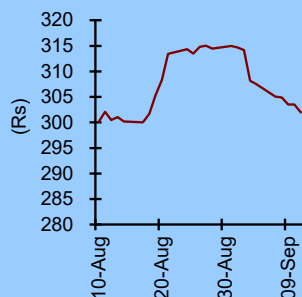


Initiating coverage

## Real Estate

Target price Rs358

## Price chart



## INDIA

## Mindspace Business Parks REIT

BUY

## Building a strong edifice

Rs302

We initiate coverage on Mindspace Business Parks REIT with a BUY rating based on March 2022 DCF based target price of Rs358/unit. The REIT has a stabilised rent-yielding office portfolio spread across Hyderabad, Mumbai Metropolitan Region, Pune and Chennai. With 92% committed occupancy and in-place rent of just Rs52/psf/month, we like the company given 16% NOI CAGR over FY20-23E, a resilient leasing cycle for office assets in India's tier I cities and low leverage of 0.2x net debt/equity which leaves headroom for injection of new assets in the REIT portfolio. At CMP of Rs302, we estimate NDCF yield of ~7% over FY22-23E of which over 90% is estimated to consist of tax-free dividends. Key risk to our thesis is the large-scale adoption of Work-from-Home by occupiers over the long term.

- ▶ **Quality asset portfolio in tier I office markets:** Mindspace Business Parks REIT owns five integrated business parks and five quality independent office assets across India with 23.0msf of completed leasable area, 2.8msf of under construction area and 3.7msf of future development pipeline. The portfolio is stabilized with 92.0% Committed Occupancy and a Weighted Average Lease Expiry (WALE) of 5.8 years. Of the total asset portfolio, 41% of the office space is located in Mumbai Metropolitan Region, 39% in Hyderabad, 17% in Pune and 3% in Chennai. Mindspace REIT has 172 tenants with top 10 occupiers contributing 42% of gross contracted rentals. The technology (44%) and financial services sectors (22%) account for majority of tenants.
- ▶ **Strong NOI growth CAGR of 16% over FY20-23E:** We expect Mindspace REIT's Net Operating Income (NOI) to grow at a 16% CAGR over FY20-23E based on the expected ramp up in occupancies in existing assets, ~3msf of under construction assets coming on stream and annual rental escalations (4-5% annual escalation in existing contracts) and mark-up of leases which are expiring. This excludes any injection of RoFo assets. The REIT has reported resilient rental collections of 95-99% in the March-May 2020 period post onset of COVID-19 (in line with listed peers) and has leased 0.7msf of area (of which 40.5% was leased to its existing tenants and 59.5% was leased to new tenants).
- ▶ **India's long term advantages remain as a high-quality office hub:** While COVID-19 will likely impact FY21 leasing activity, our view is that the Indian office market retains many positives such as: 1) Limited number of 8-10 pan-India developers capable of building quality rental assets; 2) India remains one of the more affordable office markets in the world, with average rentals for Grade A office markets in peripheral/suburban markets hovering around 1 USD/psf/month or Rs70-75/psf/month; 3) India leads in STEM (Science, Technology, Engineering, Mathematics) talent for technology assignments with over 2 million students graduating every year.

Market Cap	Rs179bn/US\$2.4bn	Year to Mar	FY20	FY21E	FY22E	FY23E
Bloomberg	MINDSPCE IN	Revenue (Rs bn)	17.7	16.6	20.7	23.4
Shares Outstanding (mn)	593.0	Adjusted PAT (Rs bn)	4.7	7.8	7.2	7.9
52-week Range (Rs)	315/275	EPU (Rs)	-	13.1	12.1	13.3
Free Float (%)	NA	NDCF (Rs bn)	NM	5.6*	12.1	12.8
FII (%)	NA	P/E (x)	-	23.0	24.9	22.7
Daily Volume (US\$'000)	NA	P/B (x)	-	1.1	1.1	1.2
Absolute Return 3m (%)	NA	Net D/E (x)	3.4	0.2	0.3	0.4
Absolute Return 12m (%)	NA	Distribution yield (%)	-	6.3*	6.7	7.1
Sensex Return 3m (%)	16.5	RoCE (%)	-	6.4	6.8	7.5
Sensex Return 12m (%)	5.4	RoE (%)	-	4.7	4.4	5.0

\*For 6 months in FY21 from Oct 2020 to Mar 2021

## Research Analyst:

Adhidev Chattopadhyay

adhudev.chattopadhyay@icicisecurities.com

+91 22 6637 7451

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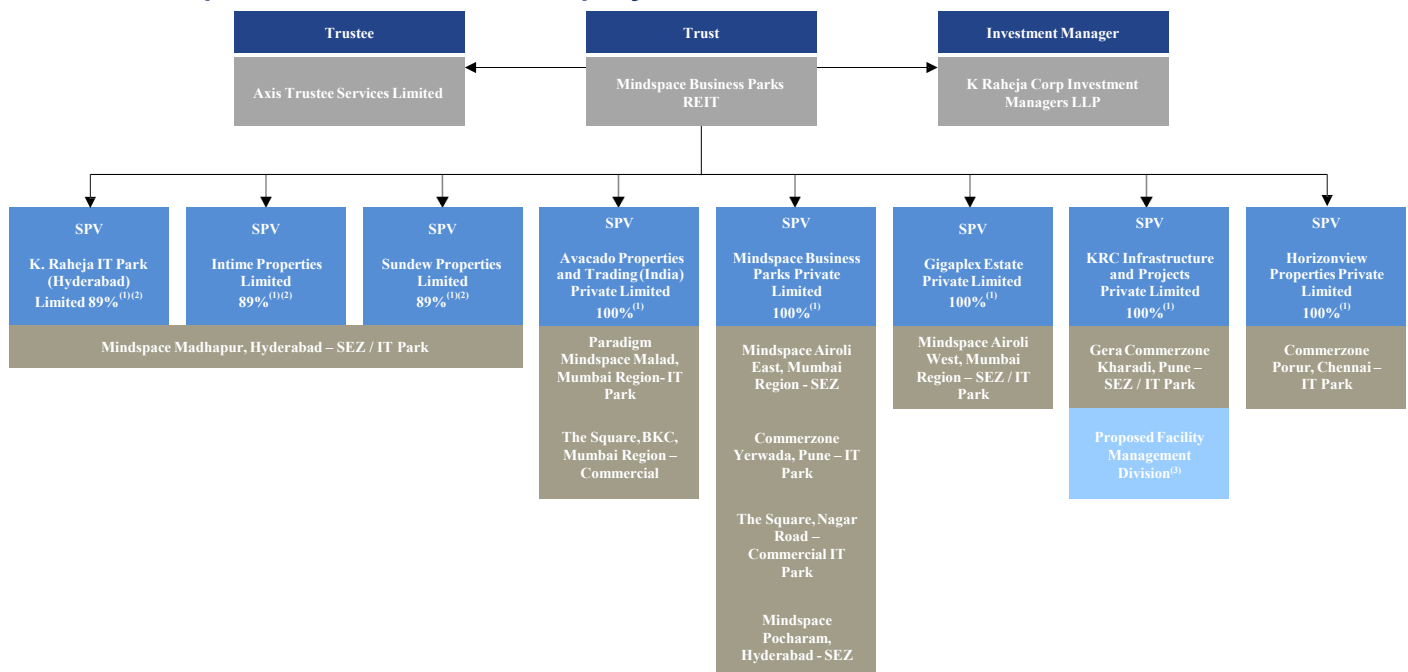
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## Company Profile

Mindspace Business Parks REIT owns five integrated business parks and five quality independent office assets across India with 23.0msf of completed leasable area, 2.8msf of under construction and 3.7msf of Future development pipeline. As of 31 March 2020, the Portfolio is stabilized with 92.0% Committed Occupancy and a Weighted Average Lease Expiry (WALE) of 5.8 years. It was listed on August 7, 2020.

Mindspace REIT is sponsored by the KRC Group (K Raheja Corp.), a prominent real-estate development and retail business group, with experience of over four decades in developing and operating assets across commercial, hospitality, retail, malls and residential segments). The KRC Group has acquired and/or developed properties across various businesses, entailing approximately 28.5msf of commercial real estate, six operational malls, 2,554 operational hotel keys and residential projects across five cities in India as of March 31, 2020. These entities include Chalet Hotels, Inorbit Malls, Shoppers Stop outlets and KRCPL. KRC Group holds 63.2% of Mindspace Business Parks REIT.

**Chart 1: Mindspace Office Parks REIT Company Structure**



Source: Company, I-sec research, 11% shareholding in Mindspace Madhapur is held by APIIC, KRC Infra will commence facility management division with effect from the first day of the quarter following listing of Units on the Stock Exchanges under the brand name “CAMPLUS”. “CAMPLUS” is owned by Newfound (a KRC group company) and KRC Infra is a permitted user of the brand

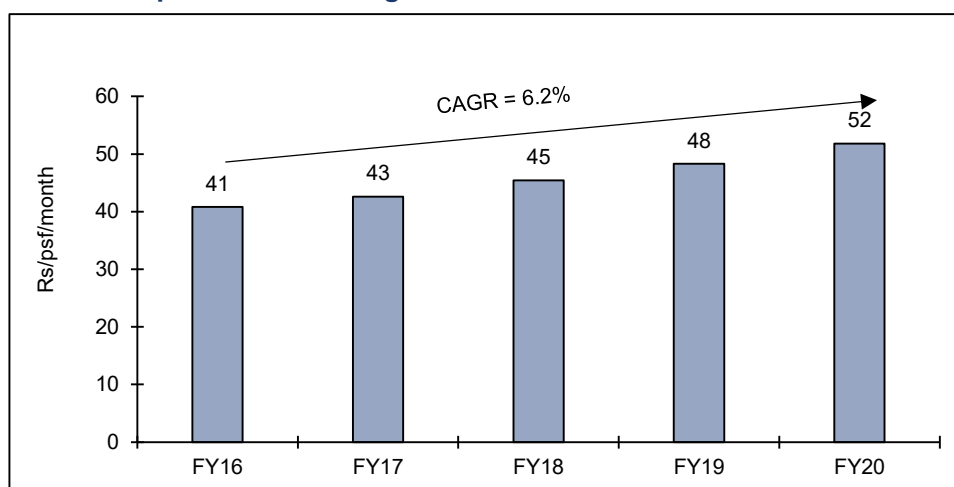
## Overview of Assets

**Table 1: Mindspace Business Parks REIT Asset Portfolio**

Portfolio	Type of Asset	Total Leasable Area (msf)	Committed Occupancy (%)	WALE (years)	FY20 Revenue (Rs mn)	In-Place Rent (Rs/psf/month)	Market Rent (Rs/psf/month)	MTM (%)
<b>Mumbai Region:</b>		<b>12.1</b>	<b>86.5%</b>	<b>5.7</b>	<b>6,600</b>			
Mindspace Airoli East	Business Park	6.8	98.0%	4.8	3,569	49.0	57.1	16.6%
Mindspace Airoli West	Business Park	4.5	72.3%	8.1	2,269	53.5	53.5	-
Paradigm Mindspace Malad	Independent Office	0.7	93.8%	3.3	762	86.1	88.8	3.1%
The Square, BKC	Independent Office	0.1	-	-	-	-	-	-
<b>Hyderabad:</b>		<b>11.6</b>	<b>97.4%</b>	<b>5.5</b>	<b>6,237</b>			
Mindspace Madhapur	Business Park	10.6	97.6%	5.6	6,107	48.3	64.9	34.4%
Mindspace Pocharam	Independent Office	1.0	92.4%	2.9	130	20.5	25.8	25.8%
<b>Pune:</b>		<b>5.0</b>	<b>90.0%</b>	<b>7.0</b>	<b>4,823</b>			
Commerzone Yerwada	Business Park	1.7	99.9%	5.6	1,611	55.3	77.2	39.7%
Gera Commerzone Kharadi	Business Park	2.6	71.3%	10.9	2,296	68.8	72.4	5.1%
The Square, Nagar Road	Independent Office	0.7	100.0%	5.5	916	61.3	79.6	29.9%
<b>Chennai:</b>		<b>0.8</b>	<b>-</b>	<b>-</b>	<b>-</b>			
Commerzone Porur	Independent Office	0.8	-	-	-	-	-	-
Facility Management Division	-	-	-	-	-	-	-	-
<b>Total</b>		<b>29.5</b>	<b>92.0%</b>	<b>5.8</b>	<b>17,660</b>	<b>51.8</b>	<b>63.5</b>	<b>22.6%</b>

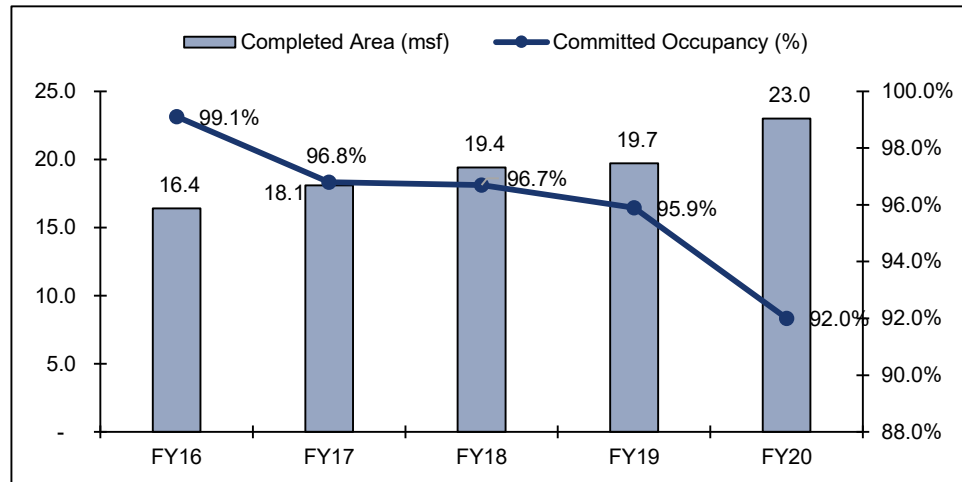
Source: Company, I-sec research, WALE = Weighted Average Lease Expiry

**Chart 2: In-place rents have grown at 6.2% CAGR over FY16-20**



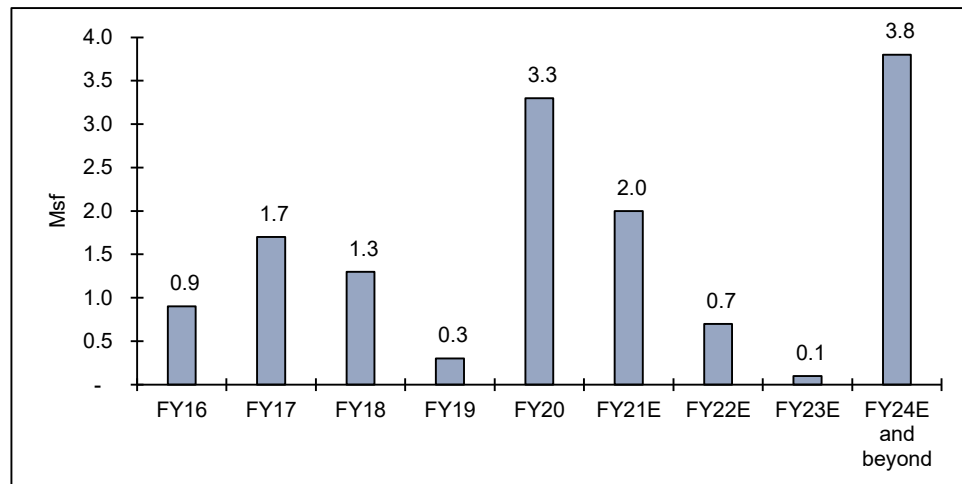
Source: Company, I-Sec Research

**Chart 3: Portfolio occupancy of over 90% over FY16-20**



Source: Company, I-Sec Research

**Chart 4: Historical Development and Expansion**



Source: Company, I-Sec Research

## High quality tenants in key office markets

Mindspace Business Parks REIT owns five integrated business parks and five quality independent office assets across India with 23.0msf of completed leasable area and under construction and development pipeline of 6.5msf. As of 31 March 2020, the Portfolio is stabilized with 92.0% Committed Occupancy and a Weighted Average Lease Expiry (WALE) of 5.8 years.

Of the total asset portfolio, 41% of the office space is located in the Mumbai Metropolitan Region, mainly in two large integrated business parks in Airoli East and Airoli West in the Thane-Belapur micro-market in Navi Mumbai. Another 39% is located in the Hyderabad, mainly in the Madhapur micro-market with another 17% of area in Pune and 3% in Chennai. Further, of the total development potential of 29.5msf in office assets, ~78% is already operational with an overall occupancy of 92.0% and in-place rent of Rs52/psf/month across the operational portfolio.

**Chart 5: Geographical Breakup of Mindspace REIT Offices**



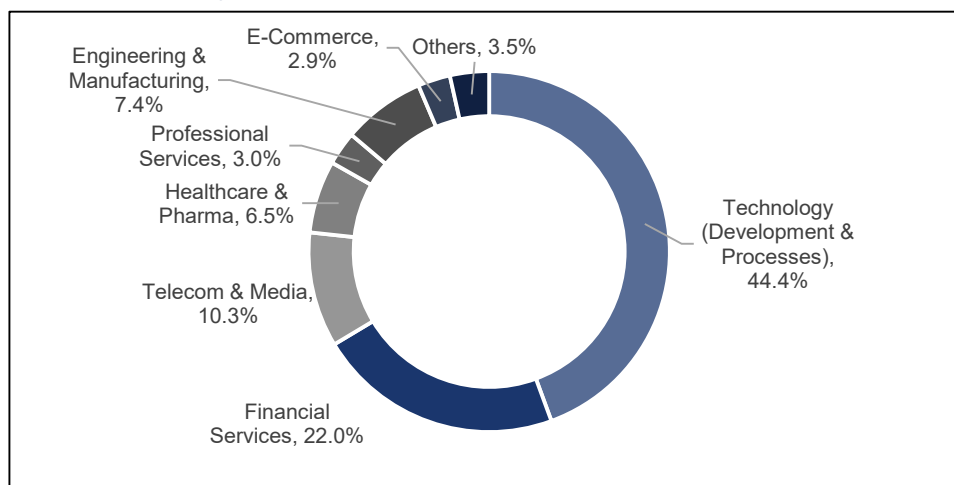
Source: Company I-Sec Research

## Strong tenant base across sectors

As of March 31, 2020, Mindspace REIT has a well-diversified tenant portfolio across sectors with the technology sector (44%) and financial services (22%) accounting for majority of the tenants across its office parks.

Mindspace REIT has 172 tenants, with a weighted average lease expiry (WALE) period of 5.8 years, and is well-diversified with no single tenant contributing more than 7.7% of rentals, thereby offering stability to the portfolio. Approximately 84.9% of rentals are attributable to MNCs and 39.4% to Fortune 500 companies.

**Chart 6: Industry Wise Tenant Breakup**



Source: Company, I-Sec Research

Further, as of March 31, 2020, the top 10 tenants accounted for 42% of overall gross contracted rentals which includes a number of MNCs such as Accenture, Qualcomm, BA Continuum, JP Morgan, Amazon, Schlumberger, UBS, Capgemini, Facebook, Barclays and BNY Mellon.

**Table 2: Top 10 clients form 42% of gross rentals**

Tenant Name	Sector	Occupied Area (msf)	% of Gross Contracted Rentals
Accenture	Technology	1.9	7.7%
Qualcomm	Telecom & Media	1.0	5.3%
Business and technology services company	Technology	1.2	5.1%
Barclays	Financial Services	0.7	5.0%
IT solutions and services company	Technology	0.9	4.5%
BA Continuum	Financial Services	0.6	3.0%
Schlumberger	Engineering & Manufacturing	0.3	2.9%
JP Morgan	Financial Services	0.5	2.9%
Amazon	E-Commerce	0.5	2.9%
UBS	Financial Services	0.5	2.4%
<b>Total</b>		<b>8.2</b>	<b>41.6%</b>

Source: Company, I-Sec Research

## Experienced sponsors and Governing Board

**Sponsor Group:** Mindspace REIT is sponsored by the KRC Group (K Raheja Corp.), a prominent real-estate development and retail business group, with experience of over four decades in developing and operating assets across commercial, hospitality, retail, malls and residential segments). The KRC Group has acquired and/or developed properties across various businesses, entailing approximately 28.5msf of commercial real estate, six operational malls, 2,554 operational hotel keys and residential projects across five cities in India as of March 31, 2020. These entities include Chalet Hotels, Inorbit Malls, Shoppers Stop outlets and KRCPL. KRC Group holds 63.2% of Mindspace Business Parks REIT.

**REIT Manager and the Board:** K Raheja Corp Investment Managers LLP has been appointed as the Manager of Mindspace REIT, with Mr. Ravi C Raheja and Mr. Neel C Raheja as the partners of the Manager. The Manager is required to 1) manage the assets and investments of Mindspace REIT, 2) render investment management services; 3) undertake operational and administrative activities of Mindspace REIT; and 4) cause the issuance and listing of the units on Stock Exchanges. The Board is comprised of 6 directors, of who half are independent. The non-independent directors comprise 3 board seats – 2 for the KRC Group and 1 for Blackstone. There is one woman independent director on the Board.

**Table 3: Mindspace REIT’s Governing Board of Directors**

Director	Designation	Profile
Mr. Ravi Raheja	Non-Independent Member	Group President of the sponsor KRC Group. Has over 23 years work experience across real estate, retail and the hospitality industry.
Mr. Neel Raheja	Non-Independent Member	Group President of the sponsor, KRC Group. Has over 21 years of work experience across real estate, retail and the hospitality industry. Has played a key role in the organisation’s presence in retail brands, namely Shoppers Stop, Inorbit Mall and Crossword
Mr. Alan Miyasaki	Non-Independent Member	He is the senior managing director and head of real estate Asia acquisitions, in Blackstone, Singapore, and has played a key role in building Blackstone’s real estate business in Asia including executing investments in Greater China, India, Singapore, Japan and Australia.
Mr. Deepak Ghaisas	Independent Member	He is on the board of Gencoval Strategic Services Pvt and also the chairman of Stemade Biotech Pvt. He currently serves as a member on the board of governors of IIT Kanpur and the chairperson on the board of governors of IIITD, Jabalpur.
Ms. Manisha Girotra	Independent Member	She is the CEO of Moelis & Company in India. Was previously associated with UBS Securities India, and is currently a director on the boards of Ashok Leyland, Jio Payments Bank Limited and Naspers.
Mr. Bobby Parikh	Independent Member	Several years of experience in advising clients on business model identification, mergers and acquisitions, and business re-organisation.

Source: Company, I-Sec Research



**Table 4: Mindspace REIT - Key personnel of the Manager**

Director	Designation	Profile
Mr. Vinod Rohira	CEO	Began his career at KRC and instrumental in the growth of the commercial portfolio and has over 20 years' experience in the real estate industry CA, CS and CFA; associated with the KRC Group for 12 years and previously worked with Marico, Shell Gas (LPG) India and Cairn Energy India. He currently leads leasing for the commercial business of the KRC group. He has over 20 years of experience in account management, transaction management, brokerage and commercial leasing for some of India's reputed real estate brands. Several years of experience in advising clients on business model identification, mergers and acquisitions, and business re-organisation.
Ms. Preeti Chheda	CFO	
Mr. Sudarshan Malpani	Senior VP, Leasing	
Mr. Deepak Aswani	GM Finance & IR	

Source: Company, I-Sec Research

## Resilient performance amidst COVID-19 impact

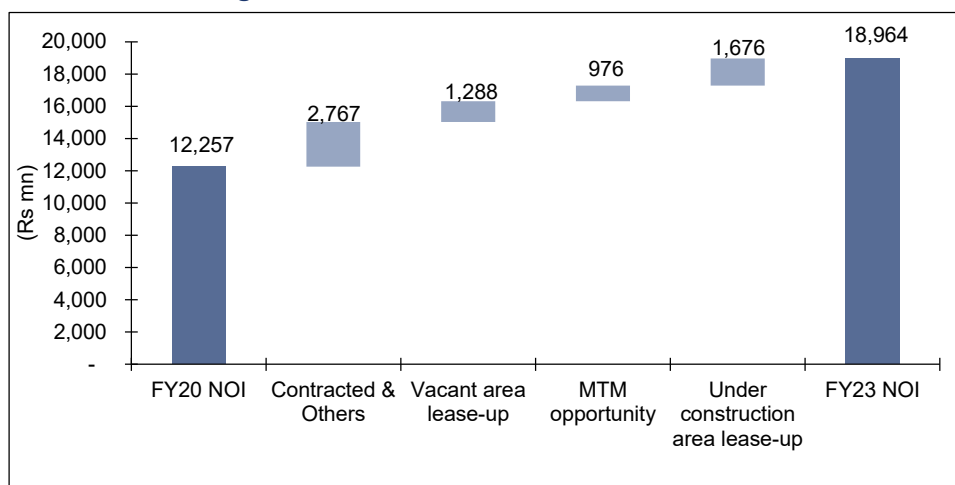
The Mindspace REIT has shown resilient performance in spite of the COVID-19 pandemic and collected 99.4% of its Gross Contracted Rentals for the month of March 2020. The collections have remained strong in April and May 2020 as well with collections of 97.8% for April 2020 and 95.2% for May 2020. This is in line with the office collections reported by its listed peers in India such as Embassy Office Parks REIT, DLF, Prestige Estates and Brigade Enterprises.

As of May 31, 2020, Committed Occupancy of the Mindspace REIT's Portfolio was 92.4% and In-place Rent across its Portfolio was Rs52.5psf/month. Further, the REIT continued to enter into commitments with potential tenants for securing pre-leasing as well as lease-up of vacant space in our assets. Since April 1, 2020, the Mindspace REIT has leased 0.7msf of area (of which 40.5% was leased to its existing tenants and 59.5% was leased to new tenants) including pre-committed 42,567sft of area in the under-construction asset, Commerzone Porur. Also, the REIT has not availed any deferments or moratoriums with respect to any of its financial commitments.

## Strong NOI CAGR of 16% over FY20-23E

We expect Mindspace REIT's Net Operating Income (NOI) to grow at a 16% CAGR over FY20-23E based on the expected ramp up in occupancies in existing assets, 3msf of under construction assets coming on stream and annual rental escalations (4-5% annual escalation in existing contracts) and mark-up of leases which are expiring. This excludes any injection of RoFo assets.

**Chart 7: NOI Bridge over FY20-23E**



Source: I-Sec Research estimates

### Contracted rental escalations offer 4-5% annual CAGR increase

Mindspace REIT's portfolio assets typically carry rental escalations of 12% to 15% every three years and MREIT has also started leasing with annual rental escalations between 4-5%. The tenure of the leases are typically five to ten years, with an initial commitment of generally three to five years and renewal options post initial commitment period.

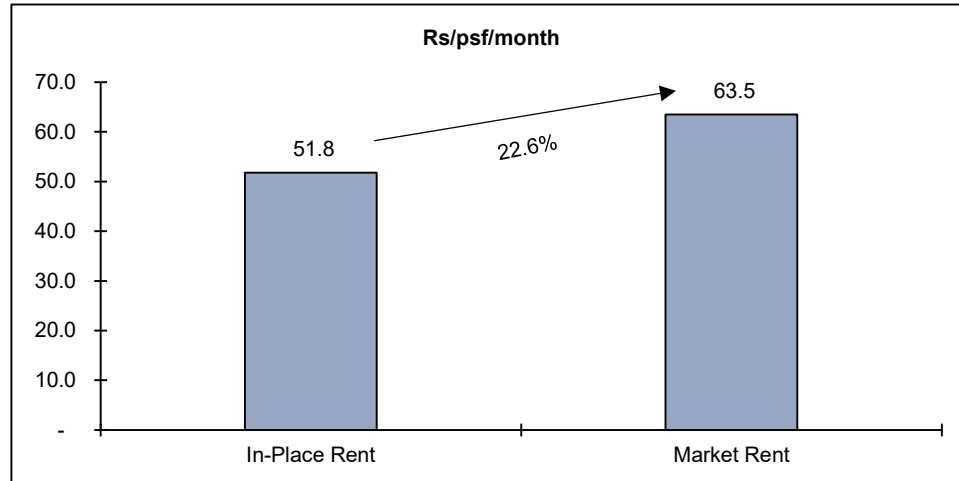
### Lease-up of vacant space also offers upside potential

As of March 31, 2020, the Mindspace REIT portfolio has 92.0% committed occupancy. The vacancy of 8.0% is concentrated in three assets, Mindspace Airoli West, Gera Commerzone Kharadi and Mindspace Madhapur, which respectively comprises 51.9%, 19.9% and 12.8% of the total vacancy, as of March 31, 2020. Post March 2020, the Mindspace REIT portfolio has leased an additional 0.7msf.

### Mark-to-market opportunity at 22% higher rentals

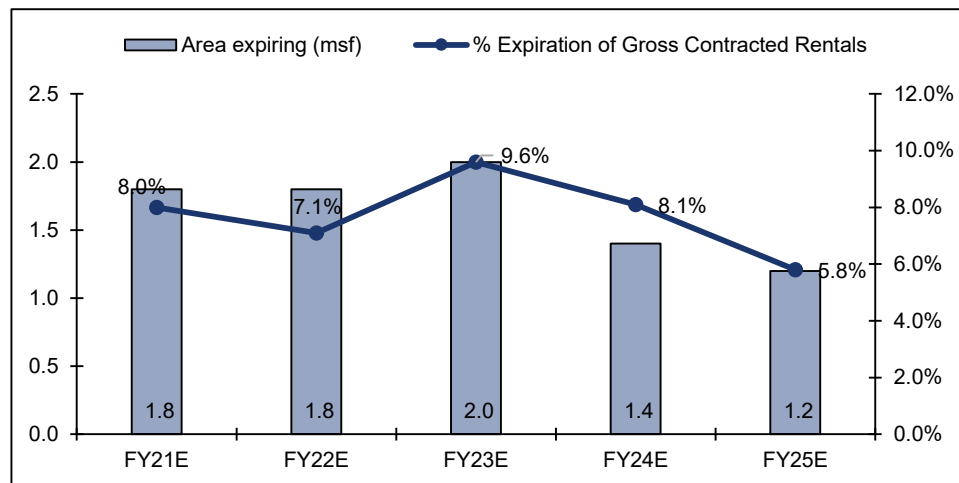
Leases on 25% of the total leasable area across Mindspace REIT’s portfolio are expiring between FY21-23E. Further, current market rents are 23% higher than current in-place rents which across the portfolio. Over FY18-20, the Mindspace REIT portfolio has re-leased 3msf at an average re-leasing spread of 29%.

