 1 | Development Plan (DP) | Bruhut Bengaluru Mahanagara Palike | BDA/TPM/DLP-79/2011-2012 | 17/12/2012 | Development Plan (DP) |
| 2 | NOC from HAL | HAL | ASC/CM(AO)/181/HAL-BG-257/2011 | 2011 | 2016 |
| 3 | NOC from AAI | AAI | Not Provided | | |
| 4 | Development Plan (Modified) | Bruhut Bengaluru Mahanagara Palike | BDA/TPM/DLP-79/2011-2012/6850/2013-14 | 18/03/2014 | |
| 5 | Building Plan Sanction/Approval Drawings & Documents | Karnataka Industrial Areas Development Board | KIADB/DO-II/SVC/16864/pl.sane/2014.15 | 12/02/2015 | 11/02/2016 |
| 6 | Fire NOC / Approval with Drawings | Karnataka Fire & Emergency Services | GBC(1)102/2012 | 03/05/2012 | |
| 7 | EIA/Environmental Clearance from MoEF | SEIAA | SEIAA 72 CON 2014 | 04/02/2015 | |

04 STATUTORY / REGULATORY CLEARANCES

# STATUTORY APPROVALS

### Approvals / Statutory Compliances:

The pre-construction Approvals required, and authority concerned has been detailed in the table below

| Sl. No. | Particulars | Approval authority | Reference No. | Date of Approval | Valid upto |
|---|---|---|---|---|---|
| A | Pre-construction | | | | |
| 8 | BESCOM NOC | BESCOM | CE/BMAZ/AEEE-2/PA-145/4317-20 | 17/08/2012 | |
| 9 | BWSSB NOC | BWSSB | BWSSB/EIC/ACE(M)-I/DCE (M)/TA-9/548/2012-13 | 26/04/2012 | |
| 10 | BSNL NOC | BSNL | AGM (TP)/ S6/ XII/2011-12/ | 31/10/2011 | |
| 11 | Consent to Establishment from PCB | KSPCB | PCB/397/CNP/11/H 1911 | 31/03/2011 | |
| **B** | **Post-construction** | | | | |
| 1 | PCB - CFO | KSPCB | PCB/397/CNP/13/H14 | 21/06/2014 | |
| 2 | Fire Clearance Certification | KSFES | a. GBC(1)102/2012<br>b. GBC(1)102/2012 | a. 31/08/2020<br>b. 25/01/2023 | 02/07/2016<br>16/03/2020 |
| 3 | OC | BBMP | BBMP/Addl.Dir/JD North/0521/2012-13 | 31/03/2015 | |
| 4 | HSD | PESO | Not provided | | |
| 5 | LEED | LEED | LEED Gold (Core & Shell)<br>Platinum (Commercial Interiors) | June 2017 | |

04 STATUTORY / REGULATORY CLEARANCES

# Few critical clarifications based on Legal inputs

- As noted in the site plan of BBMP sanction, Naala passed in the survey numbers 32 and 34.While the super structure sits with a setback of 16 metres and the sub-structure has a setback of 2.0 metres from the Naala edge. To further verify about the Naala (including typology) ADLR sketch and survey plan would be needed which are not available as of now. Ideally the ADLR sketch needs to superimposed upon the CAD Survey Drawing and the As-Built Site Plan.
- Site based issues, (extent/boundary issue viz., encroachment into the Land by third-parties or any encroachment by owners of the Land into neighbouring lands) etc if needed would be only verifiable after the survey plan and ADLR sketch is provided.
- No high tension wire/line or low tension wire/line or gas lines passes through the Land.
- No external utility lines (telephone lines, sewage lines, water channel/pipes etc )are found running above or below the Land including.
- Provisions for STP, Transformer Yard, RWH, Solar Lighting for Landscape are available as projected in the Modified Development Plan.

# EXECUTIVE SUMMARY DASHBOARD

# 05 EXECUTIVE SUMMARY - DASHBOARD

| Sl | TYPE OF ISSUE | KEY OBSERVATION | NEXT STEPS |
|---|---|---|---|
| A | | | |
| 1 | Difference in Sanction and As-Built Drawings | The toilet layouts of the sanction drawing don't match with the existing as-built drawings | Since the number of toilet fitments provided in the sanction drawing are lesser than what is needed as per the sale area and the numbers provided in as-built match the required number as per sale area, it does not appear like a risk. |
| 2 | No fire-tower provided | The building was designed and proposed in the period when the NBC-2016 was not in place and hence the fire-tower wasn't provided. | For Info Only, although one inspection can be made if fire-tower can be brought in. |
| 3 | Parking Numbers | Parking number appear lesser as per the existing as built drawings compared to what has been proposed in the sanction drawing, yet it would suffice with the metro station located within 0.5 km. | 68 less parking slots than those sanctioned. |
| 4 | Refuge Areas | Although the area of refuge works with the requirement, it is connected with an external staircase in the as-built drawing although the sanction drawing shows the connection with the core staircase. As per the fire norms too, the refuge needs to be connected with core staircase. | Provision may be made for the connection with the existing fire staircase of the core. |
| 5 | Additional Staircase | An additional staircase is seen in as-built drawing connected with the refuge area which is absent in the sanction drawing. | This is to be considered as deviation and amendment may be reflected through the documentation with sanctioning authority. |

# ASIA PACIFIC FOOTPRINT

**94**
Offices

**16**
Countries

**620M**
Revenue

**4,506**
Employees

**23,140**
Lease/sale transactions

**909M**
Square feet managed

**USD27.5M**
Total transaction value

**ASIA PACIFIC**

Australia
Mainland China
Hong Kong
India
Indonesia
Japan
Kazakhstan
Myanmar
New Zealand
Pakistan
Philippines
Singapore
South Korea
Taiwan
Thailand
Vietnam

# COLLIERS IN NUMBERS

**438**
Offices

**68**
Countries

**3.3B**
Revenue

**17,313**
Professionals

**69,279**
Lease/sale transactions

**2B**
Square feet managed

**> USD 127 B**
Total transaction value

## About Colliers International

**Colliers International** is a leading provider of global real estate services, defined by our spirit of enterprise. Through a culture of service excellence, and a shared sense of initiative, we integrate the resources of real estate specialists worldwide to accelerate the success of our partners. As our customer, you are working together with Colliers employees who are not only proven experts in their respective field but are also passionate about their profession. Your success forms the basis for all of our actions.

This principle is reflected at all levels of our company – from the Colliers University, our in-house training and continuing professional development platform, to our approach to customer care, featuring integrated services across all sectors, right the way through to our culture of social responsibility.

The shared values that unite us create a partnership-based environment which shapes the whole of Colliers and is unrivaled in the real estate industry.

## Our Services

The know-how and expertise of our real estate experts provide the foundation for all of our services Our employees can draw on their extensive knowledge and are highly competent in their field. You can build on our years of direct experience in local markets – we know the regions and sectors inside out.

Whether you are a locally, nationally or globally operating company, we offer creative solutions for your real estate decisions.

Colliers International offers real estate users, owners, investors and project developers an extensive range of services at the local, national and international level. In addition to these areas, we offer specialized consulting services for specific sectors, for example for lawyers, the health sector and the IT industry.

**ANNEXURE 4**

**STANDALONE FINANCIAL STATEMENTS OF THE PLATINA SPVS**

ASA & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
www.asaandassociates.co.in

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**Bengaluru** 560 078 INDIA
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# INDEPENDENT AUDITOR'S REPORT

**To the Members of Rumosch Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Rumosch Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and the Statement of Cash flows for the period July 27, 2023 to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and its cash flows for the period ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on adequacy and operating effectiveness of the entity's internal controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that the said order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company has not maintained daily back-up of its books of accounts maintained in electronic mode (Refer Note 21 to Financial Statements).

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2021.

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(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) This report does not include a report on the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls. Since, in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the company basis the exemption available to the company under MCA notification No. G.S.R. 583 (E) dated 13th June 2017, read with corrigendum dated July 13th, 2017 on reporting on internal financial controls over financial reporting;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contains any material misstatement.

v. The Company has neither declared nor paid any dividend during the period.

As stated in note 21 in accompanying financial statements, except for the period mentioned below, the company has used Tally Prime (edit log), accounting software for maintaining its books of accounts for the financial year ended on March 31, 2024 which has the feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with for said period.

a) The company has migrated from Tally Prime (edit Log) to another version and back from March 20, 2024 to March 26, 2024 during which we are unable to comment on implementation of audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

**Vinay K S**
Partner
Membership No. 223085

UDIN: 24223085BKENRQ5573

Place: Bangalore
Date: 14th November 2024

**Rumosch Private Limited**
**CIN: U68100KA2023PTC176627**
**Balance Sheet as at March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | As at March 31, 2024 |
|---|---|---|
| **I.Equity and Liabilities** | | |
| **1.Shareholder's funds** | | |
| a) Equity share capital | 3 | 10.00 |
| b) Reserves and surplus | 4 | (82.18) |
| | | **(72.18)** |
| **2.Current Liabilities** | | |
| a) Short term borrowings | 5 | 40.38 |
| b) Other current liabilities | 6 | 56.80 |
| | | **97.18** |
| **Total** | | **25.00** |
| **II.Assets** | | |
| **1.Current assets** | | |
| a) Cash and cash equivalents | 7 | 25.00 |
| | | **25.00** |
| **Total** | | **25.00** |

Summary of significant accounting policies 1-2
The accompanying notes form an integral part of the financial statements. 1-21

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Rumosch Private Limited**

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

RUMOSCH PRIVATE LIMITED

**Rumosch Private Limited**
**CIN: U68100KA2023PTC176627**
**Statement of Profit and Loss for the period from July 27, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | For the period from July 27, 2023 to March 31, 2024 |
|---|---|---|
| I.Revenue from operations | | - |
| II.Other income | | - |
| **III.Total Income (I+II)** | | - |
| **IV.Expenses** | | |
| Finance cost | 8 | 0.38 |
| Other expenses | 9 | 81.80 |
| **Total Expenses** | | **82.18** |
| **V.Profit / (Loss) before tax (III-IV)** | | **(82.18)** |
| **VI.Tax Expense** | | |
| Current tax | | - |
| Deferred Tax | | - |
| | | - |
| **VII.Profit / (Loss) after tax (V-VI)** | | **(82.18)** |
| **Earnings/(Loss) Per Share (Face Value Rs.10/- per Equity Share)** | | |
| Basic and Diluted (in Rs.) (Face value Rs. 10) | 13 | **(120.79)** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Rumosch Private Limited**

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamoorthy Bhagyalakshmi**
Director
DIN:09649886

Place: Bengaluru
Date: 14/11/2024

RUMOSCH PRIVATE LIMITED

**Rumosch Private Limited**
**CIN: U68100KA2023PTC176627**
**Cash Flow Statement for the period from July 27, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | For the period from July 27, 2023 to March 31, 2024 |
|---|---|
| **Cash flow from operating activities** | |
| Profit / (Loss) before taxes | (82.18) |
| Add: | |
| Interest on Loan | 0.38 |
| **Operating Profit before Working Capital Changes** | (81.80) |
| ***Add: Working Capital Adjustments*** | |
| Increase / (decrease) in other current liabilities | 56.80 |
| **Cash generated from Operating activities before taxes** | **(25.00)** |
| Income-tax paid | - |
| **Net cash flow from / (used in) operating activities( A )** | **(25.00)** |
| **Cash flow from investing activities** | |
| Interest from fixed deposits | - |
| **Net cash flow from / (used in) investing activities( B )** | - |
| **Cash flow from financing activities** | |
| Proceeds from issue of equity shares | 10.00 |
| Loans Received | 40.00 |
| **Net cash flow from / (used in) financing activities( C )** | **50.00** |
| **Net increase in cash and cash equivalents(A+B+C)** | 25.00 |
| Cash and cash equivalents at the beginning of the period | - |
| **Cash and cash equivalents at the end of the period** | **25.00** |
| **Cash and cash equivalents (Refer note 7)** | |
| Balances with banks | 25.00 |
| Cash on hand | - |
| **Total cash and bank balances at end of the period** | **25.00** |
| Summary of significant accounting policies | 1-2 |
| The accompanying notes form an integral part of the financial statements. | 1-21 |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants

FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Rumosch Private Limited**

Pallavi Bhagyalakshmi.B.S.

Kodur Amarendrajoysa Pallavi
Director
DIN:09649869

Birur Srinivasamurthy Bhagyalakshmi
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

Place: Bengaluru
Date: 14/11/2024

RUMOSCH PRIVATE LIMITED

**Rumosch Private Limited**
**Notes to financial statements for the period from July 27, 2023 to March 31, 2024**

1 **Corporate Information**

Rumosch Private Limited was incorporated on July 27, 2023 under the provisions of the Companies Act, 2013. The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. The registered office of the company is situated at #246 Flat No 206 ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore South, Bangalore-560061, Karnataka. The company is yet to commence its commercial operations as at March 31, 2024

2 **Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules 2021. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Summary of significant accounting policies**

a. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

b. **Current & Non current classification**

All assets and liabilities are classified into current and non-current.

