The information in this Draft Placement Memorandum is not complete and may be changed. The Offer is meant only for Eligible Investors on a private placement basis and is not an offer to the public or to any other class of investors to subscribe to the Units. This Draft Placement Memorandum is not an offer to sell any Units and is not soliciting an offer to subscribe to or buy the Units in any jurisdiction where such offer, sale or subscription is not permitted. It is being issued for the sole purpose of information or discussion relating to the Units that may be allotted through the Final Placement Memorandum.



# TVS INFRASTRUCTURE TRUST

*(Settled in the Republic of India as a contributory, determinate and irrevocable trust set up under the Indian Trusts Act, 1882, in Mumbai, Maharashtra, India and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 on April 22, 2024 having registration number IN/InvIT/24-25/0030*)

**Principal place of business and correspondence address**: 9th Floor (Part), Iconic Building, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India

**Tel**: +91 22 4232 7000**; Compliance Officer**: Yogesh Bhargav; **Contact Person**: Nitin Aggarwal

**Email**: info@tvsinfratrust.com; compliance@tvsinfratrust.com; **Website**: www.tvsinfratrust.com

| | | |
|---|---|---|
| **Sponsor** | **Investment Manager** | **Trustee** |
| **TVS Industrial & Logistics Parks Private Limited** | **TVS Infrastructure Investment Manager Private Limited** | **Axis Trustee Services Limited** |

TVS Infrastructure Trust (the "**Trust**") is proposing an initial offer of up to [●] Units through a private placement at a price of ₹ [●] per Unit (the "**Offer Price**"), aggregating up to ₹ 13,000 million (the "**Offer**"). The Offer comprises a fresh issue of up to [●] Units, aggregating up to ₹ 10,500 million by the Trust (the "**Fresh Issue**") and an offer for sale of up to [●] Units aggregating up to ₹ 2,500 million by the Selling Unitholder (as defined herein) (the "**Offer for Sale**").

**THE OFFER, AND THE DISTRIBUTION OF THIS DRAFT PLACEMENT MEMORANDUM, IS BEING MADE ONLY TO THE ELIGIBLE INVESTORS IN RELIANCE UPON REGULATION 14(2) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014**

The Units are proposed to be listed on National Stock Exchange of India Limited ("**NSE**") (the "**Stock Exchange**"). In-principle approval for listing of the Units has been received from the NSE on [●]. NSE is the Designated Stock Exchange. Applications shall be made to the Stock Exchange for obtaining the final listing and trading approval for the Units to be Allotted pursuant to the Offer. The Stock Exchange assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Units to be Allotted pursuant to the Offer for trading on the Stock Exchange should not be taken as an indication of the merits of the Trust or of the Units.

A copy of this Draft Placement Memorandum has been delivered to the Securities and Exchange Board of India (the "**SEBI**") and the Stock Exchange and a copy of the Placement Memorandum and the Final Placement Memorandum will be delivered to SEBI and the Stock Exchange. This Draft Placement Memorandum has not been, and will not be, registered as a prospectus, will not be circulated or distributed to the public at large in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

This is an initial offer of Units by the Trust and an offer for sale by the Selling Unitholder, there is no pre-existing formal market for the Units. The Offer Price (determined and justified in accordance with the InvIT Regulations by the Investment Manager in consultation with the Lead Managers), should not be taken to be indicative of the market price of the Units, after the Units are listed. No assurance can be given regarding an active or sustained market for trading in the Units or regarding the price at which the Units will be traded after listing.

The Investment Manager, having made all reasonable inquiries confirms that this Draft Placement Memorandum contains all information with regard to the Trust, the Units and the Offer, which is material in the context of the Offer, that the information contained in this Draft Placement Memorandum is true, correct and adequate in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available with the Investment Manager and that there are no other facts, the omission of which makes this Draft Placement Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Units are being offered and sold outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the Securities Act ("**Regulation S**") and applicable laws of the jurisdictions where such offers and sales are made. The Units are transferrable only in accordance with the restrictions under the section entitled "*Selling and Transfer Restrictions"* on page 520 of this Draft Placement Memorandum.

**THIS DRAFT PLACEMENT MEMORANDUM IS PERSONAL TO EACH ELIGIBLE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR AN INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA. THIS DRAFT PLACEMENT MEMORANDUM HAS BEEN PREPARED BY THE TRUST SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE OFFER. YOU MAY NOT, AND ARE NOT AUTHORISED TO, (1) DELIVER THIS DRAFT PLACEMENT MEMORANDUM TO ANY OTHER PERSON; OR (2) REPRODUCE THIS DRAFT PLACEMENT MEMORANDUM IN ANY MANNER WHATSOEVER. ANY DISTRIBUTION OR REPRODUCTION OF THIS DRAFT PLACEMENT MEMORANDUM, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE INVIT REGULATIONS, AND/OR OTHER APPLICABLE LAWS OF INDIA AND/OR OF OTHER JURISDICTIONS.**

**RISKS IN RELATION TO THE OFFER**

**INVESTMENTS IN UNITS INVOLVE RISKS AND ELIGIBLE INVESTORS SHOULD NOT INVEST ANY FUNDS IN THE OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. FOR MAKING AN INVESTMENT DECISION, ELIGIBLE INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TRUST, THE UNITS, THE OFFER AND THE PLACEMENT MEMORANDUM. ELIGIBLE INVESTORS ARE ADVISED TO CAREFULLY READ THIS DRAFT PLACEMENT MEMORANDUM, INCLUDING THE SECTIONS ENTITLED "RISK FACTORS" AND "RIGHTS OF UNITHOLDERS" ON PAGES 137 AND 526, RESPECTIVELY, BEFORE MAKING AN INVESTMENT DECISION. THE UNITS HAVE NOT BEEN RECOMMENDED OR APPROVED BY SEBI NOR DOES THE SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THIS DRAFT PLACEMENT MEMORANDUM. THE ELIGIBLE INVESTORS ARE ADVISED TO CONSULT THEIR OWN ADVISORS ABOUT THE CONSEQUENCES OF AN INVESTMENT IN THE UNITS BEING OFFERED PURSUANT TO THIS DRAFT PLACEMENT MEMORANDUM.**

**Unless a serially numbered Placement Memorandum along with an Application Form is addressed to a particular Eligible Investor, no invitation to offer shall be deemed to have been made to the Eligible Investor to make an offer to subscribe to Units on private placement basis pursuant to the Offer.** For further details, please see the section '*Offer Procedure*' on page 532. The distribution of this Draft Placement Memorandum, the Placement Memorandum and the Final Placement Memorandum, or the disclosure of its contents without the Trustee's or Investment Manager's prior consent to any person other than the Eligible Investors is unauthorised and prohibited. Each addressee, by accepting delivery of the Placement Memorandum, agrees to observe the foregoing restrictions and to make no copies of the Placement Memorandum or any documents referred to in the Placement Memorandum. The information on the websites of the Sponsor, Sponsor Group, Investment Manager, Project Manager, Lead Managers or the Trust, as applicable, any website directly or indirectly linked to such websites, or the website of the Trustee does not form part of this Draft Placement Memorandum and Eligible Investors should not and shall not be entitled to rely on such information contained in, or available through, any such websites.