**Chart 8: Market rents are 22% higher than in-place rentals**

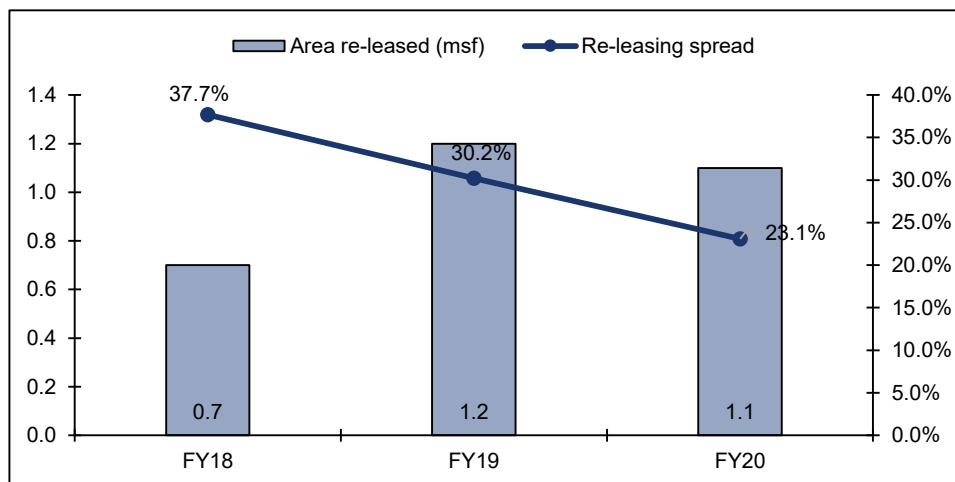


Source: Company, I-Sec Research

**Chart 9: 25% of leases expiring between FY21-23E**



Source: Company, I-Sec Research

**Chart 10: 29% re-leasing spread achieved in FY18-20**

Source: Company, I-Sec Research

### Leasing from under construction properties

As of March 31, 2020, the Mindspace REIT Portfolio has a current development pipeline of 6.5msf on land that is located within its business parks, of which 2.8msf is under construction.

**Table 5: 2.8msf of under-construction assets (as of 31 March 2020)**

Sector	Location	Under Construction Area (msf)	Expected Completion
Commerzone Porur – Tower A & B	Chennai	0.8	Q1FY21*
Mindspace Airoli West – B9	Navi Mumbai	1.0	Q4FY21
Mindspace Madhapur – B22 (Hotel building)	Hyderabad	0.1	Q4FY21
Gera Commerzone Kharadi	Pune	0.7	Q3FY22
Mindspace Pocharam – B9	Hyderabad	0.2	Post FY23
<b>Total</b>		<b>2.8</b>	

Source: Company, I-Sec Research, \*Completion certificate received in June 2020

## ROFO Assets offer long term growth potential

A ROFO agreement with the KRC Group provides a strong asset pipeline for Mindspace Business Parks if it decides to acquire those assets and inject them into the REIT.

The Mindspace REIT Sponsors have agreed to grant for a period of 10 years, a right of first offer (ROFO) of ~8.6msf of assets to Mindspace REIT, in the event of sale of any ROFO assets by the KRC Group. The ROFO assets should meet the following criteria:

- 1) Aggregate leasable area in excess of 1msf
- 2) Not more than 30% of the area is proposed to be sold by way of a strata sale
- 3) Equity holding of at least 50% by any member of the KRC Group
- 4) Should be more than 50% complete

Of 8.6msf of total pipeline, ~0.8msf is operational in Mindspace Juinagar, Navi Mumbai. The remaining two assets, Commerzone Pallikaranai and Commerzone Madhapur are currently expected to be completed by FY23E, and accordingly, the total completed Area of Sponsor's ROFO Assets may grow to 4.6msf, as of March 31, 2023. We have not assumed any ROFO asset injection given the uncertainty in timing the specific valuation and funding mechanism for injection of the ROFO assets.

**Table 6: ROFO Asset Pipeline**

Asset	Location	Completed Area (msf)	Under-Construction Area (msf)	Future Development (msf)	Total Leasable Area (msf)
Mindspace Juinagar	Mumbai Region	0.8	0.2	4.0	5.0
Commerzone Pallikaranai	Chennai	-	0.7	1.1	1.8
Commerzone Madhapur	Hyderabad	-	1.8	-	1.8
<b>Total</b>		<b>0.8</b>	<b>2.7</b>	<b>5.1</b>	<b>8.6</b>

Source: Company, I-Sec Research

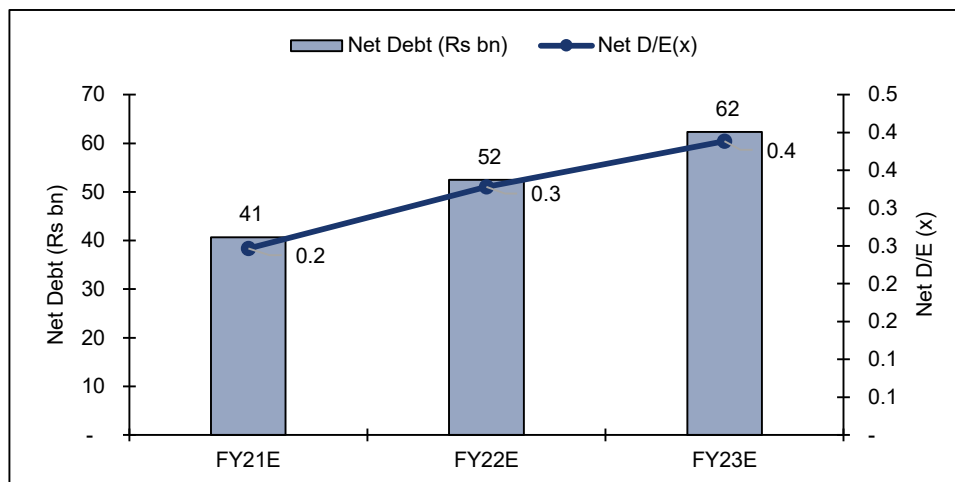
## Leverage Profile

The Mindspace REIT had a total pre-IPO debt of Rs74bn (including accrued interest on loans) spread across its SPVs, and Rs9bn of the Rs10bn net proceeds of the fresh issue will be invested in REIT SPVs as debt, bearing an interest of 9%. Further, the Rs27.5bn outstanding to certain asset SPVs from KRC Group entities have been repaid from the proceeds of the Offer for Sale.

Adjusted for IPO proceeds, The Mindspace REIT debt levels have reduced to Rs37bn. Further, the Mindspace REIT has received a Corporate Credit rating (issuer) rating from CRISIL of “CCR AAA/stable” in August 2020. As per the rating document, the IPO proceeds along with cash flows post March 2020 have enabled the REIT to bring down its debt levels to Rs33.2bn as on August 10, 2020. Hence, the Mindspace REIT enjoys a low leverage ratio of 0.2x net debt/equity which puts in a prime position to expand its asset portfolio through further asset injections via acquisitions.

While the overall Mindspace REIT debt post listing continues to be in the form of interest-bearing loans at the SPV level, the REIT managers may consider to refinance all or part of the debt at Asset SPVs by raising debt financing at Mindspace REIT level.

**Chart 11: Mindspace REIT net debt levels over FY21-23E**



Source: I-Sec Research estimates

## Valuation

REITs derive cash flows in the form of interest, debt repayment and dividend payments from owned assets which have differing cash flow profiles. Unlike assets in Infrastructure Trusts like toll/annuity roads or power transmission assets which have a fixed tenure of operations, the underlying assets in REITs which consist of offices, malls and hotels are perpetual in nature and carry an element of capital appreciation as well through escalation in rentals, addition of new assets and ramp up in occupancies.

Hence, the total return offered by a REIT should be measured as a mix of annual distributions and capital appreciation of the units of the REIT. Hence, we prefer a DCF based approach which captures the upside from uptick in rental income along with the annual distribution of at least 90% of the Net Distributable Cash Flow (NDCF) to REIT unitholders.

### **Our key assumptions for Mindspace REIT include:**

- 5% annual increase in rentals from FY22E onwards
- 4% increase in market rentals for FY21-22E and 5% post FY22E
- 4% terminal growth rate from FY31E
- Cap rate of 8% on Net Operation Income (NOI) of each asset
- Maximum stabilised long-term occupancy of 95% across assets
- WACC of 10% assuming 0.25x debt/equity with cost of equity of 11% and cost of debt of 9%.
- 3msf of under construction assets to become operational by FY23E
- We have not assumed any injection of ROFO assets into the REIT

## Initiate with BUY rating

We initiate coverage on Mindspace REIT with a BUY rating based on March 2022 DCF based target price of Rs358/unit. We expect the REIT to deliver a NOI CAGR of 16% over FY20-23E.

At CMP of Rs302, we expect the Mindspace REIT to deliver NDCF distribution yield of 6.7% in FY22E and 7.0% in FY23E. We expect over 90% of the distribution to be in the form of dividends which are tax free for all classes of investors, as the REIT SPVs have stuck to the old tax regime (higher tax rate with allowance for MAT credit, if available).

We believe that upsides from addition of ROFO assets, mark-to-market opportunity and rental appreciation beyond FY22E may enable the REIT to deliver annual REIT unit capital appreciation of 6-7% over and above the distribution yield.

**Table 7: Return profile of Mindspace REIT**

Mindspace REIT Cash Flows	FY21E	FY22E	FY23E
Revenue from Operations	16,618	20,661	23,410
<b>Net Operating Income (NOI)</b>	<b>12,881</b>	<b>16,709</b>	<b>18,964</b>
EBITDA	12,414	15,211	17,210
NDCF at SPV level*	5,658	12,249	13,158
<b>NDCF at REIT level*</b>	<b>5,607</b>	<b>12,076</b>	<b>12,763</b>
NDCF Distribution Payout (%)	100%	100%	100%
<b>NDCF Distribution by REIT*</b>	<b>5,607</b>	<b>12,076</b>	<b>12,763</b>
<b>Distribution per Unit*</b>	<b>9.5</b>	<b>20.3</b>	<b>21.5</b>
<b>Distribution Yield (%) *</b>	<b>6.3</b>	<b>6.7</b>	<b>7.1</b>
<b>NDCF % Breakup</b>			
Interest	8.0%	7.4%	6.9%
Dividend	92.0%	92.6%	93.1%
Principal Repayment	0.0%	0.0%	0.0%
<b>Total Distribution</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Isec research estimates, FY21E numbers from October to March 2021

**Table 8: Table: Valuation of Mindspace REIT**

<b>Enterprise Value</b>	<b>272,886</b>
Less: FY22E REIT level net debt	52,496
Less: Deposits	7,875
<b>Equity Value</b>	<b>212,516</b>
<b>Equity Value per Unit</b>	<b>358</b>

Source: Isec research estimates

**Table 9: Sensitivity of Target Price to Cap Rate and Cost of Equity**

NAV	358	Cost of Equity (%)				
		9%	10%	11%	12%	13%
Cap Rate (%)	6%	517	485	455	427	400
	7%	455	426	400	375	351
	8%	408	382	<b>358</b>	336	315
	9%	372	348	326	306	286
	10%	342	321	300	281	263
	11%	319	298	279	262	245

Source: I-Sec research estimates

**Table 10: Sensitivity of Target Price to Cap Rate and Rental Growth**

NAV	358	Rental Growth Rate (%)				
		3%	4%	5%	6%	7%
Cap Rate (%)	6%	435	445	455	465	476
	7%	382	391	400	409	419
	8%	343	350	<b>358</b>	367	375
	9%	312	319	326	334	342
	10%	287	294	300	307	315
	11%	267	273	279	286	293

Source: I-Sec research estimates



**Table 11: Mindspace REIT and Embassy REIT Qualitative Comparison**

Details	Mindspace REIT	Embassy REIT
Completed Area (msf)	23.0	26.2
Total Area (msf)	29.5	33.3
Committed Occupancy (%)	92.4%	92.2%
Top 10 Tenants as % of Rentals	41.6%	42.0%
MNC Tenants Area Share (%)	84.9%	77.0%
Total No. of Tenants	172	162
<b>Geographic Presence (as % of overall area)</b>		
Mumbai Metropolitan Region	41.1%	6.0%
Bengaluru	0.0%	53.4%
Hyderabad	39.3%	0.0%
Pune	16.9%	26.4%
Others	2.7%	14.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
In-place Portfolio Rentals (Rs/psf/month)	52.5	69.0
Weighted Average Lease Expiry (WALE) in years	5.8	6.7
ROFO Assets from Sponsor (msf)	8.6	43.2

Source: Company, Isec research

**Table 12: Mindspace REIT and Embassy REIT Financial Metrics***(Rs mn)*

Details	Mindspace REIT			Embassy REIT		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
<b>Area Details:</b>						
Completed Area (msf)	23.8	25.7	25.7	26.2	26.2	28.8
Under Construction (msf)	4.4	2.6	2.5	3.2	3.2	0.6
Balance Upcoming (msf)	1.3	1.3	1.3	3.9	3.9	3.9
<b>Total Area (msf)</b>	<b>29.5</b>	<b>29.5</b>	<b>29.5</b>	<b>33.3</b>	<b>33.3</b>	<b>33.3</b>
<b>Financial Metrics:</b>						
Revenue	16,618	20,661	23,410	21,813	24,499	28,913
Net Operating Income (NOI)	12,881	16,709	18,964	19,316	22,064	25,000
EBITDA	12,414	15,211	17,210	17,795	20,235	23,425
PAT	7,790	7,191	7,875	8,469	8,489	9,814
Net debt/equity (x)	0.2	0.3	0.4	0.3	0.4	0.5
<b>NDCF at REIT level</b>	<b>5,607</b>	<b>12,076</b>	<b>12,763</b>	<b>18,808</b>	<b>19,724</b>	<b>21,669</b>
NDCF - Interest %	8.0%	7.4%	6.9%	45.9%	45.7%	40.9%
NDCF - Dividend %	92.0%	92.6%	93.1%	12.9%	18.8%	45.9%
NDCF - Principal repayment %	0.0%	0.0%	0.0%	41.2%	35.5%	13.2%
<b>Distribution/Unit (Rs)</b>	<b>9.5*</b>	<b>20.4</b>	<b>21.5</b>	<b>24.4</b>	<b>25.6</b>	<b>28.1</b>
CMP (Rs/Unit)	302	302	302	362	362	362
<b>NDCF Yield (pre-tax) ^</b>	<b>6.3%</b>	<b>6.7%</b>	<b>7.1%</b>	<b>6.7%</b>	<b>7.1%</b>	<b>7.8%</b>

Source: Isec research estimates, \*For 6 months in FY21 from October 2020 to March 2021, ^For Embassy REIT we have assumed refinancing of Zero-Coupon Bond (ZCB) in FY23E

## Key Risks

### Fluctuations in Interest Rates

As REITs are yield instruments which have features of debt and equity with a long tenure, their returns are often benchmarked to G-Sec yields with expectations of a 200-300bps additional IRR return over G-Secs. As assets held under the REIT may carry external debt at the SPV level and external debt at the REIT level as well, any hardening of interest rates may lead to refinancing risk which may lead to fluctuations in the unit price of a REIT to reflect the increased return expectations of investors.

Further, any rise in interest rates globally may lead to an expansion in the cap rate for annuity assets from current levels which may in turn lead to a compression in multiples for the NOI of the REIT.

### Incremental capital raising for ROFO assets

While we have not assumed any ROFO asset injections in our estimates, depending on the valuation and funding structure for the injection of the new assets into the REIT, the distribution/return profile of the REIT may change.

### Dependence on Investment Manager to deliver expected returns

The Investment Manager for the REIT is entrusted with the responsibility of delivering the expected returns, management of macro risks and ensuring that incremental asset addition takes place at reasonable valuations. Any failure on the part of the Investment Manager to effectively manage these risks, could alter the expected return at the Trust level.

### Asset level and macro risks

Since Mindspace REIT derives a majority of its revenues from MNC companies operating in India along with a high dependence on technology companies, any weakness to slowdown in macro-economic activity globally or cancellation/relocation of existing office space by tenants is a key risk. Further, 42% of the Mindspace Business Park REIT's revenues come from the top 10 tenants and any scale-back of operations may affect occupancy levels.

### Greater adoption of Work-from-Home by office occupiers

While the jury is still out on the efficacy of Work-from-Home over the long term, any decisions taken by office occupiers to cut down their requirement of space over the long term can impact the rentals and occupancy levels of offices globally.

### Delay in completion of development pipeline

Real estate developments are subject to approvals from legislation and are required to comply with safety standards. Any delay in approvals/non-compliance with the required standards could hinder the upcoming development. Mindspace Business Parks has a development pipeline of ~6.5msf coming up in the next few years.

## Indian office market: COVID woes in CY20

The Indian Commercial Real Estate (CRE) office market saw record leasing in CY19 with 42msf of annual net absorption. The office market has been in an upcycle over CY14-19 with rising rentals, falling vacancies, consolidation among developers and emergence of REITs. At the beginning of CY20 (January 2020), the outlook was bright with healthy pre-leasing for upcoming supply. However, the evolving global situation owing to the Coronavirus (COVID-19) threatens to spoil the party. We look at the key areas of impact on demand and supply of offices in India:

- **Net absorption/demand to contract 40-50% in CY20-21E:** Until the global COVID-19 concerns reduce, corporates will relook at their space requirements in CY20E and expansion or consolidation plans will be put on the backburner. Given the fact that 30-40% of Indian office space demand originates from the USA, a prolonged economic slowdown in the USA will likely lead to reduced demand for offices in CY20-21E. While CY19 was a record year with 42msf of net absorption and another 40msf of net absorption expected in CY20E and CY21E prior to COVID, we now build in net absorption of 25msf in CY20E and 29msf in CY21E which is a 40-50% reduction in demand.
- **Supply to also contract by 30-40% in CY20-21E:** As of March 2020, ~149msf of offices were under construction in India which was expected to hit the market over CY20-23E with over 45msf of supply each expected to be completed in CY20E and CY21E. However, the COVID impact will lead to supply also getting delayed as construction activities remain slow in CY20E, developers hold back supply and funding constraints in many cases force certain projects to get delayed. This number has already shrunk 20% to 118msf as of June 2020 with ~30msf expected to be completed in CY20E. Hence, we now expect ~30msf of completions each in CY20E and CY21E. With both demand and supply expected to fall 30-40% over CY20-21E, we believe that vacancies may not see a steep increase from current pan-India levels of 13%. However, in the case that corporates decide to let go of existing office space, vacancies may rise sharply.
- **Demand for flexible office places to rise:** The COVID impact has led to companies having to shift to the Work from Home (WFH) model. Commentary from corporates increasingly indicates that they would try to replicate the WFH model over the long term, especially in the case of IT/ITeS companies that account for 40-50% of overall Indian office demand. However, the efficacy of WFH over an extended period of time vs. a traditional full-service office model is yet to be proven.
- **Rentals may come under pressure:** While rental terms in existing leases may not see any immediate correction, any upcoming renewals and pre-leasing will see corporate occupiers looking to renegotiate rentals downwards. While the extent of correction is hard to ascertain, we believe that a 5-10% rental decline is possible in CY20E. The only silver lining is that rentals in India remain affordable at just under 1 USD/psf/month in suburban/peripheral markets of India.
- **Co-working spaces to see greater negative impact:** With start-ups likely to be impacted more on account of COVID, demand for co-working spaces from this segment and large corporate occupiers would contract by 50% in CY20-21E, in our view. However, as co-working spaces account for 3-5% of overall leasing demand in India, impact on asset owners would be limited.

## What are the positives that remain?

- **Limited number of developers capable of building quality rental assets:** Unlike the residential market which has relatively lower entry barriers in India, the Indian office and mall market is a capital-intensive business requiring developers to have adequate balance sheet strength. Further, the trend has now shifted to office campuses with larger plot layouts which require adequate planning. The few notable names are DLF, Embassy Office Parks, Prestige Estates, Brigade Enterprises, RMZ Corp and The Phoenix Mills.
- **High quality talent pool and affordable rentals in India:** India leads in STEM (Science, Technology, Engineering, Mathematics) talent for technology assignments with over 2 million students graduating each year. Further, employees' costs in India would not be more than 20-25% of comparable cost for employees in the occupier's country of origin. India remains one of the more affordable office markets in the world, with average rentals for Grade A office markets in peripheral/suburban micro-markets hovering around 1 USD/psf/month or Rs70-75/psf/month. Further, with rental costs for MNC occupiers being just 2-3% of their revenues, GICs may remain sticky tenants over the long term. Globally MNC occupiers typically enter into long-term tenancy contracts with office developers for 8-10-year periods with a contracted rental escalation of 15% every 36 months. They also invest at least Rs3,000-4,000/psf for fit-outs for their offices in addition to the contracted rentals keeping in mind the longer tenure of their leases.
- **Institutional money flowing into Indian rental assets and emergence of REITs:** Many large transactions which have taken place over CY14-19 in the Indian office/mall space such as Brookfield buyout of Hiranandani office assets in Mumbai, Blackstone JV with Embassy/Panchshil, RMZ tie up with Qatar Investment Authority, the deal between GIC Singapore and DLF for the latter's rental portfolio point to the resilience of the Indian office market. In the mall space, consolidation has taken place with many underperforming malls shutting down, helping players like Phoenix Mills to strengthen their position along with GIC Singapore's buyout of stakes across the remaining quality malls in India. Further, the listing of India's first REIT by Embassy Office Parks in CY19 which delivered 40% returns in CY19 post listing was a key positive.
- **DDT rollback a key positive:** In February 2020, the Government of India's (GoI) 2020 Union Budget had proposed to impose a Dividend Distribution tax (DDT) on REIT investors which had dampened sentiment for REIT investors. Although the proposed DDT had negligible near-term impact as the Embassy REIT has been paying out distributions mostly in the form of interest and capital return, numerous representations by industry stakeholders has prompted the GoI to rollback the proposed DDT on REITs in March 2020. However, this waiver is on the condition that REIT SPVs will not move to the new tax regime (of lower tax rate).

## Implications for our coverage universe

**Table 13: Key trends for our Real Estate coverage in office space**

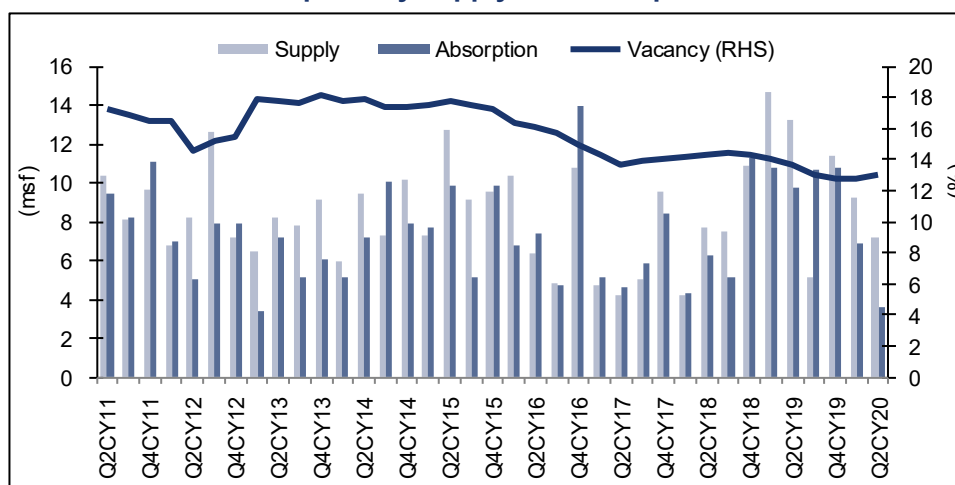
Company	Likely impact of COVID and risks to growth
DLF	Large portion of the company's commercial portfolio in CBD areas with low vacancy. Currently, DLF has over Rs30bn of annualised rental income across offices and malls and was targeting an exit rental income of over Rs40bn by FY22E. We now expect this exit rental to come in by FY23E. High quality tenant portfolio consisting largely of MNCs makes the portfolio resilient. <b>Company has collected over 90% of office rentals between March-June 2020 from tenants</b>
Embassy Office Parks REIT	While we acknowledge the risk to medium-term demand for office spaces in India, we believe that the office portfolio of the Embassy REIT is relatively resilient in these tough times. The REIT's current tenant portfolio has 50% of tenants in the technology domain with even smaller verticals such as financial services and research/consulting consisting of Global in-house captives. Currently, the REIT's top ten occupiers contribute ~42% of the gross overall rental income as of June 2020. While the mark-to-market opportunity for higher rentals in the REIT portfolio are now at risk, just 7% of overall portfolio is expiring in FY21E and 5% in FY22E <b>The REIT has collected 99% rent from tenants in April-June period. It has also achieved rental increases of 14% YoY in Q1FY21 on 1.8msf across 22 office leases as per contractual escalations</b>
Phoenix Mills	Limited exposure to offices with some operational area in High Street Phoenix and Kurla in Mumbai. Upcoming rental assets in Pune may see some deferment in leasing plans. Plans to add on offices in under-construction Hebbal, Bengaluru mall are flexible subject to demand environment. <b>Company has collected over 85% of office rentals from tenants post lockdown</b>
Prestige Estates	Prior to COVID-19, PEPL had an exit annuity income stream of Rs9.8bn in FY20 (Rs6.5bn from offices and Rs3.3bn from malls) with an additional Rs4.4bn of annuity income estimated from under construction assets of 5msf (Rs20bn of capital WIP). Factoring in COVID-19 related concerns, we have cut our FY21/22E rental income estimates (PEPL share) by 30% and 20% to Rs8.0bn and Rs9.4bn, respectively. We have assumed zero mall rentals for Q1FY21 and deferment of incremental office leasing by 12 months along with zero rental escalation in FY21-22E. <b>Company has collected over 90% of rentals from tenants post lockdown and was also able to complete a 0.9msf lease deal with Accenture in its Star Tech, Koramangala project in Bengaluru</b>
Oberoi Realty	Oberoi Realty currently generates over Rs4bn of annual rental income across offices/malls/hotels and was on track to cross over Rs10bn of annual rentals by FY23E with Borivali Mall and Commerz III office becoming operational. <b>Oberoi closed a large pre-lease deal with Morgan Stanley for 1.4msf of leasable area in Commerz III for 9.5 years with rentals to commence in FY23E</b>
Brigade Enterprises	<b>Brigade has been able to achieve office rental collections of over 97% in the March-June 2020 period.</b> In FY21, the focus will be on incremental office rentals from World Trade Centre, Chennai (2msf of which 85% is leased) where rentals are expected to commence from Q4FY21 and the Tech Gardens, Bengaluru (3msf of which ~40% is leased) which is already earning partial rentals. Management now expects Tech Gardens to be fully leased by Q2FY22 vs. Q4FY21 earlier as leasing enquiries pick up post lifting of lockdown. We have assumed BRGD share of FY21/22E rental income at Rs3.1bn/Rs4.6bn, respectively. 30%/12% to Rs3.1bn/Rs4.6bn, respectively
Sunteck Realty	Sunteck was looking to build ~3msf of office/retail space by FY23-24E with estimated capex of Rs16bn and potential rental income stream of Rs4-5bn. <b>However, these plans are flexible depending on COVID impact and the company is yet to start any capex and can modify its plans if required.</b>

Source: I-Sec research

## CY14-16 witnessed strong absorption of office space

- India's office market was a laggard over CY08-13 wherein lease rentals had corrected by 40-50% from CY08 peaks and continued to stagnate owing to supply outpacing demand. At the same time, the Indian residential market saw a strong recovery with prices doubling across cities from CY09 levels and remaining sticky.
- From CY14, net absorption of office space witnessed strong recovery for the first time with 39% YoY growth to 30msf. CY15 saw net absorption of 32.6msf and CY16 net absorption of 32.9msf (marginally up from CY15 levels), primarily owing to strong leasing in Bengaluru of over 12mn sq ft due to completion of pre-committed supply in Q4CY16 of over 6msf. Hyderabad market also clocked a record year for office absorption in CY16 with net absorption of over 6mn sq ft.
- The IT-ITES sector has remained top-most in terms of share of office occupancy across major Indian cities. The sector maintains its lead with 35-40% share in office occupancy. While there has been a noticeable slowdown in absorption by E-Commerce companies, they only accounted for 3% of demand in CY16. In CY16, share of leasing by US-based firms jumped up to 42% from 32% in CY15 led by expansion of many companies such as Amazon, Microsoft, Google. Domestic firms continue to account for a third of demand.

**Chart 12: India office quarterly supply and absorption trends**



Source: Cushman & Wakefield, I-Sec Research

**Table 14: India office absorption over CY14-CY21E**

City	CY14	CY15	CY16	CY17	CY18	CY19	CY20E	CY21E
MMR	3.9	2.9	3.0	2.4	2.9	5.2	3.0	3.5
NCR	6.2	3.8	4.3	3.7	4.8	10.0	4.2	4.5
Bengaluru	8.9	10.3	12.3	8.0	7.9	9.3	7.0	8.0
Chennai	2.6	2.8	2.9	2.2	1.7	1.8	1.5	1.8
Hyderabad	4.4	5.5	6.3	4.9	6.0	9.3	5.0	6.5
Pune	3.6	6.2	3.3	2.0	3.4	5.1	3.5	3.6
Kolkata	0.8	1.1	0.8	0.8	0.4	1.4	0.9	0.8
<b>Overall</b>	<b>30.3</b>	<b>32.6</b>	<b>32.9</b>	<b>24.1</b>	<b>27.1</b>	<b>42.0</b>	<b>25.1</b>	<b>28.7</b>

Source: Cushman & Wakefield, I-Sec Research

### CY19 net absorption was higher on back of higher completions

CY14-16 has been a period of recovery for the Indian office market with falling vacancies, quality locations seeing strong demand and rentals increasing by up to 50% in preferred micro-markets. While H1CY17 saw slower leasing activity owing to global factors and corporates holding back decisions, H2CY17 saw a turnaround in absorption levels and pre-commitments.