***i) Assets***

An asset is classified as current when it satisfies any of the following criteria:
1) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realized within 12 months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

***(ii) Liabilities***

A liability is classified as current when it satisfies any of the following criteria:
1) It is expected to be settled in the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within 12 months after the reporting date; or
the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Operation cycle is considered as twelve months period.
Deferred Tax assets and liabilities are classified as non current assets and liabilities

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**Rumosch Private Limited**
**Notes to financial statements for the period from July 27, 2023 to March 31, 2024**

**c. Property plant and equipment**

**i. Property plant and equipment**

Property plant and equipment ('PPE') are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**ii. Investment Property**

An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise and is accounted as per the Cost model prescribed in AS -10

**d. Depreciation on property plant and equipment**

Depreciation on PPE is calculated on straight line basis using the following useful lives prescribed under Schedule II. Buildings (Other than factory buildings are depreciated over a period of 60 years.)

**e. Impairment**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

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Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations (gross) is net of goods and service tax

**Interest Income**

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate

**h. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**j. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash flow statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**m. Borrowing costs**

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

*(This space is intentionally left blank)*

ASA & Associates LLP
Chartered Accountants

**Rumosch Private Limited**
**CIN: U68100KA2023PTC176627**
**Notes to financial statements for the period from July 27, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 3 Share capital

**a) Authorized, issued , subscribed and paid up**

| Particulars | As at March 31, 2024 |
|---|---|
| **Authorized shares** | |
| 10,000 equity shares of Rs. 10/- each | 100.00 |
| **Issues, subscribed and paid-up shares** | |
| 1,000 equity shares of Rs. 10/- each | 10.00 |
| **Total Issued, Subscribed and fully paid up share capital** | **10.00** |

**b) Reconciliation of number of ordinary shares outstanding**

| Particulars | As at March 31, 2024 |
|---|---|
| As at beginning of the period | - |
| Add: Issue of shares during the period | 1,000 |
| **Closing** | **1,000** |

**c) Shareholders holding more than 5% of total shareholding**

| Name of the Shareholder | No of Shares | Percentage |
|---|---|---|
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**d) Terms /rights attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**e) Details of shareholding of promoters**

| Name of the Promoter | As at March 31, 2024 | |
|---|---|---|
| | No of Shares | % of Total Shares |
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**f)** From the date of incorporation to the date as at which the Balance Sheet is prepared:
i) No shares were allotted as fully paid up without payment being received in cash
ii) No bonus shares were issued
iii) No shares were bought back

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**Rumosch Private Limited**

**Notes to financial statements for the period from July 27, 2023 to March 31, 2024**

*(all amounts are in Indian rupees thousands, unless otherwise stated)*

## 4 Reserves and surplus

| Particulars | As at March 31, 2024 |
|---|---|
| **Surplus/(deficit) in the Statement of Profit or Loss** | |
| Opening balance | - |
| Add: Profit / (loss) for the period | (82.18) |
| **Closing balance** | **(82.18)** |

## 5 Short term borrowings

| Particulars | As at March 31, 2024 |
|---|---|
| Unsecured loan | |
| -Other loans | 40.38 |
| **Total** | **40.38** |

** The Board of Directors have approved the company to borrow loan not exceeding of Rs. 3,000.00 thousand in accordance of section 179 of the Company Act 2013 from time to time from Altinvest Online Platform Private Limited, formerly known as ("Propertyshare Online Platform Private Limited"). As at March 31, 2024 the company has borrowed Rs. 40.00 thousand which remained payable at year end along with interest accrued. The loan carries Interest of 7.22% p.a and repayable on demand.*

## 6 Other current liabilities

| Particulars | As at March 31, 2024 |
|---|---|
| Expenses payable | 51.80 |
| Statutory dues | 5.00 |
| **Total** | **56.80** |

## 7 Cash and cash equivalents

| Particulars | As at March 31, 2024 |
|---|---|
| Balance with banks | |
| -In current accounts | 25.00 |
| **Total** | **25.00** |

## 8 Finance cost

| Particulars | For the period from July 27, 2023 to March 31, 2024 |
|---|---|
| Interest on loan | 0.38 |
| **Total** | **0.38** |

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## 9 Other expenses

| Particulars | For the period from July 27, 2023 to March 31, 2024 |
|---|---|
| Payments to the auditor * | 50.00 |
| Legal and professional charges | 29.00 |
| Rates & taxes | 2.80 |
| **Total** | **81.80** |

*** Payments to the auditor is as follows :**

| Particulars | For the period from July 27, 2023 to March 31, 2024 |
|---|---|
| Statutory audit fees^ | 50.00 |
| **Total** | **50.00** |

^ *Excluding goods and service tax*

## 10 Commitments and contingent liabilities

As at the balance sheet date, the Company does not have any Capital commitments & Contingent liabilities.

## 11 Segment reporting

The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. Considering the business and financial reporting of the Company, the Company has only one business segment.

## 12 Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

ASA & Associates LLP Chartered Accountants

## 13 Earnings/(Loss) per share

| Particulars | For the period from July 27, 2023 to March 31, 2024 |
|---|---|
| **Basic Earnings/ (Loss) per share** | |
| Profit/(Loss) attributable to equity shareholders | (82.18) |
| Weighted average number of shares | 680.33 |
| Basic Earnings/ (Loss) per share (In Rs.) | **(120.79)** |
| Face value per share (In Rs.) | 10.00 |
| **Dilutive Earnings/ (Loss) per share** | |
| Profit/(loss) after adjusting interest on potential equity shares | (82.18) |
| Weighted average number of equity share after considering potential equity shares | 680.33 |
| **Dilutive Earnings/ (Loss) per share (In Rs.)** | **(120.79)** |

A.S.A. & Associates LLP
Chartered Accountants

**Rumosch Private Limited**

**Notes to financial statements for the period from July 27, 2023 to March 31, 2024**

*(all amounts are in Indian rupees thousands, unless otherwise stated)*

**14 Disclosure in respect of related parties pursuant to Accounting Standard 18**

a.

| Name of the party | Relationship |
|---|---|
| Kodur Amarendrajoysa Pallavi | Director |
| Birur Srinivasamurthy Bhagyalakshmi | Director |

b. **During the period following transactions were carried out with**

| Nature of transaction | For the period from July 27, 2023 to March 31, 2024 |
|---|---|
| - Kodur Amarendrajoysa Pallavi<br>*Issue of equity shares* | 5.00 |
| -Birur Srinivasamurthy Bhagyalakshmi<br>*Issue of equity shares* | 5.00 |

c. **Balance payable /(receivable)**

| Balances at year end | 31st March 2024 |
|---|---|
| Kodur Amarendrajoysa Pallavi | - |
| Birur Srinivasamurthy Bhagyalakshmi | - |

**15 Analytical ratios**

| Particulars | March 31, 2024 | Reasons |
|---|---|---|
| (a) Current Ratio (in times)<br>= *Current Assets / Current Liabilities* | 0.26 | The Company was incorporated on July 27, 2023. Being its first year of incorporation, there are no comparitive ratios presented. |
| (b) Debt-Equity Ratio (in times)<br>= *Total Debt* [1] */ Shareholder's Equity* | (0.56) | |
| (c) Debt Service coverage Ratio (in times)<br>= *Earnings available for debt service* [2] */ Debt service* [3] | (215.83) | |
| (d) Return on Equity Ratio (in %)<br>= *Net Profit (after taxes)/ Average Shareholder's equity* | 227.71% | |
| (e) Inventory Turnover Ratio (in times)<br>=*Cost of Goods Sold / Average Inventory* | - | |
| (f) Trade Receivables turnover ratio (in times)<br>= *Net Sales / Average Accounts Receivable* | - | |
| (g) Trade Payables turnover ratio (in times)<br>= *Annual Net Credit Purchases / Average Accounts Payable* | - | |
| (h) Net Capital turnover ratio (in times)<br>= *Net Sales / Working Capital* [4] | - | |
| (i) Net Profit ratio (in %)<br>=*Net Profit after Tax / Sales* | - | |
| (j) Return on Capital Employed (in %)<br>=*Earnings before interest and taxes (EBIT) / Capital Employed* [5] | 173.85% | |
| (k) Return on investment (in %)<br>= *{Return/Profit/Earnings from Investments} / Average Investments* | - | |

[1] Current and Non Current Borrowings

[2] Net Profit after tax+ Depreciation+ Finance Cost

[3] Interest & Lease Payments + Principal Repayments

[4] Current Assets - Current Liabilities

[5] Tangible Networth+Total Debt+Deferred Tax Liability

**16 Other Statutory information as required under schedule III of Companies Act 2013.**

i) The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

ii) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company has not availed Working capital demand loans against the security of its current assets.

v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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**Rumosch Private Limited**

**Notes to financial statements for the period from July 27, 2023 to March 31, 2024**

*(all amounts are in Indian rupees thousands, unless otherwise stated)*

viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries)

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

x) The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.

xi) The company is neither a Holding Company nor a Subsidiary, therefore the provisions relating to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been voluntarily surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

17 The Company does not any have any earnings and expenditure in foreign currency during the current period

18 This being the first year, the financial statements have been prepared and presented for the period July 27, 2023 to March 31, 2024. Accordingly, no comparable figures have been presented for any previous periods.

**Events occurring after the balance sheet date**

19 Pursuant to the Draft Scheme Offer Document ("DOD") filed by Property Share Investment Trust ('the Trust') dated September 26, 2024 ") in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended or supplemented, read together with the circulars, guidelines, notifications and/or clarifications issued or framed thereunder ("SEBI REIT Regulations"), Propshare Platina, a first scheme of the Trust (the "Purchaser") proposes to purchase, and the existing shareholders of the company ('the Seller') proposes to sell to the Purchaser their complete shareholding in the company such that post such transfer, the Seller shall cease to hold the Shares in the company. Pursuant to this the Purchaser and the Seller will enter into securities purchase agreements wherein the Seller proposes to sell, and the Purchaser proposes to purchase securities in the manner stipulated in the securities purchase agreements.

The key terms of the securities purchase agreements are specified below:

Consideration: The purchase price of the Sale Shares shall be mutually agreed upon by the Purchaser and the Seller basis the valuation and other mechanism (face value or nominal value of equity shares as may be agreed) prescribed under the respective securities purchase agreements.

Representations and Warranties: The Seller and Purchaser represent and warrant inter alia the following:

i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

20 The board duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on **November 14, 2024**.

21 a) The Company uses Tally Prime (edit log), accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility. However, the company has migrated from existing software to another version and back from March 20, 2024 to March 26, 2024.

b) Pursuant to the Ministry of corporate affairs ("MCA") notification dated August 05, 2022 relating to maintenance of electronic books of accounts as per Rule 3 of the Companies (Accounts) rules, 2014 of section 128 of Companies Act, 2013, the Company maintains the data in electronic mode and the applications are accessible in India all times. Presently, the Company is not taking backup on a daily basis and books of accounts are stored in servers that are physically located in India.

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
Rumosch Private Limited

Pallavi

Kodur Amarendrajeyya Pallavi
Director
DIN:09649669

Place: Bengaluru
Date: 14/11/2024

Bhagyalakshmi. B.S.

Burra Srinivasamurthy Bhagyalakshmi
Director
DIN:09649668

Place: Bengaluru
Date: 14/11/2024

RUMOSCH PRIVATE LIMITED

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# INDEPENDENT AUDITOR'S REPORT

**To the Members of Propareas Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Propareas Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and the Statement of Cash flows for the September 13, 2023 to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and its cash flows for the period ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on adequacy and operating effectiveness of the entity's internal controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that the said order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company has not maintained daily back-up of its books of accounts maintained in electronic mode (Refer Note 21 to Financial Statements).

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2021.