| LEAD MANAGERS | | REGISTRAR AND UNIT TRANSFER AGENT |
|---|---|---|
| **Axis Capital Limited**<br>1st Floor, Axis House<br>Pandurang Budhkar Marg, Worli<br>Mumbai 400 025<br>Maharashtra, India<br>**Tel.:** +91 22 4325 2183<br>**E-mail:** tvsilp.invit@axiscap.in<br>**Investor Grievance E-mail:** complaints@axiscp.in<br>**Website:** www.axiscapital.co.in<br>**Contact Person:** Harish Patel<br>**SEBI Registration No.:** INM000012029 | **Kotak Mahindra Capital Company Limited**<br>1st Floor, 27 BKC, Plot No. 27 G Block<br>Bandra Kurla Complex Bandra (East)<br>Mumbai 400 051<br>Maharashtra, India<br>**Tel:** +91 22 4336 0000<br>**E-mail:** tvsilp.invit@kotak.com<br>**Investor grievance e-mail:** kmccredressal@kotak.com<br>**Website:** https://investmentbank.kotak.com<br>**Contact Person:** Ganesh Rane<br>**SEBI Registration No.:** INM000008704 | **MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*)**<br>C-101, 1st Floor, 247 Park<br>Lal Bahadur Shastri Marg, Vikhroli West<br>Mumbai 400 083<br>Maharashtra, India<br>**Tel:** +91 81 0811 4949<br>**E-mail:** tvsilp.invit@linkintime.co.in<br>**Website:** www.linkintime.co.in<br>**Contact Person:** Shanti Gopalkrishnan<br>**SEBI Registration No.:** INR000004058 |

This Draft Placement Memorandum is dated February 6, 2025

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## NOTICE TO THE ELIGIBLE INVESTORS

The statements contained in this Draft Placement Memorandum relating to the Trust and the Units are material, true, correct and adequate and not misleading in all material respects to enable investors to make an informed decision. The opinions and intentions expressed in this Draft Placement Memorandum with regard to the Trust and the Units are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available with the Investment Manager, or the Sponsor, or both, as applicable. There are no other facts in relation to the Trust and the Units, the omission of which would, in the context of the Offer, make any statement in this Draft Placement Memorandum misleading in any material respect. Further, each of the Investment Manager, Trustee and the Sponsor, has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements disclosed in this Draft Placement Memorandum.

The Lead Managers have not separately verified all information (financial, legal or otherwise) contained in this Draft Placement Memorandum. Neither the Lead Managers nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking and accept no responsibility or liability as to the accuracy or completeness of the information contained in this Draft Placement Memorandum or any other information supplied in connection with the Offer or the distribution of the Units, other than in relation to themselves. Each Eligible Investor receiving this Draft Placement Memorandum acknowledges that such person has neither relied on the Lead Managers, or any financial, legal or other advisors to the Sponsor nor any of its shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with their investigation of the accuracy of such information or such person's investment decision. Each Eligible Investor must rely on its own examination of the Trust and the merits and risks involved in investing in the Units. The Eligible Investors should not construe the contents of this Draft Placement Memorandum as legal, tax, accounting or investment advice. Each Eligible Investor receiving this Draft Placement Memorandum acknowledges that in making an investment decision, they have relied solely on the information contained in this Draft Placement Memorandum, the Placement Memorandum and the Final Placement Memorandum and not on any other disclosure or representation by the Investment Manager, Sponsor, Trustee, the Lead Managers, the Selling Unitholder or any of their respective financial, legal or other advisors or other party. Nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance of the Trust.

No person is authorized to give any information or to make any representation not contained in this Draft Placement Memorandum and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of the Trust or by, or on behalf, of the Sponsor, the Investment Manager, the Selling Unitholder or the Lead Managers. The delivery of this Draft Placement Memorandum, at any time, does not imply that the information contained in it, is correct as of any time subsequent to its date. This Draft Placement Memorandum is personal to each Eligible Investor. This Draft Placement Memorandum shall not be relied upon by, and the Investment Manager, Sponsor, Selling Unitholder, Trustee and/or the Lead Managers shall not be liable to any subsequent acquirer, transferee or investor of the Units.

This Draft Placement Memorandum contains summaries of some terms of certain documents which are qualified in their entirety by the terms and conditions of those documents.

The distribution of this Draft Placement Memorandum or the disclosure of its contents to any person, other than the Eligible Investors to whom it is addressed and retained by the Eligible Investors to enable them to make a decision with respect to its subscription to the Units, is unauthorised and prohibited. Each Eligible Investor, by accepting delivery of this Draft Placement Memorandum agrees to observe the foregoing restrictions and make no copies of this Draft Placement Memorandum, the Placement Memorandum and the Final Placement Memorandum or any other material in connection with the Offer or the Units.

**Certain U.S. Matters**

**THE UNITS TO BE OFFERED PURSUANT TO THE OFFER HAVE NOT BEEN APPROVED, DISAPPROVED OR RECOMMENDED BY ANY REGULATORY AUTHORITY IN ANY JURISDICTION, INCLUDING THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY OTHER FEDERAL OR STATE AUTHORITIES IN THE UNITED STATES, THE SECURITIES AUTHORITIES OF ANY NON-UNITED STATES JURISDICTION OR ANY OTHER UNITED STATES OR NON-UNITED STATES REGULATORY AUTHORITY. NO AUTHORITY HAS PASSED ON OR ENDORSED THE MERITS OF THE OFFER OR THE ACCURACY OR ADEQUACY OF THIS DRAFT PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES AND MAY BE A CRIMINAL OFFENCE IN OTHER JURISDICTIONS.**

The distribution of this Draft Placement Memorandum, the Placement Memorandum, the Final Placement Memorandum and the issue of the Units in certain jurisdictions may be restricted by law. As such, this Draft Placement Memorandum, the Placement Memorandum, the Final Placement Memorandum does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by the Investment Manager or the Lead Managers which would permit an issue of the Units in any jurisdiction other than India. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Draft Placement Memorandum, the Placement Memorandum, the

Final Placement Memorandum nor any Offer materials in connection with the Units be distributed or published in or from any country or jurisdiction that would require registration of the Units in such country or jurisdiction.

The Units have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Units are being offered and sold outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the Securities Act and applicable laws of the jurisdictions where such offers and sales are made.

The Eligible Investors will be deemed to have made the representations, agreements and acknowledgments as described in the section entitled '*Notice to Eligible Investors – Representations by the Eligible Investors'* on page 2.

**Notice to Investors in certain other jurisdictions**

The distribution of this Draft Placement Memorandum, the Placement Memorandum, the Final Placement Memorandum and the issue of the Units in certain jurisdictions may be restricted by law. As such, this Draft Placement Memorandum, the Placement Memorandum and the Final Placement Memorandum do not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by the Investment Manager or the Lead Managers which would permit an issue of the Units in any jurisdiction other than India. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Draft Placement Memorandum, the Placement Memorandum, the Final Placement Memorandum nor any Offer materials in connection with the Units be distributed or published in or from any country or jurisdiction that would require registration of the Units in such country or jurisdiction. Each purchaser of the Units in this Offer will be deemed to have made acknowledgments and agreements as described under this section and the section entitled "*Selling and Transfer Restrictions"* on page 520.

**THE VALUE OF THE UNITS AND THE INCOME DERIVED FROM THEM MAY FLUCTUATE, THE UNITS ARE NOT OBLIGATIONS OF, DEPOSITS IN, OR GUARANTEED BY THE TRUST, THE TRUSTEE, THE SPONSORS, THE INVESTMENT MANAGER, THE LEAD MANAGERS, THE SELLING UNITHOLDER OR ANY OF THEIR RESPECTIVE SHAREHOLDERS, EMPLOYEES, COUNSEL, OFFICERS, DIRECTORS, REPRESENTATIVES, AGENTS, ASSOCIATES OR AFFILIATES. AN INVESTMENT IN THE UNITS IS SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED, FURTHER, LISTING OF THE UNITS ON THE STOCK EXCHANGE DOES NOT GUARANTEE A LIQUID MARKET FOR THE UNITS. INVESTORS HAVE NO RIGHT TO REQUEST THE TRUST, THE TRUSTEE, THE SPONSOR, THE SELLING UNITHOLDER OR THE INVESTMENT MANAGER OR ANY OF THEIR RESPECTIVE SHAREHOLDERS, EMPLOYEES, COUNSEL, OFFICERS, DIRECTORS, REPRESENTATIVES, AGENTS, ASSOCIATES OR AFFILIATES TO REDEEM THEIR UNITS WHILE THE UNITS ARE LISTED, UNLESS OTHERWISE PERMITTED BY APPLICABLE LAW. THE PERFORMANCE OF ANY OF THE LISTED UNITS OF THE TRUST IS NOT NECESSARILY INDICATIVE OF THE FUTURE PERFORMANCE OF THE UNITS OF THE TRUST.**

**Representations by the Eligible Investors**

References herein to "you" or "your" is to the Eligible Investors in the Offer.