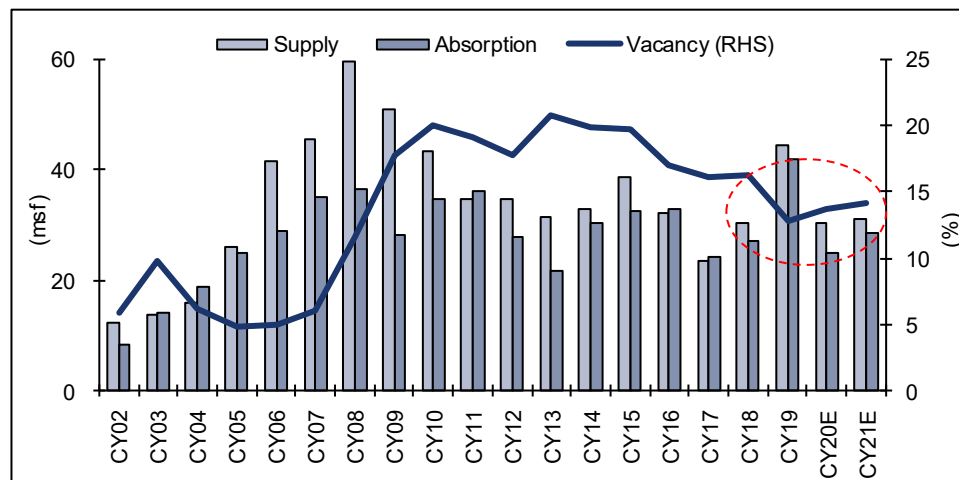
However, delayed supply in CY17 where incremental supply was just 23.5msf compared to completions of over 30msf annually over CY14-16, led to CY17 net absorption levels also seeing a decline to ~24msf. However, higher supply infusion of ~30msf in CY18 has helped CY18 net absorption to increase to ~27msf.

CY19 saw record net absorption of 42msf vs. the previous high of 37msf seen in CY08 and absorption levels of 25-27msf seen in CY17-18. This record absorption was driven by record completions of 44msf in CY19. This is largely owing to majority of upcoming supply being already pre-committed.

### Net absorption/demand to contract 40-50% in CY20-21E

Until the global COVID-19 concerns reduce, corporates will relook at their space requirements in CY20E, expansion or consolidation plans will be put on the backburner. Given the fact that 30-40% of Indian office space demand originates from the USA, a prolonged economic slowdown in the USA will likely lead to reduced demand for offices in CY20-21E. While CY19 was a record year with 42msf of net absorption and another 40msf of net absorption expected in CY20E and CY21E prior to COVID, we now build in net absorption of 25msf in CY20E and 29msf in CY21E which is a 40-50% reduction in demand.

**Chart 13: India annual absorption-supply of offices and forecast**



Source: Cushman & Wakefield, JLL India, I-Sec Research

## Bengaluru and Hyderabad remain the key markets

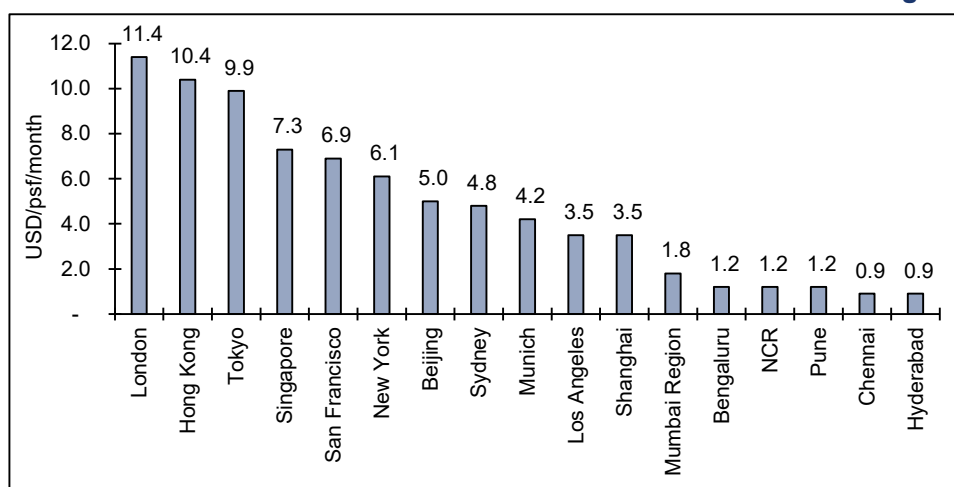
- Pre-COVID, Bengaluru continues to see low Grade A vacancy at 5% and accounted for ~22% of net absorption of office space in CY19. We expect Bengaluru market to retain more than 25% of net absorption over CY20-21E.
- Pre-COVID, the Hyderabad market clocked record annual absorption of 4.9msf in CY17 and 6.0msf in CY18. Vacancy levels for Hyderabad also fell to 7% in CY18 from 18% in CY14. In CY19, Hyderabad has seen record net absorption of 9.3msf and is now on par with leasing levels seen in Bengaluru. With the city continuing to offer affordable rentals, occupiers continue to flock to Hyderabad for expansion purposes. We expect net absorption to revert back to 5-6msf annually over CY20-21E.
- Kolkata and non-CBD regions of Gurugram continue to suffer from supply glut where current vacant office space is expected to take at least 24-36 months to be absorbed.

**Table 15: India Grade A office stock vs. vacancy**

City (Jun-20)	Stock (msf)	% share of stock	Vacancy (%)	Occupied space (msf)	% share of occupied stock
MMR	97.2	18%	19%	78.9	17%
NCR	116.1	21%	24%	88.2	19%
Bengaluru	148.0	27%	7%	138.3	29%
Chennai	51.0	9%	9%	46.3	10%
Hyderabad	60.3	11%	7%	56.2	12%
Pune	53.4	10%	6%	50.5	11%
Kolkata	26.4	5%	34%	17.5	4%
<b>Overall</b>	<b>552.3</b>	<b>100%</b>	<b>14%</b>	<b>476.0</b>	<b>100%</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 14: Indian cities remain the most affordable for office rentals globally**



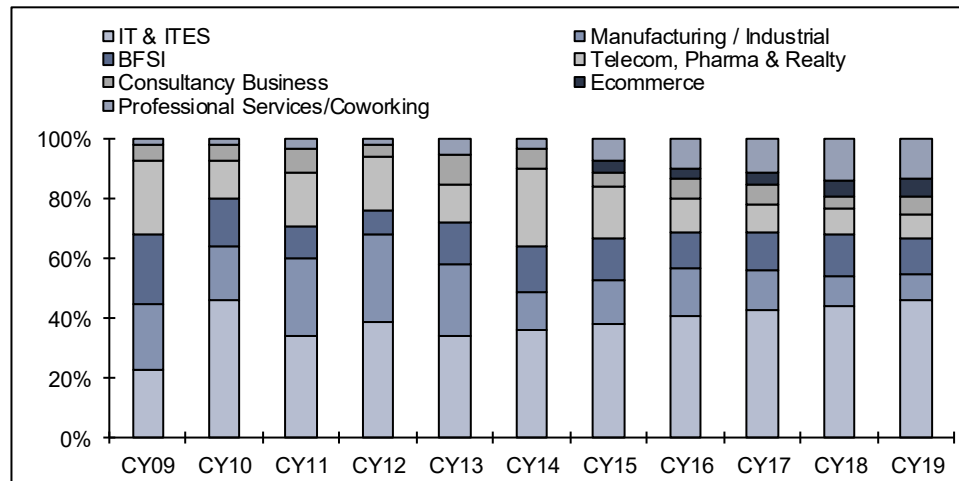
Source: Cushman & Wakefield, I-Sec Research



## Two-third of India office demand driven by MNCs

IT-ITES sector has remained top-most in terms of share of office occupancy across major Indian cities. The sector maintains its lead with 35-40% share in office occupancy. While there has been a noticeable slowdown in absorption by E-Commerce companies, they only accounted for 3% of demand in CY17.

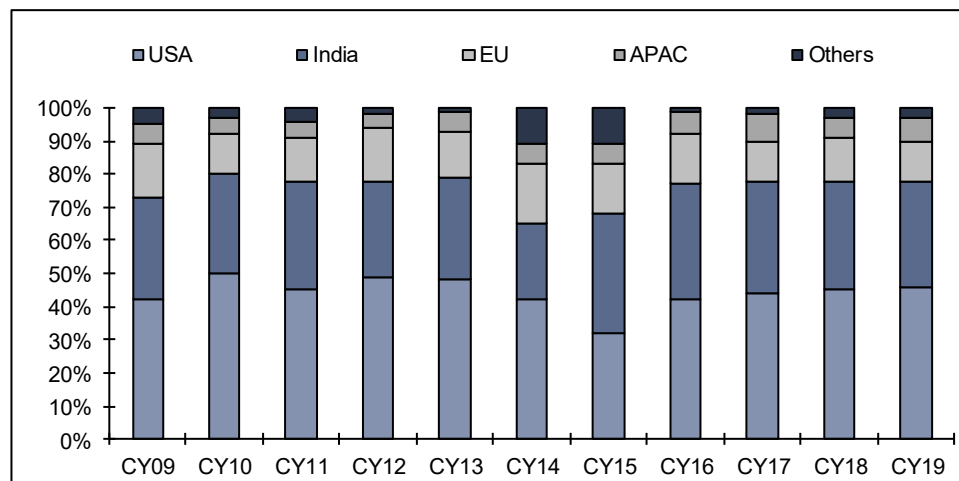
**Chart 15: India office absorption by sector**



Source: JLL India, I-Sec Research

In CY16, share of leasing by US-based firms jumped up to 42% from 32% in CY15 led by expansion of companies such as Amazon, Microsoft, Google. Domestic firms continue to account for a third of demand. Incrementally, we expect this trend to continue as majority of office expansion, especially in the IT/ITeS segment, is being driven by Global In-House Captives (GICs). Further, large domestic IT/ITeS companies such as Infosys and Tata Consultancy Services (TCS) now prefer to lease office space as per their requirement vs. the previous model of building large captive campuses.

**Chart 16: India office absorption by country of origin of the occupier**



Source: JLL India, I-Sec Research

## Global In-House Captives (GICs): A key driver of office demand

Over the last 12 months, there have been concerns over the sustainability for office space demand in India seen at over 30msf during CY14-16, considering the slowdown in hiring by Indian IT/ITeS companies. We believe demand from IT/ITes segment would sustain over CY21-22E, though driven largely by Global In-House Captives or GICs. Many large leasing deals are being driven by MNC IT/ITeS companies such as Google, Apple, Microsoft, LinkedIn, IBM. In many cases, these companies are setting up their Research & Development (R&D) centres instead of the conventional labour arbitrage seen in offshoring.

### What are GICs and what is the size of the market?

As per a 2019 NASSCOM-Bain report on Indian GICs, originally called captive centers in the early 1990s, GICs are offshore centers that perform designated functions for large organisations. GICs in India now number about 1,100, employing more than 800,000 individuals and generating approximately USD23 billion in revenue. The maturity of the India delivery base is helping global clients achieve more from their global in-house centers/captive centers, and at times, at lower costs compared to working with outsourced vendors (when one includes the significant investments in program and vendor management when working with outsourcing vendors). In fact, according to a senior industry consultant, the GICs/captives not only provide 20-25% higher productivity but also 20-25% cost savings. This is because GICs are lean organisations right from the start, unlike the practice of maintaining a sizeable bench at third party vendors (meaningful costs) along with the sales & marketing costs that third party vendors incur (GICs/captives depend on their mother organisations for this and do not incur these costs).

**Table 16: GIC activity has gathered further pace in India and is a key driver of office space demand**

Date	Name	Vertical	Domicile of the Parent	Comment
October 2017	Standard Chartered	BFSI	UK	Company will increase its headcount in its Bengaluru captive to 6,000 from the current 3,300 people. Many of these fresh recruits would be for data analyst and development operations roles
June 2017	Microsoft, LinkedIn, Oracle, Facebook and Google	Technology	North America	Media reports suggest these firms are increasing headcount in their India technology centres
June 2017	Intel	Technology	North America	Intel announced fresh investment of Rs11bn in India for ER&D centre focused on design and verification purposes
May 2017	Oracle	Technology	North America	Oracle plans to build a data centre to offer Cloud services with significant cloud advantage
April 2017	Goldman	BFSI	North America	With USD250mn investments, GS plans to open a captive campus to accommodate ~9,000 people in CY19
April 2017	Copart	Automotive	North America	Copart has set its first technology centre outside US in India to leverage the talent pool in India
April 2017	Panasonic	Consumer	Japan	Panasonic will set up a R&D unit in Bengaluru in association with Tata Elxsi to strengthen its appliances business in domestic and global markets. The new R&D centre will develop technologies such as Artificial Intelligence (AI) and robotics from India for its global operations and help in product designing in local product manufacturing
April 2017	Solix Technologies	Technology	North America	Company announced expansion of its centre in India with focus on R&D of products
March 2017	Shell	Energy	Netherlands	Shell opened a new technology centre in Bengaluru to drive relevant and affordable innovations
February 2017	JC Penney	Retail	North America	JC Penney plans to hire at least 1,000 people across software and business functions in 2 years for its Bengaluru technology centre
January 2017	Boeing	Aircraft	North America	Boeing's technology centre plans to roughly double its headcount of engineers to 800 by end of 2017

Date	Name	Vertical	Domicile of the Parent	Comment
December 2016	GE	Conglomerate	North America	GE plans to reduce outsourcing from ~75% currently to 50% outsourced (in terms of number of employees) by the end of CY17. Besides, GE plans to open a digital hub in Bengaluru to work on GE Products platform
December 2016	Ford	Automobile	North America	With Rs10bn investments, Ford plans to set up a global product development centre in India to serve as a global hub for product development, mobility solutions and business services
December 2016	HSBC	BFSI	UK	Company increased its investment banking technology footprint by 43% in last one year
December 2016	USB	BFSI	Switzerland	Company targeting to bring 60% work in-house vs 70%. The centre will be operational in CY18 and UBS plans to add 1,500 people with target to gradually increase headcount to 3,000
October 2016	Telstra	Telecom	Australia	In partnership with Infosys, Telstra announced plans to set up a captive centre in India with ~200 people
October 2016	TomTom	Conglomerate	Netherlands	TomTom opened a global innovation hub in India and plans to increase its India headcount from 800 currently to ~1,000
October 2016	Diageo	Consumer	UK	Diageo is increasing its operations in Bengaluru through a new business services center that will eventually provide data analytics and business intelligence expertise to the company
September 2016	ZF Group	Automobile	Germany	ZF group opened a technology center in Hyderabad in Sep'16 to focus on software and mechanical engineering
August 2016	Huawei	Technology	China	In Aug'16, Huawei opened a global service center focused on digital transformation and to help meet market demand for synergies between services and technology, as well as improve operations capabilities
June 2016	Cisco	Technology	North America	In Jun'16, Cisco announced investments for its second delivery center in Pune
May 2016	Apple	Technology	North America	Apple opened Technology center in Hyderabad in CY16 to accelerate map development for various Apple products. Company expects ~4,000 people employment through this investment

Source: Company, news reports, I-Sec Research

## Institutional money flowing into Indian rental assets and emergence of REITs

Many large transactions which have taken place over CY14-16 in the Indian office/mall space such as Brookfield buyout of Hiranandani office assets in Mumbai, Blackstone JV with Embassy/Panchshil, RMZ tie up with Qatar Investment Authority, the deal between GIC Singapore and DLF for the latter's rental portfolio point to the resilience of the Indian office market. In the mall space, consolidation has taken place with many underperforming malls shutting down, helping players like Phoenix Mills to strengthen their position along with GIC Singapore's buyout of stakes across the remaining quality malls in India.

The listing of India's first REIT by Embassy Office Parks may provide market evaluation of the cumulative yields that Indian REITs may offer as a mix of existing rental income and capital appreciation.

Interestingly, while some deals have seen outright sale of stake or transfer of ownership of assets, the trend is now shifting to dilution of stake in existing assets to fund future growth plans. We have highlighted some key transactions in the table below:

**Table 17: Tie-ups by developers with funds in annuity assets space**

Company	Fund	Details
DLF	GIC Singapore	DLF's promoters have divested their 40% stake to GIC Singapore for net proceeds of Rs100bn-Rs110bn which has been infused in DLF to bring down debt levels
Phoenix Mills	Canadian Pension Plan Investment Board (CPPIB)	Phoenix Mills entered into a deal in FY18 wherein it will dilute up to 49% stake in its Island Star SPV which holds the Bengaluru East Mall. CPPIB has cumulatively invested Rs16.6bn in the SPV. The funds have been used by Phoenix Mills to acquire 3 new projects in Pune, Bengaluru and Indore which will commence operations between FY22-24E
Prestige Estates	NA	Prestige Estates has undertaken a restructuring of its annuity assets business and created three 100% held verticals in the office, retail and hospitality segments. Company continues to explore options of a sell-down of its stake in its annuity assets and may also look towards a REIT listing in the medium term
Brigade Enterprises	GIC Singapore	Brigade has entered a co-development platform with GIC Singapore in 2014 wherein each party will invest Rs7.5bn each for land purchases. The platform has concluded 3 deals – 2 in Bengaluru and 1 in Chennai and ~5msf of annuity assets are being constructed in these projects. Brigade has also decided to transfer all its 5 operational hotel properties of ~1,000 keys to a separate SPV and dilute stake to a fund to grow the portfolio to over 2,000 keys in the next 2-3 years

Source: I-Sec research

## REIT Regulations/Taxation in India

### What are REITs?

- REIT stands for Real Estate Investment Trust and is a tax efficient vehicle that enables owners of real estate to pool income generating assets together in a portfolio. REITs also allow investors to buy ownership in real estate assets in the form of equity.
- REITs globally are a USD 2 Trillion asset class with the first REIT having started in the USA in the 1960s. REITs have to pay out majority of their earnings as distributions to unitholders.
- Indian regulations require REITs to pay out 90% of distributable cash flows. Further, REITs must have at least 80% of their assets to be completed and income producing. A low level of development (20% or less) means less risk to the cash flows.
- The REITs are typically listed on stock exchanges through an Initial Public Offering (IPO) and once listed, they serve as permanent capital vehicles to raise debt and equity in the capital markets to acquire new assets to grow.

### Regulatory Framework for Indian REITs

**Table 18: Strong Regulatory Framework for Indian REITs**

Consideration	Regulatory Framework
Execution Risk	<ul style="list-style-type: none"> <li>• At least 80% of total value must be comprised of leased, income generating properties</li> <li>• Restrictions on speculative land acquisition</li> </ul>
Leverage	<ul style="list-style-type: none"> <li>• Majority unitholder approval required if debt exceeds 25% of asset value</li> <li>• Debt cannot exceed 49% of asset value</li> </ul>
Strong Corporate Governance	<ul style="list-style-type: none"> <li>• 50% independent directors on the Board, with 50% representation on all committees</li> <li>• REIT Manager can be removed with 60% approval of unrelated unitholders</li> <li>• Alignment with unitholder interests due to a distribution linked management fees structure</li> </ul>
Free Cash Utilisation	<ul style="list-style-type: none"> <li>• Minimum 90% of distributable cash flows to be distributed semi-annually</li> </ul>
Related Party Transactions	<ul style="list-style-type: none"> <li>• Sponsors are prohibited from voting on their related party transactions</li> <li>• Majority unitholder approval required for acquisition or disposal of asset which exceeds 10% of REIT Value</li> <li>• Acquisition or sale price of new asset cannot deviate from average valuation of two independent valuers by +/- 10%</li> <li>• Fairness opinion from independent valuer required if related party leases exceed 20% of the total REIT area</li> </ul>

Source: Industry sources, SEBI documents, I-Sec research

**Table 19: Key Provisions for REIT Sponsor/Sponsor Group**

Particulars	Provisions
Who can be a sponsor	<ul style="list-style-type: none"> <li>Any person – any body corporate / individual</li> </ul>
Number of sponsors	<ul style="list-style-type: none"> <li>No limit specified - Each sponsor to hold not less than 5%</li> </ul>
Eligibility criteria	<ul style="list-style-type: none"> <li>On collective basis – Rs1,000mn and each sponsor – Rs200mn</li> <li>Sponsor has no fewer than 5 years' experience in Development of real estate with at least two completed projects or Fund management in real estate industry</li> </ul>
Lock-in requirements after listing	<ul style="list-style-type: none"> <li>Hold at least 25% of total units after initial offer on a post issue basis for minimum three years</li> <li>Units exceeding 25% of total units shall be held for minimum one year</li> <li>Unit holder other than sponsor shall hold units for at least one year from the date of listing</li> <li>At all times - On collective basis hold not less than 15% of units and each sponsor individually to hold not less than 5% of outstanding units</li> </ul>
Re-designated sponsor	<ul style="list-style-type: none"> <li>Allowed to sell units to another sponsor subject to satisfaction of following: Holding for three years from date of listing and conditions with respect to holding at all times</li> </ul>

Source: Deloitte India, I-Sec research

**Table 20: Key Provisions for REIT Managers**

Particulars	Provisions
Who can be a manager	<ul style="list-style-type: none"> <li>Company or LLP or body corporate incorporated in India</li> </ul>
Eligibility criteria	<ul style="list-style-type: none"> <li>Minimum net worth of Rs100mn with manager or its associates having no fewer than five years' experience in fund management or advisory services or property management in real estate industry or in development of real estate</li> <li>At least two employees having minimum five years' experience in above areas</li> </ul>
Governing body	<ul style="list-style-type: none"> <li>Minimum 50% of members to be independent and not director or member of another REIT</li> </ul>

Source: Deloitte India, I-Sec research

**Table 21: Key Provisions for Investment Criteria**

Particulars	Provisions
Completed and rent / revenue generating assets	<ul style="list-style-type: none"> <li>Minimum investment of 80% of value of assets in completed and rent generating properties</li> </ul>
Other specified assets	<ul style="list-style-type: none"> <li>Maximum investment of 20% in other specified assets (including under construction assets / projects)</li> </ul>
Number of projects	<ul style="list-style-type: none"> <li>REIT can hold single asset/project</li> </ul>
Investment through SPV Hold Co / SPV	<ul style="list-style-type: none"> <li>REIT should hold at least 50% in equity share capital of the SPV Hold Co/SPV. REIT may invest in properties through SPV Hold Co, such that the ultimate holding interest of REITs in the underlying SPV is not less than 26%</li> </ul>
% of revenue and assets	<ul style="list-style-type: none"> <li>Not less than 51% of revenue of REIT, SPV Hold Co and SPV, other than gains arising from disposal of properties, will be generated from rent, leasing, and letting real estate assets / income incidental to leasing of such assets.</li> </ul>
Lending by REIT	<ul style="list-style-type: none"> <li>REIT will not undertake lending to any person except Hold Co / SPV in which it has already invested. Further, investment in debt securities will not be considered as lending</li> </ul>
Others	<ul style="list-style-type: none"> <li>REIT cannot invest in units of another REIT Completed and not rent generating properties which shall be held by REIT for at least three years from date of purchase</li> </ul>

Source: Deloitte India, I-Sec research

**Table 22: Key Provisions for Issue and Listing of Units**

Particulars	Provisions
Means of raising funds	<ul style="list-style-type: none"> <li>Initial offer</li> <li>Follow on offer, qualified institutional placement, rights issue, bonus issue, offer for sale.</li> <li>Preferential issue</li> </ul>
Value of REIT assets prior to initial offer	<ul style="list-style-type: none"> <li>Minimum Rs5bn of REIT assets (including held by Hold Cos and SPVs)</li> </ul>
Minimum initial offer	<ul style="list-style-type: none"> <li>Rs2.5bn</li> </ul>
Minimum investment by investor	<ul style="list-style-type: none"> <li>Rs0.2mn</li> </ul>
Listing of units	<ul style="list-style-type: none"> <li>Yes – Units to be mandatorily listed</li> </ul>
Minimum number of investors	<ul style="list-style-type: none"> <li>200 investors (maximum investor not specified) (other than Sponsors/Sponsor Group/Related Parties/Associates)</li> </ul>
Minimum public float	<ul style="list-style-type: none"> <li>Post issue REIT Capital &lt; Rs16bn – At least 25% of total units</li> <li>Post issue REIT Capital from Rs16bn to Rs40bn - At least Rs4bn</li> <li>Post issue REIT Capital Rs40bn &amp; above – not less than 10% of total units</li> </ul>
Nature of investor	<ul style="list-style-type: none"> <li>Both resident and non-resident investors are permitted to invest</li> </ul>
Minimum subscription	<ul style="list-style-type: none"> <li>90% of issue size</li> </ul>
Minimum trading lots	<ul style="list-style-type: none"> <li>Rs0.05mn</li> </ul>

Source: Deloitte India, I-Sec research

**Table 23: Key Provisions for Distribution**

Particulars	Provisions
REIT to unit holders	<ul style="list-style-type: none"> <li>At least 90% of net distributable cash flows of REIT to be distributed</li> <li>If reinvested – No distribution to unit holders required; If not reinvested within one year – Distribute 90% of sales proceeds</li> </ul>
Surplus on Sale of property	<ul style="list-style-type: none"> <li>Minimum Rs5bn of REIT assets (including held by Hold Cos and SPVs)</li> </ul>
Periodicity of distributions	<ul style="list-style-type: none"> <li>Once in every six months</li> </ul>
Borrowings and deferred payments	<ul style="list-style-type: none"> <li>Shall never exceed 49% of value of REIT assets</li> </ul>

Source: Deloitte India, I-Sec research

**Table 24: Who can invest?**

Particulars	Provisions
Nature of investor	<ul style="list-style-type: none"> <li>Both resident and non-resident investors are permitted to invest</li> </ul>
Mutual Funds	<ul style="list-style-type: none"> <li>10% of a mutual fund NAV</li> <li>5% of mutual fund NAV in a single issuer</li> <li>10% of units issued by a single issuer</li> </ul>
Insurance companies	<ul style="list-style-type: none"> <li>3% of fund size of insurer or 5% of units issued by a REIT</li> <li>No investment can be made in REIT wherein promotor group of insurance company is a sponsor</li> </ul>
Banks	<ul style="list-style-type: none"> <li>Not more than 10% of the unit capital of an REIT</li> </ul>
Strategic investors	<ul style="list-style-type: none"> <li>Not less than 5% and not more than 25% of the offer size</li> </ul>

Source: Deloitte India, I-Sec research

## Taxation Framework for Indian REITs

**Table 25: At the time of REIT formation**

Particulars	Provisions
Exchange of shares of SPV with units of REIT	<ul style="list-style-type: none"> <li>Neither capital gains nor MAT applicable in the hands of sponsor</li> </ul>
Exchange of real estate assets with the units of REIT or for cash consideration	<ul style="list-style-type: none"> <li>Capital gains taxable at applicable rates in the hands of sponsor</li> </ul>
Unresolved Issue	<ul style="list-style-type: none"> <li>Exemption from capital gains on swap of assets against the units of REIT</li> </ul>

Source: Deloitte India, I-Sec research

**Table 26: Taxation in the hands of SPV**

Particulars	Provisions
Interest	<ul style="list-style-type: none"> <li>Taxable deductible for SPV</li> <li>No withholding on upstreaming interest income to REIT</li> <li>Withholding applicable on upstreaming interest income to SPV Holdco</li> </ul>
Rental income	<ul style="list-style-type: none"> <li>Rental income subject to tax as business income or income from house property</li> </ul>
Dividend	<ul style="list-style-type: none"> <li>DDT will not be payable by SPV for dividends paid to REIT (Subject to 100% held by REIT)</li> <li>In case of dividend distribution to SPV Hold Co, DDT shall be paid by SPV</li> </ul>
Sale of real estate	<ul style="list-style-type: none"> <li>Subject to Capital Gains Tax</li> </ul>
Unresolved Issue	<ul style="list-style-type: none"> <li>Exemption from DDT on distribution of dividend by SPV to SPV Hold Co</li> </ul>

Source: Deloitte India, I-Sec research

**Table 27: Taxation in the hands of SPV Holdco**

Particulars	Provisions
Interest	<ul style="list-style-type: none"> <li>Interest earned from SPV is taxable at applicable rates</li> <li>No withholding on upstreaming interest income to REIT</li> </ul>
Rental income	<ul style="list-style-type: none"> <li>Taxable at applicable rates</li> </ul>
Dividend	<ul style="list-style-type: none"> <li>Exempt for dividends received from SPV</li> <li>DDT will not be payable by SPV Hold Co for dividends paid to REIT (Subject to 100% held by REIT)</li> <li>If SPV Hold Co is not held 100% by REIT, DDT payable by SPV Hold Co would be net of DDT paid by SPV provided if SPV is subsidiary of SPV Hold Co and dividend is paid in the same year)</li> </ul>
Sale of real estate	<ul style="list-style-type: none"> <li>Subject to Capital Gains Tax</li> </ul>

Source: Deloitte India, I-Sec research

**Table 28: Taxation in the hands of REIT**

Particulars	Provisions
Interest / Rental Income	<ul style="list-style-type: none"> <li>Interest income / Rental income exempt in the hands of REIT</li> <li>REIT required to withhold tax from payments to unit holders</li> <li>Residents: 10%</li> <li>Non-residents: 5%, benefits under DTAA, if any, shall be applicable</li> </ul>
Dividend	<ul style="list-style-type: none"> <li>Exempt, however, implications under section 115BBDA needs to be considered</li> </ul>
Gains on transfer of SPV share or real estate/ infra assets	<ul style="list-style-type: none"> <li>Subject to Capital Gains Tax</li> </ul>

Source: Deloitte India, I-Sec research

**Table 29: Taxation in the hands of Unitholders**

Particulars	Provisions
Interest Income	<ul style="list-style-type: none"> <li>Foreign investors: 5% (withheld at REIT level)</li> <li>Domestic investors: At applicable rates (credit for tax withheld at 10%)</li> </ul>
Dividend/SPV debt amortisation	<ul style="list-style-type: none"> <li>Exempt for all investors. Caveat is that old tax regime is followed by REIT at SPV level</li> </ul>
Rental Income	<ul style="list-style-type: none"> <li>Taxable at applicable rates as per the current tax regime (credit for tax withheld)</li> </ul>
Capital gains on sale of units of REITs	<ul style="list-style-type: none"> <li>Taxable at applicable rates as per the current tax regime (credit for tax withheld)</li> </ul>

Source: Deloitte India, I-Sec research



## Key Portfolio Assets

### Hyderabad:

#### Mindspace Madhapur

Mindspace Madhapur is a Grade-A, business park in Hyderabad. The asset is located in Madhapur micro-market, the largest office micro-market in Hyderabad, with excellent physical infrastructure and direct connectivity to the airport and other parts of the city via rail and road network. The asset is situated on 97.2 acres of land and is the largest business park in Hyderabad. (Source: Cushman & Wakefield). As of March 31, 2020, the asset has 10.6msf of Total Leasable Area, comprising 9.9msf of Completed Area, 0.1msf of Under Construction Area and 0.5msf of Future Development Area.