ASA & Associates LLP Chartered Accountants

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) This report does not include a report on the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls. Since, in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the company basis the exemption available to the company under MCA notification No. G.S.R. 583 (E) dated 13th June 2017, read with corrigendum dated July 13th, 2017 on reporting on internal financial controls over financial reporting;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contains any material misstatement.

v. The Company has neither declared nor paid any dividend during the period.

vi. As stated in note 21 in accompanying financial statements, except for the period mentioned below, the company has used Tally Prime (edit log), accounting software for maintaining its books of accounts for the financial year ended on March 31, 2024 which has the feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with for said period.

a) The company has migrated from Tally Prime (edit Log) to another version and back from March 5, 2024 to March 19, 2024 and March 20, 2024 to March 31, 2024 during which we are unable to comment on implementation of audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

**Vinay K S**
Partner
Membership No. 223085

UDIN: 24223085BKENRP1181

Place: Bangalore
Date: 14th November 2024

**Propareas Private Limited**
**CIN: U68100KA2023PTC178515**
**Balance Sheet as at March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | As at March 31, 2024 |
|---|---|---|
| **I.Equity and Liabilities** | | |
| **1.Shareholder's funds** | | |
| a) Equity share capital | 3 | 10.00 |
| b) Reserves and surplus | 4 | (82.18) |
| | | **(72.18)** |
| **2.Current liabilities** | | |
| a) Short term borrowings | 5 | 40.38 |
| b) Other current liabilities | 6 | 56.50 |
| | | **96.88** |
| **Total** | | **24.70** |
| **II.Assets** | | |
| **1.Current assets** | | |
| a) Cash and cash equivalents | 7 | 24.70 |
| | | **24.70** |
| **Total Assets** | | **24.70** |

Summary of significant accounting policies 1-2
The accompanying notes form an integral part of the financial statements. 1-21

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

**Vinay K S**

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Propareas Private Limited**

Pallavi Bhagyalakshmi.B.S

**Kodur Amarendraj oysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

PROPAREAS PRIVATE LIMITED

**Propareas Private Limited**
**CIN: U68100KA2023PTC178515**
**Statement of Profit and Loss for the period from September 13, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | For the period from September 13, 2023 to March 31, 2024 |
|---|---|---|
| I.Revenue from operations | | - |
| II.Other income | | - |
| **III.Total Income (I+II)** | | - |
| **IV.Expenses** | | |
| Finance cost | 8 | 0.38 |
| Other expenses | 9 | 81.80 |
| **Total Expenses** | | **82.18** |
| **V.Profit / (Loss) before tax (III-IV)** | | **(82.18)** |
| **VI.Tax Expense** | | |
| Current tax | | - |
| Deferred Tax | | - |
| | | - |
| **VII.Profit / (Loss) after tax (V-VI)** | | **(82.18)** |
| **Loss per share (Face Value Rs.10/- per equity share)** | | |
| Basic and Diluted (in Rs.) (Face value Rs. 10) | 13 | **(149.64)** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Propareas Private Limited**

Pallavi Bhagyalakshmi B S

PROPAREAS PRIVATE LIMITED

| Kodur Amarendrajoysa Pallavi | Birur Srinivasamurthy Bhagyalakshmi |
|---|---|
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

**Propareas Private Limited**
**CIN: U68100KA2023PTC178515**
**Cash Flow Statement for the period from September 13, 2023 to March 31, 2024**
*(All amounts are in rupee thousands, unless otherwise stated)*

| Particulars | For the period from September 13, 2023 to March 31, 2024 |
|---|---|
| **Cash flow from operating activities** | |
| Profit / (Loss) before taxes | (82.18) |
| Add: | |
| Interest on Loan | 0.38 |
| **Operating Profit before Working Capital Changes** | (81.80) |
| ***Add: Working Capital Adjustments*** | |
| Increase / (decrease) in other current liabilities | 56.50 |
| **Cash generated from Operating activities before taxes** | **(25.30)** |
| Income-tax paid | - |
| **Net cash flow from / (used in) operating activities( A )** | **(25.30)** |
| **Cash flow from investing activities** | |
| Interest from fixed deposits | - |
| **Net cash flow from / (used in) investing activities( B )** | - |
| **Cash flow from financing activities** | |
| Proceeds from issue of equity shares | 10.00 |
| Loans Received | 40.00 |
| **Net cash flow from / (used in) financing activities( C )** | **50.00** |
| **Net increase in cash and cash equivalents(A+B+C)** | 24.70 |
| Cash and cash equivalents at the beginning of the period | - |
| **Cash and cash equivalents at the end of the period** | **24.70** |
| **Cash and cash equivalents (Refer note 7)** | |
| Balances with banks | 24.70 |
| Cash on hand | - |
| **Total cash and bank balances at end of the period** | **24.70** |
| Summary of significant accounting policies | 1-2 |
| The accompanying notes form an integral part of the financial statements. | 1-21 |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Propareas Private Limited**

Pallavi Bhagyalakshmi. B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

PROPAREAS PRIVATE LIMITED

**Propareas Private Limited**
**Notes to financial statements for the period from September 13, 2023 to March 31, 2024**

## 1 Corporate information

Propareas Private Limited was incorporated on September 13, 2023 under the provisions of the Companies Act, 2013. The Company is engaged in the business of renting , management and sale of properties for Capital appreciation.The registered office of the company is situated at 246Flat No206 ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore South, Bangalore-560061, Karnataka. The company is yet to commence its commercial operations as at March 31, 2024

## 2 Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules 2021. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Summary of significant accounting policies**

### a. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

### b. Current & non current classification

All assets and liabilities are classified into current and non-current.

***i) Assets***

An asset is classified as current when it satisfies any of the following criteria:
1) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realized within 12 months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

***(ii) Liabilities***

A liability is classified as current when it satisfies any of the following criteria:
1) It is expected to be settled in the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within 12 months after the reporting date; or
the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Operation cycle is considered as twelve months period.
Deferred Tax assets and liabilities are classified as non current assets and liabilities

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**Propareas Private Limited**
**Notes to financial statements for the period from September 13, 2023 to March 31, 2024**

**c. Property plant and equipment**

**i. Property plant and equipment**

Property plant and equipment ('PPE') are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**ii. Investment Property**

An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise and is accounted as per the Cost model prescribed in AS -10

**d. Depreciation on property plant and equipment**

Depreciation on PPE is calculated on straight line basis using the following useful lives prescribed under Schedule II. Buildings (Other than factory buildings are depreciated over a period of 60 years.)

**e. Impairment**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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**f. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations (gross) is net of goods and service tax

**Interest Income**

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate

**h. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

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**Propareas Private Limited**
**Notes to financial statements for the period from September 13, 2023 to March 31, 2024**

**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**j. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash flow statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**m. Borrowing costs**

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

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**Propareas Private Limited**
**Notes to financial statements for the period from September 13, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 3 Share Capital

**a) Authorized, issued , subscribed and paid up**

| Particulars | As at March 31, 2024 |
|---|---|
| **Authorized shares** | |
| 10,000 equity shares of Rs. 10/- each | 100.00 |
| **Issues, subscribed and paid-up shares** | |
| 1,000 equity shares of Rs. 10/- each | 10.00 |
| **Total Issued, Subscribed and fully paid up share capital** | **10.00** |

**b) Reconciliation of number of ordinary shares outstanding**

| Particulars | As at March 31, 2024 |
|---|---|
| As at beginning of the period | - |
| Add: Issue of Shares during the period | 1,000 |
| **Closing** | **1,000** |

**c) Shareholders holding more than 5% of total shareholding**

| Name of the Shareholder | No of Shares | Percentage |
|---|---|---|
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**d) Terms /rights attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**e) Details of shareholding of promoters**

| Name of the Promoter | As at March 31, 2024 | |
|---|---|---|
| | No of Shares | % of Total Shares |
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**f)** From the date of incorporation to the date as at which the Balance Sheet is prepared:
i) No shares were allotted as fully paid up without payment being received in cash
ii) No bonus shares were issued
iii) No shares were bought back

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**Propareas Private Limited**

**Notes to financial statements for the period from September 13, 2023 to March 31, 202**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 4 Reserves and surplus

| Particulars | As at March 31, 2024 |
|---|---|
| **Surplus/(deficit) in the Statement of Profit or Loss** | |
| Opening balance | - |
| Add: Profit / (loss) for the period | (82.18) |
| **Closing balance** | **(82.18)** |

## 5 Short term borrowings

| Particulars | As at March 31, 2024 |
|---|---|
| Unsecured loan | |
| -Other loans* | 40.38 |
| **Total** | **40.38** |

** The Board of Directors have approved the company to borrow loan not exceeding of Rs. 3,000.00 thousand in accordance of section 179 of the Company Act 2013 from time to time from Altinvest Online Platform Private Limited, formerly known as ("Propertyshare Online Platform Private Limited"). As at March 31, 2024 the company has borrowed Rs. 40.00 thousand which remained payable at year end along with interest accrued. The loan carries Interest of 7.22% p.a and repayable on demand.*

## 6 Other current liabilities

| Particulars | As at March 31, 2024 |
|---|---|
| Expenses payable | 51.50 |
| Statutory dues | 5.00 |
| **Total** | **56.50** |

## 7 Cash and cash equivalents

| Particulars | As at March 31, 2024 |
|---|---|
| Balance with banks | |
| -In current accounts | 24.70 |
| **Total** | **24.70** |

## 8 Finance cost

| Particulars | For the period from September 13, 2023 to March 31, 2024 |
|---|---|
| Interest on loan | 0.38 |
| Total | **0.38** |

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**Propareas Private Limited**

**Notes to financial statements for the period from September 13, 2023 to March 31, 202**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 9 Other expenses

| Particulars | For the period from September 13, 2023 to March 31, 2024 |
|---|---|
| Payments to the auditor * | 50.00 |
| Legal and professional charges | 29.00 |
| Rates & taxes | 2.80 |
| **Total** | **81.80** |

*** Payments to the auditor is as follows :**

| Particulars | For the period from September 13, 2023 to March 31, 2024 |
|---|---|
| Statutory audit fees^ | 50.00 |
| **Total** | **50.00** |

^ *Excluding goods and service tax*

## 10 Commitments and contingent liabilities

As at the balance sheet date, the Company does not have any Capital commitments & Contingent liabilities.

## 11 Segment reporting

The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. Considering the business and financial reporting of the Company, the Company has only one business segment.

## 12 Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

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## 13 Earnings/(Loss) per share

| Particulars | For the period from September 13, 2023 to March 31, 2024 |
|---|---|
| **Basic Earnings/ (Loss) per share** | |
| Profit/(Loss) attributable to equity shareholders | (82.18) |
| Weighted average number of shares | 549.18 |
| Basic Earnings/ (Loss) per share (In Rs.) | **(149.64)** |
| Face value per share (In Rs.) | 10.00 |
| **Dilutive Earnings/ (Loss) per share** | |
| Profit/(loss) after adjusting interest on potential equity shares | (82.18) |
| Weighted average number of equity share after considering potential equity shares | 549.18 |
| **Dilutive Earnings/ (Loss) per share (In Rs.)** | **(149.64)** |

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**Propareas Private Limited**

**Notes to financial statements for the period from September 13, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

**14 Disclosure in respect of related parties pursuant to Accounting Standard 18**

**a.**

| Name of the Party | Relationship |
|---|---|
| Kodur Amarendrajoysa Pallavi | Director |
| Birur Srinivasamurthy Bhagyalakshmi | Director |

**b. During the period following transactions were carried out with**

| Nature of Transaction | For the period from September 13, 2023 to March 31, 2024 |
|---|---|
| - Kodur Amarendrajoysa Pallavi<br>*Issue of equity shares* | 5.00 |
| -Birur Srinivasamurthy Bhagyalakshmi<br>*Issue of equity shares* | 5.00 |

**c. Balance payable /(receivable)**

| Balances at year end | 31-Mar-24 |
|---|---|
| Kodur Amarendrajoysa Pallavi | - |
| Birur Srinivasamurthy Bhagyalakshmi | - |

**15 Analytical ratios**

| Particulars | March 31, 2024 | Reasons |
|---|---|---|
| (a) Current Ratio (in times)<br>= *Current Assets / Current Liabilities* | 0.25 | The Company was incorporated on September 13, 2023. Being its first year of incorporation, there are no comparitive ratios presented. |
| (b) Debt-Equity Ratio (in times)<br>= *Total Debt* [1] */ Shareholder's Equity* | (0.56) | |
| (c) Debt Service coverage Ratio (in times)<br>= *Earnings available for debt service* [2] */ Debt service* [3] | (215.83) | |
| (d) Return on Equity Ratio (in %)<br>= *Net Profit (after taxes)/ Average Shareholder's equity* | 227.71% | |
| (e) Inventory Turnover Ratio (in times)<br>=*Cost of Goods Sold / Average Inventory* | - | |
| (f) Trade Receivables turnover ratio (in times)<br>= *Net Sales / Average Accounts Receivable* | - | |
| (g) Trade Payables turnover ratio (in times)<br>= *Annual Net Credit Purchases / Average Accounts Payable* | - | |
| (h) Net Capital turnover ratio (in times)<br>= *Net Sales / Working Capital* [4] | - | |
| (i) Net Profit ratio (in %)<br>=*Net Profit after Tax / Sales* | - | |
| (j) Return on Capital Employed (in %)<br>=*Earnings before interest and taxes (EBIT) / Capital Employed* [5] | 113.85% | |
| (k) Return on investment (in %)<br>= *(Return/Profit/Earnings from Investments) / Average Investments* | - | |

[1] Current and Non Current Borrowings

[2] Net Profit after tax+ Depreciation+ Finance Cost

[3] Interest & Lease Payments + Principal Repayments

[4] Current Assets - Current Liabilities

[5] Tangible Networth+Total Debt+Deferred Tax Liability

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**16 Other Statutory information as required under schedule III of Companies Act 2013.**

i) The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

ii) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company has not availed Working capital demand loans against the security of its current assets.

v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

x) The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.

xi) The company is neither a Holding Company nor a Subsidiary, therefore the provisions relating to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been voluntarily surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**17** The Company does not any have any earnings and expenditure in foreign currency during the current period

**18** This being the first year, the financial statements have been prepared and presented for the period September 13, 2023 to March 31, 2024. Accordingly, no comparable figures have been presented for any previous periods.

**19 Events occurring after the balance sheet date**

Pursuant to the Draft Scheme Offer Document ("DOD") filed by Property Share Investment Trust ('the Trust') dated September 26, 2024 ") in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended or supplemented, read together with the circulars, guidelines, notifications and/or clarifications issued or framed thereunder ("SEBI REIT Regulations"), Propshare Platina, a first scheme of the Trust (the "Purchaser") proposes to purchase, and the existing shareholders of the company ('the Seller') proposes to sell to the Purchaser their complete shareholding in the company such that post such transfer, the Seller shall cease to hold the Shares in the company. Pursuant to this the Purchaser and the Seller will enter into securities purchase agreements wherein the Seller proposes to sell, and the Purchaser proposes to purchase securities in the manner stipulated in the securities purchase agreements.