By purchasing, or subscribing to the Units pursuant to the Offer, you are deemed to have represented to the Trustee, the Investment Manager, the Sponsor, the Selling Unitholder and the Lead Managers, and you acknowledge and agree as follows:

1. You are an "institutional investor" as defined in Regulation 2(1)(ya) of the InvIT Regulations or a "body corporate" as defined under Regulation 2(1)(d) of the InvIT Regulations and are eligible under applicable laws and regulations;

2. You are permitted to acquire the Units under the laws of all applicable jurisdiction and that you have necessary capacity and authority, and have obtained all necessary consents and authorisations to enable you to commit to this participation in the Offer and to perform your obligations in relation thereto (including, without limitation, on behalf of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Draft Placement Memorandum, the Placement Memorandum and the Final Placement Memorandum) and honour such obligations;

3. You undertake to (i) hold, manage or dispose of any Units that are allotted to you in accordance with the InvIT Regulations and all other applicable laws; and (ii) to comply with all requirements under applicable law in relation to reporting obligations, if any, in this relation;

4. You have been provided a serially numbered copy of the Placement Memorandum and will be deemed to have read the Placement Memorandum in its entirety, including, in particular, the section entitled "*Risk Factors*" on page 137;

5. You will make all necessary filings and reporting, in relation to the Offer and your investment in Units, with appropriate governmental, statutory or regulatory authorities, including the RBI, as may be required, in accordance with applicable law in your respective jurisdiction;

6. You agree to provide on request in a timely manner, and consent to the use and disclosure (including to any taxation or other regulatory authorities) of, any information or documentation in relation to yourself and, if and to the extent required, the direct or indirect beneficial ownership of your Units (if any), as may be necessary for the Trust (or the Trustee and its agents) and the Investment Manager to comply with any regulatory obligations and/or appropriate withholding of taxes in accordance with the IT Act or other penalties under FATCA, the CRS or other similar exchange of tax information regimes, as maybe applicable. You acknowledge and agree that you shall have no claim against the Trust (or the Trustee and its agents) and the Investment Manager for any losses suffered by you (including in relation to the direct or indirect beneficial ownership of your Units (if any)) as a result of such use by or disclosure of such information or documentation to, any relevant regulatory, governmental or statutory authority;

7. You are aware that the Units have not been, and will not be registered through a prospectus under the InvIT Regulations, or under any other law in force in India. This Draft Placement Memorandum is being, and the Placement Memorandum will be submitted to the SEBI and Stock Exchange and would be displayed on the website of SEBI and the Stock Exchange;

8. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by the Trust or its agents ("**Presentations**") with regard to the Trust, the Units or the Offer; or (ii) if you have participated in or attended any Presentations, you understand and acknowledge that the Lead Managers, the Investment Manager, the Sponsor or the Trustee may not have knowledge of the statements that the Trust or its agents may have made at such Presentations and are therefore unable to determine whether the information provided to you at such Presentations may have included any material misstatements or omissions, and, you acknowledge that the Lead Managers, the Trustee (or its agents), the Investment Manager or the Sponsor have advised you not to rely in any way on any information that was provided to you at such Presentations;

9. None of the Sponsor, the Investment Manager, the Trustee or the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates is making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Offer and that participation in the Offer is on the basis that you are not and will not, up to the Allotment, be a client of the Lead Managers. None of the Sponsor, the Trustee, the Investment Manager, the Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents or affiliates have any duties or responsibilities to you for providing the protection afforded to their clients, or for providing advice in relation to the Offer and are in no way acting in a fiduciary capacity towards you;

10. All statements, other than statements of historical facts included in this Draft Placement Memorandum, including, without limitation, those regarding the Trust's financial position, business strategy, plans and objectives for future operations, the Investment Objectives, and the Projections, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from the results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Trust's present and future business strategies and the environment in which the Trust will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Draft Placement Memorandum. The Trust, the Trustee, the Sponsor, the Investment Manager and the Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates assume no responsibility to update any of the forward-looking statements contained in this Draft Placement Memorandum;

11. You are aware and understand that the Units are being offered only to you and are not being offered to the general public and the Allotment shall be on a discretionary basis;

12. You understand that the Units have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly, may not be offered or sold within the United States, except in reliance on an exemption from the registration requirements of the Securities Act; the Units are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions in which those offers and sales are made. You further acknowledge and agree that Trust and the Lead Managers, and their respective affiliates and representatives (including their legal counsel), will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agree that, if at any time any of the acknowledgements, representations, warranties and agreements made in connection with the Units is no longer accurate, you shall immediately notify Trust and the Lead Managers in writing;

13. You are not acquiring or subscribing to the Units as a result of any "directed selling efforts" (as defined in Regulation S);

14. You are not in United States and are eligible to acquire, and are subscribing for the Units in an "offshore transaction" as defined in Regulation S, and are not an affiliate of the Trust or the Lead Managers or a person acting on behalf of such an affiliate;

15. You understand and agree that the Units are transferable only in accordance with the restrictions described in the section entitled "*Selling and Transfer Restrictions"* on page 520, and you warrant that you will comply with such restrictions;

16. In making your investment decision, you have (i) relied on your own examination of the Trust, the Units and the terms of the Offer, including the merits and risks involved, (ii) consulted your own independent advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws; (iii) relied solely on the information contained in this Draft Placement Memorandum and the Placement Memorandum and no other disclosure or representation by the Sponsor or the Investment Manager, any of their respective financial, legal or other advisors or any other party; and (iv) received all information in this Draft Placement Memorandum that you believe is necessary or appropriate in order to make an investment decision in respect of the Trust and the Units;

17. You have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Units. You and any accounts for which you are subscribing to the Units, (i) are each able to bear the economic risk of the investment in the Units; (ii) will not, subject to the terms of this Draft Placement Memorandum, look to any of the Investment Manager, the Trustee, the Sponsor, the Selling Unitholder or the Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, financial advisors, agents or affiliates for all, or part, of any such loss or losses that may be suffered due to your investment in the Units; and (iii) are able to sustain a complete loss on the investment in the Units; (iv) have no need for immediate liquidity with respect to the investment in the Units, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Units. You acknowledge that an investment in the Units involves a high degree of risk and that the Units are, therefore, a speculative investment. You are seeking to subscribe to the Units in the Offer for your own investment and not with a view to resell or distribute in any manner that could characterise you as an underwriter or similar party in any jurisdiction;

18. The Trustee, the Sponsor, the Investment Manager, the Lead Managers, the Selling Unitholder or any of their respective shareholders, directors, officers, employees, counsel, representatives, advisors, agents or affiliates have not provided you with any legal, financial or tax advice or otherwise made any representations regarding the tax consequences of the Units (including, but not limited to, the Offer and the use of the proceeds of the Offer). You will obtain your own independent legal, financial or tax advice and will not rely on the Investment Manager, the Sponsor, the Trustee, the Lead Managers, the Selling Unitholder or any of their respective shareholders, employees, counsel, officers, directors, representatives, advisors, agents or affiliates or the Investment Manager when evaluating the tax consequences in relation to the Units (including, but not limited to, the Offer and the use of the proceeds of the Offer). You waive and agree not to assert any claim against the Lead Managers, the Sponsor, the Trustee, the Selling Unitholder or the Investment Manager with respect to the tax aspects of the Units or the Offer or as a result of any tax audits by tax authorities, in relation to the Units and the Offer, wherever situated;

19. You are not the Trustee, or the Valuer or an employee of the Valuer involved in the valuation of the Project SPVs/ Holdco;