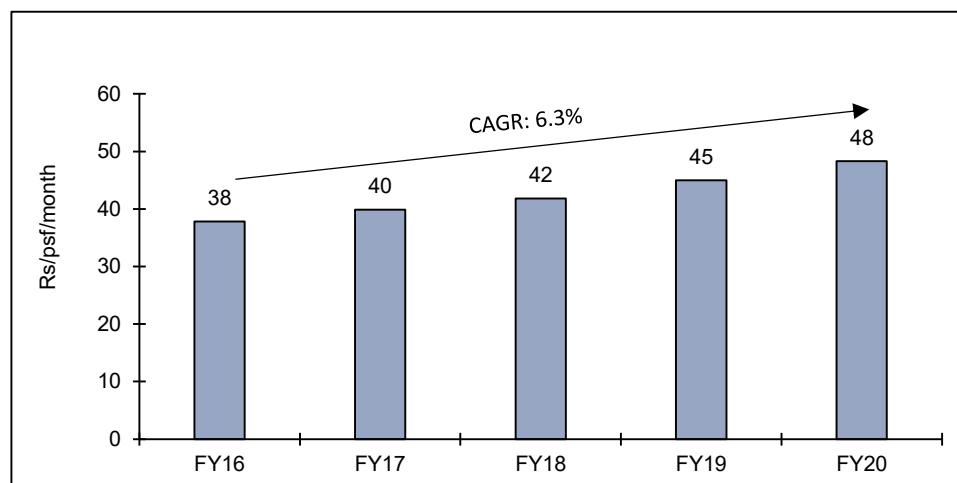
As of March 31, 2020, Mindspace Madhapur had 88 tenants including Qualcomm, BA Continuum, Verizon, Amazon, Accenture and Pegasystems, and its top ten tenants accounted for 56.6% of its Gross Contracted Rentals.

**Table 30: Mindspace Madhapur – Key Asset Information**

Particulars	Details (as of March 31, 2020)
Entity/SPVs	Sundew Properties Ltd., Intime Properties Ltd., K Raheja IT Park Pvt. Ltd.
Interest owned by REIT	89.0%
Year of Commencement	2005
Asset Type	Office Park
Micromarket	Madhapur
Site area (acres)	97.2
Freehold/Leasehold	Freehold
Leasable Area (msf)	10.6
Completed Area (msf)	9.9
Under Construction Area (msf)	0.1
Future Development Area (msf)	0.5
Occupancy (%)	89.2%
Committed Occupancy (%)	97.6%
WALE (years)	5.6

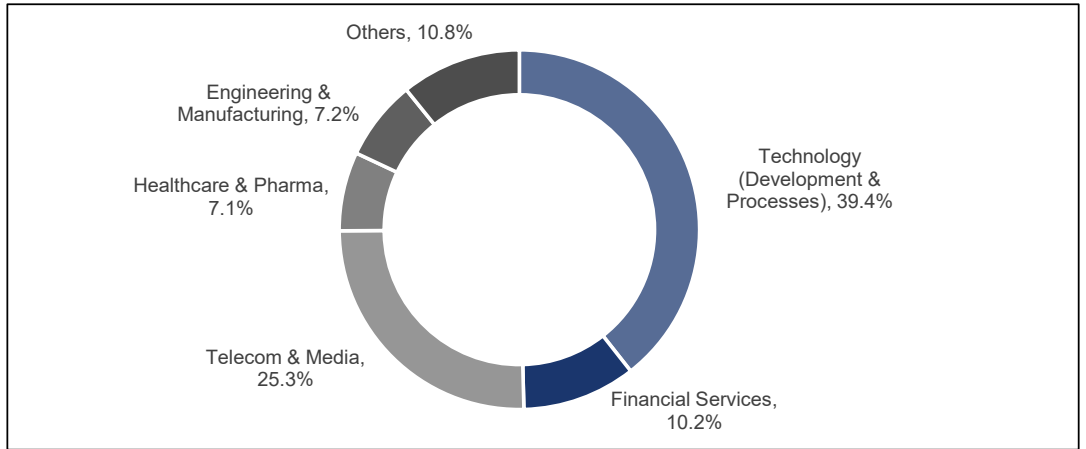
Source: Company, I-Sec research

**Chart 17: Mindspace Madhapur In-Place Rent**



Source: Company, I-Sec research

**Chart 18: Sector mix of Gross Contracted Rentals (as of March 2020)**



Source: Company, I-Sec research

## Mumbai Metropolitan Region:

### Mindspace Airoli East

Mindspace Airoli East is a Grade-A business park, which is strategically located on Thane-Belapur Road within Navi Mumbai, near Airoli Railway Station and in close proximity to the upcoming international airport. The asset is situated on 50.1 acres of land and is the largest business park in Mumbai Region. As of March 31, 2020, the asset has 6.8msf of Total Leasable Area, comprising 4.7msf of Completed Area and 2.1msf of Future Development Area.

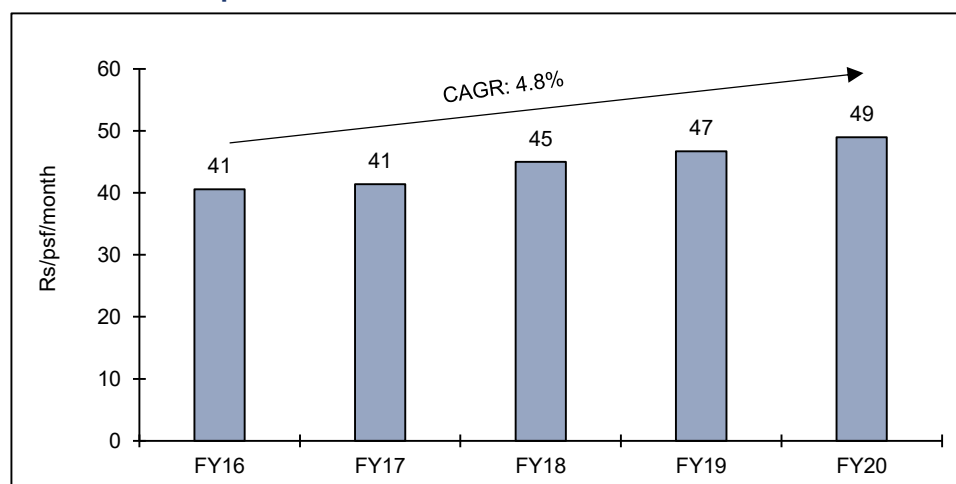
As of March 31, 2020, Mindspace Airoli East had 29 tenants including, Accenture, Syntel, Wipro, EClerx, Inventurus and Gebbs. Its top ten tenants accounted for 87.3% of its Gross Contracted Rentals, as of March 31, 2020.

**Table 31: Mindspace Airoli East – Key Asset Information**

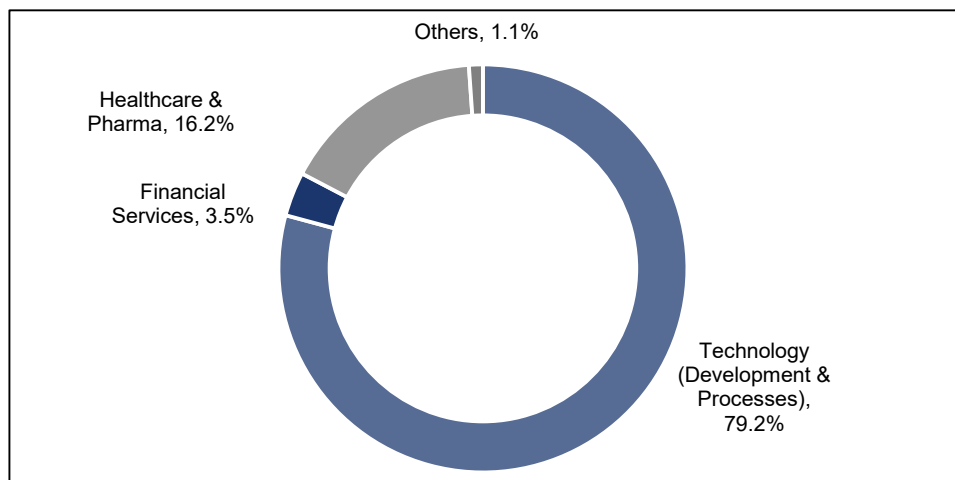
Particulars	Details (as of March 31, 2020)
Entity	Mindspace Business Parks Pvt Ltd.
Interest owned by REIT	100.0%
Year of Commencement	2007
Asset Type	Office Park
Micromarket	Thane-Belapur Road, Navi Mumbai
Site area (acres)	50.1
Freehold/Leasehold	Leasehold (MIDC), 43 years remaining lease term
Leasable Area (msf)	6.8
Completed Area (msf)	4.7
Under Construction Area (msf)	-
Future Development Area (msf)	2.1
Occupancy (%)	98.0%
Committed Occupancy (%)	98.0%
WALE (Years)	4.8

Source: Company, I-Sec research

**Chart 19: Mindspace Airoli East In-Place Rent**



Source: Company, I-Sec research

**Chart 20: Sector mix of Gross Contracted Rentals (as of March 2020)**

Source: Company, I-Sec research

### Mindspace Airoli West (Gigaplex)

Mindspace Airoli West is a Grade-A business park, which is located on Thane-Belapur Road within Navi Mumbai and is in proximity to Airoli Railway Station and the upcoming international airport. As of March 31, 2020, the asset has 4.5msf of Total Leasable Area (which comprises 3.5msf of Completed Area and 1.0msf of Under Construction Area). Mindspace Airoli West provides superior infrastructure and amenities, including a food plaza, a recreational ground, an outdoor sports arena, a crèche and Wi-Fi zones.

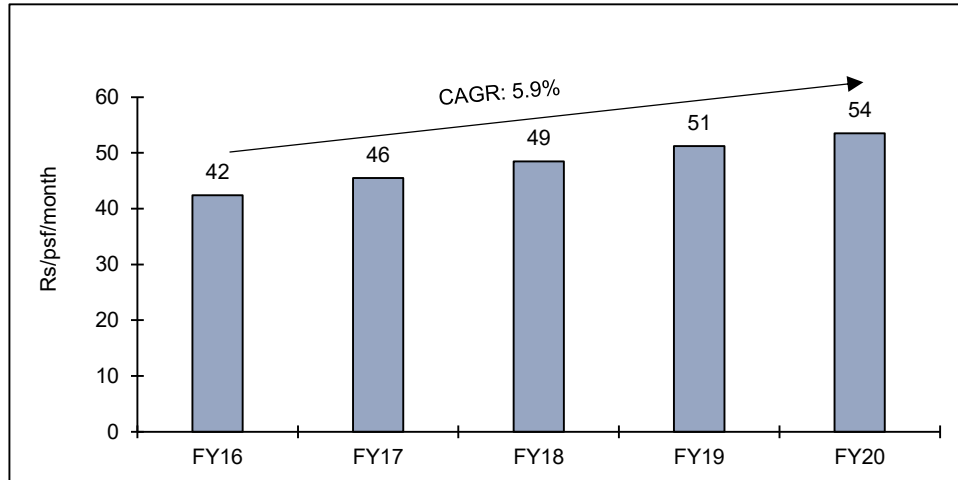
As of March 31, 2020, Mindspace Airoli West had 28 tenants including, Accenture, Capgemini, Axis, Here Sol, GeP, UBS, Atos India and IDFC. Its top ten tenants accounted for 95.2% of its Gross Contracted Rentals, as of March 31, 2020.

**Table 32: Mindspace Airoli West – Key Asset Information**

Particulars	Details (as of March 31, 2020)
Entity	Gigaplex Estate Pvt Ltd.
Interest owned by REIT	100.0%
Year of Commencement	2013
Asset Type	Office Park
Micromarket	Thane-Belapur Road, Navi Mumbai
Site area (acres)	50.0
Freehold/Leasehold	Leasehold (MIDC), 82 years remaining lease term
Leasable Area (msf)	4.5
Completed Area (msf)	3.5
Under Construction Area (msf)	1.0
Future Development Area (msf)	-
Occupancy (%)	68.8%
Committed Occupancy (%)	72.3%
WALE (Years)	8.1

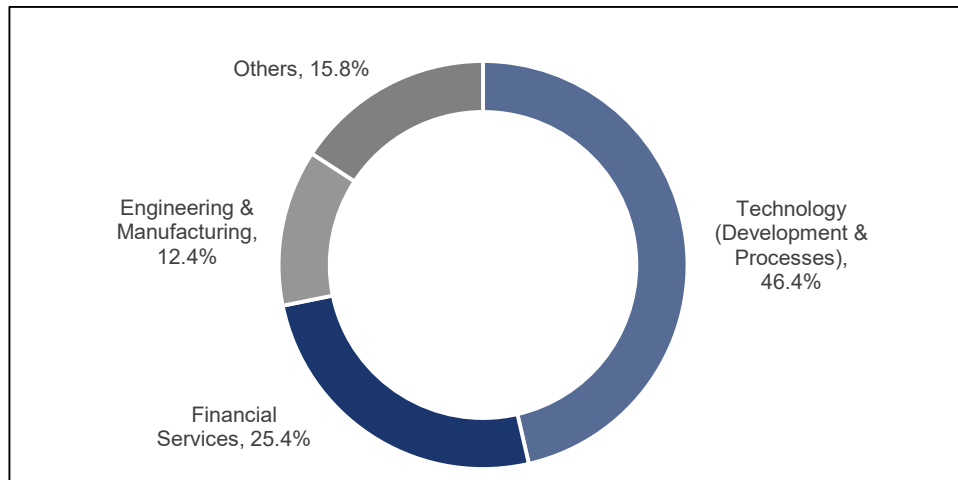
Source: Company, I-Sec research

**Chart 21: Mindspace Airoli West In-Place Rent**



Source: Company, I-Sec research

**Chart 22: Sector mix of Gross Contracted Rentals (as of March 2020)**



Source: Company, I-Sec research

**Paradigm Mindspace Malad**

Paradigm Mindspace Malad is a Grade-A asset located in Malad-Goregaon micro-market of Mumbai Region. The micro-market has good social infrastructure and is in close proximity to residential areas, the upcoming metro as well as multiple suburban railway stations. The asset is situated on 4.2 acres of land with 0.7msf of Leasable Area, as of March 31, 2020.

As of March 31, 2020, Paradigm Mindspace Malad had 14 tenants including companies such as JP Morgan, Tech Mahindra, BA Continuum and Zibanka. Its top ten tenants accounted for 99.1% of its Gross Contracted Rentals, as of March 31, 2020.

**Table 33: Paradigm Mindspace Malad – Key Asset Information**

Particulars	Details (as of March 31, 2020)
Entity	Avacado Properties & Trading (India) Pvt Ltd.
Interest owned by REIT	100.0%
Year of Commencement	2004
Asset Type	Office Park
Micromarket	Malad West
Site area (acres)	4.2
Freehold/Leasehold	Leasehold
Leasable Area (msf)	0.7
Completed Area (msf)	0.7
Under Construction Area (msf)	-
Future Development Area (msf)	-
Occupancy (%)	91.4%
Committed Occupancy (%)	93.8%
WALE (Years)	3.3

Source: Company, I-Sec research

## Pune

### Commerzone Yerwada

Commerzone Yerwada is a Grade-A business park, which is strategically located within the Secondary Business District East micro-market of Pune, in proximity to the railway station, Pune International Airport and the upcoming metro station. The asset is situated on 25.7 acres of land and company's share of the Total Leasable Area is 1.7msf, as of March 31, 2020. The asset provides a host of amenities including restaurants, large recreational ground and outdoor sports arena.

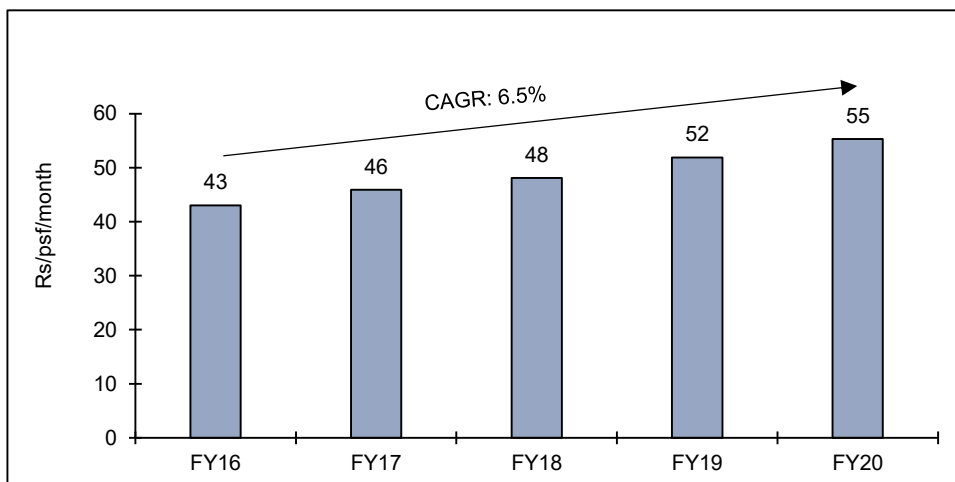
As of March 31, 2020, Commerzone Yerwada had 21 tenants including Schlumberger, UBS and BNY Mellon and its top ten tenants accounted for 90.5% of its Gross Contracted Rentals.

**Table 34: Commerzone Yerwada – Key Asset Information**

Particulars	Details (as of March 31, 2020)
Entity	Mindspace Business Parks Pvt Ltd.
Interest owned by REIT	100.0%
Year of Commencement	2010
Asset Type	Office Park
Micromarket	Yerwada, SBD, Pune
Site area (acres)	25.7
Freehold/Leasehold	Freehold
Leasable Area (msf)	1.7
Completed Area (msf)	1.7
Under Construction Area (msf)	-
Future Development Area (msf)	-
Occupancy (%)	99.9%
Committed Occupancy (%)	99.9%
WALE (Years)	5.6

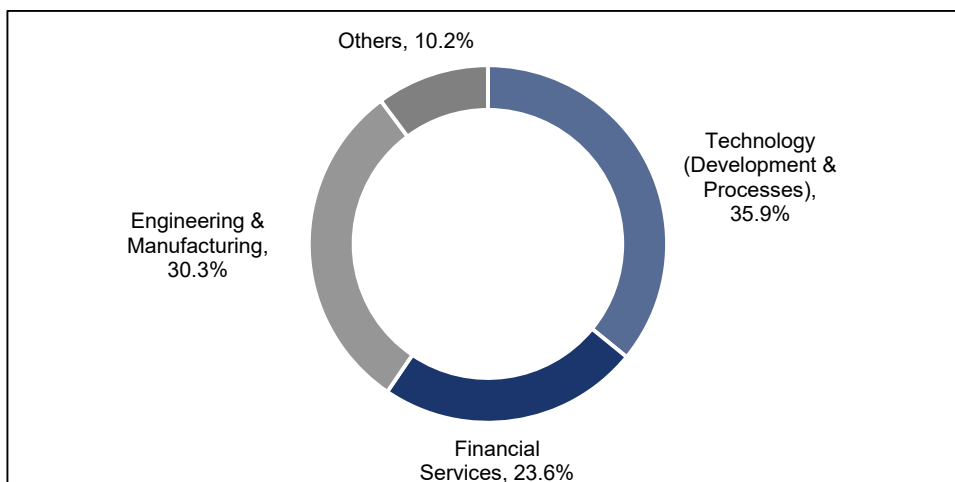
Source: Company, I-Sec research

**Chart 23: Commerzone Yerwada In-Place Rent**



Source: Company, I-Sec research

**Chart 24: Sector mix of Gross Contracted Rentals (as of March 2020)**



Source: Company, I-Sec research

**Gera Commerzone Kharadi**

Gera Commerzone Kharadi is Grade-A asset located in Pune, Maharashtra. The asset is strategically within the Secondary Business District East micro-market of Pune, in proximity to the railway station, Pune International Airport and the upcoming metro station. The asset is situated on 25.8 acres of land and SPV’s share of Total Leasable Area is 2.6msf, as of March 31, 2020.

As of March 31, 2020, Commerzone Kharadi had three tenants, Barclays, All State and a logistics company.

**Table 35: Commerzone Kharadi – Key Asset Information**

Particulars	Details (as of March 31, 2020)
Entity	KRC Infrastructure and Projects Pvt Ltd.
Interest owned by REIT	100.0%
Year of Commencement	2017
Asset Type	Office Park
Micromarket	Kharadi, SBD East, Pune
Site area (acres)	25.8
Freehold/Leasehold	Freehold
Leasable Area (msf)	2.6
Completed Area (msf)	1.3
Under Construction Area (msf)	0.7
Future Development Area (msf)	0.6
Occupancy (%)	71.3%
Committed Occupancy (%)	71.3%
WALE (Years)	10.9

Source: Company, I-Sec research

### The Square, Nagar Road, Pune

The Square, Nagar Road is a Grade-A asset in Pune, Maharashtra, which is strategically within the Secondary Business District East micro-market of Pune, in proximity to the railway station, Pune International Airport and the upcoming metro station. The asset is situated on 10.1 acres of land and comprises two buildings totalling 0.7msf of Leasable Area, as of March 31, 2020. One building has been an office premise since 2011, while the other was converted from a mall into office in 2017. Additionally, a portion of the land in The Square, Nagar Road has been leased out to Maharashtra State Electricity Distribution Company Limited for construction, maintenance and operation of an electrical transforming sub-station.

As of March 31, 2020, The Square, Nagar Road houses four tenants, namely, Barclays, Fiserv, Amazon and PVR.

**Table 36: The Square, Nagar Road, Pune – Key Asset Information**

Particulars	Details (as of March 31, 2020)
Entity	Mindspace Business Parks Pvt Ltd.
Interest owned by REIT	100.0%
Year of Commencement	2015
Asset Type	Office Park
Micromarket	SBD East, Pune
Site area (acres)	10.1
Freehold/Leasehold	Freehold
Leasable Area (msf)	0.7
Completed Area (msf)	0.7
Under Construction Area (msf)	-
Future Development Area (msf)	-
Occupancy (%)	100.0%
Committed Occupancy (%)	100.0%
WALE (Years)	5.5

Source: Company, I-Sec research



## Annexure 1: India Office Market Trends

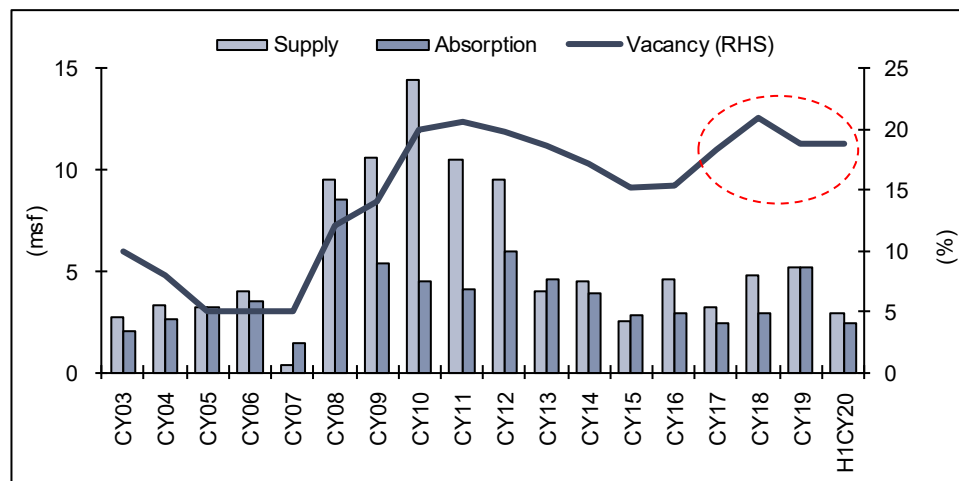
Our report on India's office/mall market analyses the supply and absorption trends across micro markets in the top seven cities that account for ~80-85% of office space demand. We cover vacancy levels, rental trends and the industry's outlook. The report also attempts to capture the supply and absorption levels in office space at a pan-India level. Data is derived from micro markets across tier-1 cities – Mumbai (MMR), NCR (New Delhi, Gurugram & Noida), Bengaluru, Chennai, Hyderabad, Pune and Kolkata.

- **Absorption** – Actual office space occupied and does not include any pre-committed leases
- **CBD, SBD and PBD** – Stand for Central Business District, Suburban Business District and Peripheral Business District, respectively; refer to the importance of location
- **CMBS** – Commercial Mortgage Backed Security
- **Existing stock** – Completed physical stock of office buildings in a city and/or micro market
- **Micro markets** – Concentration of office buildings in a specific location
- **MMR** – Mumbai Metropolitan Region includes Greater Mumbai, Navi Mumbai and Thane
- **mn sq ft** – Million square feet of chargeable area
- **REIT** – Real Estate Investment Trust is a company that owns or finances income-producing real estate (office buildings, apartments, hotels, warehouses)
- **Rentals** – Quoted on chargeable and not carpet area
- **Supply** – Actual physical completion of office buildings for a given period

### Mumbai Metropolitan Region (MMR): Steady leasing activity

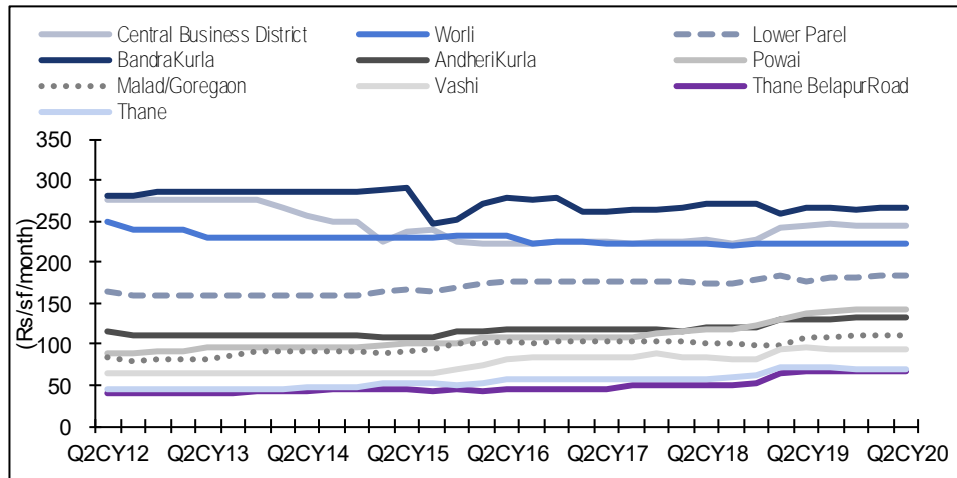
- MMR had seen net absorption of ~2.4msf in CY17 with the Thane-Belapur micro-market accounting for 40% of the absorption with demand from healthcare, engineering and manufacturing sectors. Supply also remained relatively muted at 3.2msf during the same period.
- CY18 has seen net absorption of 2.9msf with strong supply addition of 4.8msf with 40% of the absorption coming from the Thane-Belapur Road (similar to CY17).
- CY19 saw strong net absorption of 5.2msf aided by fresh completions of 5.2msf. Of this, the Thane-Belapur accounted for ~20% of net absorption followed by Andheri-Kurla (20%) and Central Suburbs (21%).
- In Q2CY20, net absorption stood at 1.6msf (up 16% YoY) and was driven mostly by pre-commitments in previous quarters. A few transactions of ~1-1.2msf which were expected to be signed in H1CY20, have now been deferred by 3-6 months and may materialize later during in CY20.
- In H1CY20, incremental supply of 3.0msf has been added, with the Thane, Lower Parel and BKC submarkets recording project completions. The overall vacancy stands at 18.8%, down 1% QoQ. Against this, overall net absorption stood at 2.5msf.
- As of June 2020, an additional supply of 13.7msf is scheduled to be completed of which 2.6msf is expected to be infused in H2CY20.
- As per recent media articles, few pre-leasing transactions such as Morgan Stanley taking up 1.4msf of space in Oberoi Realty’s Commerz III in Goregaon and Maersk picking 0.2msf at Godrej Properties’ Godrej Two project in Vikhroli.
- Hence, we expect MMR to clock ~3msf of Grade A net absorption in CY20 and 3.5smf in CY21E.
- While overall rentals have held steady, few properties are likely to see downward revision in rents once lockdown is lifted with rising vacancies. However, this will largely be limited to stand-alone buildings of non-institutional landlords.