The key terms of the securities purchase agreements are specified below:

Consideration: The purchase price of the Sale Shares shall be mutually agreed upon by the Purchaser and the Seller basis the valuation and other mechanism (face value or nominal value of equity shares as may be agreed) prescribed under the respective securities purchase agreements.

Representations and Warranties: The Seller and Purchaser represent and warrant inter alia the following:

i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

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**Propareas Private Limited**

**Notes to financial statements for the period from September 13, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

20 The board duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on **November 14, 2024**.

21 a) The Company uses Tally Prime (edit log), an accounting software for maintaining books of account which does has a feature of recording audit trail (edit log) facility. However, the company has migrated from existing software to another version and back from March 5, 2024 to March 19, 2024 and March 20, 2024 to March 31, 2024.

b) Pursuant to the Ministry of corporate affairs ("MCA") notification dated August 05, 2022 relating to maintenance of electronic books of accounts as per Rule 3 of the Companies (Accounts) rules, 2014 of section 128 of Companies Act, 2013, the Company maintains the data in electronic mode and the applications are accessible in India all times. Presently, the Company is not taking backup on a daily basis and books of accounts are stored in servers that are physically located in India.

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Propareas Private Limited**

Pallavi Bhagyalakshmi.B.S.

| | |
|---|---|
| **Kodur Amarendrajoysa Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

PROPAREAS PRIVATE LIMITED

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# INDEPENDENT AUDITOR'S REPORT

**To the Members of Avenueprops Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Avenueprops Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and the Statement of Cash flows for the period September 16, 2023 to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and its cash flows for the period ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on adequacy and operating effectiveness of the entity's internal controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that the said order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company has not maintained daily back-up of its books of accounts maintained in electronic mode (Refer Note 21 to Financial Statements).

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2021.

ASA & Associates LLP Chartered Accountants

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) This report does not include a report on the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls. Since, in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the company basis the exemption available to the company under MCA notification No. G.S.R. 583 (E) dated 13th June 2017, read with corrigendum dated July 13th, 2017 on reporting on internal financial controls over financial reporting;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

ASA & Associates LLP Chartered Accountants

c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contains any material misstatement.

v. The Company has neither declared nor paid any dividend during the period.

vi. As stated in note 21 in accompanying financial statements, except for the period mentioned below, the company has used Tally Prime (edit log), accounting software for maintaining its books of accounts for the financial year ended on March 31, 2024 which has the feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with for said period.

a) The company has migrated from Tally Prime (edit Log) to another version and back from March 5, 2024 to March 19, 2024 and March 20, 2024 to March 26, 2024 during which we are unable to comment on implementation of audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

**Vinay K S**
Partner
Membership No. 223085

UDIN: 24223085BKENRM8633

Place: Bangalore
Date: 14th November 2024

**Avenueprops Private Limited**
**CIN: U68100KA2023PTC178740**
**Balance Sheet as at March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | As at March 31, 2024 |
|---|---|---|
| **I.Equity and Liabilities** | | |
| **1.Shareholder's funds** | | |
| a) Share capital | 3 | 10.00 |
| b) Reserves and surplus | 4 | (82.18) |
| | | **(72.18)** |
| **2.Current liabilities** | | |
| a) Short term borrowings | 5 | 40.38 |
| b) Other current liabilities | 6 | 56.50 |
| | | **96.88** |
| **Total** | | **24.70** |
| **II.Assets** | | |
| **1.Current assets** | | |
| a) Cash and cash equivalents | 7 | 24.70 |
| | | **24.70** |
| **Total** | | **24.70** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

**Vinay K S**

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Avenueprops Private Limited**

AVENUEPROPS PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

**Avenueprops Private Limited**
**CIN: U68100KA2023PTC178740**
**Statement of Profit and Loss for the period from September 16, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | For the period from September 16, 2023 to March 31, 2024 |
|---|---|---|
| I.Revenue from operations | | - |
| II.Other income | | - |
| **III.Total Income (I+II)** | | - |
| **IV.Expenses** | | |
| Finance Cost | 8 | 0.38 |
| Other expenses | 9 | 81.80 |
| **Total Expenses** | | **82.18** |
| **V.Profit / (Loss) before tax (III-IV)** | | **(82.18)** |
| **VI.Tax Expense** | | |
| Current tax | | - |
| Deferred Tax | | - |
| | | - |
| **VII.Profit / (Loss) after tax (V-VI)** | | **(82.18)** |
| **Earnings/(Loss) Per Share (Face Value Rs.10/- per Equity Share)** | | |
| Basic and Diluted (in Rs.) (Face value Rs. 10) | 13 | **(151.91)** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Avenueprops Private Limited**

AVENUEPROPS PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

**Avenueprops Private Limited**
**CIN: U68100KA2023PTC178740**
**Cash Flow Statement for the period from September 16, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | For the period from September 16, 2023 to March 31, 2024 |
|---|---|
| **Cash flow from operating activities** | |
| Profit / (Loss) before taxes | (82.18) |
| Add: | |
| Interest on Loan | 0.38 |
| **Operating profit before working capital changes** | (81.80) |
| ***Add: Working Capital Adjustments*** | |
| Increase / (decrease) in other current liabilities | 56.50 |
| **Cash generated from Operating activities before taxes** | **(25.30)** |
| Income-tax paid | - |
| **Net cash flow from / (used in) operating activities( A )** | **(25.30)** |
| **Cash flow from investing activities** | |
| Interest from fixed deposits | - |
| **Net cash flow from / (used in) investing activities( B )** | **-** |
| **Cash flow from financing activities** | |
| Proceeds from issue of equity shares | 10.00 |
| Loans Received | 40.00 |
| **Net cash flow from / (used in) financing activities( C )** | **50.00** |
| **Net increase in cash and cash equivalents(A+B+C)** | 24.70 |
| Cash and cash equivalents at the beginning of the period | - |
| **Cash and cash equivalents at the end of the period** | **24.70** |
| **Cash and cash equivalents (Refer note 7)** | |
| Balances with banks | 24.70 |
| Cash on hand | - |
| **Total cash and bank balances at end of the period** | **24.70** |

| | |
|---|---|
| Summary of significant accounting policies | 1-2 |
| The accompanying notes form an integral part of the financial statements | 1-21 |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

**Vinay K S**

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Avenueprops Private Limited**

AVENUEPROPS PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S.

| | |
|---|---|
| **Kodur Amarendrajoysa Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

**Avenueprops Private Limited**
**Notes to financial statements for the period from September 16, 2023 to March 31, 2024**

1 **Corporate Information**

Avenueprops Private Limited was incorporated on September 16, 2023 under the provisions of the Companies Act, 2013. The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. The registered office of the company is situated at FlatNo206 ShivaParadis, Subramanyapura, Uttarahalli, Subramanyapura, Bangalore South, Bangalore-560061, Karnataka. The company is yet to commence its commercial operations as at March 31, 2024

2 **Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules 2021. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Summary of significant accounting policies**

a. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

b. **Current & non current classification**

All assets and liabilities are classified into current and non-current.

***i) Assets***

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realized within 12 months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

***(ii) Liabilities***

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within 12 months after the reporting date; or
4) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Operation cycle is considered as twelve months period.

Deferred Tax assets and liabilities are classified as non current assets and liabilities

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**c. Property plant and equipment**

**i. Property plant and equipment**

Property plant and equipment ('PPE') are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**ii. Investment Property**

An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise and is accounted as per the Cost model prescribed in AS -10

**d. Depreciation on property plant and equipment**

Depreciation on PPE is calculated on straight line basis using the following useful lives prescribed under Schedule II. Buildings (Other than factory buildings are depreciated over a period of 60 years.)

**e. Impairment**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

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Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations (gross) is net of goods and service tax

**Interest Income**

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate

**h. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**j. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash flow statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**m. Borrowing costs**

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

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**Avenueprops Private Limited**
**CIN: U68100KA2023PTC178740**
**Notes to financial statements for the period from September 16, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

**3 Share capital**

**a) Authorized, issued , subscribed and paid up**

| Particulars | As at March 31, 2024 |
|---|---|
| **Authorized shares** | |
| 10,000 equity shares of Rs. 10/- each | 100.00 |
| **Issues, subscribed and paid-up shares** | |
| 1,000 equity shares of Rs. 10/- each | 10.00 |
| **Total Issued, Subscribed and fully paid up share capital** | **10.00** |

**b) Reconciliation of number of ordinary shares outstanding**

| Particulars | As at March 31, 2024 |
|---|---|
| As at beginning of the period | - |
| Add: Issue of shares during the period | 1,000 |
| **Closing** | **1,000** |

**c) Shareholders holding more than 5% of total shareholding**

| Name of the Shareholder | No of Shares | Percentage |
|---|---|---|
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**d) Terms /rights attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**e) Details of shareholding of promoters**

| Name of the Promoter | As at March 31, 2024 | |
|---|---|---|
| | No of Shares | % of Total Shares |
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**f)** From the date of incorporation to the date as at which the Balance Sheet is prepared:
i) No shares were allotted as fully paid up without payment being received in cash
ii) No bonus shares were issued
iii) No shares were bought back

ASA & Associates LLP Chartered Accountants

**Avenueprops Private Limited**

**Notes to financial statements for the period from September 16, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 4 Reserves and surplus

| Particulars | As at March 31, 2024 |
|---|---|
| **Surplus/(deficit) in the Statement of Profit or Loss** | |
| Opening balance | - |
| Add: Profit / (loss) for the period | (82.18) |
| **Closing balance** | **(82.18)** |

## 5 Short term borrowings

| Particulars | As at March 31, 2024 |
|---|---|
| Unsecured loan | |
| -Other loans* | 40.38 |
| **Total** | **40.38** |

** The Board of Directors have approved the company to borrow loan not exceeding of Rs. 3,000.00 thousand in accordance with section 179 of the Company Act 2013 from time to time from Altinvest Online Platform Private Limited, formerly known as ("Propertyshare Online Platform Private Limited"). As at March 31, 2024, the company has borrowed Rs. 40.00 thousand which remained payable at year end including interest accrued. The loan carries Interest of 7.22% p.a and repayable on demand.*

## 6 Other current liabilities

| Particulars | As at March 31, 2024 |
|---|---|
| Expenses Payable | 51.50 |
| Statutory dues | 5.00 |
| **Total** | **56.50** |

## 7 Cash and cash equivalents

| Particulars | As at March 31, 2024 |
|---|---|
| Balance with banks | |
| -In current accounts | 24.70 |
| **Total** | **24.70** |

ASA & Associates LLP Chartered Accountants

## 8 Finance cost

| Particulars | For the period from September 16, 2023 to March 31, 2024 |
|---|---|
| Interest on loan | 0.38 |
| **Total** | **0.38** |

## 9 Other expenses

| Particulars | For the period from September 16, 2023 to March 31, 2024 |
|---|---|
| Payments to the auditor * | 50.00 |
| Legal and professional charges | 29.00 |
| Rates & Taxes | 2.80 |
| **Total** | **81.80** |

*** Payments to the auditor is as follows :**

| Particulars | For the period from September 16, 2023 to March 31, 2024 |
|---|---|
| Statutory audit fees^ | 50.00 |
| **Total** | **50.00** |

^ *Excluding goods and service tax*

## 10 Commitments and contingent liabilities

As at the balance sheet date, the Company does not have any Capital commitments & Contingent liabilities.

## 11 Segment reporting

The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. Considering the business and financial reporting of the Company, the Company has only one business segment.