20. You are aware that (i) we have received in-principle approval from NSE on [●], and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final approval for listing and trading of the Units will be obtained in a timely manner, or at all. The Trust, the Trustee, the Investment Manager or the Sponsor, shall not be responsible for any delay or non-receipt of such final approval (except to the extent prescribed under the InvIT Regulations) or any loss arising from such delay or non-receipt. Further, you shall not undertake any trade in the Units credited to your demat account until such time that the final listing and trading approval for the Units have been issued by the Stock Exchange;

21. You understand that, none of the Trust, the Investment Manager, the Lead Managers or the Trustee has any obligation to purchase or subscribe to all, or any part, of the Units subscribed by you in the Offer or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Offer;

22. The only information you are entitled to rely on, and on which you have relied, in committing yourself to acquire the Units is contained in the Placement Memorandum, such information being all that you deem necessary to make an investment decision in respect of the Units and that you have neither received nor relied on any other information given or representations, warranties or statements made by the Trustee, the Lead Managers, the Investment Manager or the Sponsor, and neither the Trustee, the Lead Managers, the Investment Manager, the Selling Unitholder nor the Sponsor will be liable for your decision to accept an Invitation to participate in the Offer based on any other information, representation, warranty or statement that you have obtained or received;

23. You understand that the Units to be Allotted in this Offer will, when issued, be credited as fully paid and rank *pari passu* in all respects with all other Units, including in respect of the right to receive all distributions declared, made or paid in respect of the Units after the Allotment, except as permitted under applicable law. For details, please see the section entitled "*Distributions*" on page 470;

24. You are eligible to Bid for, and hold, Units, so Allotted. Your holding after the Allotment of the Units shall not exceed the investment level permissible as per any applicable law and regulation;

25. You agree to indemnify and hold the Trust, the Trustee, the Investment Manager, the Selling Unitholder, the Sponsor and the Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations and warranties in this section;

26. The Trustee, the Investment Manager, the Sponsor, the Lead Managers, the Selling Unitholder, their respective shareholders, employees, counsel, offices, directors, representatives, agents or affiliates, will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to the Lead Managers on their own behalf and on behalf of the Trust, the Sponsor, the Investment Manager, the Selling Unitholder and the Trustee, and the same are irrevocable;

27. You are eligible to invest in India and in the Units under applicable law, including the FEMA Rules, and have not been prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities;

28. Any dispute arising in connection with the Offer will be governed by, and construed in accordance with, the laws of the Republic of India and shall be subject to the jurisdiction of the courts in Mumbai;

29. You have made the representations, warranties, acknowledgements and agreements provided in this section and each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times, until and including the Allotment of Units, listing and trading of Units in the Offer;

30. You have made, or are deemed to have made, as applicable, the representations provided in the section entitled "*Selling and Transfer Restrictions*" on page 520.

**Available Information**

The Investment Manager agrees to comply with any undertakings given by it from time to time in connection with the Units and, without prejudice to the generality of foregoing, shall furnish to the Unitholders all such information as may be required under the InvIT Regulations.

**Disclaimer**

This Draft Placement Memorandum does not, directly or indirectly, relate to any invitation, offer for sale of any securities, instruments or loans (including listed non-convertible debentures or bond, if any) that may be issued by the Trust after the listing of the Units. Any person or entity investing in such issue or transaction by the Trust should consul its own advisors. Neither the Lead Managers, nor their associates or affiliates have any responsibility or liability for such issue or transaction by the Trust.

## DEFINITIONS AND ABBREVIATIONS

*This Draft Placement Memorandum uses certain definitions and abbreviations, which unless the context otherwise indicates or implies shall have the meanings ascribed to such terms herein and which you should consider when reading the information contained herein.*

*References to any legislation, act, regulation, rule, guideline, circular, notification, clarification or policy shall be to such legislation, act, regulation, rule, guideline, circular, notification, clarification or policy as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.*

*The words and expressions used in this Draft Placement Memorandum, but not defined herein shall have the meaning ascribed to such terms under the InvIT Regulations, the SEBI Act, the Depositories Act, and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, the terms not defined but used in the sections entitled 'Risk Factors', 'Statement of Possible Tax Benefits', 'Industry Overview', 'Our Business and Properties', Other Parties Involved in the Trust', 'Corporate Governance', 'Regulations and Policies', 'Special Purpose Combined Financial Statements', 'Legal and Other Information' and 'Projections of Revenue from Operations and Cash Flows from Operating Activities' on pages 137, 541, 236, 416, 214, 219, 494, Annexure B, 510 and Annexure C, respectively, shall have the meanings ascribed to such terms in those respective sections.*

*In this Draft Placement Memorandum, unless the context otherwise requires, a reference to "we", "us" and "our" refers to the Trust and the Project SPVs/ Holdco on a combined basis.*

### Trust Related Terms

| Term | Description |
|---|---|
| Associate | Associate shall have the meaning under Regulation 2(1)(b) of the InvIT Regulations |
| Auditor/Statutory Auditor | PKF Sridhar & Santhanam LLP |
| Bhubaneshwar Park | Park situated in Odisha with a land area of 10.67 acres which has a leasable area of 0.23 msf |
| Capital Contribution | The total subscription amounts (either by way of cash or share swap or otherwise (including transfer of interest in the Initial Portfolio Assets by the Sponsor and any other entities)) received by the Trust from the Unitholders (including the Sponsor), for subscription of Units, in accordance with applicable law and the InvIT Documents, through private placement (as defined in the InvIT Regulations) |
| CCPS | Compulsorily Convertible Preference Shares |
| Chakan Park | Park situated in Maharashtra with a land area of 17.10 acres which has a leasable area of 0.37 msf |
| Coimbatore Park | Park situated in Tamil Nadu with a land area of 26.40 acres which has a leasable area of 0.98 msf |
| Coimbatore (Sulur) Park | Park situated in Tamil Nadu with a land area of 22.10 acres which has a leasable area of 0.61 msf |
| Credit Rating Agency | ICRA Limited |
| Cuttack Park I (Bainpada) | Park situated in Odisha with a land area of 14.43 acres which has a leasable area of 0.33 msf |
| Cuttack Park II (Indranipatna) | Park situated in Odisha with a land area of 8.00 acres which has a leasable area of 0.15 msf |
| Distributable Income or NDCF | Net distributable cash flows in accordance with the InvIT Regulations. For further details, please see the section entitled "Distributions" on page 470 |
| DILP | Durgeshwari Industrial & Logistics Parks Private Limited |
| Family Arrangement | Memorandum of family arrangement dated December 10, 2020, entered into by various branches of the TVS family in order to align and synchronise the management of the companies under the respective TVS family group |
| Formation Transactions | Settlement of the Trust under the Indian Trusts Act, 1882, its registration as an infrastructure investment trust with SEBI and the transfer of the Initial Portfolio Assets to the Trust in accordance with the InvIT Regulations |
| Holding Company/Holdco | A holding company, as defined under Regulation 2(1)(sa) of the InvIT Regulations, in this case being Marudhamalai Industrial & Logistics Parks Private Limited or MILP |