**Chart 25: Mumbai office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research

**Chart 26: Mumbai office rentals stable on QoQ basis**



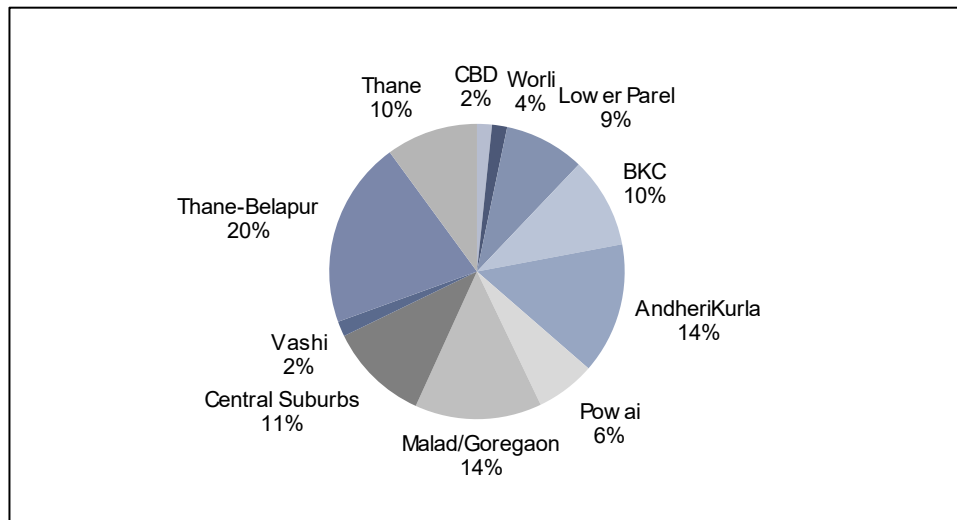
Source: Cushman & Wakefield, I-Sec Research

**Table 37: Mumbai office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
CBD	9	9	9	9	9	10	8	8	8	7	7	7
Worli	22	22	21	20	21	22	16	14	14	13	13	14
Lower Parel	12	12	12	10	10	10	13	13	13	13	16	18
BKC	19	16	15	14	13	11	15	14	16	16	15	16
Andheri-Kurla	18	21	21	24	23	25	20	19	19	18	18	18
Powai	3	7	7	9	9	9	12	8	7	6	9	9
Malad	21	21	21	20	19	18	20	26	24	20	18	19
Vashi	7	7	7	7	10	10	8	8	11	11	11	12
Thane-Belapur	24	23	22	24	23	28	29	27	26	26	28	25
Thane	20	19	21	19	23	19	11	15	17	17	19	14
<b>Overall</b>	<b>18</b>	<b>18</b>	<b>18</b>	<b>20</b>	<b>20</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>19</b>	<b>20</b>	<b>19</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 27: Mumbai Grade A office completed inventory break-up**

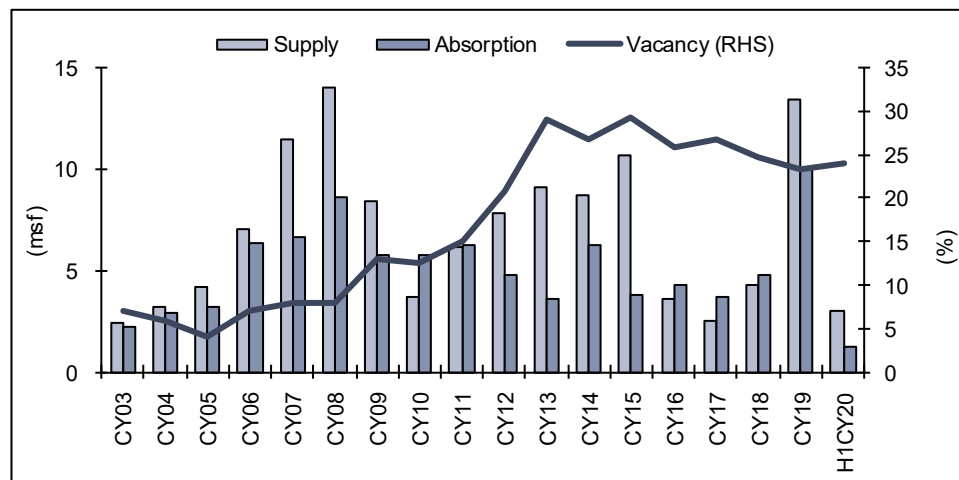


Source: Cushman & Wakefield, I-Sec Research

### National Capital Region (NCR): Gurugram CBD stands out

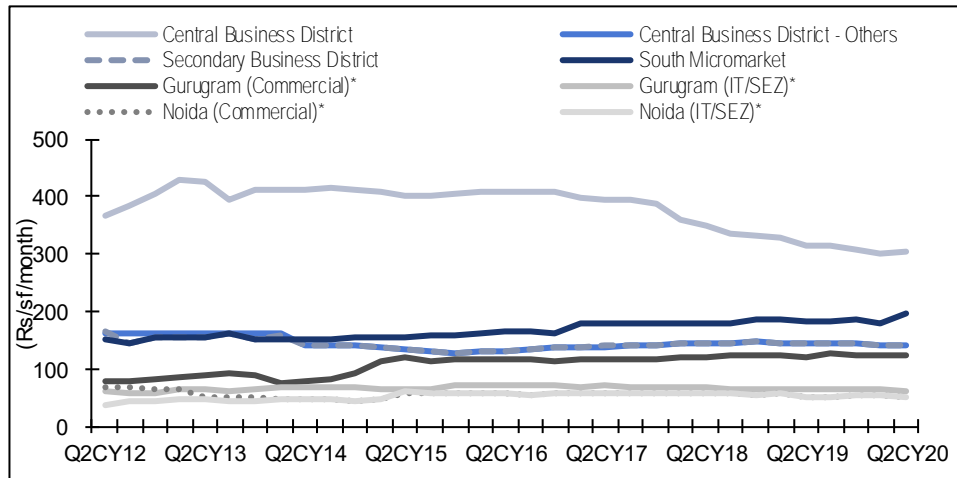
- At an overall level, NCR has seen decent Grade A net absorption of ~3.8msf in CY17 with majority of absorption taking place in the non-CBD micro-market of Gurugram and Noida. On the supply-side, there were fresh completions of just 2.5msf concentrated in the same micro-markets.
- In CY18, the NCR market clocked strong net absorption of 4.8msf which is in line with the trend of over ~1msf of quarterly absorption. Incremental supply was also healthy at 4.3msf for the year.
- CY19 saw net absorption of 10.0msf vs. incremental supply of 13.4msf. The NCR market presents an interesting contrast with the CBD market of Gurugram currently having a vacancy level of just 4%, which has resulted in ~70% uptick in rentals over CY14-19, owing to limited availability of office space in that micro market. However, the peripheral markets of Gurugram and Noida continue to reel under high vacancies of over 25%.
- In Q2CY20, while gross leasing stood at 0.9msf, space given up by occupiers resulted in marginally negative net absorption of 0.3msf for the quarter with overall vacancies rising by 86bps QoQ to 24.0%.
- Going forward, annual net absorption is expected to remain in the 4-5msf range in CY20-22E owing to COVID impact. With ~21msf of under-construction projects (9msf in non-CBD Gurugram and 10msf in Noida) slated to become operational over H2CY20-22E, these micro-markets will continue to see rise in vacancy levels. In contrast, the Gurugram CBD belt with just ~2.5msf of under-construction projects (mainly DLF’s projects) will continue to see strong demand-supply dynamics.
- In the peripheral markets of Gurugram and Noida, rental values will remain under pressure. However, assets in better locations, such as Gurugram CBD, may see rentals holding up, owing to limited availability of quality space. **Grade A projects in core markets have not seen any headline rent reductions so far.**

**Chart 28: NCR office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research

**Chart 29: NCR office rentals reduce marginally on QoQ basis**



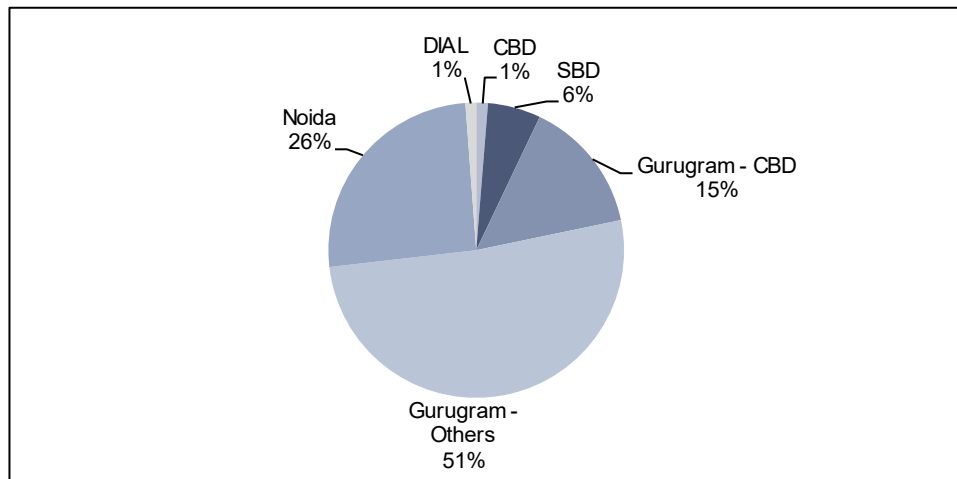
Source: Cushman & Wakefield, I-Sec Research

**Table 38: NCR office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
CBD	13	12	12	11	10	9	15	13	13	23	24	25
CBD - Others	13	12	12	11	10	9	15	13	13	23	24	25
SBD	17	17	16	16	15	15	15	15	15	17	20	21
South Micromarket	13	13	14	14	13	15	20	20	20	20	19	20
Gurugram - CBD	3	3	2	2	2	3	5	3	3	4	5	7
Gurugram - Others	37	37	36	35	34	32	34	31	37	36	35	36
Noida	27	27	25	25	26	27	26	26	25	23	24	24
<b>Overall</b>	<b>27</b>	<b>27</b>	<b>26</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>26</b>	<b>24</b>	<b>24</b>	<b>23</b>	<b>23</b>	<b>24</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 30: NCR Grade A office completed inventory break-up**

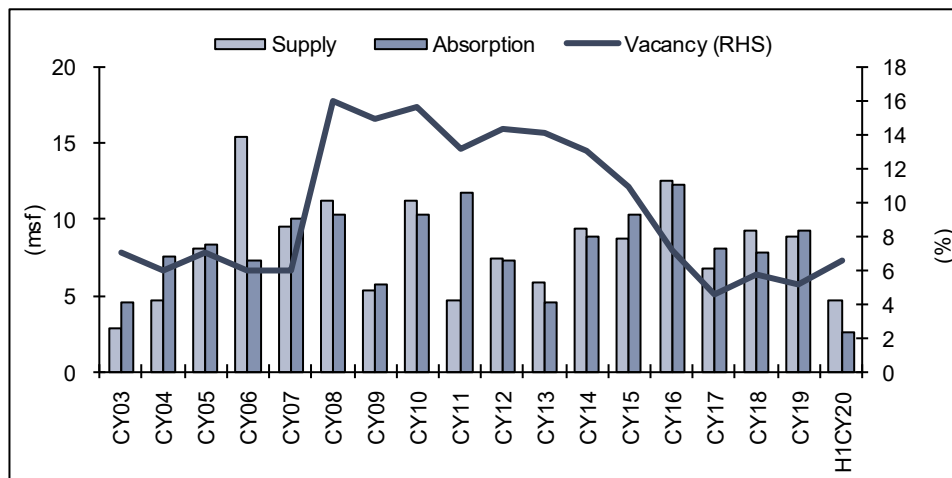


Source: Cushman & Wakefield, I-Sec Research

## Bengaluru: To retain leadership position

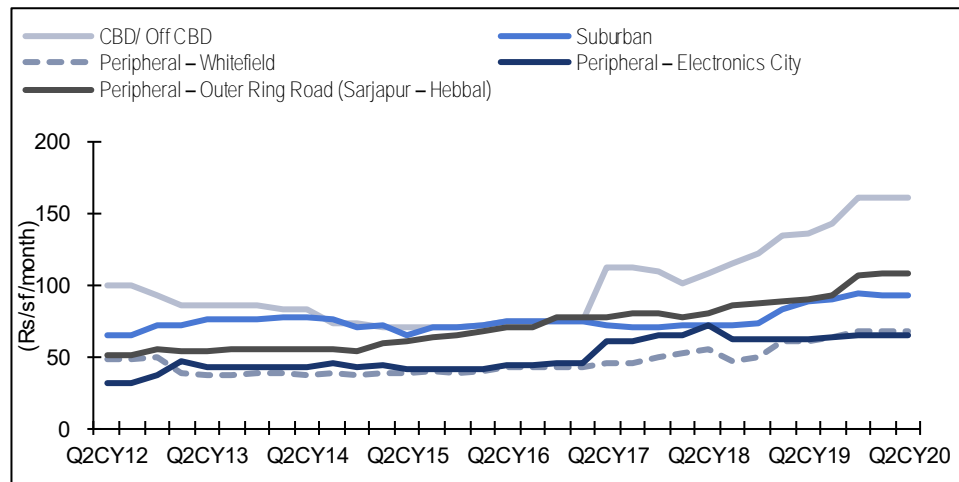
- CY17 was a relatively subdued period for the Bengaluru market as delayed completions in pre-committed properties led to muted net absorption of just 8.0msf as compared to annual absorption of over 10msf. Supply for CY17 was also muted and stood at 6.7msf and was much lower than the absorption levels.
- CY18 has seen a similar trend with net absorption of 7.9msf (on par with CY17) 5.8msf which was marginally lower than the incremental supply of 9.2msf. However, on gross basis, the city clocked gross absorption of ~15msf.
- CY19 saw net absorption of 9.3msf which was owing to fresh completions of 8.9msf as well which were already pre-committed.
- In H1CY20, Bengaluru has seen net absorption of 2.5msf vs. supply infusion of 4.7msf resulting in overall city-level vacancy levels rising by 136bps to 6.5%. However, key micro-markets such as Sarjapur Outer Ring Road continue to record low vacancies of just 1-2%.
- Bengaluru has another 6.5msf of supply scheduled to be completed in H2CY20, of which over 60% is already pre-committed. For CY21-22E, another 21msf of supply is scheduled to hit the markets. Hence, even with 20-30% decline in demand and delay in completions, we expect Bengaluru to clock net absorption of 7msf in CY20E and 8msf in CY21E.
- The Sarjapur-ORR micro market continues to see strong demand, with rentals sustaining at over Rs100/psf/month with Grade A vacancy of just 1%, and has accounted for more than 50% of net absorption in the city in CY15-CY19.
- Despite occupiers seeking rental negotiations and discounts on renewals, majority of the landlords/developers in the city continue to hold steady by not offering rental reductions or waiving off rental escalations. However, mid-sized developers are likely to offer some flexibility in rentals and waivers on CAM in the short to medium term to retain tenants.
- In our view, Bengaluru remains the best positioned in India’s office market in terms of demand-supply dynamics over the next 2-3 years.

**Chart 31: Bengaluru office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research

**Chart 32: Bengaluru office rentals flat on QoQ basis**



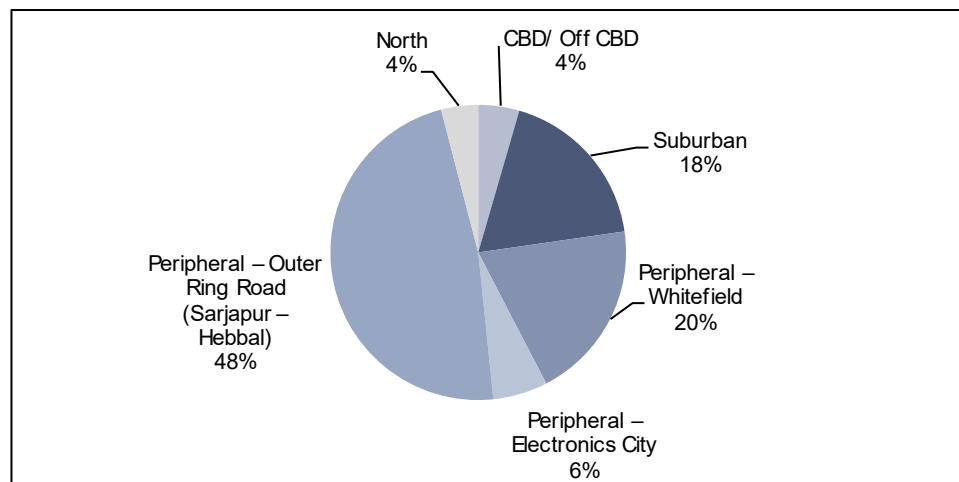
Source: Cushman & Wakefield, I-Sec Research

**Table 39: Bengaluru office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
CBD/ Off CBD	8	6	2	4	15	18	7	6	3	3	3	4
Suburban	1	1	2	2	2	1	1	3	3	3	3	3
Peripheral – ITPB	6	6	6	9	10	8	11	13	12	12	15	16
Peripheral – Whitefield	9	8	3	3	3	4	3	1	2	2	1	1
Peripheral – ORR	5	3	5	5	5	4	3	2	1	1	2	1
<b>Overall</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>7</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 33: Bengaluru Grade A office completed inventory break-up**

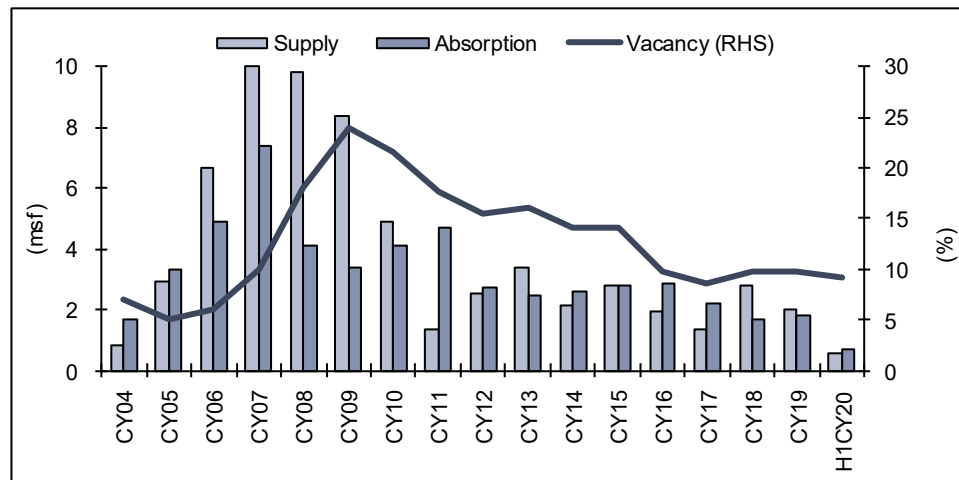


Source: Cushman & Wakefield, I-Sec Research

### Chennai: Steady leasing activity

- Chennai has clocked muted net absorption of 1.8msf in CY19 vs. annual absorption levels of ~3msf. This was owing to sluggishness in larger office transactions (greater than 100,000sft) and limited supply in preferred micro-markets.
- Chennai saw an increase in the number of co-working spaces in recent months, signaling rising occupiers' interest for such spaces.
- Overall vacancy levels have remained stable at 9.7% as of Q4CY19 vs. 8.6% in CY17 owing to balanced demand supply dynamics with preferred locations seeing strong demand.
- In H1CY20, Chennai has clocked net absorption of 0.7msf vs. supply infusion of 0.54msf which has resulted in overall vacancy levels falling by 45bps during this period.
- While 4msf of new supply is scheduled for completion in CY20E, ~2msf or 50% of completion is accounted for by Brigade Enterprises' World Trade Centre project which was 100% pre-leased prior to COVID. Likely completion of fit-outs in H2CY20 from tenants will be key for driving up CY20E net absorption figures.

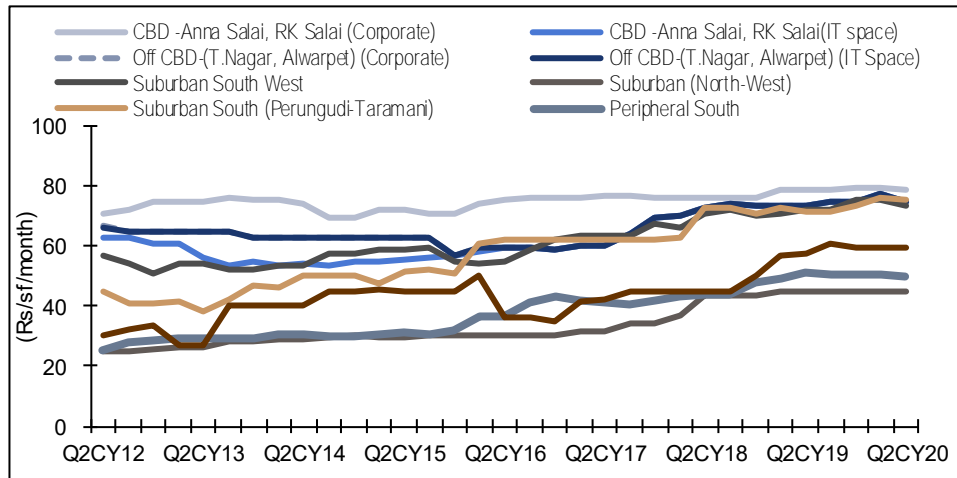
**Chart 34: Chennai office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research



**Chart 35: Chennai office rentals dip marginally on QoQ basis**



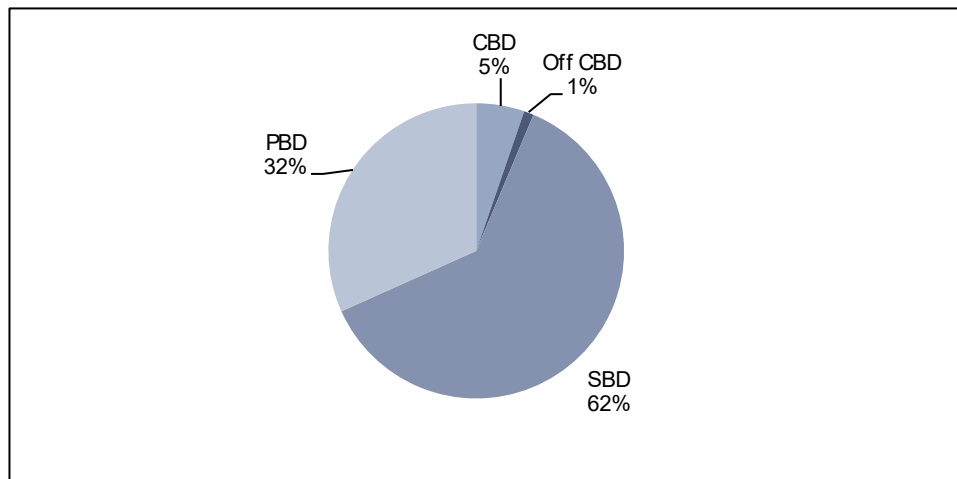
Source: Cushman & Wakefield, I-Sec Research

**Table 40: Chennai office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
CBD	17	16	16	16	16	16	12	12	18	17	12	12
Off CBD	26	29	28	28	23	21	21	21	19	29	29	31
SBD	7	7	6	7	7	5	3	3	2	2	2	2
PBD	17	16	17	23	19	18	17	19	16	17	16	16
<b>Overall</b>	<b>8</b>	<b>9</b>	<b>8</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>10</b>	<b>9</b>	<b>9</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 36: Chennai Grade A office completed inventory break-up**

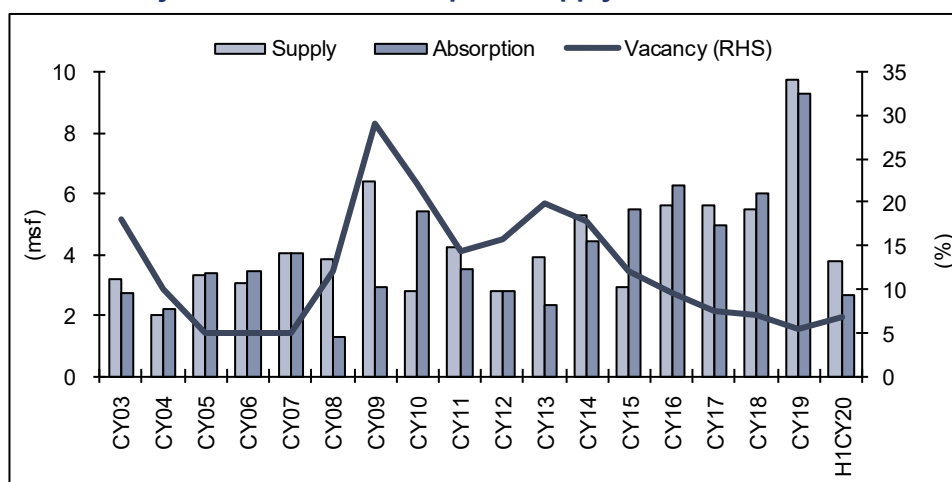


Source: Cushman & Wakefield, I-Sec Research

## Hyderabad: Pre-leasing drives absorption

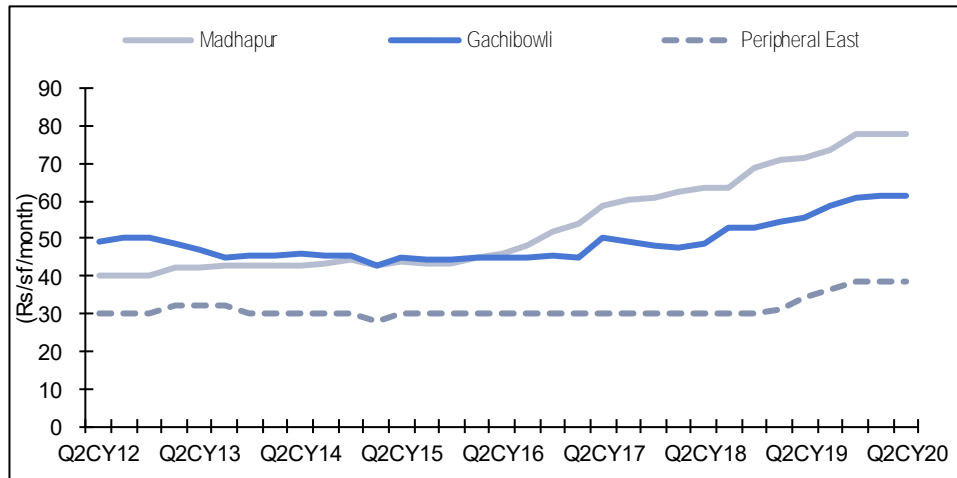
- After clocking strong net absorption of 5.5mn sq ft in CY15 vs. 4.4mn sq ft in CY14, Hyderabad clocked another record year in CY16 with net absorption of 6.3mn sq ft. The momentum sustained in CY17 as well with net absorption of 4.9msf. CY18 has seen record net absorption of ~6.0msf with incremental supply of 5.5msf and leasing momentum is expected to remain strong in over CY19-20E.
- CY19 saw stellar net absorption of 9.3msf which was owing to incremental supply of 9.7msf. As majority of the completed supply was pre-committed, net absorption numbers remained strong. Annual net absorption levels in Hyderabad are now on par with Bengaluru.
- Leasing activity is being driven by IT players such as Google, TCS and Oracle with the IT-BPM sector contributing around 70% of the total with flex operators and professional services being the other major contributors. Coworking operators such as WeWorks, Innov8, QHub and Simpliworks have entered the city leasing about 1.5msf across all grades in the suburban office markets.
- Vacancies in the preferred micro-markets of Madhapur (4.5%) and Gachibowli (7.5%) remain low. In H1CY20, Hyderabad clocked net absorption of 2.7msf vs. supply infusion of 3.8msf. Absorption was driven mostly by pre-commitments during H1CY20.
- At the beginning of Q2CY20, Hyderabad had nearly 35msf of upcoming cumulative supply scheduled till CY22E which has fallen to 27msf as of June 2020 as speculative supply and projects scheduled for completion in CY21-22E get deferred owing to shortage of labour. Upcoming completions have high density of development and FSI utilisation which may not attract demand in a post-COVID world, especially from MNCs.
- Google has pre-leased a little over 1.3msf in Gachibowli, as one of the biggest deal post COVID-19.
- While another 5-6msf is scheduled to be completed in H2CY20, vacancy levels may rise during this period but key markets of Madhapur and Gachibowli are still expected to retain single-digit vacancy levels owing to affordable rentals.