## 12 Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

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## 13 Earnings/(Loss) per share

| Particulars | For the period from September 16, 2023 to March 31, 2024 |
|---|---|
| **Basic Earnings/ (Loss) per share** | |
| Profit/(Loss) attributable to equity shareholders | (82.18) |
| Weighted average number of shares | 540.98 |
| Basic Earnings/ (Loss) per share (In Rs.) | **(151.91)** |
| Face value per share (In Rs.) | 10.00 |
| **Dilutive Earnings/ (Loss) per share** | |
| Profit/(loss) after adjusting interest on potential equity shares | (82.18) |
| Weighted average number of equity share after considering potential equity shares | 540.98 |
| **Dilutive Earnings/ (Loss) per share (In Rs.)** | **(151.91)** |

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**Avenueprops Private Limited**

**Notes to financial statements for the period from September 16, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

**14 Disclosure in respect of related parties pursuant to Accounting Standard 18**

**a.**

| Name of the Party | Relationship |
|---|---|
| Kodur Amarendrajoysa Pallavi | Director |
| Birur Srinivasamurthy Bhagyalakshmi | Director |

**b. During the period following transactions were carried out with related parties in the ordinary course of business:**

| Nature of Transaction | For the period from September 16, 2023 to March 31, 2024 |
|---|---|
| - Kodur Amarendrajoysa Pallavi<br>*Issue of equity shares* | 5.00 |
| -Birur Srinivasamurthy Bhagyalakshmi<br>*Issue of equity shares* | 5.00 |

**c. Balance payable /(receivable)**

| Balances at year end | March 31, 2024 |
|---|---|
| KodurAmarendrajoysa Pallavi | - |
| Birur Srinivasamurthy Bhagyalakshmi | |

**15 Analytical ratios**

| Particulars | March 31, 2024 | Reasons |
|---|---|---|
| (a) Current Ratio (in times)<br>*= Current Assets / Current Liabilities* | 0.25 | The Company was incorporated on September 16, 2023. Being its first year of incorporation, there are no comparitive ratios presented. |
| (b) Debt-Equity Ratio (in times)<br>*= Total Debt [1] / Shareholder's Equity* | (0.56) | |
| (c) Debt Service coverage Ratio (in times)<br>*= Earnings available for debt service [2] / Debt service [3]* | (215.83) | |
| (d) Return on Equity Ratio (in %)<br>*= Net Profit (after taxes)/ Average Shareholder's equity* | 227.71% | |
| (e) Inventory Turnover Ratio (in times)<br>*=Cost of Goods Sold / Average Inventory* | - | |
| (f) Trade Receivables turnover ratio (in times)<br>*= Net Sales / Average Accounts Receivable* | - | |
| (g) Trade Payables turnover ratio (in times)<br>*= Annual Net Credit Purchases / Average Accounts Payables* | - | |
| (h) Net Capital turnover ratio (in times)<br>*= Net Sales / Working Capital [4]* | - | |
| (i) Net Profit ratio (in %)<br>*=Net Profit after Tax / Sales* | - | |
| (j) Return on Capital Employed (in %)<br>*=Earnings before interest and taxes (EBIT) / Capital Employed [5]* | 113.85% | |
| (k) Return on investment (in %)<br>*= [Return/Profit/Earnings from Investments] / Average Investments* | - | |

[1] Current and Non Current Borrowings

[2] Net Profit after tax+ Depreciation+ Finance Cost

[3] Interest & Lease Payments + Principal Repayments

[4] Current Assets - Current Liabilities

[5] Tangible Networth+Total Debt+Deferred Tax Liability

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**16 Other Statutory information as required under schedule III of Companies Act 2013.**

i) The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

ii) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company has not availed Working capital demand loans against the security of its current assets.

v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

x) The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.

xi) The company is neither a Holding Company nor a Subsidiary, therefore the provisions relating to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been voluntarily surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**17 Events occurring after the balance sheet date**

Pursuant to the Draft Scheme Offer Document ("DOD") filed by Property Share Investment Trust ('the Trust') dated September 26, 2024 ") in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended or supplemented, read together with the circulars, guidelines, notifications and/or clarifications issued or framed thereunder ("SEBI REIT Regulations"), Propshare Platina, a first scheme of the Trust (the "Purchaser") proposes to purchase, and the existing shareholders of the company ('the Seller') proposes to sell to the Purchaser their complete shareholding in the company such that post such transfer, the Seller shall cease to hold the Shares in the company. Pursuant to this the Purchaser and the Seller will enter into securities purchase agreements wherein the Seller proposes to sell, and the Purchaser proposes to purchase securities in the manner stipulated in the securities purchase agreements.

The key terms of the securities purchase agreements are specified below:

Consideration: The purchase price of the Sale Shares shall be mutually agreed upon by the Purchaser and the Seller basis the valuation and other mechanism (face value or nominal value of equity shares, as may be agreed) prescribed under the respective securities purchase agreements.

Representations and Warranties: The Seller and Purchaser represent and warrant inter alia the following:
i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

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18 The Company does not any have any earnings and expenditure in foreign currency during the current period

19 This being the first year, the financial statements have been prepared and presented for the period September 16, 2023 to March 31, 2024. Accordingly, no comparable figures have been presented for any previous periods.

20 The board duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on **November 14, 2024**.

21 a) The Company uses Tally Prime (edit log), accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility. However, the company has migrated from existing software to another version and back from March 5, 2024 to March 19, 2024 and March 20, 2024 to March 26, 2024.

b) Pursuant to the Ministry of corporate affairs ("MCA") notification dated August 05, 2022 relating to maintenance of electronic books of accounts as per Rule 3 of the Companies (Accounts) rules, 2014 of section 128 of Companies Act, 2013, the Company maintains the data in electronic mode and the applications are accessible in India all times. Presently, the Company is not taking backup on a daily basis and books of accounts are stored in servers that are physically located in India.

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Avenueprops Private Limited**

Pallavi Bhagyalakshmi B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

AVENUEPROPS PRIVATE LIMITED

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CHARTERED ACCOUNTANTS
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Sarakki Industrial Layout
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# INDEPENDENT AUDITOR'S REPORT

**To the Members of Willowprops Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Willowprops Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and the Statement of Cash flows for the period September 25, 2023 to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and its cash flows for the period ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on adequacy and operating effectiveness of the entity's internal controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that the said order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company has not maintained daily back-up of its books of accounts maintained in electronic mode. (Refer Note 19 to Financial Statements).

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2021.

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(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) This report does not include a report on the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls. Since, in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the company basis the exemption available to the company under MCA notification No. G.S.R. 583 (E) dated 13th June 2017, read with corrigendum dated July 13th, 2017 on reporting on internal financial controls over financial reporting;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contains any material misstatement.

v. The Company has neither declared nor paid any dividend during the period.

vi. As stated in note 19(a) in accompanying financial statements and based on our examination which includes test checks, the company has used Tally Prime (edit log) accounting software for maintaining its books of accounts for the financial year ended on March 31, 2024 which has the feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

**Vinay K S**
Partner
Membership No. 223085

UDIN: 24223085BKENRR7670

Place: Bangalore
Date: 14th November 2024

**Willowprops Private Limited**
**CIN: U68100KA2023PTC179077**
**Balance Sheet as at March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | As at March 31, 2024 |
|---|---|---|
| **I.Equity and Liabilities** | | |
| **1.Shareholder's funds** | | |
| a) Equity share capital | 3 | 10.00 |
| b) Reserves and surplus | 4 | (56.80) |
| | | **(46.80)** |
| **2.Current liabilities** | | |
| a) Other current liabilities | 5 | 56.50 |
| | | **56.50** |
| **Total** | | **9.70** |
| **II.Assets** | | |
| **1.Current assets** | | |
| a) Cash and cash equivalents | 6 | 9.70 |
| | | **9.70** |
| **Total** | | **9.70** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-19 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Willowprops Private Limited**

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

**Willowprops Private Limited**
**CIN: U68100KA2023PTC179077**
**Statement of Profit and Loss for the period from September 25, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | For the period from September 25, 2023 to March 31, 2024 |
|---|---|---|
| I.Revenue from operations | | - |
| II.Other income | | - |
| **III.Total Income (I+II)** | | - |
| **IV.Expenses** | | |
| Other expenses | 7 | 56.80 |
| **Total Expenses** | | **56.80** |
| **V.Profit / (Loss) before tax (III-IV)** | | **(56.80)** |
| **VI.Tax Expense** | | |
| Current tax | | - |
| Deferred tax | | - |
| | | - |
| **VII.Profit / (Loss) after tax (V-VI)** | | **(56.80)** |
| **Earnings/(Loss) Per Share (Face Value Rs.10/- per Equity Share)** | | |
| Basic and Diluted (in Rs.) (Face value Rs. 10) | 11 | **(109.99)** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-19 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Willowprops Private Limited**

Pallavi Bhagyalakshmi.B.S.

| Kodur Amarendrajoysa Pallavi | Birur Srinivasamurthy Bhagyalakshmi |
|---|---|
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

WILLOWPROPS PRIVATE LIMITED

**Willowprops Private Limited**
**CIN: U68100KA2023PTC179077**
**Cash Flow Statement for the period from September 25, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | For the period from September 25, 2023 to March 31, 2024 |
|---|---|
| **Cash flow from operating activities** | |
| Profit / (Loss) before taxes | (56.80) |
| Add: | |
| Interest on Loan | - |
| **Operating Profit before Working Capital Changes** | (56.80) |
| | |
| ***Add: Working Capital Adjustments*** | |
| Increase / (decrease) in other current liabilities | 56.50 |
| **Cash generated from Operating activities before taxes** | **(0.30)** |
| Income-tax paid | - |
| **Net cash flow from / (used in) operating activities( A )** | **(0.30)** |
| | |
| **Cash flow from investing activities** | |
| Interest from fixed deposits | - |
| **Net cash flow from / (used in) investing activities( B )** | **-** |
| | |
| **Cash flow from financing activities** | |
| Proceeds from issue of equity shares | 10.00 |
| Loans Received | - |
| **Net cash flow from / (used in) financing activities( C )** | **10.00** |
| | |
| **Net increase in cash and cash equivalents(A+B+C)** | 9.70 |
| Cash and cash equivalents at the beginning of the period | - |
| **Cash and cash equivalents at the end of the period** | **9.70** |
| | |
| **Cash and cash equivalents (Refer note 6)** | |
| Balances with banks | 9.70 |
| Cash on hand | - |
| **Total cash and bank balances at end of the period** | **9.70** |

| | |
|---|---|
| Summary of significant accounting policies | 1-2 |
| The accompanying notes form an integral part of the financial statements. | 1-19 |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Willowprops Private Limited**

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

WILLOWPROPS PRIVATE LIMITED

**Willowprops Private Limited**
**Notes to financial statements for the period from September 25, 2023 to March 31, 2024**

1 **Corporate Information**

Willowprops Private Limited was incorporated on September 25, 2023 under the provisions of the Companies Act, 2013. The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. The registered office of the company is situated at 246 Flat No 206 Shiva Paradis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore South, Bangalore-560061, Karnataka. The company is yet to commence its commercial operations as at March 31, 2024

2 **Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules 2021. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Summary of significant accounting policies**

a. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

b. **Current & Non Current Classification**

All assets and liabilities are classified into current and non-current.

***i) Assets***

An asset is classified as current when it satisfies any of the following criteria:
1) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realized within 12 months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

***(ii) Liabilities***

A liability is classified as current when it satisfies any of the following criteria:
1) It is expected to be settled in the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within 12 months after the reporting date; or
the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Operation cycle is considered as twelve months period.
Deferred Tax assets and liabilities are classified as non current assets and liabilities

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**Willowprops Private Limited**
**Notes to financial statements for the period from September 25, 2023 to March 31, 2024**

**c. Property Plant and Equipment**

**i. Property plant and equipment**

Property plant and equipment ('PPE') are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**ii. Investment Property**

An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise and is accounted as per the Cost model prescribed in AS -10

**d. Depreciation on property plant and equipment**

Depreciation on PPE is calculated on straight line basis using the following useful lives prescribed under Schedule II. Buildings (Other than factory buildings are depreciated over a period of 60 years.)

**e. Impairment**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

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Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations (gross) is net of goods and service tax.

**Interest Income**

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate

**h. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**j. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash flow statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**m. Borrowing costs**

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

*(This space is intentionally left blank)*

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**Willowprops Private Limited**
**Notes to financial statements for the period from September 25, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 3 Share capital

**a) Authorized, issued , subscribed and paid up**

| Particulars | As at March 31, 2024 |
|---|---|
| **Authorized shares** | |
| 10,000 equity shares of Rs. 10/- each | 100.00 |
| **Issues, subscribed and paid-up shares** | |
| 1,000 equity shares of Rs. 10/- each | 10.00 |
| **Total Issued, Subscribed and fully paid up share capital** | **10.00** |

**b) Reconciliation of number of ordinary shares outstanding**

| Particulars | As at March 31, 2024 |
|---|---|
| As at beginning of the period | - |
| Add: Issue of shares during the period | 1,000 |
| **Closing** | **1,000** |

**c) Shareholders holding more than 5% of total shareholding**

| Name of the Shareholder | No of Shares | Percentage |
|---|---|---|
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**d) Terms /rights attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**e) Details of shareholding of promoters**

| Name of the Promoter | As at March 31, 2024 | |
|---|---|---|
| | No of Shares | % of Total Shares |
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**f)** From the date of incorporation to the date as at which the Balance Sheet is prepared:
i) No shares were allotted as fully paid up without payment being received in cash
ii) No bonus shares were issued
iii) No shares were bought back

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**Willowprops Private Limited**

**Notes to financial statements for the period from September 25, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 4 Reserves and surplus

| Particulars | As at March 31, 2024 |
|---|---|
| **Surplus/(deficit) in the Statement of Profit or Loss** | |
| Opening Balance | - |
| Add: Profit / (loss) for the period | (56.80) |
| **Closing Balance** | **(56.80)** |

## 5 Other current liabilities

| Particulars | As at March 31, 2024 |
|---|---|
| Expenses payable | 51.50 |
| Statutory dues | 5.00 |
| **Total** | **56.50** |

## 6 Cash and cash equivalents

| Particulars | As at March 31, 2024 |
|---|---|
| Balance with banks | |
| -In current accounts | 9.70 |
| **Total** | **9.70** |

## 7 Other expenses

| Particulars | For the period from September 25, 2023 to March 31, 2024 |
|---|---|
| Payments to the auditor * | 50.00 |
| Legal and professional charges | 4.00 |
| Rates & taxes | 2.80 |
| **Total** | **56.80** |

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**Willowprops Private Limited**

**Notes to financial statements for the period from September 25, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

*** Payments to the auditor is as follows :**

| Particulars | For the period from September 25, 2023 to March 31, 2024 |
|---|---|
| Statutory audit fees^ | 50.00 |
| **Total** | **50.00** |

^excluding goods and service tax

## 8 Commitments and contingent liabilities

As at the balance sheet date, the Company does not have any Capital Commitments & Contingent liabilities.

## 9 Segment reporting

The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. Considering the business and financial reporting of the Company, the Company has only one business segment.