| Term | Description |
|---|---|
| Hosur Park | Park situated in Tamil Nadu with a land area of 29.83 acres which has a leasable area of 1.20 msf |
| Hosur Unit - II | Thally Park 1 and Thally Park 2 |
| Indore Park | Park situated in Madhya Pradesh with a land area of 20 acres which has approximately a leasable area of 495,263 sq. ft. |
| Industry Consultant | CBRE South Asia Private Limited |
| Initial Portfolio Assets/Portfolio | Parks proposed to be held directly or indirectly by the Trust in terms of the InvIT Regulations, in this case being, collectively:<br><br>(i) Chakan Park;<br>(ii) Vaipur Park;<br>(iii) Singadivakkam Park;<br>(iv) Hosur Park;<br>(v) Bhubaneshwar Park;<br>(vi) Coimbatore (Sulur) Park;<br>(vii) Thally Park I;<br>(viii) Thally Park II;<br>(ix) Red Hills Park;<br>(x) Coimbatore Park;<br>(xi) Madurai Park;<br>(xii) Sullurpet Park;<br>(xiii) Vijayawada Park;<br>(xiv) Cuttack Park I (Banipada);<br>(xv) Cuttack Park II (Indranipatna);<br>(xvi) Pillaipakkam Park;<br>(xvii) Vishakapatnam Park; and<br>(xviii) Siliguri Park |
| Investment Management Agreement | The investment management agreement dated March 28, 2024 entered into between Trustee (on behalf of the Trust) and the Investment Manager |
| Investment Manager | TVS Infrastructure Investment Manager Private Limited |
| Investment Objectives | The investment objectives of the Trust, as provided under the section entitled "*Overview of the Trust*" on page 24 |
| InvIT Assets | The assets held by the Trust (through the Trustee) including the aggregate of the immovable, movable and other assets and cash (including cash equivalents owned by the Trust (acting through the Trustee)) including the Initial Portfolio Assets, whether directly, or through the Project SPVs/ Holdco, and includes all rights, interests and benefits arising from and incidental to ownership of such assets, in accordance with the InvIT Regulations and applicable laws |
| InvIT Documents | The Trust Deed, the Investment Management Agreement, the Project Implementation and Management Agreement, any other document, letter or agreement with respect to the Trust or the Units, executed for the purpose of the Trust, the offer documents and such other documents in connection therewith, as originally executed and amended, modified, supplemented or restated from time to time, together with the respective annexures, schedules and exhibits, if any |
| JGILP | Jagannath Industrial and Logistics Parks Private Limited |
| Kochi Park | Park situated in Kerala with a land area of 9.51 acres which has approximately a leasable area of 262,161 sq. ft. |
| Madurai Park | Park situated in Tamil Nadu with a land area of 16.02 acres which has a leasable area of 0.43 msf |
| MILP | Marudhamalai Industrial & Logistics Parks Private Limited |
| MRILP | Maragathammbal Industrial and Logistics Park Private Limited |
| Park | Industrial and logistics park |
| Parties to the Trust | Collectively, the Sponsor, the Sponsor Group, the Trustee, the Investment Manager and the Project Manager |
| PBPL | Presidency Barter Private Limited |

| Term | Description |
|---|---|
| Pillaipakkam Park | Park situated in Tamil Nadu with a land area of 17.00 acres which has a leasable area of 0.68 msf |
| Potential ROFO Assets | (i) Kochi Park, Kerala; and<br>(ii) Indore Park, Madhya Pradesh. |
| Project Implementation and Management Agreement/PIMA | The project implementation and management agreement to be entered into amongst the Trustee, the Project Manager, the Investment Manager and the Project SPVs/ Holdco |
| Project Manager | TVS Industrial & Logistics Parks Private Limited |
| Project SPVs | A special purpose vehicle, as defined under Regulation 2(1)(zy) of the InvIT Regulations, in this case being:<br>(i) Durgeshwari Industrial & Logistics Parks Private Limited<br>(ii) Maragathammbal Industrial and Logistics Park Private Limited<br>(iii) Siruvapuri Murugan Industrial and Logistics Private Limited<br>(iv) Sri Meenatchi Industrial and Logistics Parks Private Limited<br>(v) Revanza Sullurpet Industrial Parks Private Limited<br>(vi) Jagannath Industrial and Logistics Parks Private Limited<br>(vii) Ramanujar Industrial & Logistics Parks Private Limited<br>(viii)Tarkeshwar Industrial & Logistics Parks Private Limited<br>(ix) Presidency Barter Private Limited |
| Projections of Revenue from Operations and Cash Flow from Operating Activities or Projections | Statement of Projections of 'Revenue from Operations' and 'Cash Flow from Operating Activities' and the basis and notes to these projections along with significant assumptions underlying the Projections and other explanatory information of the Trust and the Project SPVs/ Holdco for the years ending March 31, 2025, March 31, 2026 and March 31, 2027. For further details, please see Annexure C |
| Projections Period | The fiscal years commencing from April 1, 2024 and ending on March 31, 2027 |
| Red Hills Park | Park situated in Tamil Nadu with a land area of 33.18 acres which has a leasable area of 1.12 msf |
| Related Parties | Related parties of the Trust, as defined under Regulation 2(1)(zv) of the InvIT Regulations |
| RMILP | Ramanujar Industrial & Logistics Parks Private limited |
| RSIPPL | Revanza Sullurpet Industrial Parks Private Limited |
| ROFO Agreement | Right of first offer agreement to be entered into between the Sponsor, the Trustee (acting in its capacity as trustee to the Trust) and the Investment Manager (acting in its capacity as investment manager to the Trust) |
| Selling Unitholder | TVS Industrial & Logistics Parks Private Limited |
| Share Purchase Agreements | The share purchase agreements entered into and to be entered into in relation to the Formation Transactions |
| Siliguri Park | Park situated in West Bengal with a land area of 5.66 acres which has a leasable area of 1.04 msf |
| Singadivakkam Park | Park situated in Tamil Nadu with a land area of 10.73 acres which has a leasable area of 0.45 msf |
| SMILP | Siruvapuri Murugan Industrial and Logistics Private Limited |
| Special Purpose Combined Financial Statements | The audited special purpose combined financial statements of the Trust includes combined financial statements of the Project SPVs and Holdco which comprise the combined balance sheets as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, and the combined statements of profit and loss (including other comprehensive income), combined cash flow statements, combined statements of changes in equity for the six months period ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, combined statements of net assets at fair value as at September 30, 2024, combined statements of total returns at fair value for the six months period ended |

| Term | Description |
|---|---|
| | September 30, 2024 and for the year ended March 31, 2024 and a summary of material accounting policies and other explanatory information, prepared in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019), and the Guidance Note on Combined and Carve Out Financial Statements issued by the Institute of Chartered Accountants of India using the recognition and measurement principles of Ind AS and other generally accepted accounting principles and other relevant provisions relating to disclosures required as per the InvIT Regulations on which the Auditor has issued an audit report dated January 27, 2025 |
| Sponsor | TVS Industrial & Logistics Parks Private Limited |
| Sponsor Group | The Sponsor, TVS Supply Chain Solutions Limited, Winever Industrial Enterprises Private Limited, Allanzers Fin Net Private Limited, and Ace Investment Services (India) Private Limited |
| SPV(s) | Special purpose vehicles, as defined under Regulation 2(l)(zy) of the InvIT Regulations |
| SRMILP | Sri Meenatchi Industrial and Logistics Parks Private Limited |
| Statement of Possible Tax Benefits | Statement of possible tax benefits available to TVS Infrastructure Trust and its unitholders under the applicable laws in India |
| Sullurpet Park | Park situated in Andhra Pradesh with a land area of 44.10 acres which has a leasable area of 1.37 msf |
| Thally Park I | Park situated in Tamil Nadu with a land area of 37.39 acres which has a leasable area of 1.15 msf |
| Thally Park II | Park situated in Tamil Nadu with a land area of 10.83 acres which has a leasable area of 0.48 msf |
| TILP | Tarkeshwar Industrial & Logistics Parks Private Limited |
| Trust | TVS Infrastructure Trust |
| Trust Deed | The trust deed dated March 26, 2024 entered into between the Sponsor and the Trustee |
| Trustee | Axis Trustee Services Limited |
| Trust Loan Agreement(s) | Trust loan agreements to be entered into between the Trustee (acting on behalf of the Trust), the Investment Manager and the relevant Project SPVs/ Holdco |
| TVS Mobility Group | Entities held by the Rajam Family through TVS Mobility Private Limited, post the Family Arrangement |
| Units | An undivided beneficial interest in the Trust, and all issued and Allotted Units together represent the entire beneficial interest in the Trust |
| Unitholder | Any person who owns any Unit in the Trust |
| Vaipur Park | Park situated in Tamil Nadu with a land area of 10.23 acres which has a leasable area of 0.21 msf |
| Valuation Report | The valuation report dated January 27, 2025 issued by the Valuer, which sets out its opinion as to the fair enterprise value of the Project SPVs/ Holdco |
| Valuer | iVAS Partners |
| Vijayawada Park | Park situated in Andhra Pradesh with a land area of 12.68 acres which has a leasable area of 0.29 msf |
| Vishakapatnam Park | Park situated in Andhra Pradesh with a land area of 16.80 acres which has a leasable area of 0.41 msf |
| We/Us/Our | Unless the context otherwise requires or implies, the Trust and the Project SPVs/ Holdco |