**Chart 37: Hyderabad office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research

**Chart 38: Hyderabad office rentals flat on QoQ basis**



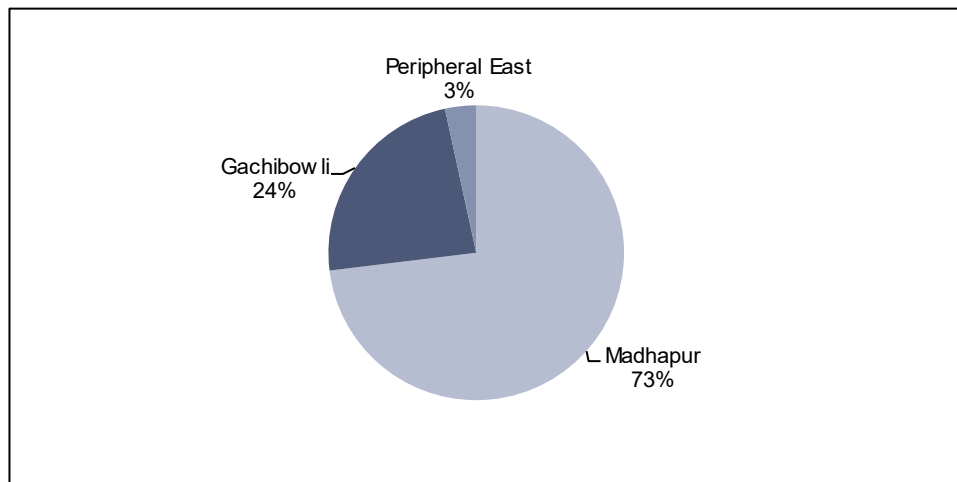
Source: Cushman & Wakefield, I-Sec Research

**Table 41: Hyderabad office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
Madhapur	5	5	4	2	3	4	3	2	2	2	2	5
Gachibowli	13	14	17	14	14	11	10	13	13	11	11	8
Peripheral East	15	16	16	16	16	16	16	34	33	32	32	32
<b>Overall</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>7</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 39: Hyderabad Grade A office completed inventory break-up**

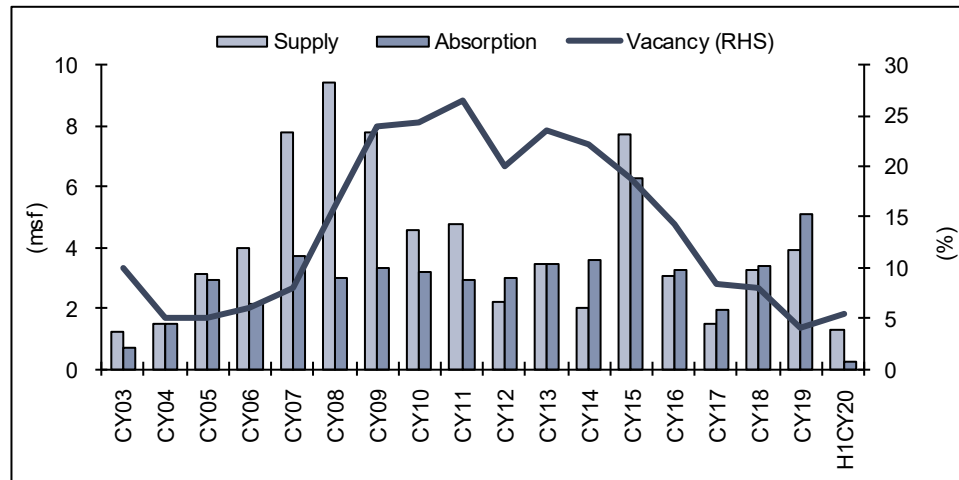


Source: Cushman & Wakefield, I-Sec Research

### Pune: Vacancy levels remain low

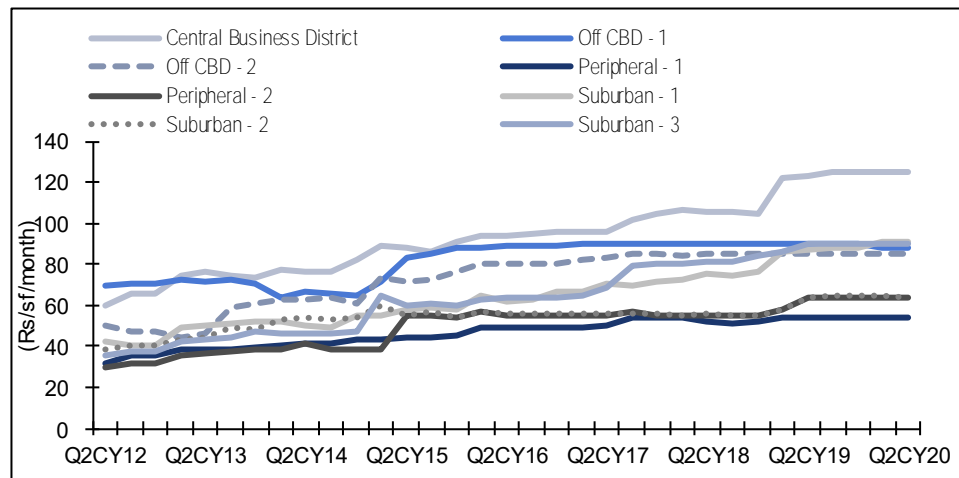
- Pune saw improved net absorption in CY18 of 3.4msf vs. 2.0msf in CY17 on the back of higher completions of 3.2msf in CY18 vs. just 1.5msf in CY17. The IT/ITeS sector remains the key demand driver while pharmaceuticals and logistics have also emerged as key contributors.
- In CY19, Pune saw net absorption of 5.1msf which was higher than the incremental supply of 3.9msf.
- Given favourable demand-supply equation, overall vacancy levels remain low at 5.5% vs. vacancy of 9.0% 2 years ago.
- In H1CY20, although gross leasing activity was 2.2msf, it consisted largely of pre-committed supply in the form of consolidation/relocation which resulted in muted net absorption of 0.23msf.
- While ~16msf of supply is expected to be added over CY20-22E of which ~2msf is expected to be completed in H2CY20E, the expected supply in CY21-22E will get delayed owing to lower demand and slowdown in construction activity.

**Chart 40: Pune office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research

**Chart 41: Pune office rentals flat on QoQ basis**



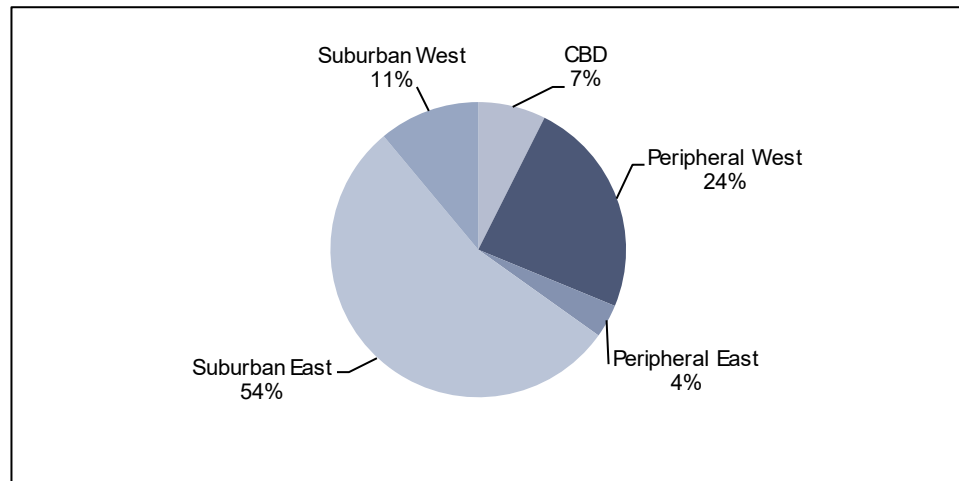
Source: Cushman & Wakefield, I-Sec Research

**Table 42: Pune office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
CBD	8	7	8	8	6	8	5	2	3	1	1	2
SBD	5	5	6	5	6	6	3	4	3	2	2	4
PBD	13	12	12	12	12	11	13	9	9	9	11	14
<b>Overall</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>6</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 42: Pune Grade A office completed inventory break-up**

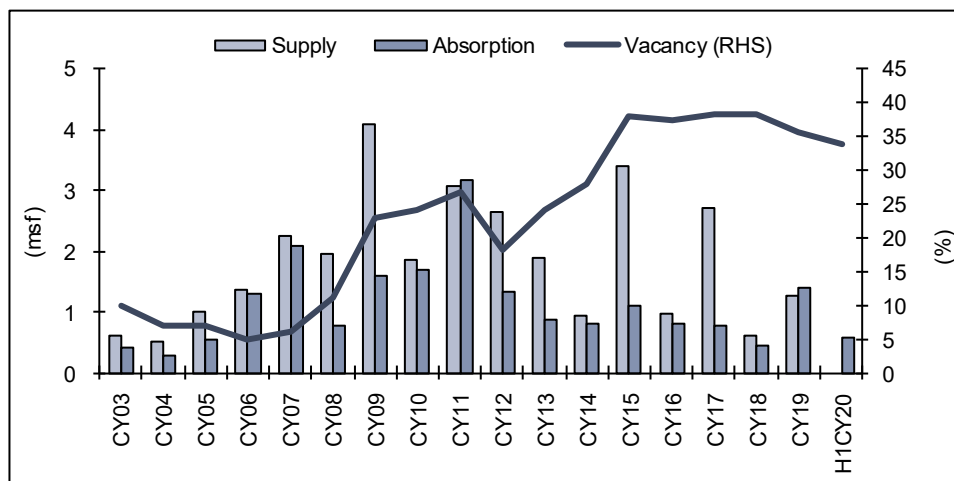


Source: Cushman & Wakefield, I-Sec Research

### Kolkata: Supply overhang continues

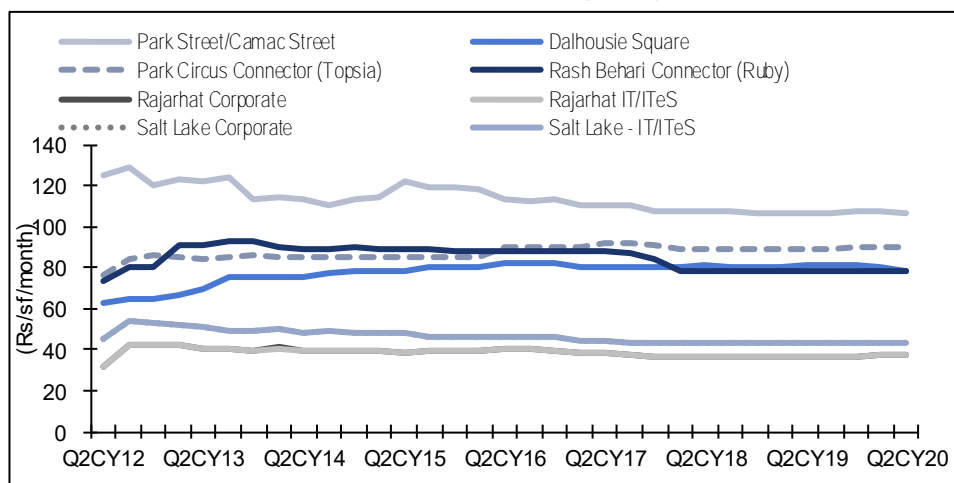
- In CY16-17, Kolkata saw relatively muted supply of just around 2-3msf annually with the Salt Lake and Rajarhat micro markets contributing majority of incremental supply. Net absorption during this period was also muted with ~0.8msf of annual absorption during this period.
- A similar trend played out in CY18 as well with net absorption of just 0.4msf vs. incremental supply of ~0.6msf. CY19 has seen an improvement with 1.4msf of net absorption being marginally ahead of 1.3msf of fresh supply.
- Demand for office spaces is expected to be in tepid in CY20E with ~0.9msf of net absorption. However, a delay in supply addition, especially in Salt lake micro-market which is likely to get pushed back to CY21E will result in demand-supply equilibrium.
- Overall Grade A vacancy levels in Kolkata remain high at 34% with the largest micro-market of Salt Lake having vacancy levels of 43%. High vacancy levels across Kolkata of more than 35% are likely to keep rental values under pressure.

**Chart 43: Kolkata office absorption-supply**



Source: Cushman & Wakefield, I-Sec Research

**Chart 44: Kolkata office rentals reduce marginally on QoQ basis**



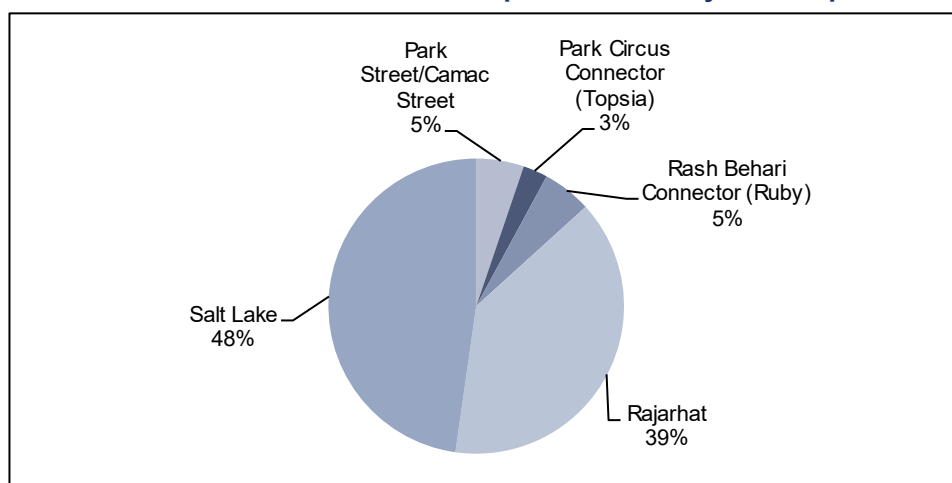
Source: Cushman & Wakefield, I-Sec Research

**Table 43: Kolkata office vacancy levels**

Micro market (%)	Q3CY17	Q4CY17	Q1CY18	Q2CY18	Q3CY18	Q4CY18	Q1CY19	Q2CY19	Q3CY19	Q4CY19	Q1CY20	Q2CY20
CBD	31	31	31	30	30	28	28	28	28	24	24	24
Off CBD	25	25	25	25	25	25	25	25	25	22	23	23
SBD	31	30	30	30	29	29	29	29	28	28	24	23
PBD	46	48	48	48	47	46	47	46	45	43	43	43
<b>Overall</b>	<b>38</b>	<b>38</b>	<b>40</b>	<b>39</b>	<b>39</b>	<b>38</b>	<b>39</b>	<b>38</b>	<b>37</b>	<b>36</b>	<b>34</b>	<b>34</b>

Source: Cushman & Wakefield, I-Sec Research

**Chart 45: Kolkata Grade A office completed inventory break-up**



Source: Cushman & Wakefield, I-Sec Research

## Annexure 2: Major leasing transactions over CY15-H1CY20

Table 44: Major Lease Transactions in H1CY20

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Lodha I Think Tower A	1,83,322	Deloitte	Lease	Kolshet Road, Thane
Mumbai	Nirion Knowledge Park, Phase I (B1, B2, B3)	1,55,752	BNP Paribas	Lease	Goregaon East
Mumbai	Godrej 2	1,00,000	Amazon	Lease	Vikhroli (W)
Mumbai	Q Park – Q1	70,000	ICICI Bank	Lease	Thane Belapur Road
Mumbai	Times Square C Wing	200,000	Smartworks	Lease	Andheri-Kurla
Mumbai	Neptune Element	152,674	Kotak Mahindra Bank	Lease	Thane
Mumbai	Oberoi Commerz	69,258	Browerstack	Lease	Malad-Goregaon
Mumbai	Adani Inspire – Phase I	34,250	MUFG Bank	Lease	BKC
NCR	DLF Cyber Park	370,000	ST Telemedia	Lease	Noida
NCR	Delhi One Tower A	151,682	Thales	Lease	Noida
NCR	DLF Plaza Tower	49,000	Simpliwork	Lease	Golf Course Road
NCR	Global Gateway	48,000	Sterlite	Lease	MG Road
NCR	Logix Infotech Park	32,000	Max Bupa Health	Lease	Noida
NCR	DLF DOWNTOWN	1,20,000	IBM	Lease	Gurugram Others
NCR	Candor TechSpace Building 11	90,462	Moody's Analytics	Lease	Gurugram Others
NCR	Candor TechSpace Building 2B	76,339	Accenture	Lease	Gurugram Others
NCR	Lotus Isle Tower D / Skymark One	3,00,000	PayTM	Lease	Noida
NCR	Assotech Business Cresterra	1,00,000	Genpact	Lease	Noida
Bengaluru	Bagmane Capital – Luxor	145,000	GSK	Lease	Outer Ring Road
Bengaluru	Embassy Golf Links (Cherry Hills)	70,616	Fidelity	Lease	Suburban East
Bengaluru	RMZ Infinity	58,000	Google	Lease	Suburban East
Bengaluru	Bagmane Capital-Kyoto West Tower	4,25,000	Google	Lease	Outer Ring Road
Bengaluru	Prestige Techno Star	2,00,000	Aptiv	Lease	Peripheral East
Bengaluru	Embassy Tech Village block 2A &2B	1,12,000	Wells Fargo	Lease	Outer Ring Road
Bengaluru	Bagmane Capital-Luxor	1,28,000	First Abu Dhabi Bank	Lease	Outer Ring Road
Bengaluru	Prestige Techno Star	1,00,000	Kantar	Lease	Peripheral East
Chennai	Embassy Tech Zone	400,000	BNY Mellon	Lease	Peripheral South-West
Chennai	RMZ Millenia	50,000	KLA-Tencor	Lease	Suburban South
Chennai	DLF IT Park	43,644	Visionary RCM	Lease	South West
Chennai	Chennai One Magnum Block 2	1,23,851	FCA Engineering	Lease	Peripheral South
Hyderabad	Building 12D	181,167	Wipro	Lease	Suburban (Madhapur)
Hyderabad	Divyasree Trinity	66,254	Hexagon	Lease	Suburban (Madhapur)
Hyderabad	Knowledge Capital Block III	1,317,914	Google	Pre-Lease	Suburban (Gachibowli)
Hyderabad	My Home Twitza	3,41,566	Simpliwork	Lease	Suburban (Madhapur)
Hyderabad	SDE Prameela	2,62,000	Smartworks	Lease	Suburban (Madhapur)
Hyderabad	The Sky View Tower 20	1,49,630	Mindtree	Lease	Suburban (Madhapur)
Hyderabad	My Home Twitza	1,11,423	Vertafore	Lease	Suburban (Madhapur)
Pune	Quadra 1	39,500	Signify Innovations	Lease	SBD East
Pune	Commerzone B1	26,200	Nuance India	Lease	SBD East
Pune	Sai Radhe	16,500	IDIADA	Lease	CBD
Pune	World Trade Centre – Tower A	5,144	Hyundai	Lease	SBD East
Pune	Agile - M	5,60,000	Smartworks	Lease	SBD West
Pune	Ascendas (ITPP) - Angsana	4,06,000	Infosys	Lease	PBD West
Pune	Gera Commerzone - R4	1,08,000	Cognizant	Lease	SBD East
Pune	Gera Commerzone - R4	1,05,000	UPS Logistics	Lease	SBD East
Pune	Blue Ridge IT 6	76,000	L&T Infotech	Lease	PBD West
Kolkata	Candor Techspace	40,000	Indorama	Lease	Rajarhat
Kolkata	Godrej Waterside	30,000	Axis Bank	Lease	Sector – V, Salt Lake
Kolkata	DLF IT Park 1	23,000	Teoco	Lease	Rajarhat
Kolkata	Acropolis	6,860	Emerson Process Management	Lease	Rashbehari Connector
Kolkata	DLF IT Park 1	3,851	Bio-Rad Laboratories	Lease	
Kolkata	Mani Casadona	4,00,000	Capgemini	Lease	Rajarhat
Kolkata	DLF IT Park I	40,000	Flipkart	Lease	Rajarhat
Kolkata	Candor TechSpace Tower C1	17,443	Indorama	Lease	Rajarhat
Kolkata	PS Srijan Corporate Park	11,000	Akasa Coworking	Lease	Sector V, Salt Lake
Kolkata	Ecocentre	8,500	Mentor Graphics	Lease	Sector V, Salt Lake

Source: Cushman & Wakefield, Colliers, I-Sec Research



**Table 45: Major Lease Transactions in Q4CY19**

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Nirlon Knowledge Park - Phase V	1,200,000	JP Morgan	Lease	Malad-Goregaon
Mumbai	Oberoi Commerz 3	800,000	Morgan Stanley	Lease	Malad-Goregaon
Mumbai	Nirlon Knowledge Park - Phase 1	293,524	TCS	Lease	Malad-Goregaon
Mumbai	Mindspace Airoli - Building 8	143,433	L&T Infotech	Lease	Thane-Belapur Road
NCR - Gurugram	TRIL Commercial Centre Tower B	450,000	Simpliwork	Lease	Gurugram non-CBD
NCR - Gurugram	Unitech Cyber Park Tower D	156,000	Keysight Technologies	Lease	Gurugram non-CBD
NCR - Gurugram	ASF Centre	130,000	Cairn Energy	Lease	Gurugram non-CBD
NCR - Gurugram	Good Earth Business Bay	70,000	Mercer	Lease	Golf Course Extension
NCR - Noida	NSL Techzone IT SEZ Tower 1	252,000	EXL	Lease	Noida
NCR - Noida	Sovereign Capital Gate	110,000	ABP News	Lease	Noida
NCR - Noida	Candor Techspace Tower 1	200,000	Metlife	Lease	Noida
NCR - Noida	Delhi One Berger Tower	150,000	Gemalto	Lease	Noida
Bengaluru	Bagmane Capital Kyoto East Tower	450,000	Google	Lease	Outer Ring Road
Bengaluru	Salarpuria GR Tech Park	109,967	315 Workspace Avenue	Lease	Peripheral East
Bengaluru	Bagmane Solarium City Neon	165,000	GE Oil & Gas	Lease	Peripheral East
Bengaluru	Prestige Technostar - Tower 1	120,000	WeWork	Lease	Peripheral East
Chennai	Ascendas Cybervale	120,000	RNTBCI	Lease	Peripheral South West
Chennai	RMZ Millenia	175,000	J Ray McDermott	Lease	Suburban South
Hyderabad	Laxmi Infobahn Tower 5	900,000	Cognizant	Lease	Gachibowli
Hyderabad	Salarpuria Sattva Knowledge Capital Block 2	612,500	Google	Lease	Gachibowli
Hyderabad	Laxmi Infobahn Tower 9	325,000	Legato	Lease	Gachibowli
Hyderabad	Q-City	85,300	Vodafone	Lease	Gachibowli
Pune	AP 83	470,000	Smartworks	Lease	CBD
Pune	Gera Commerzone	300,000	Allstate	Lease	SBD East
Pune	Panchshil Business Park	81,771	Siemens India	Lease	SBD West
Pune	Eon Phase - II Tower B	71,000	Citco	Lease	SBD East
Pune	Eon Phase - II Tower B	71,000	Mphasis	Lease	SBD East
Kolkata	DLF IT Park II	300,000	Cognizant	Lease	Rajarhat
Kolkata	DLF IT Park I	160,000	L&T	Lease	Rajarhat
Kolkata	Candor Techspace Tower C2	36,274	Accenture	Lease	Rajarhat
Kolkata	Godrej Waterside	34,000	I-PAC	Lease	Sector V, Salt Lake
Kolkata	Godrej Waterside	23,850	Serco	Lease	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

**Table 46: Major Lease Transactions in Q3CY19**

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Winchester	316,000	Nomura	Lease	Powai
Mumbai	Nesco IT Park – Building 4	227,935	WeWork	Lease	Malad/Goregaon
Mumbai	Winchester	122,158	Nomura	Lease	Powai
Mumbai	Kensington	103,778	Wipro	Lease	Powai
Mumbai	Empire Tower	61,100	Jacobs Engineering	Lease	Navi Mumbai
Mumbai	Empire Tower	60,000	Lupin	Lease	Navi Mumbai
Mumbai	Parinee Crescenzo	60,000	IDFC Bank	Lease	BKC
Mumbai	Akshar Business Park	50,000	Access Healthcare	Lease	Navi Mumbai
NCR - Delhi	M-10	30,000	Oriflame	Lease	Delhi
NCR - Delhi	Baani Corporate One	13,000	Qiagen	Lease	Delhi
NCR - Delhi	Max Tower	110,000	WeWork	Lease	Okhla
NCR - Delhi	NSIC Tower	92,000	Concur	Lease	Okhla
NCR - Delhi	Konnectus Tower	55,000	Sproutbox	Lease	CBD
NCR - Delhi	NSIC Tower	46,000	CSF	Lease	Okhla
NCR - Gurugram	Vatika One on One	800,000	Google	Lease	NH8
NCR - Gurugram	Candor Techspace	100,000	Moody's	Lease	Udyog Vihar
NCR - Gurugram	Building 10A	62,000	Bain & Co	Lease	DLF Cybercity
NCR - Gurugram	Capital Cyberscape Tower 1	145,000	Oyo	Lease	Gurugram non-CBD
NCR - Gurugram	Building 5A	42,000	Amex	Lease	Gurugram CBD
NCR - Gurugram	Building 5A	42,000	KPMG	Lease	Gurugram CBD
NCR - Gurugram	AIPL Business Club	125,000	NCR Corporation	Lease	Gurugram non-CBD
NCR - Gurugram	Unitech Commercial Tower II	67,000	CoWrks	Lease	Gurugram non-CBD
NCR - Gurugram	Global Gateway Tower B	69,375	IDP Education	Lease	Gurugram CBD
NCR - Noida	Advant Navis IT Park Tower 3	90,000	WeWork	Lease	Noida
NCR - Noida	A-68	135,000	Nagarro	Lease	Noida
NCR - Noida	Candor Techspace	100,000	Amazon	Lease	Noida
NCR - Noida	Logix Technova	67,000	GoWork	Lease	Noida
NCR - Noida	Riverside Tower	90,000	91 Springboard	Lease	Noida
NCR - Noida	A-94/8	60,000	EMDS	Lease	Noida
Bengaluru	Global Technology Park	200,000	VMware	Lease	Outer Ring Road
Bengaluru	Brigade Tech Gardens (B3)	300,000	Mercedes	Lease	Whitefield
Bengaluru	Embassy Golf Links (Crystal Downs)	205,000	Dell	Lease	Suburban East
Bengaluru	RMZ Azure	150,000	Alcon Labs	Lease	Peripheral North
Bengaluru	RMZ Ecospace	336,000	HSBC	Lease	Outer Ring Road
Bengaluru	Bren Optimus	250,000	Fiserv	Lease	Koramangala
Bengaluru	RGA Tech Park	240,000	Legato	Lease	Outer Ring Road
Chennai	Pacifica Tech Park	205,000	Infosys	Lease	Peripheral South
Chennai	Global Infocity Park	71,355	DTCC	Lease	OMR Pre Toll
Chennai	Ascendas ITPC	36,000	Amec Foster Wheeler	Lease	Suburban South
Chennai	Ozone Technopark	600,000	Cognizant	Lease	OMR Post Toll
Chennai	Global Infocity Park	130,000	Freshworks	Lease	OMR Pre Toll
Chennai	VST Anna Salai	122,000	Pfizer	Lease	CBD
Hyderabad	Phoenix Aquila Tower B	141,000	UBS	Lease	Gachibowli
Hyderabad	Meenakshi Techpark	135,000	Ivy Comptech	Lease	Gachibowli
Hyderabad	KRC Mindspace 9	76,593	Oppo	Lease	Madhapur
Hyderabad	Salarpuria Sattva	850,000	JP Morgan	Lease	SBD
Hyderabad	GAR Corp	800,000	ANSR Consulting	Lease	SBD
Hyderabad	Krishe Emerald	285,000	WeWork	Lease	SBD
Pune	Business Bay	245,301	Mastercard	Lease	SBD East
Pune	World Trade Center - Tower	63,000	Table Space	Lease	SBD East
Pune	Panchshil Business Park	40,886	Thyssenkrupp	Lease	SBD West
Pune	Eon Free Zone - Phase 2	35,713	L&T Infotech	Lease	SBD East
Pune	Embassy Tech Zone - Mekong	267,900	HCL	Lease	PDB West
Pune	Amar Sadanand Techpark	196,000	Smartworks	Lease	SBD West
Pune	Embassy Tech Zone - Nile	127,800	LTI	Lease	PDB West
Pune	Embassy Tech Zone - Rhine	103,500	Infosys	Lease	PDB West
Kolkata	Candor Techpark	30,000	Accenture	Lease	PBD
Kolkata	Millennium	25,000	Netscribes	Lease	PBD
Kolkata	Godrej Waterside	19,000	Awfis	Lease	PBD
Kolkata	LMJ Chambers	12,000	Religare	Lease	CBD

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

**Table 47: Major Lease Transactions in Q2CY19**

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Equinox Tower 4	244,000	Tata Communications	Lease	Central Suburbs
Mumbai	Chromium	250,000	WeWork	Lease	Powai
Mumbai	Empire Tower	230,000	Yes Bank	Lease	Thane – Belapur Road
Mumbai	Oberoi Commerz 2	109,920	Fractal Analytics Pvt Ltd.	Lease	Malad/Goregaon
NCR - Gurugram	Vatika One on One	646,000	Google	Lease	Gurugram NH8 - Prime
NCR - Gurugram	SP Infocity	202,500	Concentrix	Lease	Gurugram NH8 - Prime
NCR - Gurugram	Capital Cyberscape Tower 1	145,714	Huawei	Lease	Gurugram Others
NCR - Noida	Tech Boulevard Tower C	67,000	Tech Mahindra	Lease	Noida
NCR - Noida	Lotus Business Park Tower B	62,000	HCL Technologies	Lease	Noida
Bengaluru	Bren Optimus	250,000	Bajaj Finserv	Lease	Suburban South
Bengaluru	Bagmane Solarium City Neon	483,000	Cognizant	Lease	Peripheral East
Bengaluru	RGA Tech Park Block 2	147,530	PayPal	Lease	Outer Ring Road
Bengaluru	ITC Green Centre	250,000	Alstom	Lease	CBD/Off CBD
Chennai	Ozone Techno park	300,000	Cognizant	Lease	Peripheral south
Chennai	Karuna Conquest	133,589	TCS	Lease	Northwest
Chennai	Ozone Techno park	100,000	HCL Technologies	Lease	Peripheral south
Hyderabad	Knowledge Capital Block 2	612,600	Google	Lease	Gachibowli
Hyderabad	Mantri Cosmos	209,300	TCS	Lease	Gachibowli
Hyderabad	Salarpuria Sattva Knowledge City Parcel -	164,974	Oracle	Lease	Madhapur
Pune	Embassy TechZone - Mekong	240,000	HCL	Lease	PBD West
Pune	Panchshil Futura	125,000	WeWork	Lease	SBD East
Pune	Embassy TechZone - Nile	127,000	LTi	Lease	PBD West
Pune	SP Infocity - Tower 5	150,000	Vodafone	Lease	PBD East
Kolkata	Godrej Genesis	78,000	PwC SDC	Lease	Sector-V, Salt Lake
Kolkata	Infinity IT Lagoon	30,000	Tata Steel	Lease	Sector-V, Salt Lake
Kolkata	Candor TechSpace	29,435	Capgemini	Lease	Rajarhat
Kolkata	DLF IT Park II	21,000	Concentrix	Lease	Rajarhat
Kolkata	PS Srijan Reproscan IT Park	11,000	Turbo Tech	Lease	Sector-V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