## 10 Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 11 Earnings/(Loss) per share

| Particulars | For the period from September 25, 2023 to March 31, 2024 |
|---|---|
| **Basic Earnings/ (Loss) per share** | |
| Profit/(Loss) attributable to equity shareholders | (56.80) |
| Weighted average number of shares | 516.39 |
| Basic Earnings / (Loss) per share (In Rs.) | **(109.99)** |
| Face value per share (In Rs.) | 10.00 |
| **Dilutive Earnings/(Loss) per share** | |
| Profit/(loss) after adjusting interest on potential equity shares | (56.80) |
| Weighted average number of equity share after considering potential equity shares | 516.39 |
| **Dilutive Earnings/ (Loss) per share (In Rs.)** | **(109.99)** |

**Willowprops Private Limited**
**Notes to financial statements for the period from September 25, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

**12 Disclosure in respect of related parties pursuant to Accounting Standard 18**

**a.**

| Name of the Party | Relationship |
|---|---|
| Kodur Amarendrajoysa Pallavi | Director |
| Birur Srinivasamurthy Bhagyalakshmi | Director |

**b. During the period following transactions were carried out with**

| Nature of Transaction | For the period from September 25, 2023 to March 31, 2024 |
|---|---|
| - Kodur Amarendrajoysa Pallavi | |
| *Issue of equity shares* | 5.00 |
| -Birur Srinivasamurthy Bhagyalakshmi | |
| *Issue of equity shares* | 5.00 |

**c. Balance payable /(receivable)**

| Balances at year end | March 31, 2024 |
|---|---|
| -Kodur Amarendrajoysa Pallavi | - |
| -Birur Srinivasamurthy Bhagyalakshmi | - |

**13 Analytical ratios**

| Particulars | March 31, 2024 | Reasons |
|---|---|---|
| (a) Current Ratio (in times)<br>= *Current Assets / Current Liabilities* | 0.17 | The Company was incorporated on September 25, 2023. Being its first year of incorporation, there are no comparitive ratios presented. |
| (b) Debt-Equity Ratio (in times)<br>= *Total Debt* [1] / *Shareholder's Equity* | - | |
| (c) Debt Service coverage Ratio (in times)<br>= *Earnings available for debt service* [2] / *Debt service* [3] | - | |
| (d) Return on Equity Ratio (in %)<br>= *Net Profit (after taxes)/ Average Shareholder's equity* | 242.74% | |
| (e) Inventory Turnover Ratio (in times)<br>=*Cost of Goods Sold / Average Inventory* | - | |
| (f) Trade Receivables turnover ratio (in times)<br>= *Net Sales / Average Accounts Receivable* | - | |
| (g) Trade Payables turnover ratio (in times)<br>= *Annual Net Credit Purchases / Average Accounts Payables* | - | |
| (h) Net Capital turnover ratio (in times)<br>= *Net Sales / Working Capital* [4] | - | |
| (i) Net Profit ratio (in %)<br>=*Net Profit after Tax / Sales* | - | |
| (j) Return on Capital Employed (in %)<br>=*Earnings before interest and taxes (EBIT) / Capital Employed* [5] | 121.37% | |
| (k) Return on investment (in %)<br>= *Return/Profit/Earnings from Investments/ / Average Investments* | - | |

[1] Current and Non Current Borrowings
[2] Net Profit after tax+ Depreciation+ Finance Cost
[3] Interest & Lease Payments + Principal Repayments
[4] Current Assets - Current Liabilities
(5) Tangible Networth+Total Debt+Deferred Tax Liability

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**14 Other Statutory information as required under schedule III of Companies Act 2013.**

i) The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

ii) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company has not availed Working capital demand loans against the security of its current assets.

v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

x) The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.

xi) The company is neither a Holding Company nor a Subsidiary, therefore the provisions relating to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been voluntarily surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax

**15** The Company does not any have any earnings and expenditure in foreign currency during the current period

**16** This being the first year, the financial statements have been prepared and presented for the period September 25, 2023 to March 31, 2024. Accordingly, no comparable figures have been presented.

**17 Events occurring after the balance sheet date**

Pursuant to the Draft Scheme Offer Document ("DOD") filed by Property Share Investment Trust ('the Trust') dated September 26, 2024 ") in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended or supplemented, read together with the circulars, guidelines, notifications and/or clarifications issued or framed thereunder ("SEBI REIT Regulations"), Propshare Platina, a first scheme of the Trust (the "Purchaser') proposes to purchase, and the existing shareholders of the company ('the Seller') proposes to sell to the Purchaser their complete shareholding in the company such that post such transfer, the Seller shall cease to hold the Shares in the company. Pursuant to this the Purchaser and the Seller will enter into securities purchase agreements wherein the Seller proposes to sell, and the Purchaser proposes to purchase securities in the manner stipulated in the securities purchase agreements.

The key terms of the securities purchase agreements are specified below:

Consideration: The purchase price of the Sale Shares shall be mutually agreed upon by the Purchaser and the Seller basis the valuation and other mechanism (face value or nominal value of equity shares as may be agreed) prescribed under the respective securities purchase agreements.

Representations and Warranties: The Seller and Purchaser represent and warrant inter alia the following:

i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

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**18** The board duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on **November 14, 2024**.

**19** a) The Company uses Tally Prime (edit log), accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility.
b) Pursuant to the Ministry of corporate affairs ("MCA") notification dated August 05, 2022 relating to maintenance of electronic books of accounts as per Rule 3 of the Companies (Accounts) rules, 2014 of section 128 of Companies Act, 2013, the Company maintains the data in electronic mode and the applications are accessible in India all times. Presently, the Company is not taking backup on a daily basis and books of accounts are stored in servers that are physically located in India.

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

**Vinay K S**
Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Willowprops Private Limited**

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
**Director**
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Srinivasamurthy Bhagyalaksh**
**Director**
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

WILLOWPROPS PRIVATE LIMITED

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# INDEPENDENT AUDITOR'S REPORT

**To the Members of Premiumbiz Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Premiumbiz Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and the Statement of Cash flows for the period September 26, 2023 to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and its cash flows for the period ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on adequacy and operating effectiveness of the entity's internal controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that the said order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company has not maintained daily back-up of its books of accounts maintained in electronic mode (Refer Note 21 to Financial Statements).

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2021.

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(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) This report does not include a report on the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls. Since, in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the company basis the exemption available to the company under MCA notification No. G.S.R. 583 (E) dated 13th June 2017, read with corrigendum dated July 13th, 2017 on reporting on internal financial controls over financial reporting;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contains any material misstatement.

v. The Company has neither declared nor paid any dividend during the Period.

vi. As stated in note 21 in accompanying financial statements, except for the period mentioned below, the company has used Tally Prime (edit log), accounting software for maintaining its books of accounts for the financial year ended on March 31, 2024 which has the feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with for said period.

a) The company has migrated from Tally Prime (edit Log) to another version and back from March 5, 2024 to March 13, 2024 and March 15, 2024 to April 15, 2024 during which we are unable to comment on implementation of audit trail.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

**Vinay K S**
Partner
Membership No. 223085

UDIN: 24223085BKENRO6414

Place: Bangalore
Date: 14th November 2024

**Premiumbiz Private Limited**
**CIN: U68100KA2023PTC179133**
**Balance Sheet as at March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | As at March 31, 2024 |
|---|---|---|
| **I.Equity and Liabilities** | | |
| **1.Shareholder's funds** | | |
| a) Share capital | 3 | 10.00 |
| b) Reserves and surplus | 4 | (82.18) |
| | | **(72.18)** |
| **2.Current liabilities** | | |
| a) Short term borrowings | 5 | 40.38 |
| b) Other current liabilities | 6 | 56.50 |
| | | **96.88** |
| **Total** | | **24.70** |
| **II.Assets** | | |
| **1.Current assets** | | |
| a) Cash and cash equivalents | 7 | 24.70 |
| | | **24.70** |
| **Total** | | **24.70** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

**Vinay K S**

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Premiumbiz Private Limited**

PREMIUMBIZ PRIVATE LIMITED

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

**Premiumbiz Private Limited**
**CIN: U68100KA2023PTC179133**
**Statement of Profit and Loss for the period from September 26, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | For the period from September 26, 2023 to Mar 31, 2024 |
|---|---|---|
| I.Revenue from operations | | - |
| II.Other income | | - |
| **III.Total Income (I+II)** | | - |
| **IV.Expenses** | | |
| Finance cost | 8 | 0.38 |
| Other expenses | 9 | 81.80 |
| **Total Expenses** | | **82.18** |
| **V.Profit / (Loss) before tax (III-IV)** | | **(82.18)** |
| **VI.Tax Expense** | | |
| Current tax | | - |
| Deferred Tax | | - |
| | | - |
| **VII.Profit / (Loss) after tax (V-VI)** | | **(82.18)** |
| **Loss per equity share (Face Value Rs.10/- per Equity Share)** | | |
| Basic and Diluted (in Rs.) (Face value Rs. 10) | 13 | **(159.99)** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statement | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Premiumbiz Private Limited**

PREMIUMBIZ PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S.

**Kodur Amarendrajoysa Pallavi**
Director
DIN:09649869

Place: Bengaluru
Date: 14/11/2024

**Birur Srinivasamurthy Bhagyalakshmi**
Director
DIN:09649868

Place: Bengaluru
Date: 14/11/2024

**Premiumbiz Private Limited**
**CIN: U68100KA2023PTC179133**
**Cash Flow Statement for the period from September 26, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | For the period from September 26, 2023 to Mar 31, 2024 |
|---|---|
| **Cash flow from operating activities** | |
| Profit / (Loss) before taxes | (82.18) |
| Add: | |
| Interest on Loan | 0.38 |
| **Operating Profit before Working Capital Changes** | (81.80) |
| ***Add: Working Capital Adjustments*** | |
| Increase / (decrease) in other current liabilities | 56.50 |
| **Cash generated from Operating activities before taxes** | **(25.30)** |
| Income-tax paid | - |
| **Net cash flow from / (used in) operating activities( A )** | **(25.30)** |
| **Cash flow from investing activities** | |
| Interest from fixed deposits | - |
| **Net cash flow from / (used in) investing activities( B )** | - |
| **Cash flow from financing activities** | |
| Proceeds from issue of equity shares | 10.00 |
| Loans Received | 40.00 |
| **Net cash flow from / (used in) financing activities( C )** | **50.00** |
| **Net increase in cash and cash equivalents(A+B+C)** | 24.70 |
| Cash and cash equivalents at the beginning of the period | - |
| **Cash and cash equivalents at the end of the period** | **24.70** |
| **Cash and cash equivalents (Refer note 7)** | |
| Balances with banks | 24.70 |
| Cash on hand | - |
| **Total cash and bank balances at end of the period** | **24.70** |
| Summary of significant accounting policies | 1-2 |
| The accompanying notes form an integral part of the financial statements. | 1-21 |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Premiumbiz Private Limited**

PREMIUMBIZ PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S.

| **Kodur Amarendrajoysa Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
|---|---|
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

**Premiumbiz Private Limited**
**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

1 **Corporate information**

Estapropfront Private Limited was incorporated on Sept 26, 2023 under the provisions of the Companies Act, 2013. The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. The registered office of the company is situated at 246Flat No 206 ShivaParadis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore South, Bangalore-560061, Karnataka. The company is yet to commence its commercial operations as at March 31, 2024

2 **Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules 2021. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Summary of significant accounting policies**

a. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

b. **Current & non current classification**

All assets and liabilities are classified into current and non-current.

***i) Assets***

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realized within 12 months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

***(ii) Liabilities***

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within 12 months after the reporting date; or

the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Operation cycle is considered as twelve months period.

Deferred Tax assets and liabilities are classified as non current assets and liabilities

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**Premiumbiz Private Limited**
**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

**c. Property plant and equipment**

**i. Property plant and equipment**

Property plant and equipment ('PPE') are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**ii. Investment Property**

An investment property is an investment in land or buildings that are not intended to be occupied substantially for use by, or in the operations of, the investing enterprise and is accounted as per the Cost model prescribed in AS -10

**d. Depreciation on property plant and equipment**

Depreciation on PPE is calculated on straight line basis using the following useful lives prescribed under Schedule II. Buildings (Other than factory buildings are depreciated over a period of 60 years.)