**Offer Related Terms**

| Term | Description |
|---|---|
| Allocated/Allocation | The allocation of Units by the Investment Manager to Eligible Investors on the basis of the Application Form submitted by them |
| Allot/Allotment/Allotted | Unless the context otherwise requires, the issue, transfer and allotment of Units to the Eligible Investors, pursuant to the Offer |

| Term | Description |
|---|---|
| Allottees | Bidders to whom Units are issued and Allotted pursuant to the Offer |
| Application Form | The serially numbered form pursuant to which Eligible Investors shall submit a Bid for the Units in the Offer |
| Bid(s) | Indication of interest of the Eligible Investor, as provided in the Application Form, to subscribe to the Units at the Offer Price, in terms of the Placement Memorandum and the Application Form |
| Bid Amount | The amount payable by a Bidder for the number of Units Bid for at the Offer Price specified in the Placement Memorandum |
| Bid/Offer Closing Date | [●], which is the last date up to which the Application Forms shall be accepted |
| Bid/Offer Opening Date | [●], which is the date on which a serially numbered copy of the Placement Memorandum along with the Application Form was circulated to each Eligible Investor by the Investment Manager and the date from which, the Investment Manager accepted Application Forms |
| Bid/Offer Period | Period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Eligible Investors can submit their Bids |
| Bidder | Any Eligible Investor, who makes a Bid pursuant to the terms of the Placement Memorandum and the Application Form |
| Bid Lot | A minimum of such number of Units that the Bid Amount is not less than ₹ [●] million and in multiples of [●] Units thereafter |
| Body Corporate/Bodies Corporate | Body corporate/bodies corporate as defined in Regulation 2(1)(d) of the InvIT Regulations, whether Indian or foreign |
| Business Day | Any day from Monday to Friday, excluding any public holiday |
| Cash Escrow Account | 'No-lien' and 'non-interest bearing' account opened with the Escrow Collection Bank and in whose favour Bidders should transfer money through direct credit/NEFT/NECS/RTGS in respect of the Bid Amount when submitting a Bid |
| Cash Escrow Agreement | The cash escrow agreement to be entered into amongst the Trust (acting through the Trustee), the Investment Manager, the Lead Managers, the Sponsor, the Selling Unitholder and the Escrow Collection Bank, as applicable, for, among others, collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders |
| Client ID | Client identification number maintained with one of the Depositories in relation to a demat account |
| Closing Date | The date on which Allotment of Units pursuant to the Offer shall be made, i.e., on or about [●] |
| Demographic Details | Details of the Bidders, including the Bidder's address, investor status, occupation and bank account details |
| Designated Account | The account wherein the Bidders should transfer money through direct credit/NEFT/NECS/RTGS in respect of the Bid Amount when submitting a Bid |
| Designated Stock Exchange | NSE |
| Draft Placement Memorandum | This draft placement memorandum dated February 6, 2025, in relation to this Offer, filed with SEBI and the Stock Exchange, and issued in accordance with the InvIT Regulations, which does not contain the complete particulars of the Offer, including any modifications, amendments, supplements, notices, corrections or corrigenda thereto |
| Eligible Investors | Institutional Investors and Bodies Corporate, whether Indian or foreign, as defined in InvIT Regulations |
| Escrow Collection Bank | [●] |
| Fresh Issue | A fresh issue of up to [●] Units aggregating up to ₹ 10,500.00 million by the Trust, on a private placement basis to successful Bidders |
| Final Placement Memorandum | The final placement memorandum to be issued in relation to this Offer, in accordance with the InvIT Regulations |
| Institutional Investors | Institutional investor as defined in Regulation 2(1)(ya) of the InvIT Regulations |

| Term | Description |
|---|---|
| Listing Agreement | The listing agreement to be entered into with the Stock Exchange by the Trust, in line with the format as specified under the Securities and Exchange Board of India circular number CIR/CFD/CMD/6/2015 dated October 13, 2015 on "Format of uniform Listing Agreement" |
| Lead Managers | Axis Capital Limited and Kotak Mahindra Capital Company Limited |
| Listing Date | The date on which the Units will be listed on the Stock Exchange |
| Minimum Bid Size | ₹ [●] million |
| Offer | The offer of up to [●] Units at an Offer Price of ₹ [●] per Unit, aggregating up to ₹ 13,000.00 million, on a private placement basis. The Offer comprises a Fresh Issue of up to [●] Units aggregating up to ₹ 10,500.00 million by the Trust and an Offer for Sale of up to [●] Units aggregating up to ₹ 2,500.00 million by the Selling Unitholder |
| Offer for Sale | The offer for sale of up to [●] Units, aggregating up to ₹ 2,500.00 million by the Selling Unitholder |
| Offer Price | ₹ [●] per Unit, being the price at which Units will be Allotted to Eligible Investors in terms of this Draft Placement Memorandum |
| Offer Proceeds | The proceeds of the Offer of up to ₹ 13,000.00 million including proceeds of the Offer for Sale aggregating up to ₹ 2,500.00 million.<br><br>For further details about the use of the Offer Proceeds, please see the section entitled "*Use of Proceeds*" on page 459 |
| Offer Size | The issue of up to [●] Units aggregating up to ₹ 13,000.00 million |
| Placement Agreement | The placement agreement dated February 6, 2025 entered into amongst the Trust (acting through its Trustee), the Trustee, the Investment Manager, the Sponsor, the Selling Unitholder, the Project Manager and the Lead Managers |
| Placement Memorandum | The placement memorandum to be issued in relation to this Offer in accordance with the InvIT Regulations |
| Qualified Institutional Buyers or QIB(s) | Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, which currently includes (i) a mutual fund, a VCF, an AIF and an FVCI registered with SEBI, (ii) an FPI other than individuals, corporate bodies and family offices, (iii) a public financial institution as defined in section 2(72) of the Companies Act, 2013, (iv) a scheduled commercial bank as included in the second schedule to the Reserve Bank of India Act, 1934, (v) a multilateral and bilateral development financial institution, (vi) a state industrial development corporation, (vii) an insurance company registered with the IRDAI, (viii) a provident fund with minimum corpus of ₹250 million, (ix) a pension fund with minimum corpus of ₹250 million registered with the PFRDA under sub-section (1) of section 3 of the Pension Fund Regulatory and development Authority Act, 2013, (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India, (xi) insurance funds set up and managed by army, navy or air force of the Union of India, (xii) insurance funds set up and managed by the Department of Posts, India, and (xiii) systemically important non-banking financial companies |
| Registrar and Unit Transfer Agent or Registrar | MUFG Intime India Private Limited (*formerly known as Link Intime India Private Limited*) |
| Stock Exchange | NSE |
| Unit Escrow Agent | [●] |
| Unit Escrow Agreement | Agreement to be entered into amongst the Trustee (on behalf of the Trust), the Investment Manager, the Selling Unitholder and the Unit Escrow Agent in relation to the transfer of Units under the Offer by the Selling Unitholder and credit of such Units to the demat accounts of the Allottees |
| Working Day | Working Day, with reference to (a) Bid/Offer Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (b) the time period between the Bid/Offer Closing Date and the listing of the Units on the Stock Exchange, shall mean all trading days of Stock Exchange, excluding Sundays and bank holidays |