**Table 48: Major Lease Transactions in Q1CY19**

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Chromium	350,000	Weworks	Lease	JVLR
Mumbai	Gigaplex	100,000	CMA-CGM	Lease	Airoli
Mumbai	247 Embassy Park	90,000	Accelya Kale	Lease	LBS
Mumbai	ORB Complex	300,000	WPP	Lease	Andheri
Mumbai	Godrej BKC	150,000	Netflix	Lease	BKC
Mumbai	One Indiabulls Centre - Tower 2B	64,050	Bloomberg	Lease	Lower Parel
NCR - Gurugram	Capital Cyberscape	150,000	Huawei	Lease	Expressway
NCR - Gurugram	Candor TechSpace	70,000	Cvent	Lease	Udyog Vihar
NCR - Gurugram	Digital Greens	56,000	Garage Society	Lease	Expressway
NCR - Gurugram	Experion Centre	40,000	MGF Motors	Lease	NH-8
NCR - Gurugram	Landmark Cyber Park	110,000	Plus Offices	Lease	Expressway
NCR - Gurugram	Digital Greens Tower A	35,000	Innov8	Lease	Expressway
NCR - Delhi	The Grand Hotel	29,000	Hero Moto	Lease	Delhi - Other
NCR - Delhi	Individual	25,000	Big Bazaar	Lease	Delhi - Other
NCR - Delhi	HT House	15,000	Corporate Edge	Lease	CBD
NCR - Delhi	Gopaldas	15,000	Raymond	Lease	CBD
NCR - Noida	Individual	270,000	Smart Works	Lease	Noida Expressway
NCR - Noida	Individual	13,000	Swiggy	Lease	Noida Industrial
NCR - Noida	Individual	24,000	Kia Motors	Lease	Noida Industrial
NCR - Noida	Assotech Business Cresterra	150,000	IndiaMART	Lease	Noida Expressway
NCR - Noida	Prius Universal	14,500	Mobilix	Lease	Noida Expressway
Bengaluru	ETV I&J Block	310,000	Swiggy	Lease	Outer Ring Road
Bengaluru	ETV I&J Block	188,200	Mathworks	Lease	Outer Ring Road
Bengaluru	Prestige Lexington Tower	183,000	IndiQube	Lease	SBD
Bengaluru	Northgate - Block 1	181,350	Cerner	Lease	North
Bengaluru	Vaishnavi Signature	250,000	Weworks	Lease	Outer Ring Road
Bengaluru	RMZ Azure	120,000	Boeing	Lease	North
Chennai	Gateway Office Park	140,000	Sutherland Global	Lease	GST
Chennai	Sterling Technopolis	93,000	Coworks	Lease	OMR Pre-Toll
Chennai	Kochar Globe	80,298	Smart Works	Lease	Guindy
Chennai	Highestreet IT Park	142,000	Workafella	Lease	CBD
Chennai	Arihant Technopolis	120,000	CoWorks	Lease	Suburban south
Chennai	DLF	41,072	IDP	Lease	South west
Hyderabad	Vamsiram Jyoti Pinnacle	240,000	Simpliwork	Lease	SBD
Hyderabad	Cyber Crown	114,000	Workafella	Lease	SBD
Hyderabad	Skyview	95,000	Indeed	Lease	SBD
Hyderabad	Rajapushpa Summit	68,000	Turvo India	Lease	SBD
Hyderabad	Salarpuria Sattva Knowledge City	319,284	Intel	Lease	Madhapur
Hyderabad	Laxmi Infobahn Tower – 2	102,000	PepsiCo	Lease	Gachibowli
Hyderabad	Western Aqua	104,000	TableSpace	Lease	Madhapur
Pune	ITPP - Phase III	201,800	Infosys	Lease	PBD West
Pune	Futura	200,000	Weworks	Lease	PBD East
Pune	EON SEZ - Phase 2	71,400	Zensar Technologies	Lease	SBD East
Pune	EON SEZ - Phase 2	58,000	Cybage	Lease	SBD East
Pune	Panchshil Business Park	122,700	VM Ware	Lease	SBD East
Pune	World Trade Center Tower - 4	58,000	Red Bricks	Lease	SBD East
Pune	Sai Radhe	48,370	Exceltech Solutions	Lease	CBD
Kolkata	Godrej Genesis	80,000	PWC - SDC	Lease	PBD
Kolkata	Candor TechSpace	30,000	Cognizant	Lease	PBD
Kolkata	IT Lagoon	25,000	Tata Steel	Lease	PBD
Kolkata	Eco Centre	16,000	Bureau Veritas	Lease	PBD
Kolkata	Infinity Magnacon	175,000	Bandhan Bank	Lease	Sector-V, Salt Lake
Kolkata	Infinity Magnacon	112,000	PwC India	Lease	Sector-V, Salt Lake
Kolkata	Ecospace	16,450	Met Technologies	Lease	Rajarhat
Kolkata	Acropolis	6,700	Roche Diagnostics	Lease	Rashbehari Connector
Kolkata	Infinity Magnacon	3,750	KIA Motors	Lease	Sector-V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 49: Major Lease Transactions in Q4CY18

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	FIFC	100,000	Google	Lease	BKC
Mumbai	Empire Tower	70,000	RBL	Lease	Thane-Belapur Road
Mumbai	The Orb	300,000	WPP Group	Lease	Andheri-Kurla Road
Mumbai	Empire Plaza	162,000	HDFC Bank	Lease	LBS Road
Mumbai	Godrej BKC	150,000	Netflix	Lease	BKC
Mumbai	Oberoï Commerz 2	122,300	WeWork	Lease	Goregaon East
NCR - Gurugram	Ambience Corporate Tower II	240,000	Deloitte Shared Services	Lease	Gurugram non-CBD
NCR - Gurugram	Vipul Tech Square	99,000	Zomato	Lease	Gurugram non-CBD
NCR - Gurugram	DLF Building 10C	65,000	CoWrks	Lease	Gurugram CBD
NCR - Gurugram	Individual Building	85,000	Teleperformance	Lease	Gurugram CBD
NCR - Gurugram	Gulf Adiba	80,000	Yatra	Lease	Gurugram CBD
NCR - Gurugram	Individual Building	60,000	Hero Fincorp	Lease	Gurugram non-CBD
NCR - Delhi	Bharti Worldmark	45,000	DCM Shriram	Lease	DIAL
NCR - Noida	Logix Cyber Park	80,000	Indiqube	Lease	Noida
NCR - Noida	Knowledge Boulevard	150,000	Tech Mahindra	Lease	Noida
NCR - Noida	Delhi One	150,000	WeWork	Lease	Noida
Bengaluru	At-One by Avvana	319,000	Reliance Jio	Lease	Outer Ring Road
Bengaluru	Brigade Opus	220,000	ABB	Lease	North Bengaluru
Bengaluru	Bagmane Constellation Business Park	500,000	Nvidia Graphics	Lease	Outer Ring Road
Bengaluru	RGA Tech Park	296,770	Accenture	Lease	Outer Ring Road
Bengaluru	Kalyani Tech Park	151,731	Honeywell	Lease	Outer Ring Road
Bengaluru	Prestige Cessna Business Park	150,000	Sapient	Lease	Outer Ring Road
Chennai	SRP Stratford	88,225	The Hive	Lease	OMR - Pre Toll
Chennai	Olympia National Tower	75,330	Smartworks	Lease	Guindy
Chennai	Brigade Vantage	60,620	Indiqube	Lease	OMR - Pre Toll
Chennai	RMZ One Paramount	46,157	Infosys	Lease	MPH Road
Hyderabad	RMZ Sky View	400,000	Qualcomm	Lease	Raidurg
Hyderabad	Salarpuria	400,000	Intel	Lease	Raidurg
Hyderabad	Salarpuria Capital	300,000	Google	Lease	Nanakramguda
Hyderabad	Salarpuria	230,000	Microsoft	Lease	Raidurg
Hyderabad	The Skyview Tower 10	640,000	Facebook	Lease	Madhapur
Hyderabad	Divyashree Tech Ridge B-2	373,000	Accenture	Lease	Gachibowli
Hyderabad	The Skyview Tower 10	250,000	CoWrks	Lease	Madhapur
Pune	The Quadron	112,700	eClerx	Lease	Hinjewadi
Pune	Godrej Eternia	48,000	Awfis	Lease	Wakdevadi
Pune	ICC Devi Gaurav Tech Park	47,900	Mitsubishi Electric	Lease	Pimpri
Pune	Magarpatta Cybercity	44,000	Yash Technologies	Lease	Hadapsar
Pune	Blue Ridge IT 6	83,197	L&T Infotech	Lease	CBD
Pune	The Kode (One Square)	66,000	Indiqube	Lease	SBD West
Pune	Magarpatta Cybercity	44,000	Varian Medical Systems	Lease	SBD West
Kolkata	Candor Techspace	45,000	Capgemini	Lease	PBD
Kolkata	Mediaciti	25,000	Decathlon	Lease	Sector V, Salt Lake
Kolkata	Ecocenter	16,000	Mitsui OSK Lines	Lease	Sector V, Salt Lake
Kolkata	Jasmine Tower	15,000	Bhushan Steel	Lease	CBD
Kolkata	Godrej Waterside	37,000	Bandhan Bank	Lease	Sector V, Salt Lake
Kolkata	Godrej Waterside	18,000	Global IDs	Lease	Sector V, Salt Lake
Kolkata	Bachawat House	14,000	ITC	Lease	CBD

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 50: Major Lease Transactions in Q3CY18

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Empire Tower	150,000	Home Credit	Lease	Thane-Belapur Road
Mumbai	Neptune Element	72,000	Kotak Mahindra Bank	Lease	Thane
Mumbai	Wall Street - A Wing	46,000	Edelweiss	Lease	Andheri Kurla
Mumbai	Godrej BKC	44,000	Puma Energy	Lease	BKC
Mumbai	Godrej IT Park	250,000	Accenture	Lease	Vikhroli
Mumbai	Raheja Platinum	214,300	WeWork	Lease	Andheri East
Mumbai	L&T Seawoods	189,300	WeWork	Lease	Navi Mumbai
Mumbai	Oberoi Commerz 2	122,300	WeWork	Lease	Goregaon East
NCR - Gurugram	Vipul Tech Square	105,000	Zomato	Lease	Golf Course Road
NCR - Gurugram	Individual Building	85,000	Teleperformance	Lease	Udyog Vihar
NCR - Gurugram	Ambience Tower	50,000	Clifford Chance Business	Lease	NH-8
NCR - Gurugram	Building No.6	33,700	Personiv	Lease	Cybercity
NCR - Gurugram	Candor Techspace	81,444	Aricent	Lease	Gurugram Others
NCR - Gurugram	International Tech Park	60,000	Software One	Lease	Gurugram Others
NCR - Gurugram	International Tech Park	60,000	Admiral	Lease	Gurugram Others
NCR - Delhi	Uppals 6	22,000	Hyundai	Lease	Jasola
NCR - Delhi	Individual Building	18,000	Rivierap	Lease	Delhi Other
NCR - Delhi	Salcon Rasvilas	17,938	Statkraft India	Lease	Saket
NCR - Delhi	HT House	7,000	NIIF	Lease	CBD
NCR - Noida	Nirmal Sadan	300,000	GE	Lease	Noida Expressway
NCR - Noida	D-195	150,000	MCM	Lease	Industrial Sector
NCR - Noida	VJ Tower	100,000	Paytm	Lease	Noida Expressway
NCR - Noida	H/95	80,000	Chetu	Lease	Industrial Sector
NCR - Noida	Knowledge Boulevard	80,000	Tech Mahindra	Lease	Noida
NCR - Noida	Express Trade Tower II	45,000	Mastech Digital	Lease	Noida
Bengaluru	Vaishnavi Signature	250,000	WeWork	Lease	Outer Ring Road
Bengaluru	Embassy Golf Links	180,000	Dell	Lease	Intermediate Ring Road
Bengaluru	Salarpuria Symbiosis	145,000	WeWork	Lease	Bannerghatta
Bengaluru	Embassy Golf Links	138,000	KPMG	Lease	Intermediate Ring Road
Bengaluru	Kalyani Platina	112,000	Koch/Molex	Lease	Whitefield
Bengaluru	Kalyani Tech Park	1,300,000	Goldman Sachs	Lease	Outer Ring Road
Bengaluru	RMZ Ecospace 1A	332,220	HSBC	Lease	Outer Ring Road
Chennai	DLF Cybercity	141,000	Mphasis	Lease	Manapakkam
Chennai	Cee Dee Yes - Pallikaranai	77,000	Paragon Digital Services	Lease	Pallikaranai
Chennai	SKCL Tech Square	60,500	Archipelago	Lease	Guindy
Chennai	MD Towers	47,000	HDFC	Lease	Vadapalani
Chennai	Chennai One SEZ	32,000	Ensona	Lease	Pallavaram
Chennai	CDS Phase 2	163,500	Valeo	Lease	Peripheral South
Chennai	Ramanujan IT SEZ	62,500	Citibank	Lease	Suburban South
Chennai	Tablets India	45,000	Axis Bank	Lease	CBD
Hyderabad	Knowledge City	608,000	Service Now	Lease	Raidurg
Hyderabad	RMZ Skyview	330,000	Facebook	Lease	Raidurg
Hyderabad	RMZ Skyview	250,000	Micron	Lease	Raidurg
Hyderabad	RMZ Skyview	150,000	Infor	Lease	Raidurg
Hyderabad	RMZ Skyview	100,000	F5	Lease	Raidurg
Hyderabad	Laxmi Infobahn Tower - 1	215,000	Amazon	Lease	Gachhibowli
Hyderabad	Knowledge Capital Block 1	366,348	Google	Lease	Gachhibowli
Hyderabad	Mantri Cosmos	98,077	Accenture	Lease	Gachhibowli
Pune	ITPP - Cypress	401,300	Infosys Ltd.	Lease	Hinjewadi
Pune	Symphony IT Park B1	141,700	FIGmd India Pvt Ltd.	Lease	Baydhan
Pune	The Quadron Business	129,200	eClerx Services Limited	Lease	Hinjewadi
Pune	SP Infocity Block 5A	79,200	Accenture	Lease	Fursungi
Pune	Panchshil Pavilion	66,000	Dhruva Software	Lease	CBD
Pune	Kumar Cerebrum IT Park	66,000	Bajaj	Lease	SBD East
Pune	Magarpatta Cybercity	63,414	V-Construct	Lease	SBD East
Pune	Panchshil Siemens	50,000	Ultratech Cement	Lease	PBD West
Kolkata	RBD Boulevard	43,000	Spaces	Lease	Sector V
Kolkata	DLF IT Park	40,000	Sify Technology	Lease	New Town
Kolkata	Candor Techspace	35,000	Accenture	Lease	New Town
Kolkata	Unimark Central	21,000	Awfis	Lease	CBD
Kolkata	Ecocentre	15,962	ACC	Lease	Sector V, Salt Lake
Kolkata	Biowonder	12,000	Anandrathi Foundation	Lease	Rashbehari Connector
Kolkata	Infinity Benchmark	8,200	Steel Plantech	Lease	Sector V, Salt Lake
Kolkata	BIPL Tower	7,500	Electrosteel	Lease	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 51: Major Lease Transactions in Q2CY18

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	K Raheja Platinum	250,000	WeWork	Lease	Andheri-Kurla
Mumbai	Hiranandani Xenia	90,000	WeWork	Lease	Thane
Mumbai	Prudential House	65,750	GPRO	Lease	Powai
Mumbai	R City Commercial	20,000	Roche	Lease	Central Suburbs
Mumbai	Logitech Park	100,000	Tablespace	Lease	Andheri-Kurla
Mumbai	Vaswani Chambers	75,000	WeWork	Lease	Worli
Mumbai	Neptune Elements	70,000	Kotak Mahindra Bank	Lease	Thane
Mumbai	Technopolis	55,000	Quest Offices	Lease	Andheri-Kurla
NCR - Gurugram	DLF Forum	216,090	WeWork	Lease	Gurugram CBD
NCR - Gurugram	DLF Building 14	164,000	Mercer	Lease	Gurugram CBD
NCR - Gurugram	Pioneer Square	156,900	Sun Life Financial	Lease	Gurugram Others
NCR - Gurugram	Two Horizon Centre	120,000	WeWork	Lease	Golf Course Road
NCR - Gurugram	272 - I	150,000	Google	Lease	MG Road
NCR - Gurugram	Infotech Business Park	80,000	Interglobe Technology	Lease	Gurugram Others
NCR - DIAL	Bharti Worldmark	55,000	CoWrks	Lease	DIAL
NCR - Delhi	Hyatt Andaz	33,000	DLL Finance	Lease	Aerocity
NCR - Delhi	DLF Centre	17,000	The Executive Centre	Lease	CBD
NCR - Delhi	International Trade Tower	12,000	KMPG	Lease	Nehru Place
NCR - Noida	Candor TechSpace	100,000	Toshiba	Lease	Noida Expressway
NCR - Noida	Candor TechSpace	90,000	Genpact	Lease	Noida Expressway
NCR - Noida	FCS House	90,000	Syscom Solutions	Lease	Commercial Sector
NCR - Noida	Individual	85,000	Insta Office	Lease	Commercial Sector
NCR - Noida	Arohant IT Park	80,000	ACE Global	Lease	Noida Expressway
Bengaluru	Manyata Embassy Business Park	339,074	Legato	Lease	Outer Ring Road
Bengaluru	Cessna B9	140,636	Cargill	Lease	Outer Ring Road
Bengaluru	RMZ Eco World Block 7	111,000	Atlassian	Lease	Outer Ring Road
Bengaluru	Bagmane Constellation Park	650,000	Amazon	Lease	Outer Ring Road
Bengaluru	Bagmane Constellation Park	400,000	Samsung	Lease	Outer Ring Road
Bengaluru	Global Technology Park	277,000	Smartworks	Lease	Outer Ring Road
Bengaluru	Embassy Golf Links	218,440	Facebook	Lease	SBD
Bengaluru	Prestige Central	200,000	WeWork	Lease	CBD
Chennai	Shriram Gateway	180,000	Accenture	Lease	Peripheral South West
Chennai	AKDR	34,000	Yamaha	Lease	Peripheral South
Chennai	Ascendas Zenith	16,015	Synechron	Lease	Suburban South
Chennai	DLF Cybercity	84,000	Barclays	Lease	Manapakkam
Chennai	SP Infocity	64,000	Genesys	Lease	Perungudi
Chennai	Ramanujan IT City	62,000	Citibank	Lease	Taramani
Hyderabad	Avance H3	350,000	Amazon	Lease	Madhapur
Hyderabad	Pheonix Trivium Tower 1	343,620	Genpact	Lease	Madhapur
Hyderabad	Laxmi Infobahn Tower 1	100,000	Legato	Lease	Gachibowli
Hyderabad	Sandya	100,000	Awfis	Lease	Madhapur
Hyderabad	Ramky One	60,000	Indiqube	Lease	Gachibowli
Pune	World Trade Centre Tower D	116,000	Michelin	Lease	SBD East
Pune	Suzlon Campus (Aqua)	50,000	Legand 3D	Lease	SBD East
Pune	Blue Ridge IT 7	44,000	E-Zest	Lease	PBD West
Pune	Blue Ridge IT 7	44,000	Neeeyamo	Lease	PBD West
Pune	EON Phase II	142,900	UBS	Lease	Kharadi
Pune	EON Phase II	71,400	Allianz Technology	Lease	Kharadi
Pune	Blue Ridge Phase II	51,400	L&T Infotech	Lease	Hinjewadi
Pune	E Park	45,000	EFC India	Lease	Kharadi
Kolkata	PS Srijan Tech Park	16,000	Biju's Classes	Lease	Sector V, Salt Lake
Kolkata	Ecocentre	16,000	Bluestar	Lease	Sector V, Salt Lake
Kolkata	Millennium City	12,500	ZTE	Lease	Sector V, Salt Lake
Kolkata	Ecocentre	8,200	ABP	Lease	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 52: Major Lease Transactions in Q1CY18

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Empire Tower (Reliable Tech Park - Phase 2)	80,000	Maersk Global Services	Lease	Airoli
Mumbai	Empresa	74,200	DHFL	Lease	Vile Parle
Mumbai	MindSPACE Building 2	65,000	UBS	Lease	Thane Belapur Road
Mumbai	Godrej One	40,000	Amazon	Lease	Vikhroli
Mumbai	Empire Tower	31,000	Covestro	Lease	Central Suburbs
Mumbai	Maker Maxity	27,000	The Executive Centre	Lease	BKC
NCR - Gurugram	Candor Techspace	75,000	Xceedance Infotech	Lease	Gurugram non-CBD
NCR - Gurugram	DLF Building 7	92,000	Ericsson	Lease	Gurugram CBD
NCR - Gurugram	Candor Techspace	60,000	Inspop Technologies	Lease	Gurugram non-CBD
NCR - Noida	Candor Techspace	100,000	Conduent	Lease	Noida
NCR - Noida	Assotech Business Cresterra	200,000	Nokia	Lease	Noida
NCR - Noida	Candor Techspace	110,000	Accenture	Lease	Noida Expressway
NCR - Noida	Candor Techspace	90,000	Genpact	Lease	Noida Expressway
Bengaluru	Embassy Tech Village	836,000	Flipkart	Lease	Outer Ring Road
Bengaluru	Embassy Tech Village	150,000	WeWorks	Lease	Outer Ring Road
Bengaluru	Divyashree Technopark	485,000	Accenture	Lease	Outer Ring Road
Bengaluru	Satish Chandra Building	160,000	Bosch	Lease	Eastern Business District
Bengaluru	Gold Hill Supreme Phase II	700,000	Siemens Healthcare	Lease	Peripheral South
Chennai	Gateway IT Park	180,000	Accenture	Lease	GST Road
Chennai	Chennai One	91,000	DHL	Lease	OMR Zone II
Chennai	ETA Techno Park	69,000	Fujitsu	Lease	OMR Zone III
Chennai	DLF IT SEZ Block 2	88,000	Trans Union	Lease	South West
Chennai	One Magnum	31,000	Tata Elxsi	Lease	Peripheral South
Chennai	RMZ Millenia Block 3B	20,000	Infotrais	Lease	Suburban South
Hyderabad	Purva Summit	42,000	Hinduja Global Solutions	Lease	Madhapur
Hyderabad	Laxmi Infobahn Phase 1	40,000	Altruista Health	Lease	Extended IT Corridor
Hyderabad	Mantri Cosmos	30,000	AXSYS Health Care	Lease	Extended IT Corridor
Hyderabad	Divyashree Orion Block 2	374,000	Wells Fargo	Lease	Madhapur
Hyderabad	aVance Bldg H4	128,000	UHG	Lease	Madhapur
Hyderabad	Salarpuria Knowledge City Parcel - 3	68,000	JPMC	Lease	Madhapur
Pune	Ascendas Tech Park 3	180,000	TCS	Lease	PBD
Pune	WTC Tower 2	45,000	Vanderland Software	Lease	SBD Kharadi
Pune	Blue Ridge - IT 9	45,000	e-Zest Solutions	Lease	PBD
Pune	Blue Ridge - IT 9	23,000	Infovision	Lease	PBD
Pune	Panchshil Pavilion	22,000	Transfort	Lease	CBD
Pune	Sai Radhe	13,330	Open Silicon	Lease	CBD
Pune	WTC Tower 2	12,000	Delta Mecons	Lease	SBD Kharadi
Pune	Sai Radhe	11,000	Zensoft Services	Lease	CBD
Kolkata	Ecocentre	16,000	Bluestar	Lease	Sector V, Salt Lake
Kolkata	Millennium City	12,600	ZTE Technologies	Lease	PBD
Kolkata	Bio Wonder	12,000	Idea Cellular	Lease	SBD
Kolkata	Bio Wonder	12,000	Supreme Industries	Lease	SBD
Kolkata	Bio Wonder	16,000	Awfis	Lease	Rashbehari Connector
Kolkata	Ecocentre	16,000	Apeejay Business Centre	Lease	Sector V, Salt Lake
Kolkata	PS Srijan Tech Park	12,500	Tata BSS	Lease	Sector V, Salt Lake
Kolkata	Saltee Corporate Park	7,200	BBA Group	Lease	Sector V, Salt Lake
Kolkata	Godrej Genesis	5,500	Yokogawa India	Lease	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research



**Table 53: Major leasing transactions in Q4CY17**

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Adani Inspire	110,000	Novartis	Lease	BKC
Mumbai	24X7 IT Park	72,000	Weworks	Lease	Central Suburbs
Mumbai	Godrej BKC	60,000	Essar Oil	Lease	BKC
Mumbai	Windsor	55,000	Tata Sky	Lease	BKC
Mumbai	Godrej Factory Campus	250,000	TCS	Lease	Central Suburbs
Mumbai	Godrej BKC	70,000	Rosneft	Lease	BKC
Mumbai	Birla Centurion	95,000	CoWorks	Lease	Worli
Mumbai	Satellite Gazebo	22,000	Ajanta Pharma	Lease	Andheri East
NCR - Delhi	Vatika Mindspace	34,000	Cistera	Lease	Okhla
NCR - Gurugram	DLF World Tech Park	90,000	SSO	Lease	Gurugram non-CBD
NCR - Gurugram	Paras Twin Towers	60,000	Weworks	Lease	Gurugram non-CBD
NCR - Gurugram	Candor TechSpace	50,000	Accenture	Lease	Gurugram non-CBD
NCR - Gurugram	DLF Building 10B	36,585	Relx India	Lease	Gurugram CBD
NCR - Gurugram	Novus Tower	35,000	IMS Health	Lease	Gurugram non-CBD
NCR - Gurugram	Pioneer Square	160,000	Pepsi	Lease	Golf Course Extension
NCR - Gurugram	Rohta Tower	140,000	Google	Lease	Udyog Vihar
NCR - Noida	Brookfield Infospace	150,000	Amazon	Lease	Sec 62-A
Bengaluru	Embassy Tech Village - Primrose 7B	330,000	Quest Global	Lease	Outer Ring Road
Bengaluru	Embassy Golf Links - Augusta	200,000	Akamai	Lease	Suburban East
Bengaluru	Gold Hill Supreme Tech Park	600,000	Siemens	Lease	Electronic City
Bengaluru	Manyata Business Park	477,000	Anthem	Lease	Outer Ring Road
Chennai	DLF IT SEZ Block 2	188,000	B&Y Global	Lease	South West
Chennai	Pacifica Tech Park	115,000	Nokia	Lease	South
Chennai	Ramanujan IT City - Block E (Infinity)	115,000	Amazon	Lease	Suburban South
Hyderabad	Meenakshi	2,600,000	Deloitte	Lease	Madhapur
Hyderabad	Avance Building H3	300,000	Amazon	Lease	Madhapur
Hyderabad	Salarpuria Sattva Knowledge City	297,000	Xilinx	Lease	Madhapur
Hyderabad	Phoenix Block II & III	150,000	Red Bricks	Lease	Gachibowli
Hyderabad	Laxmi Infobahn	86,080	GGK Technologies	Lease	Gachibowli
Hyderabad	TSI 2.3	39,080	Innominds	Lease	Gachibowli
Pune	SP Infocity	84,600	Amazon	Lease	PBD East
Pune	SP Infocity	42,300	WNS	Lease	PBD East
Pune	SP Infocity	38,250	Kone Cranes	Lease	PBD East
Pune	Blue Ridge	26,000	Harbinger Group	Lease	PBD West
Pune	Midas Tower	24,500	Awfis Space Solutions	Lease	PBD West
Pune	World Trade Centre	195,000	TIAA Global	Lease	Kharadi
Kolkata	Thapar House	40,000	Reliance Capital	Lease	Rashbehari Connector
Kolkata	DLF IT Park	40,000	Samsung	Lease	Rajarhat
Kolkata	Millennium City	24,000	PWC	Lease	Sector V, Salt Lake
Kolkata	Globsyn Crystals	20,000	Awfis Space Solutions	Lease	Sector V, Salt Lake
Kolkata	Globsyn Crystals	15,500	IIHM	Lease	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 54: Major leasing transactions in Q3CY17

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Gigaplex Tower 2	97,000	Jacobs	Lease	Thane Belapur Road
Mumbai	Technopolis Knowledge Park	34,000	Awfis	Lease	Central Suburbs
Mumbai	Art Guild House	27,830	Beiersdorf (Nivea)	Lease	Central Suburbs
Mumbai	Empire Tower	80,000	Cipla	Lease	Airoli
Mumbai	Transocean House	58,000	Tata Projects	Lease	Powai
Mumbai	Piramal Agastya	50,000	Innov8	Lease	Kurla West
Mumbai	Gigaplex	50,000	Lafarge Holcim	Lease	Airoli
Mumbai	Empire Tower	40,000	Aditya Birla	Lease	Airoli
NCR - Delhi	Bharti Worldmark	60,000	NSDC	Lease	Aerocity
NCR - Delhi	Standalone Building	47,000	Andritz	Lease	Mohan Cooperative
NCR - Delhi	HT Media House	30,000	Deutsche Bank	Lease	CBD
NCR - Delhi	Jeevan Bharti Building	20,000	Tax Policy Research	Lease	CBD
NCR - Gurugram	Unitech Trade Centre	65,000	Honeywell	Lease	Sohna Road
NCR - Gurugram	Building No. 9	38,000	BCG	Lease	Cyber City
NCR - Gurugram	Two Horizon Centre	96,000	Samsung	Lease	Golf Course Road
NCR - Gurugram	Spaze IT Park	40,000	Finserv India	Lease	Sohna Road
NCR - Gurugram	ASF Centre	36,000	SITA	Lease	Udyog Vihar
NCR - Gurugram	Salcon Platina	50,000	WeWorks	Lease	Gurugram CBD
NCR - Noida	Brookfield	60,000	3 Tillans	Lease	Sector 63
NCR - Noida	Okaya Blue Silicon	48,000	Kalpataru Power	Lease	Sector 62
NCR - Noida	Standalone Building	45,000	Tech Mahindra	Lease	Sector 63
NCR - Noida	Standalone Building	40,000	Times of India	Lease	Film City
NCR - Noida	Symphony	33,000	Pacific BPO	Lease	Sector 63
Bengaluru	Prestige Tech Park	277,300	Quintiles	Lease	Outer Ring Road
Bengaluru	Global Technology Park	277,000	Broadcom	Lease	Outer Ring Road
Bengaluru	I Works	228,000	Avila Capital	Lease	Outer Ring Road
Bengaluru	RMZ Ecoworld	220,334	State Street Global	Lease	Outer Ring Road
Bengaluru	Embassy Tech Village	330,000	Quest Global	Lease	Outer Ring Road
Bengaluru	RMZ Ecoworld	460,000	KPMG	Lease	Outer Ring Road
Bengaluru	RMZ Centennial	231,400	Atos	Lease	Peripheral East
Chennai	Ramanujan IT SEZ (TRIL)	245,000	Amazon	Lease	Taramani
Chennai	SP Infocity	62,000	BNP Paribas	Lease	Perungudi
Chennai	Chozha Foundation	45,000	HDFC Bank	Lease	Ashok Nagar
Chennai	Bharathi Niwas	45,000	Smartworks	Lease	Guindy
Chennai	Tyche Towers	32,000	Banca Sella	Lease	Taramani
Chennai	RMZ Millenia	42,000	Wirecard	Lease	Suburban South
Hyderabad	Knowledge City	166,000	Microsoft	Lease	Hitech City
Hyderabad	Meghna Infratech	105,000	HDFC Ltd	Lease	Himayat Nagar
Hyderabad	Divyashree Orion	102,500	Ness Technologies	Lease	Madhapur
Hyderabad	Raheja Mindspace - East	50,000	Axis Bank	Lease	Pocharam
Hyderabad	Wave Rock	40,000	Digital Domain	Lease	Gachibowli
Hyderabad	Laxmi Infobahn	1,000,000	Capgemini (precommitment)	Lease	Gachibowli
Hyderabad	Salarpuria Sattva Knowledge City	350,000	Xininx (precommitment)	Lease	Madhapur
Hyderabad	Mantri Cosmos	34,000	Sykes	Lease	Gachibowli
Hyderabad	Purva Summit	42,000	Ernst & Young	Lease	Madhapur
Pune	Business Bay Phase 1	90,000	Western Union	Lease	Yerawada
Pune	Commerzone - B6	54,000	Schlumberger India	Lease	Yerawada
Pune	Commerzone - B4	50,000	TIBCO	Lease	Yerawada
Pune	Magarpatta Cybercity	40,000	John Deere	Lease	Hadapsar/Fursingi
Pune	Cerebrum - 2	33,000	Saba Software	Lease	Kalyani Nagar
Pune	Embassy Tech Zone - Nile	86,000	AHS	Lease	PBD West
Pune	Embassy Tech Zone	55,000	Nice Systems	Lease	PBD West
Pune	Bajaj Brandview	35,700	VMWare	Lease	SBD East
Kolkata	Infinity Benchmark	42,000	Foster Wheeler	Lease	Sector V, Salt Lake
Kolkata	Thapar House	40,000	Reliance Capital	Lease	Rashbehari
Kolkata	DLF IT Park	40,000	Samsung	Lease	New Town, Rajarhat
Kolkata	Millenium	25,000	PWC India	Lease	Sector V, Salt Lake
Kolkata	Biowonder	20,000	Awfis	Lease	SBD
Kolkata	Candor Techspace	342,860	Cognizant	Lease	Rajarhat