**e. Impairment**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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**f. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations (gross) is net of goods and service tax

**Interest income**

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate

**h. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

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**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**j. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash flow statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**m. Borrowing costs**

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

*(This space is intentionally left blank)*

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**Premiumbiz Private Limited**

**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 3 Share capital

**a) Authorized, issued , subscribed and paid up**

| Particulars | As at March 31, 2024 |
|---|---|
| **Authorized shares** | |
| 10,000 equity shares of Rs. 10/- each | 100.00 |
| **Issues, subscribed and paid-up shares** | |
| 1,000 equity shares of Rs. 10/- each | 10.00 |
| **Total Issued, Subscribed and fully paid up share capital** | **10.00** |

**b) Reconciliation of number of ordinary shares outstanding**

| Particulars | As at March 31, 2024 |
|---|---|
| As at beginning of the period | - |
| Add: Issue of shares during the period | 1,000 |
| **Closing** | **1,000** |

**c) Shareholders holding more than 5% of total shareholding**

| Name of the Shareholder | No of Shares | Percentage |
|---|---|---|
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**d) Terms /rights attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**e) Details of shareholding of promoters**

| Name of the Promoter | As at March 31, 2024 | |
|---|---|---|
| | No of Shares | % of Total Shares |
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

f) From the date of incorporation to the date as at which the Balance Sheet is prepared:

i) No shares were allotted as fully paid up without payment being received in cash

ii) No bonus shares were issued

iii) No shares were bought back

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Premiumbiz Private Limited

Notes to financial statements for the period from September 26, 2023 to March 31, 2024

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 4 Reserves and surplus

| Particulars | As at March 31, 2024 |
|---|---|
| **Surplus/(deficit) in the Statement of Profit or Loss** | |
| Opening balance | - |
| Add: Profit / (loss) for the period | (82.18) |
| **Closing balance** | **(82.18)** |

## 5 Short term borrowings

| Particulars | As at March 31, 2024 |
|---|---|
| Unsecured Loan | |
| -Other loans* | 40.38 |
| **Total** | **40.38** |

** The Board of Directors have approved the company to borrow loan not exceeding of Rs. 3,000.00 thousand in accordance of section 179 of the Company Act 2013 from time to time from Altinvest Online Platform Private Limited, formerly known as ("Propertyshare Online Platform Private Limited"). As at March 31, 2024, the company has borrowed Rs. 40.00 thousand which remained payable at year end along with interest accrued. The loan carries Interest of 7.22% p.a and repayable on demand.*

## 6 Other current liabilities

| Particulars | As at March 31, 2024 |
|---|---|
| Expenses payable | 51.50 |
| Statutory dues | 5.00 |
| **Total** | **56.50** |

## 7 Cash and cash equivalents

| Particulars | As at March 31, 2024 |
|---|---|
| Balance with banks | |
| -In current accounts | 24.70 |
| **Total** | **24.70** |

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## 8 Finance cost

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| Interest on loan | 0.38 |
| **Total** | **0.38** |

## 9 Other expenses

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| Payments to the auditor * | 50.00 |
| Legal and professional charges | 29.00 |
| Rates & taxes | 2.80 |
| **Total** | **81.80** |

*** Payments to the auditor is as follows :**

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| Statutory audit fees^ | 50.00 |
| **Total** | **50.00** |

^ *Excluding goods and service tax*

## 10 Commitments and contingent liabilities

As at the balance sheet date, the Company does not have any Capital commitments & Contingent liabilities.

## 11 Segment reporting

The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. Considering the business and financial reporting of the Company, the Company has only one business segment.

## 12 Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 13 Earnings/(Loss) per share

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| **Basic Earnings/ (Loss) per share** | |
| Profit/(Loss) attributable to equity shareholders | (82.18) |
| Weighted average number of shares | 513.66 |
| Basic Earnings/ (Loss) per share (In Rs.) | **(159.99)** |
| Face value per share (In Rs.) | 10.00 |
| **Dilutive Earnings/ (Loss) per share** | |
| Profit/(loss) after adjusting interest on potential equity shares | (82.18) |
| Weighted average number of equity share after considering potential equity shares | 513.66 |
| **Dilutive Earnings/ (Loss) per share (In Rs.)** | **(159.99)** |

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**Premiumbiz Private Limited**

**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

**14 Disclosure in respect of related parties pursuant to Accounting Standard 18**

**a.**

| Name of the Party | Relationship |
|---|---|
| Kodur Amarendrajoysa Pallavi | Director |
| Birur Srinivasamurthy Bhagyalakshmi | Director |

**b. During the period following transactions were carried out with**

| Nature of Transaction | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| - Kodur Amarendrajoysa Pallavi | |
| *Issue of equity shares* | 5.00 |
| -Birur Srinivasamurthy Bhagyalakshmi | |
| *Issue of equity shares* | 5.00 |

**c. Balance payable /(receivable)**

| Balances at year end | 31-Mar-24 |
|---|---|
| Kodur Amarendrajoysa Pallavi | - |
| Birur Srinivasamurthy Bhagyalakshmi | - |

**15 Analytical ratios**

| Particulars | March 31, 2024 | Reasons |
|---|---|---|
| (a) Current Ratio (in times)<br>= *Current Assets / Current Liabilities* | 0.25 | The Company was incorporated on September 26, 2023. Being its first year of incorporation, there are no comparitive ratios presented. |
| (b) Debt-Equity Ratio (in times)<br>= *Total Debt* [1] */ Shareholder's Equity* | (0.56) | |
| (c) Debt Service coverage Ratio (in times)<br>= *Earnings available for debt service* [2] */ Debt service* [3] | (215.83) | |
| (d) Return on Equity Ratio (in %)<br>= *Net Profit (after taxes)/ Average Shareholder's equity* | 227.71% | |
| (e) Inventory Turnover Ratio (in times)<br>=*Cost of Goods Sold / Average Inventory* | - | |
| (f) Trade Receivables turnover ratio (in times)<br>= *Net Sales / Average Accounts Receivable* | - | |
| (g) Trade Payables turnover ratio (in times)<br>= *Annual Net Credit Purchases / Average Accounts Payables* | - | |
| (h) Net Capital turnover ratio (in times)<br>= *Net Sales / Working Capital* [4] | - | |
| (i) Net Profit ratio (in %)<br>=*Net Profit after Tax / Sales* | - | |
| (j) Return on Capital Employed (in %)<br>=*Earnings before interest and taxes (EBIT) / Capital Employed* [5] | 113.85% | |
| (k) Return on investment (in %)<br>= *Return/Profit/Earnings from Investments) / Average Investments* | - | |

[1] Current and Non Current Borrowings

[2] Net Profit after tax+ Depreciation+ Finance Cost

[3] Interest & Lease Payments + Principal Repayments

[4] Current Assets - Current Liabilities

[5] Tangible Networth+Total Debt+Deferred Tax Liability

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**16 Other Statutory information as required under schedule III of Companies Act 2013.**

i) The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

ii) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company has not availed Working capital demand loans against the security of its current assets.

v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries)

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

x) The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.

xi) The company is neither a Holding Company nor a Subsidiary, therefore the provisions relating to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been voluntarily surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

17 The Company does not any have any earnings and expenditure in foreign currency during the current period.

18 This being the first year, the financial statements have been prepared and presented for the period September 26, 2023 to March 31, 2024. Accordingly, no comparable figures have been presented for any previous periods.

**19 Events occurring after the balance sheet date**

Pursuant to the Draft Scheme Offer Document ("DOD") filed by Property Share Investment Trust ('the Trust') dated September 26, 2024 ") in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended or supplemented, read together with the circulars, guidelines, notifications and/or clarifications issued or framed thereunder ("SEBI REIT Regulations"), Propshare Platina, a first scheme of the Trust (the "Purchaser") proposes to purchase, and the existing shareholders of the company ('the Seller') proposes to sell to the Purchaser their complete shareholding in the company such that post such transfer, the Seller shall cease to hold the Shares in the company. Pursuant to this the Purchaser and the Seller will enter into securities purchase agreements wherein the Seller proposes to sell, and the Purchaser proposes to purchase securities in the manner stipulated in the securities purchase agreements.

The key terms of the securities purchase agreements are specified below:

Consideration: The purchase price of the Sale Shares shall be mutually agreed upon by the Purchaser and the Seller basis the valuation and other mechanism (face value or nominal value of equity shares as may be agreed) prescribed under the respective securities purchase agreements.

Representations and Warranties: The Seller and Purchaser represent and warrant inter alia the following:
i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

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**20** The board duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on **November 14, 2024.**

**21** a) The Company uses Tally Prime (edit log) accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility. However, the company has migrated from existing software to another version and back from March 5, 2024 to March 13, 2024 and March 15, 2024 to March 31, 2024.

b) Pursuant to the Ministry of corporate affairs ("MCA") notification dated August 05, 2022 relating to maintenance of electronic books of accounts as per Rule 3 of the Companies (Accounts) rules, 2014 of section 128 of Companies Act, 2013, the Company maintains the data in electronic mode and the applications are accessible in India all times. Presently, the Company is not taking backup on a daily basis and books of accounts are stored in servers that are physically located in India.

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Premiumbiz Private Limited**

| | |
|---|---|
| **Kodur Amarendrajoysa Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
| Director | Director |
| DIN:09649869 | DIN:09649888 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

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# INDEPENDENT AUDITOR'S REPORT

**To the Members of Estapropfront Private Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **Estapropfront Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and the Statement of Cash flows for the period September 26, 2023 to March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and its cash flows for the period ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially

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misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on adequacy and operating effectiveness of the entity's internal controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we report that the said order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company has not maintained daily back-up of its books of accounts maintained in electronic mode (Refer Note 21 to Financial Statements).

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts.

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2021.

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(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) This report does not include a report on the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls. Since, in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the company basis the exemption available to the company under MCA notification No. G.S.R. 583 (E) dated 13th June 2017, read with corrigendum dated July 13th, 2017 on reporting on internal financial controls over financial reporting;

(g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company as it is a private limited company, and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact on its financial position in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. As per the Management Representation, we report:

a. No funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (a) and (b) by the management contains any material misstatement.

v. The Company has neither declared nor paid any dividend during the period.

vi. As stated in note 21(a) in accompanying financial statements and based on our examination which includes test checks, the company has used Tally Prime (edit log) accounting software for maintaining its books of accounts for the financial year ended on March 31, 2024 which has the feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For ASA & Associates LLP**
Chartered Accountants
Firm Registration No: 009571N/N500006

**Vinay K S**
Partner
Membership No. 223085

UDIN: 24223085BKENRN6481

Place: Bangalore
Date: 14th November 2024

**Estapropfront Private Limited**
**CIN: U68100KA2023PTC179134**
**Balance Sheet as at March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | As at March 31, 2024 |
|---|---|---|
| **I.Equity and Liabilities** | | |
| **1.Shareholder's funds** | | |
| a) Share capital | 3 | 10.00 |
| b) Reserves and surplus | 4 | (82.18) |
| | | **(72.18)** |
| **2.Current liabilities** | | |
| a) Short term borrowings | 5 | 40.38 |
| b) Other current liabilities | 6 | 56.50 |
| | | **96.88** |
| **Total** | | **24.70** |
| **II.Assets** | | |
| **1.Current assets** | | |
| a) Cash and cash equivalents | 7 | 24.70 |
| | | **24.70** |
| **Total Assets** | | **24.70** |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statem | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Estapropfront Private Limited**

ESTAPROPFRONT PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S.

| Kodur Amarendrajoysa **Pallavi** | Birur Srinivasamurthy **Bhagyalakshmi** |
|---|---|
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

**Estapropfront Private Limited**
**CIN: U68100KA2023PTC179134**
**Statement of Profit and Loss for the period from September 26, 2023 to March 31, 2024**
*(-All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | Notes | For the period from September 26, 2023 to March 31, 2024 |
|---|---|---|
| I.Revenue from operations | | - |
| II.Other income | | - |
| **III.Total Income (I+II)** | | - |
| **IV.Expenses** | | |
| Finance cost | 8 | 0.38 |
| Other expenses | 9 | 81.80 |
| **Total Expenses** | | 82.18 |
| **V.Profit / (Loss) before tax (III-IV)** | | (82.18) |
| **VI.Tax Expense** | | |
| Current tax | | - |
| Deferred Tax | | - |
| | | - |
| **VII.Profit / (Loss) after tax (V-VI)** | | (82.18) |
| **Earnings/(Loss) Per Share (Face Value Rs.10/- per Equity Share)** | | |
| -Basic and Diluted (in Rs.) (Face value Rs. 10) | 13 | (159.99) |
| Summary of significant accounting policies | 1-2 | |
| The accompanying notes form an integral part of the financial statements. | 1-21 | |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S
Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Estapropfront Private Limited**

ESTAPROPFRONT PRIVATE LIMITED

Pallavi Bhagyalakshmi .B.S.

| **Kodur Amarendrajoysa Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
|---|---|
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

**Estapropfront Private Limited**
**CIN: U68100KA2023PTC179134**
**Cash Flow Statement for the period from September 26, 2023 to March 31, 2024**
*(-All amounts are in Indian rupee thousands, unless otherwise stated)*

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| **Cash flow from operating activities** | |
| Profit / (Loss) before taxes | (82.18) |
| Add: | |
| Interest on Loan | 0.38 |
| **Operating Profit before Working Capital Changes** | (81.80) |
| | |
| ***Add: Working Capital Adjustments*** | |
| Increase / (decrease) in other current liabilities | 56.50 |
| **Cash generated from Operating activities before taxes** | **(25.30)** |
| Income-tax paid | - |
| **Net cash flow from / (used in) operating activities( A )** | **(25.30)** |
| | |
| **Cash flow from investing activities** | |
| Interest from fixed deposits | - |
| **Net cash flow from / (used in) investing activities( B )** | **-** |
| | |
| **Cash flow from financing activities** | |
| Proceeds from issue of equity shares | 10.00 |
| Loans Received | 40.00 |
| **Net cash flow from / (used in) financing activities( C )** | **50.00** |
| | |
| **Net increase in cash and cash equivalents(A+B+C)** | 24.70 |
| Cash and cash equivalents at the beginning of the period | - |
| **Cash and cash equivalents at the end of the period** | **24.70** |
| | |
| **Cash and cash equivalents (Refer note 7)** | |
| Balances with banks | 24.70 |
| Cash on hand | - |
| **Total cash and bank balances at end of the period** | **24.70** |

| | |
|---|---|
| Summary of significant accounting policies | 1-2 |
| The accompanying notes form an integral part of the financial statements. | 1-21 |

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Estapropfront Private Limited**

ESTAPROPFRONT PRIVATE LIMITED

Pallavi Bhagyalakshmi.B.S

| | |
|---|---|
| **Kodur Amarendrajoysa Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

**Estapropfront Private Limited**
**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

1 **Corporate Information**

Estapropfront Private Limited was incorporated on Sept 26, 2023 under the provisions of the Companies Act, 2013. The Company is engaged in the business of renting , management and sale of properties for Capital appreciation. The registered office of the company is situated at 246Flat No 206 Shiva Paradis, Subramanyapura Uttarahalli, Subramanyapura, Bangalore South, Bangalore-560061, Karnataka. The company is yet to commence its commercial operations as at March 31, 2024

2 **Basis of preparation**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules 2021. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Summary of significant accounting policies**

a. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively.

b. **Current & non current classification**

All assets and liabilities are classified into current and non-current.