**Technical and Industry Related Terms**

| Term | Description |
|---|---|
| Achieved FSI Area | Built-up Area |

| Term | Description |
|---|---|
| Architect Certificate | Certificates on warehousing facilities and other confirmations in relation to Initial Portfolio Assets issued by Atelier NORD, each dated February 3, 2025 attached as Annexure D to this Draft Placement Memorandum |
| Balance FSI Area | Difference of Permissible FSI Area and Achieved FSI Area |
| Built-up Area | Leasable Area for which construction of the property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received |
| Committed Area | Area of the property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients |
| CBRE | CBRE South Asia Private Limited |
| CBRE Report | The report entitled "*Market Analysis of the Warehousing Segment*" dated January 27, 2025, prepared by CBRE |
| FSI Area | Quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the plot area |
| Leasable Area | Total area of the property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation |
| MSF | Million square feet |
| Operational Area | Leasable Area of the property which has been leased out at least once and includes (i) Built-up Area, and (ii) Other Area |
| Other Area | Leasable Area of the property which has been leased out at least once and for which no approvals for operationalization are required under applicable law |
| Permissible FSI Area | FSI Area where construction on the property is permitted under applicable law |
| Site/ Plot Area | Total extent of the land over which the property is situated |
| Under Development Area | Leasable Area within a property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for |

**Abbreviations**

| Term | Description |
|---|---|
| 3PL | Third party logistics |
| AIF | Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations, 2012 |
| AIFM | Alternative Investment Fund Managers |
| AIFMD | Alternative Investment Fund Managers Directive |
| AIFMR | Alternative Investment Fund Managers Regulations |
| Air Act | The Air (Prevention and Control of Pollution) Act, 1981 |
| AS/RS | Automated Storage and Retrieval Systems |
| AUM | Asset-under-maintenance is the enterprise value as set out by the Valuer under the Valuation Report. For details, please see the Valuation Report, attached as Annexure A |
| Board/Board of Directors | The board of directors of the Investment Manager |
| BSE | BSE Limited |
| CCD | Compulsorily convertible debentures |
| CDSL | Central Depository Services (India) Limited |
| Civil Procedure Code | Code of Civil Procedure, 1908 |
| Companies Act / Companies Act, 2013 | Companies Act, 2013, as amended and read with the rules, regulations, notifications, clarifications and modifications thereunder |
| Companies Act, 1956 | Companies Act, 1956 and the rules, regulations, modifications and clarifications made thereunder as the context requires, repealed as of January 30, 2019 |
| COVID-19 | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020 |
| CWUMPO | Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong |

| Term | Description |
|---|---|
| Depositories | Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, being the NSDL and the CDSL |
| Depositories Act | Depositories Act, 1996 |
| Depository Participant | A depository participant as defined under the Depositories Act |
| Designs Act | Designs Act, 2000 |
| DIN | Director Identification Number |
| DP ID | Depository Participant ID |
| DSRA | Debt Service Reserve Account |
| EBITDA | Earnings before interest, taxes, depreciation and amortization |
| EIA | Environment Impact Assessment |
| EV | Enterprise Value |
| Environment Act | Environment (Protection) Act, 1986 |
| Electricity Act | Electricity Act, 2003 |
| Electricity Rules | Electricity Rules, 2005 |
| FDI Policy | Foreign Direct Investment policy, 2020 |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder |
| FEMA Rules | Foreign Exchange Management (Non-Debt Instrument) Rules, 2019 |
| Fiscal/Financial Year/FY | Period of 12 months ended March 31 of that particular year, unless otherwise stated |
| FMCG | Fast moving consumer goods |
| FPI | Foreign Portfolio Investors |
| FSI | Floor Space Index |
| FVCI | Foreign Venture Capital Investors |
| GAAR | General Anti-Avoidance Rules |
| GoI or Government | Government of India |
| Hazardous Wastes Rules | Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 |
| HVAC | Heating, Ventilation, and Air Conditioning |
| ICAEW | Institute of Chartered Accountants in England and Wales |
| ICAI | Institute of Chartered Accountants of India |
| Ind AS | Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under Section 133 of the Companies Act, 2013 |
| Indian GAAP | Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules, 2006 (as amended) and the Companies (Accounts) Rules, 2014 (as amended) |
| InvIT | Infrastructure Investment Trust |
| Indian Trusts Act | Indian Trusts Act, 1882 |
| IS | Indian Standards |
| IST | Indian Standard Time |
| IT Act | The Income Tax Act, 1961 |
| LLP | Limited liability Partnership |
| LTCG | Long Term Capital Gains |

| Term | Description |
|---|---|
| MCA | Ministry of Corporate Affairs |
| MMLP | Multimodal Logistics Park |
| Mutual Funds | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| NBC | National Building Code of India, 2016 |
| NCD | Non-convertible debentures |
| NH | National Highway |
| NLP | National Logistics Policy, 2022 |
| NRE | Non-Resident External |
| NRI | Non-Resident Indian |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| PAN | Permanent Account Number |
| PCB | Pollution Control Board |
| RBI | Reserve Bank of India |
| Registration Act | Registration Act, 1908 |
| Registration of Warehouses Rules | The Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 |
| Regulation S | Regulation S under the Securities Act |
| Rs./Rupees/₹/INR | Indian Rupees |
| RTGS | Real Time Gross Settlement |
| SCRA | The Securities Contracts (Regulation) Act, 1956 |
| SCRR | The Securities Contracts (Regulations), Rules, 1957 |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | The Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI Intermediaries Regulations | Securities and Exchange Board of India (Intermediaries) Regulations, 2008 |
| SEBI InvIT Regulations or InvIT Regulations | Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and circulars, notifications, guidelines and clarifications issued thereunder |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| Securities Act | United States Securities Act of 1933, as amended |
| SFO | Securities and Futures Ordinance (Cap. 571) of Hong Kong |
| SH | State Highway |
| SLDE | Secured Logistics Document Exchange |
| Stamp Act | Indian Stamp Act, 1899 |
| STCG | Short Term Capital Gains |
| STPs | Sewage Treatment Plant |

| Term | Description |
|---|---|
| Tax | (i) all forms of direct and indirect taxes, duties, charges, levies, including without limitation corporate income tax, withholding tax, minimum alternate tax, sales tax, goods & services tax, value added tax, customs and excise duties, service tax, capital gains tax and all charges, interest, penalties and fines incidental or relating to any taxation falling within paragraph (i) above or which arise as a result of the failure to pay any taxes on the due date or to comply with any obligation relating to Tax |
| TP Act | Transfer of Property Act, 1882 |
| Trade Marks Act | Trade Marks Act, 1999 |
| U.S./U.S.A/United States | United States of America, including the territories and possessions thereof |
| USD/US$ | United States Dollars |
| VCF | Venture Capital Fund |
| WALE | Weighted Average Lease Expiry |
| Warehousing Act | Warehousing (Development and Regulation) Act, 2007 |
| Water Act | The Water (Prevention and Control of Pollution) Act, 1974 |

## PRESENTATION OF FINANCIAL DATA AND OTHER INFORMATION

### Certain Conventions

All references in this Draft Placement Memorandum to "India" are to the Republic of India and all references herein to the "Government", "Indian Government", "GOI", "Central Government" or "State Government" are to the Government of India or the relevant State government, as applicable.

Unless stated otherwise, all references to page numbers in this Draft Placement Memorandum are to the page numbers of this Draft Placement Memorandum.

### Financial Data

Unless stated otherwise, the financial information included in this Draft Placement Memorandum is derived from the Special Purpose Combined Financial Statements as at and for the six months period ended September 30, 2024 and as at and for financial years ended March 31, 2024, March 31, 2023 and March 31, 2022. The Trust was settled as a trust on March 26, 2024 and will not acquire ownership of the Project SPVs/ Holdco until immediately prior to the Allotment of the Units in the Offer. As of the date of this Draft Placement Memorandum, there is no available financial information of the Trust.