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 55: Major leasing transactions in Q2CY17

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Gigaplex Tower 2	70,000	Here Solutions	Lease	Thane-Belapur Road
Mumbai	Seawoods Grand Central Phase I	50,000	Caravel Group	Lease	Thane-Belapur Road
Mumbai	Godrej IT Park	42,846	Apotex	Lease	Central Suburbs
Mumbai	Kensington (1&2)	39,900	GE	Lease	Powai
Mumbai	Seawoods Grand Central Phase I	150,000	Teva Pharma	Lease	Thane-Belapur Road
Mumbai	72 Business Park	100,000	Bureau Veritas	Lease	Andheri East
Mumbai	Reliable Tech Park	30,000	TBSS	Lease	Airoli
NCR - Delhi	Baani Corporate One	32,000	Chegg India	Lease	Jasola
NCR - Delhi	Bharti World Mart 1	60,000	NSDC	Lease	Aerocity
NCR - Delhi	Express Tower	23,000	Times of India	Lease	ITO
NCR - Delhi	Redfort Capital Parsvnath Towers	52,000	WHO	Lease	Connaught Place
NCR - Delhi	Redfort Capital Parsvnath Towers	24,000	Facebook	Lease	Connaught Place
NCR - Gurugram	Individual Building	63,000	Incedo	Lease	Udyog Vihar
NCR - Gurugram	Two Horizon Centre	60,000	Tower Research	Lease	Golf Course Road
NCR - Gurugram	Building No. 9B	50,000	Scooter	Lease	Cyber City
NCR - Gurugram	DLF Building 8	45,000	Fluor Daniel	Lease	Cyber City
NCR - Gurugram	Good Earth Business Bay	25,000	Insta Office	Lease	Golf Course Extension
NCR - Gurugram	Enkay Tower	26,000	WDTs	Lease	Udyog Vihar
NCR - Gurugram	Unitech Trade Centre	65,000	Honeywell	Lease	Gurugram non-CBD
NCR - Gurugram	World Tech Park	60,000	WNS	Lease	Gurugram non-CBD
NCR - Noida	Candor Tech Space	150,000	Amazon	Lease	Sector 62
NCR - Noida	Individual Building	120,000	Ameriprise Financial	Lease	Sector 65
NCR - Noida	Individual Building	120,000	ITEL	Lease	Sector 63
NCR - Noida	World Trade Tower	27,000	Willey India	Lease	Sector 16
NCR - Noida	Tapasya Corporate Heights	12,000	ITBD	Lease	Expressway
NCR - Noida	Oxygen Boulevard	113,000	NTT Data	Lease	Noida
Bengaluru	Manyata Tech Park	489,074	Lowe Services	Lease	ORR
Bengaluru	RGA Tech Park	300,000	CSC	Lease	Sarjapur Road
Bengaluru	RMZ Eco World	170,660	Shell IT	Lease	ORR
Bengaluru	Salarpuria Nova	165,364	Analog Devices	Lease	Old Madras Road
Bengaluru	Prestige Trade Tower	150,000	Deloitte	Lease	Palace Road
Bengaluru	Constellation Business Park	700,000	Qualcomm	Lease	ORR
Bengaluru	Aveda Meta	199,000	First American	Lease	Suburban East
Chennai	Cee Dee Yes IT Park	200,000	Valeo India	Lease	Navalur
Chennai	DLF IT SEZ	63,000	XM Software	Lease	Manapakkam
Chennai	One Indiabulls	50,000	Kone Elevators	Lease	Ambattur
Chennai	Nelson Tech Park	50,000	HDFC Bank	Lease	Aminjikarai
Chennai	Tyche Towers	46,000	Paragon Digital	Lease	Taramani
Chennai	RMZ Infinity	43,000	Wabco	Lease	South West
Chennai	RMZ Millenia	20,000	Schwab Technologies	Lease	Suburban South
Hyderabad	Salarpuria Sattva Knowledge City	136,000	Service Now	Lease	Hitech City
Hyderabad	Imperial Towers	50,000	Tata AIG	Lease	Ameerpet
Hyderabad	Salarpuria Sattva Knowledge City	92,820	JP Morgan	Lease	Hitech City
Hyderabad	Reliance Communication	40,000	Awfis	Lease	Hitech City
Hyderabad	My Home Tycoon	30,500	Smart Drive	Lease	Begumpet
Hyderabad	Salarpuria Sattva Knowledge City	203,250	EPAM	Lease	Hitech City
Hyderabad	Salarpuria Sattva Knowledge City	272,500	Synchrony Financial	Lease	Hitech City
Hyderabad	Salarpuria Sattva Knowledge City	231,970	State Street	Lease	Hitech City
Hyderabad	Divyashree Orion	45,100	OMICS	Lease	Madhapur
Hyderabad	NSL Areana	32,000	Truven Health Analytics	Lease	Peripheral East
Pune	Manikchand Icon	120,000	HSBC	Lease	Dhole Patil Road
Pune	Nyati Tech Park	72,000	Jade Global	Lease	Vadgaon Sheri
Pune	Sai Radhe	20,125	Shipco IT	Lease	RBM Road
Pune	Pentagon P5	29,810	Kohler	Lease	Hadapsar
Pune	World Trade Centre - 2	14,239	XDBS Pvt. Ltd.	Lease	Kharadi
Pune	Blue Ridge	50,000	Micro Land	Lease	PBD West
Pune	World Trade Centre C	45,000	HCL	Lease	SBD East
Pune	World Trade Centre C	44,000	Ferrero	Lease	SBD East
Kolkata	PS Srijan Tech Park	30,000	Tech Mahindra	Lease	Sector V, Salt Lake
Kolkata	PS Srijan Tech Park	30,000	Bandhan Bank	Lease	Sector V, Salt Lake
Kolkata	Globsyn Crystals	20,000	Awfis	Lease	New Town, Rajarhat
Kolkata	PS Srijan Corporate Park	19,000	Shapoorji Pallonji	Lease	Sector V, Salt Lake
Kolkata	PS Srijan Corporate Park	10,000	Richard Engineering	Lease	Sector V, Salt Lake
Kolkata	BIPL Tower	54,000	Deloitte	Lease	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

**Table 56: Major leasing transactions in Q1CY17**

City	Property	Area (sq ft)	Tenant/Buyer	Type	Micro-Market
Mumbai	Reliable Tech Park	25,000	Tata BSS	Lease	Thane-Belapur Road
Mumbai	Nirlon - IT Park	25,000	Citibank	Lease	Malad/Goregaon
Mumbai	Venture	185,000	General Mills	Lease	Powai
Mumbai	Empire Tower	90,000	Tata Consulting Engineers (TCE)	Lease	Navi Mumbai
Mumbai	Chibber House	80,000	FCB Ulka	Lease	Andheri
Mumbai	Bisleri Compound	80,000	Bisleri	Lease	Andheri
Mumbai	Fairmount	80,000	FIS Global	Lease	Powai
NCR - Delhi	Redfort Capital Towers	52,000	WHO	Lease	CBD
NCR - Delhi	Bharti Worldmark	45,000	Azure Power	Lease	Aerocity
NCR - Delhi	Baani Corporate One	32,000	Chegg India	Lease	Jasola
NCR - Delhi	Redfort Capital Towers	24,000	Facebook	Lease	CBD
NCR - Delhi	Splendour Forum	21,000	NEC	Lease	Jasola
NCR - Gurugram	SP Infocity	50,000	Encore	Lease	Gurugram
NCR - Gurugram	DLF Building 14	50,000	EXL	Lease	Gurugram
NCR - Gurugram	Bestech Business Tower	60,000	PayU	Lease	Gurugram
NCR - Gurugram	DLF Building 9A	26,000	Regus Spaces	Lease	Gurugram
NCR - Gurugram	AIPL Masterpiece	25,000	JICA	Lease	Gurugram
NCR - Gurugram	Horizon Centre	20,000	Facebook	Lease	Gurugram
NCR - Noida	Oxygen Business Park	100,000	NTT Data	Lease	Noida Expressway
NCR - Noida	World Trade Tower	50,000	Technip	Lease	Sector 16
NCR - Noida	Assotech Business Centre	50,000	Live Media	Lease	Noida Expressway
NCR - Noida	Lotus Boulevard	30,000	Awfis	Lease	Noida Expressway
NCR - Noida	World Trade Tower	25,000	JC Penney	Lease	Sector 16
Bengaluru	Brigade Bhuwalka Icon	360,000	TCS	Lease	Whitefield
Bengaluru	Manyata Valdel (M2)	194,900	Nokia	Lease	Outer Ring Road
Bengaluru	Prestige Fern Galaxy	589,000	Microsoft	Lease	Outer Ring Road
Bengaluru	Bagmane Constellation Business Park	240,000	Google	Lease	Outer Ring Road
Bengaluru	Salarpuria Hallmark	120,000	SanDisk	Lease	Outer Ring Road
Bengaluru	IBC Knowledge Park	73,000	Ather	Lease	Banerghatta Road
Bengaluru	Fairway Business Park	60,000	Lam Research India	Lease	Outer Ring Road
Chennai	Chennai One Magnum	370,000	TCS	Lease	Peripheral South
Chennai	Chennai One Magnum	123,000	Wells Fargo	Lease	Peripheral South
Chennai	ETA Techno Park	140,000	Fujitsu	Lease	Peripheral South
Chennai	Ascendas Cybervale	120,000	Renault Nissan	Lease	GST Road
Chennai	SP Infocity	67,200	Amazon	Lease	OMR - Pre Toll
Chennai	DLF IT SEZ	61,466	IBM	Lease	MPH Road
Chennai	Independent Building	40,000	Shriram Value	Lease	CBD
Hyderabad	TSI 2.2	100,560	DBS	Lease	Gachibowli
Hyderabad	TSI 2.2	40,000	Digital Domain	Lease	Gachibowli
Hyderabad	Zen Money	48,000	Deloitte	Lease	HITEC City
Hyderabad	My Home Hub	30,000	Prime Era	Lease	Madhapur
Hyderabad	Sarvottam Care	50,000	Deloitte	Lease	Madhapur
Hyderabad	NSL Arena	34,000	Accretive Health	Lease	Uppal
Hyderabad	Divyashree Orion	21,000	Aspire Systems	Lease	Raidurg
Pune	Magarpatta Cybercity Tower 12	44,300	John Deere	Lease	SBD East
Pune	ICC Trade Tower	38,000	Sailpoint	Lease	CBD
Pune	EON Free Zone	100,000	Barclays Technology Centre	Lease	Kharadi
Pune	Commerzone B2	71,000	Johnson Control India	Lease	Yerawada
Pune	Business at Mantri	40,000	Bajaj Finance	Lease	Nagar Road
Pune	JK Infotech - Tower B	36,000	EFC Business Centre	Lease	Hinjewadi Phase I
Pune	Cybercity Tower 12	44,000	Teradata	Lease	Hadapsar
Kolkata	Calstar Steel	75,000	TVS Motors	Lease	NH6
Kolkata	Srijan Corporate Park	35,000	PWC SDC	Lease	Sector V
Kolkata	Axis Mall	20,000	Oppo Mobile	Lease	New Town
Kolkata	Godrej Waterside	18,000	Ushacom	Lease	Sector V, Salt Lake
Kolkata	Victoria IT Park	8,700	DHL	Lease	Sector V, Salt Lake
Kolkata	Technopolis	60,000	Tata Steel	Lease	Sector V, Salt Lake
Kolkata	Ecospace	15,730	Sankalp Semiconductor	Lease	Rajarhat

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

Table 57: Major leasing transactions in CY16

City	Property	Area (sq ft)	Tenant	Micro-Market
Mumbai	Godrej One	96,000	TIAA	Central Suburbs
Mumbai	Empire Plaza	55,275	Zee Entertainment	Central Suburbs
Mumbai	Gigaplex	65,000	Here Solutions	Airoli
Mumbai	Birla Aurora	60,000	Siemens	Worli
Mumbai	Dee Gee IT Park	45,000	Learning	Andheri MIDC
Mumbai	Lotus Corporate Park	27,000	Spykar	Goregaon East
NCR - Delhi	Statesman House	11,000	Power Finance Corporation	Connaught Place
NCR - Delhi	Plot 249	18,000	Airtel	Okhla
NCR - Delhi	Bharti Worldmark	15,000	Softbank	Aero City
NCR - Delhi	Narain Manjil	14,000	Dalmia	Connaught Place
NCR - Delhi	Statesman House	8,500	SBI Life Insurance	Connaught Place
NCR - Gurugram	Brookfield Infospace	80,000	Data Telesis	Gurugram
NCR - Gurugram	DLF Silokhera	150,000	XL Catlin	DLF Silokhera
NCR - Gurugram	Ambience Corporate Tower II	90,000	Amazon	NH-8
NCR - Gurugram	Individual Building	80,000	Schneider Electric	Sector 44
NCR - Gurugram	Brookfield SEZ	80,000	Guardian Insurance	Tikri
NCR - Noida	Okaya Tower	400,000	TCS	Sector 62
NCR - Noida	World Trade Center	250,000	Vivo Mobile	Greater Noida
NCR - Noida	ASF Synergy	160,000	Oppo Mobile	Sector 63
NCR - Noida	Sector 63	100,000	Lava Mobile	Sector 63
NCR - Noida	Okaya Tower	25,000	Indus Tower	Sector 62
Bengaluru	Bagmane World Trade Center –Garnet Block	280,000	Accenture	Outer Ring Road
Bengaluru	Bhartiya City	228,000	Global IT Giant	North Bengaluru
Bengaluru	Brigade Bhuwalka Icon	375,000	Tata Consultancy Services	Whitefield
Bengaluru	Divyasree NR Enclave	156,000	Broadridge Financial Services	Whitefield
Bengaluru	Karle IT Park	150,000	Infosys	Outer Ring Road
Bengaluru	IBC Knowledge Park	120,000	Ingersoll Rand	Bannerghatta Road
Bengaluru	Bagmane Constellation IT Park	105,000	Google	Outer Ring Road
Chennai	Ascendas Cybervale	65,100	Renault Nissan	Peripheral South
Chennai	TVH Agnitio	36,000	Qualcomm	Suburban South
Chennai	Prince Infocity 2	35,820	Episource	Suburban South
Chennai	DLF Cybercity	57,000	IBM	Mount Poonamalle
Chennai	SP Info City	52,000	Athena Health	OMR
Chennai	SP Info City	52,000	Ford	OMR
Chennai	Chennai One Magnum	45,000	Caibre Point	OMR
Chennai	SP Info City	45,000	BNP Paribas	OMR
Hyderabad	Mindspace Building 12C	350,000	Amazon	Suburban (Madhapur)
Hyderabad	Divyasree Orion Block 5	203,000	Salesforce	Suburban (Madhapur)
Hyderabad	Avances Business Hub	300,000	IBM	HITEC City
Hyderabad	Lanco Hills	220,000	Value Labs	Manikonda
Hyderabad	Wave Rock	148,000	Development Bank of Singapore	Nanakramguda
Hyderabad	Roxana Palladium	100,000	HDFC Bank	Banjara Hills No. 1
Hyderabad	Raheja Mindspace	87,000	DE Shaw	HITEC City
Hyderabad	Ramky Selenium	25,557	CES	Suburban (Gachibowli)
Pune	Ascendas Phase II (Juniper)	615,300	Infosys	PBD West
Pune	Magarpatta Cybercity B6	350,000	Eaton	SBD East
Pune	Zero One IT Park	13,000	NA	SBD East
Pune	EON Cluster – E	80,000	Citibank	Kharadi
Pune	Kumar Cerebrum IT Park 2	33,000	Fiserv	Kalyani Nagar
Pune	Midas Tower	28,000	Innoplexus	Hinjewadi
Pune	Midas Tower	28,000	Msys Technologies	Hinjewadi
Pune	Suzlon	25,000	True Connect	Kharadi
Kolkata	Godrej Waterside	18,000	Senrysa Technologies	Sector-V, Salt Lake
Kolkata	Apeejay House	14,000	Karvy Financial	CBD
Kolkata	Sugam Business Park	14,000	Destimoney	Sector-V, Salt Lake
Kolkata	Brookfield Infospace	11,000	MET Technologies	Rajarhat
Kolkata	Srijan Corporate Park	10,700	ATO Engineering	Sector-V, Salt Lake
Kolkata	Globsyn Crystals	46,000	Reliance Jio	Sector-V, Salt Lake
Kolkata	Godrej Waterside	30,000	Fosma Maritime Institute	Sector-V, Salt Lake
Kolkata	23 Circus Avenue	19,156	Balaji Group	AJC Bose Road

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

**Table 58: Major leasing transactions in CY15**

City	Property	Area (sq ft)	Tenant	Micro-Market
Mumbai	Nesco	75,000	Endurance	Goregaon
Mumbai	Kalpataru Prime	67,000	CMA-CGM	Thane
Mumbai	Oberoi Commerz 2	50,000	Drager India	Goregaon
Mumbai	Reliable Tech Park	120,000	Sutherland	Thane-Belapur
Mumbai	Kalpataru Inspire	110,000	Lupin	BKC
Mumbai	Lighthall	107,000	Piramal Healthcare	Andheri-Kurla
Mumbai	Reliable Tech Space	150,000	Home Credit	Thane-Belapur
Mumbai	One BKC	130,000	Bank of America	BKC
Mumbai	Winchester	125,000	Housing.com	Powai
Mumbai	Express Towers	30,000	Indian Hotels	CBD
NCR	Infospace	100,000	Barclays	Noida
NCR	Spaze Palazo	100,000	OYO Rooms	Gurugram
NCR	DLF Two Horizon Center	250,000	Samsung India	Gurugram
NCR	Unitech Infospace	60,000	Pine Labs Payment Solutions	Noida
NCR	Splendor Trade Tower	175,000	NTT Data	Gurugram
NCR	Express Trade Tower	100,000	Oracle	Noida
NCR	Blue Silicon	70,000	Kronos Inc	Noida
NCR	DLF Building 5	32,100	Expedia	Gurgaon
Bengaluru	RMZ Eco World (4A & 4B)	335,000	Shell Technology Center	Outer Ring Road
Bengaluru	Embassy Golf Links Business Park	225,000	JP Morgan Services India	Suburban East
Bengaluru	Bagmane Constellation Business Park	500,000	Amazon	Outer Ring Road
Bengaluru	Bagmane Tech Park	140,000	HP	Suburban East
Bengaluru	Republic of Whitefield (C1)	515,000	Wipro Limited	Whitefield
Bengaluru	Manyata Mfar - Greenheart Phase IV	220,000	AXA Business Services	Outer Ring Road
Bengaluru	Kalyani Vista	420,000	VM Ware India Pvt. Ltd.	JP Nagar
Bengaluru	Kalyani Krishna Magnum	400,000	Oracle	JP Nagar
Chennai	One Indiabulls Park	307,500	Yes Bank	North-West
Chennai	SP Infocity	249,500	Ericsson	Suburban South
Chennai	Shriram-The Gateway	100,000	Sutherland Global	Peripheral South-west
Chennai	DLF IT Park	63,000	The Bank of New York Mellon	South-west
Chennai	Shriram - The Gateway	170,000	Accenture	Peripheral South-west
Chennai	Prestige Cyber Towers	80,000	Capgemini	Peripheral South
Chennai	Ramanujan IT City	315,700	Citicorp	Suburban South
Chennai	Prince Info City 2	22,500	Alcatel Lucent	Suburban South
Hyderabad	Salarpuria-Sattva Knowledge City	800,000	Novartis	Suburban (Madhapur)
Hyderabad	Mindspace Building 6	380,000	Qualcomm	Suburban (Madhapur)
Hyderabad	Mindspace Building 11	87,000	JP Morgan	Suburban (Madhapur)
Hyderabad	Mantri Cosmos	783,700	Accenture	Suburban (Gachibowli)
Hyderabad	Divyasree Orion-Block 7-North Tower	138,100	Accenture	Suburban (Madhapur)
Hyderabad	Western Pearl	77,762	Uber	Suburban (Madhapur)
Hyderabad	Divyasree Omega Block C	75,260	Deloitte	Suburban (Madhapur)
Hyderabad	Ramky Selenium	52,165	Karvy	Suburban (Gachibowli)
Hyderabad	aVance Building No. H6	32,000	Techwave Consulting	Suburban (Madhapur)
Hyderabad	DLF Cyber City Block 1	39,300	High Radius Technologies	Suburban (Gachibowli)
Hyderabad	aVance Building No. H6	123,400	Value Lab	Suburban (Madhapur)
Pune	Panchshil Business Park	350,000	Siemens India	Suburban -West
Pune	RMZ Icon	337,000	Veritas	Suburban -West
Pune	Weikfield IT Citi Info Park B	66,000	Maersk	Suburban -East
Pune	Commerzone B3	52,000	Johnson Control	Off CBD -East
Pune	Blue Ridge	188,000	L&T Infotech	Peripheral - West
Pune	Embassy Tech Zone (Rhine)	50,000	E-Clerx	Peripheral - West
Pune	Business @ Mantri	133,800	Vodafone	Suburban - East
Pune	Radius Tech Park	95,300	Cognizant	Peripheral - West
Kolkata	DLF IT SEZ	80,000	British Telecom	Rajarhat
Kolkata	DLF IT SEZ	71,200	Ericsson	Rajarhat
Kolkata	Martin Burn Business Park	66,400	Cerner	Sector-V, Salt Lake
Kolkata	Infospace	30,000	Capgemini	Rajarhat
Kolkata	Eospace	30,000	Reliance Jio	Rajarhat
Kolkata	PS Arcadia Central	14,000	Canon	CBD
Kolkata	Godrej Waterside	70,600	L&T	Sector V, Salt Lake
Kolkata	Godrej Waterside	55,000	Siemens	Sector V, Salt Lake

Source: Cushman &amp; Wakefield, Colliers, I-Sec Research

## Financial summary (Consolidated)

**Table 59: Profit and Loss statement**

(Rs mn, year ending Mar 31)

Year ending March	FY20	FY21E	FY22E	FY23E
<b>Revenue from operations</b>	<b>17,660</b>	<b>16,618</b>	<b>20,661</b>	<b>23,410</b>
Operating expenses	5,403	3,738	3,952	4,445
<b>Net Operating Income (NOI)</b>	<b>12,257</b>	<b>12,881</b>	<b>16,709</b>	<b>18,964</b>
NOI margin (%)	69.4%	77.5%	80.9%	81.0%
<b>Other expenses/REIT expenses</b>	<b>1,141</b>	<b>466</b>	<b>1,497</b>	<b>1,754</b>
<b>EBITDA</b>	<b>11,116</b>	<b>12,414</b>	<b>15,211</b>	<b>17,210</b>
% margins	62.9%	74.7%	73.6%	73.5%
Depreciation & Amortisation	1,146	1,148	1,603	1,750
Interest expenses	5,114	3,614	5,139	6,306
Other Income	2,602	2,260	989	1,000
Exceptional items	60	-	-	-
<b>PBT</b>	<b>7,518</b>	<b>9,911</b>	<b>9,459</b>	<b>10,153</b>
Less: Taxes	2,379	1,699	1,746	1,755
<b>PAT before Minority/Associate</b>	<b>5,139</b>	<b>8,212</b>	<b>7,713</b>	<b>8,398</b>
Minority Interest	392	422	522	523
<b>Net Income (Adjusted)</b>	<b>4,747</b>	<b>7,790</b>	<b>7,191</b>	<b>7,875</b>

Source: Company data, I-Sec research

**Table 60: Balance sheet**

(Rs mn, year ending Mar 31)

As at March	FY20	FY21E	FY22E	FY23E
<b>Assets</b>				
Total Current Assets	30,906	2,922	1,838	3,940
of which cash & cash eqv.	2,561	1,501	395	2,474
Total Current Liabilities & Provisions	12,500	12,542	12,586	12,632
<b>Net Current Assets</b>	<b>18,406</b>	<b>(9,620)</b>	<b>(10,748)</b>	<b>(8,692)</b>
Other non-current assets/Goodwill*	5,344	1,36,755	1,36,705	1,36,655
Investments	18	28	38	48
Net Fixed Assets	58,164	64,932	67,875	68,700
Capital WIP	17,746	19,725	24,271	26,846
<b>Total Assets</b>	<b>99,678</b>	<b>2,11,820</b>	<b>2,18,141</b>	<b>2,23,556</b>
<b>Liabilities</b>				
Borrowings	74,069	42,144	52,891	62,722
<b>Net Worth</b>	<b>21,252</b>	<b>1,64,896</b>	<b>1,59,949</b>	<b>1,55,010</b>
Minority Interest	1,663	2,085	2,607	3,130
Deferred Taxes	2,694	2,694	2,694	2,694
<b>Total Liabilities</b>	<b>99,678</b>	<b>2,11,820</b>	<b>2,18,141</b>	<b>2,23,556</b>

Source: Company data, I-Sec research, \*Assumed non-cash adjustment for revaluation of assets on transfer to REIT

**Table 61: Cashflow statement***(Rs mn, year ending Mar 31)*

<b>Year ending March</b>	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
<b>PBT</b>	<b>7,518</b>	<b>9,911</b>	<b>9,459</b>	<b>10,153</b>
Interest income and fair value change in financial assets	(2,498)	(2,260)	(989)	(1,000)
Finance costs	5,114	3,614	5,139	6,306
Depreciation and amortisation expense	1,146	1,148	1,603	1,750
Others	(68)	1	-	-
<b>Operating cash flows before working capital changes</b>	<b>11,212</b>	<b>12,415</b>	<b>15,211</b>	<b>17,210</b>
Changes in Working Capital	(227)	27,015	72	73
Cash generated from operations	<b>10,985</b>	<b>39,431</b>	<b>15,284</b>	<b>17,283</b>
Income taxes paid, net	(1,719)	(1,699)	(1,746)	(1,755)
<b>Operating Cashflow</b>	<b>9,266</b>	<b>37,731</b>	<b>13,538</b>	<b>15,528</b>
Capital Commitments	(13,842)	(9,895)	(9,092)	(5,149)
<b>Free Cashflow</b>	<b>(4,576)</b>	<b>27,836</b>	<b>4,446</b>	<b>10,379</b>
Investments	129	(10)	(10)	(10)
Others	162	2,260	989	1,000
<b>Cashflow from Investing Activities</b>	<b>(13,551)</b>	<b>(7,646)</b>	<b>(8,113)</b>	<b>(4,160)</b>
Issue of Share Capital/(Distribution)	(597)	4,393	(12,138)	(12,815)
Inc (Dec) in Borrowings	11,654	(31,925)	10,747	9,832
Finance costs	(6,297)	(3,614)	(5,139)	(6,306)
Others	(17)	-	-	-
<b>Cashflow from Financing activities</b>	<b>4,743</b>	<b>(31,146)</b>	<b>(6,531)</b>	<b>(9,289)</b>
<b>Chg. in Cash &amp; Bank balances</b>	<b>458</b>	<b>(1,060)</b>	<b>(1,106)</b>	<b>2,079</b>

Source: Company data, I-Sec research

**Table 62: Key ratios***(Year ending Mar 31)*

	<b>FY20</b>	<b>FY21E</b>	<b>FY22E</b>	<b>FY23E</b>
<b>Per Share Data (Rs)</b>				
Earnings per Unit		13.1	12.1	13.3
Distribution per unit (DPU)		9.5*	20.4	21.5
Book Value per Unit (BV)		278.1	269.7	261.4
<b>Growth (%)</b>				
Net Sales	23.4	(5.9)	24.3	13.3
Net Operating Income		5.1	29.7	13.5
EBITDA	9.7	11.7	22.5	13.1
PAT	(0.9)	64.1	(7.7)	9.5
<b>Valuation Ratios (x)</b>				
P/E		23.0	24.9	22.7
P/BV		1.1	1.1	1.2
Distribution Yield		6.3	6.7	7.1
<b>Operating Ratios</b>				
Debt/EBITDA (x)	6.7	3.4	3.5	3.6
Net D/E	3.4	0.2	0.3	0.4
<b>Profitability/Return Ratios (%)</b>				
RoE		4.7	4.4	5.0
RoCE		6.4	6.8	7.5
EBITDA Margins	62.9	74.7	73.6	73.5
Net Income Margins	26.9	46.9	34.8	33.6

Source: Company data, I-Sec research, \*For 6 months in FY21 from October 2020 to March 2021



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