***i) Assets***

An asset is classified as current when it satisfies any of the following criteria:

1) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is expected to be realized within 12 months after the reporting date; or
4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

***(ii) Liabilities***

A liability is classified as current when it satisfies any of the following criteria:

1) It is expected to be settled in the company's normal operating cycle;
2) It is held primarily for the purpose of being traded;
3) It is due to be settled within 12 months after the reporting date; or
4) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification.

Operation cycle is considered as twelve months period.

Deferred Tax assets and liabilities are classified as non current assets and liabilities

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**Estapropfront Private Limited**
**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

**c. Property Plant and Equipment**

**i. Property plant and equipment**

Property plant and equipment ('PPE') are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of PPE which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**ii. Investment Property**

**d. Depreciation on property plant and equipment**

Depreciation on PPE is calculated on straight line basis using the following useful lives prescribed under Schedule II. Buildings (Other than factory buildings are depreciated over a period of 60 years.)

**e. Impairment**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

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On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**g. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations (gross) is net of goods and service tax

**Interest Income**

Income is recognised on a time proportion basis taking into account the amount outstanding and the rate

**h. Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company reassesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

**i. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

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For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**j. Provisions**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the

**k. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l. Cash flow statements**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash future, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**m. Borrowing costs**

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.

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ASA & Associates LLP
Chartered Accountants

**Estapropfront Private Limited**
**CIN: U68100KA2023PTC179134**
**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

3 Share capital

**a) Authorized, issued , subscribed and paid up**

| Particulars | As at March 31, 2024 |
|---|---|
| **Authorized shares** | |
| 10,000 equity shares of Rs. 10/- each | 100.00 |
| **Issues, subscribed and paid-up shares** | |
| 1,000 equity shares of Rs. 10/- each | 10.00 |
| **Total Issued, Subscribed and fully paid up share capital** | **10.00** |

**b) Reconciliation of number of ordinary shares outstanding**

| Particulars | As at March 31, 2024 |
|---|---|
| As at beginning of the period | - |
| Add: Issue of shares during the period | 1,000 |
| **Closing** | **1,000** |

**c) Shareholders holding more than 5% of total shareholding**

| Name of the Shareholder | No of Shares | Percentage |
|---|---|---|
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

**d) Terms /rights attached to equity shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

**e) Details of shareholding of promoters**

| Name of the Promoter | As at March 31, 2024 | |
|---|---|---|
| | No of Shares | % of Total Shares |
| Kodur Amarendrajoysa Pallavi | 500 | 50.00% |
| Birur Srinivasamurthy Bhagyalakshmi | 500 | 50.00% |
| **Total** | **1,000** | **100.00%** |

f) From the date of incorporation to the date as at which the Balance Sheet is prepared:
i) No shares were allotted as fully paid up without payment being received in cash
ii) No bonus shares were issued
iii) No shares were bought back

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**Estapropfront Private Limited**
**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**
*(All amounts are in Indian rupee thousands, unless otherwise stated)*

## 4 Reserves and surplus

| Particulars | As at March 31, 2024 |
|---|---|
| **Surplus/(deficit) in the Statement of Profit or Loss** | - |
| Opening balance | - |
| Add: Profit / (loss) for the period | (82.18) |
| **Closing balance** | **(82.18)** |

## 5 Short term borrowings

| Particulars | As at March 31, 2024 |
|---|---|
| Unsecured loan | |
| -Other loans* | 40.38 |
| **Total** | **40.38** |

** The Board of Directors have approved the company to borrow loan not exceeding of Rs. 3,000.00 thousand in accordance with section 179 of the Company Act 2013 from time to time from Altinvest Online Platform Private Limited, formerly known as ("Propertyshare Online Platform Private Limited"). As at March 31, 2024, the company has borrowed Rs. 40.00 thousand which remained payable at year end including interest accrued. The loan carries Interest of 7.22% p.a and repayable on demand.*

## 6 Other current liabilities

| Particulars | As at March 31, 2024 |
|---|---|
| Expenses Payable | 51.50 |
| Statutory dues | 5.00 |
| **Total** | **56.50** |

## 7 Cash and cash equivalents

| Particulars | As at March 31, 2024 |
|---|---|
| Balance with banks | |
| -In current accounts | 24.70 |
| **Total** | **24.70** |

## 8 Finance cost

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| Interest on loan | 0.38 |
| **Total** | **0.38** |

## 9 Other expenses

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| Payments to the auditor * | 50.00 |
| Legal and professional charges | 29.00 |
| Rates & taxes | 2.80 |
| **Total** | **81.80** |

*** Payments to the auditor is as follows :**

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| Statutory audit fees^ | 50.00 |
| **Total** | **50.00** |

^*Excluding goods and service tax*

## 10 Commitments and contingent liabilities

As at the balance sheet date, the Company does not have any capital commitments & contingent liabilities.

## 11 Segment reporting

The Company is engaged in the business of renting , management and sale of properties for Capital appreciation.Considering the business and financial reporting of the Company, the Company has only one business segment.

## 12 Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

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## 13 Earnings/(Loss) per share

| Particulars | For the period from September 26, 2023 to March 31, 2024 |
|---|---|
| **Basic Earnings/ (Loss) per share** | |
| Profit/(Loss) attributable to equity shareholders | (82.18) |
| Weighted average number of shares | 513.66 |
| Basic Earnings/(Loss) per share (In Rs.) | **(159.99)** |
| Face value per share (In Rs.) | 10.00 |
| **Dilutive Earnings/(Loss) per share** | |
| Profit/(loss) after adjusting interest on potential equity shares | (82.18) |
| Weighted average number of equity share after considering potential equity shares | 513.66 |
| **Dilutive Earnings/(Loss) per share (In Rs.)** | **(159.99)** |

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**Estapropfront Private Limited**

**Notes to financial statements for the period from September 26, 2023 to March 31, 2024**

*(All amounts are in Indian rupee thousands, unless otherwise stated)*

**14 Disclosure in respect of related parties pursuant to Accounting Standard 18**

a.

| Name of the Party | Relationship |
|---|---|
| Kodur Amarendrajoysa Pallavi | Director |
| Birur Srinivasamurthy Bhagyalakshmi | Director |

b. **During the period following transactions were carried out with related parties in the ordinary course of business:**

| Nature of Transaction | from September 26, 2023 to March 31, 2024 |
|---|---|
| - Kodur Amarendrajoysa Pallavi<br>*Issue of equity shares* | 5.00 |
| -Birur Srinivasamurthy Bhagyalakshmi<br>*Issue of equity shares* | 5.00 |

c. **Balance payable /(receivable)**

| Balances at year end | March 31, 2024 |
|---|---|
| Kodur Amarendrajoysa Pallavi | - |
| Birur Srinivasamurthy Bhagyalakshmi | - |

**15 Analytical ratios**

| Particulars | March 31, 2024 | Reasons |
|---|---|---|
| (a) Current Ratio (in times)<br>= *Current Assets / Current Liabilities* | 0.25 | The Company was incorporated on September 26, 2023. Being its first year of incorporation, there are no comparitive ratios presented. |
| (b) Debt-Equity Ratio (in times)<br>= *Total Debt* [1] */ Shareholder's Equity* | (0.56) | |
| (c) Debt Service coverage Ratio (in times)<br>= *Earnings available for debt service* [2] */ Debt service* [3] | (215.83) | |
| (d) Return on Equity Ratio (in %)<br>= *Net Profit (after taxes)/ Average Shareholder's equity* | 227.71% | |
| (e) Inventory Turnover Ratio (in times)<br>=*Cost of Goods Sold / Average Inventory* | - | |
| (f) Trade Receivables turnover ratio (in times)<br>= *Net Sales / Average Accounts Receivable* | - | |
| (g) Trade Payables turnover ratio (in times)<br>= *Annual Net Credit Purchases / Average Accounts Payable* | - | |
| (h) Net Capital turnover ratio (in times)<br>= *Net Sales / Working Capital* [4] | - | |
| (i) Net Profit ratio (in %)<br>=*Net Profit after Tax / Sales* | - | |
| (j) Return on Capital Employed (in %)<br>=*Earnings before interest and taxes (EBIT) / Capital Employed* [5] | 113.85% | |
| (k) Return on investment (in %)<br>= *(Return/Profit/Earnings from Investments) / Average Investments* | - | |

[1] Current and Non Current Borrowings

[2] Net Profit after tax+ Depreciation+ Finance Cost

[3] Interest & Lease Payments + Principal Repayments

[4] Current Assets - Current Liabilities

[5] Tangible Networth+Total Debt+Deferred Tax Liability

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**16 Other Statutory information as required under schedule III of Companies Act 2013.**

i) The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

ii) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iii) As per the information available with the Company, Company has not transacted with any companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

iv) The company has not availed Working capital demand loans against the security of its current assets.

v) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate

b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

x) The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.

xi) The company is neither a Holding Company nor a Subsidiary, therefore the provisions relating to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

xii) The Company does not have any such transaction which is not recorded in the books of accounts that has been voluntarily surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

17 The Company does not any have any earnings and expenditure in foreign currency during the current period

18 This being the first year, the financial statements have been prepared and presented for the period September 26, 2023 to March 31, 2024. Accordingly, no comparable figures have been presented for any previous periods.

**19 Events occurring after the balance sheet date**

Pursuant to the Draft Scheme Offer Document ("DOD") filed by Property Share Investment Trust ('the Trust') dated September 26, 2024 ") in accordance with the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended or supplemented, read together with the circulars, guidelines, notifications and/or clarifications issued or framed thereunder ("SEBI REIT Regulations"), Propshare Platina, a first scheme of the Trust (the "Purchaser") proposes to purchase, and the existing shareholders of the company ('the Seller') proposes to sell to the Purchaser their complete shareholding in the company such that post such transfer, the Seller shall cease to hold the Shares in the company. Pursuant to this the Purchaser and the Seller will enter into securities purchase agreements wherein the Seller proposes to sell, and the Purchaser proposes to purchase securities in the manner stipulated in the securities purchase agreements.

The key terms of the securities purchase agreements are specified below:

Consideration: The purchase price of the Sale Shares shall be mutually agreed upon by the Purchaser and the Seller basis the valuation and other mechanism (face value or nominal value of equity shares as may be agreed) prescribed under the respective securities purchase agreements.

Representations and Warranties: The Seller and Purchaser represent and warrant inter alia the following:

i) It has full corporate power and absolute authority to execute, deliver and perform the securities purchase agreements;

(ii) The execution, delivery and performance of the securities purchase agreements hereunder does not violate any statute, regulation, rule, order, decree, injunction or other restriction of any governmental entity, court or tribunal to which it is subject, or any of the provisions of its memorandum and articles of association; and

(iii) The execution of the securities purchase agreements and the implementation of the transactions contemplated hereby do not constitute a breach of any agreement, arrangement or understanding, oral or written, entered into by it with any third party.

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**20** The board duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on **November 14, 2024**.

**21** a) The Company uses Tally Prime (edit log), accounting software for maintaining books of account which has a feature of recording audit trail (edit log)

b) Pursuant to the Ministry of corporate affairs ("MCA") notification dated August 05, 2022 relating to maintenance of electronic books of accounts as per Rule 3 of the Companies (Accounts) rules, 2014 of section 128 of Companies Act, 2013, the Company maintains the data in electronic mode and the applications are accessible in India all times. Presently, the Company is not taking backup on a daily basis and books of accounts are stored in servers that are physically located in India.

As per our report of even date
**For ASA & Associates LLP**
Chartered Accountants
FRN: 009571N/N500006

Vinay K S

Partner
Membership No.: 223085

Place: Bengaluru
Date: 14/11/2024

For and on behalf of the Board of Directors of
**Estapropfront Private Limited**

Pallavi Bhagyalakshmi.B.S.

| | |
|---|---|
| **Kodur Amarendrajoyna Pallavi** | **Birur Srinivasamurthy Bhagyalakshmi** |
| Director | Director |
| DIN:09649869 | DIN:09649868 |
| Place: Bengaluru | Place: Bengaluru |
| Date: 14/11/2024 | Date: 14/11/2024 |

ESTAPROPFRONT PRIVATE LIMITED