The Special Purpose Combined Financial Statements are prepared in connection with the proposed private placement of units to be issued by the TVS Infrastructure Trust (the "**Trust**") as per Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time including the circulars notifications, clarifications and guidelines issued thereunder (the "SEBI InvIT Regulations") and other relevant provisions relating to disclosures required as per the InvIT Regulations and prepared in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019), and the Guidance Note on Combined and Carve Out Financial Statements issued by the Institute of Chartered Accountants of India, using the recognition and measurement principles of Ind AS and other generally accepted accounting principles. For further details, please see the section entitled "Special Purpose Combined Financial Statements" attached hereto as Annexure B.

Further, this Draft Placement Memorandum includes projections of revenue from operations and cash flows from operating activities of the Trust on a combined basis for the financial years ended March 31, 2025, March 31, 2026 and March 31, 2027, prepared in accordance with the basis of preparation as set out in Note II of projections of revenue from operations and cash flow from operating activities (the "**Projections of Revenue from Operations and Cash Flow from Operating Activities**"). For further details, please see the section entitled "*Risk Factors – The actual performance of the Trust is subject to significant business, regulatory, and tax risks, uncertainties and contingencies that could cause actual results to differ materially from the forward-looking statements in this Draft Placement Memorandum"* on page 144 and Annexure C.

This Draft Placement Memorandum includes summary financial statements of the Sponsor as of and for the financial years ended March 31, 2022, March 31, 2023 and March 31 ,2024, derived from the audited consolidated financial statements of the Sponsor, prepared in accordance with Ind AS. Further, this Draft Placement Memorandum includes summary financial statements of our Investment Manager as of and for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024, derived from the audited consolidated financial statements of the Investment Manager, prepared in accordance with Ind AS. For further details, please see the section entitled "*Summary Financial Information of the Sponsor*" and "*Summary Financial Information of the Investment Manager*" on pages 40 and 45, respectively.

The financial year for the Trust, the Sponsor, the Project SPVs/ Holdco and our Investment Manager commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

The degree to which the financial information included in this Draft Placement Memorandum will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP, Ind AS and the InvIT Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Placement Memorandum should accordingly be limited.

In this Draft Placement Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures and percentage figures have been rounded off to two decimal places.

### Certain Non-GAAP Financial Metrics

The body of generally accepted accounting principles is commonly referred to as "GAAP." Our management believes that the presentation of certain non-GAAP measures are supplementary measures of our performance which provides additional useful information to investors regarding our performance and trends related to our results of operations and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or U.S. GAAP. Accordingly, we believe that when non-GAAP financial information is viewed with GAAP or Ind AS financial information, investors are provided with a more

meaningful understanding of our ongoing operating performance and financial results. For this reason, we are including in this Draft Placement Memorandum information regarding our EBITDA, EBITDA margin, and certain other metrics based on or derived from these metrics.

However, these financial measures are not measures of our financial performance or liquidity based on GAAP, Ind AS or any other internationally accepted accounting principles, and you should not consider such items and should not be considered in isolation or as an alternative to the historical financial results or other indicators of our cash flow based on Ind AS or IFRS. In addition, these non-GAAP measures are not standardized terms and these non-GAAP financial measures, as defined by us and included herein, may not be comparable to similarly-titled measures as presented by other entities due to differences in the way non-GAAP financial measures are calculated and hence have limited usefulness as comparative measures. Even though the non-GAAP financial measures are used by management to assess our financial position, financial results and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our financial position or results of operations as reported under Ind AS or IFRS. For additional information with respect to non-GAAP financial measures, please see the section entitled "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS, Indian GAAP and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flow*" on page 161.

*EBITDA and EBITDA Margin*

We present EBITDA and EBITDA margin for both historical and projection periods in this Draft Placement Memorandum. For historical periods, we have elected to present EBITDA as a separate line item on the face of our combined statement of profit and loss, which forms a part of our Special Purpose Combined Financial Statements. In its measurement, we do not include finance costs, depreciation and amortization expenses, share of net profit/(loss) of investment accounted for using equity method, exceptional items and tax expense.

EBITDA and EBITDA margin do not have a standardized definition under Ind AS or IFRS, and our method of calculating EBITDA and EBITDA margin may be different from the method used by most other companies/InvITs to calculate EBITDA and EBITDA margin, respectively. We cannot assure you that our EBITDA and EBITDA margin calculation will always be comparable with similarly named measures presented by other companies/InvITs. For information, please see the section entitled "*Definitions and Abbreviations*" on page 6.

EBITDA and EBITDA margin for the Projections Period have been calculated on the same basis as historical EBITDA and EBITDA margin, subject to the inherent limitations generally involved in presenting Projections figures, as well as the assumptions set forth therein. Such assumptions and inherent limitations may distort comparability across historical and the Projections Period. EBITDA and EBITDA margin are not recognized measures under Ind AS or IFRS. EBITDA and EBITDA margin should not be considered by themselves or as substitutes for net income, operating income or cash flow from operations or related margins or other measures of operating performance, liquidity or ability to pay dividends. For the Projections Period, we do not present a reconciliation of EBITDA to profit/(loss) after tax for the year (EBITDA's most comparable GAAP measure), as we have not included the projections of additional expense items required to arrive at the projected profit after tax.

**Currency and Units of Presentation**

All references to:

- "Rupees" or "Rs." Or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India; and
- "USD" or "US$" or "$" or "U.S. dollars" are to United States Dollars, the official currency of the United States.

Except otherwise specified, numerical information in this Draft Placement Memorandum has been presented in "million" units. One million represents 1,000,000 and one billion represents 1,000,000,000. However, certain numerical information in this Draft Placement Memorandum has been presented in "lakhs" units where one lakh represents 1,00,000 or "crore" units where one crore represents 1,00,00,000.

Unless the context requires otherwise, any percentage amounts, as set forth in this Draft Placement Memorandum, have been calculated on the basis of the Special Purpose Combined Financial Statements and Summary Financial Statements of (i) the Sponsor; and (ii) the Investment Manager.

**Exchange Rates**

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the USD:

*(in ₹)*

| Currency | Exchange Rate as on September 30, 2024 | Exchange Rate as on March 31, 2024 | Exchange Rate as on March 31, 2023 | Exchange Rate as on March 31, 2022 |
|---|---|---|---|---|
| 1 USD | 83.79 | 83.37 | 82.22 | 75.81 |

*Note: The exchange rates are rounded off to two decimal places and in case March 31 of any of the respective years is a public holiday, the previous Working Day, not being a public holiday, has been considered.*

*Source: www.rbi.org.in and www.fbil.org.in*

**Industry and Market Data**

Unless stated otherwise, industry and market data used in this Draft Placement Memorandum has been obtained or derived from the CBRE Report which are commissioned reports, and publicly available information as well as other Government and industry publications and sources. The Investment Manager has commissioned the CBRE Report, to provide an independent estimation of the assessment of the warehouse sector in India, which is based on historical data and certain assumptions. The CBRE Report is issued by CBRE and is subject to the following disclaimer:

"*CBRE South Asia Private Limited ('CBRE') has prepared the 'Market Analysis of the Warehousing Segment' ('Industry Report') dated 27th January 2025.*

*CBRE is not operating under a Financial Services License when providing the Industry Report, which do not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in/with the Client.*

*Any reference to CBRE within the Offer Document must be read in conjunction with the full Industry Report.*

*CBRE disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Documents other than in respect to this Industry Report. CBRE disclaims all liability to any investor.*

*The Industry Report is strictly limited to the matters contained within, and should not be read as extending, by implication or otherwise, to any other matter in the Offer Documents. Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of the report.*

*CBRE has prepared the Industry Report relying on and referring to information provided by third parties, publicly available information as well as industry publications and other sources ("Information"). However, CBRE does not guarantee the accuracy, adequacy or completeness of the Information and is not responsible for any errors or omissions or for the results obtained from the use of the Information or this Industry Report.*

*This report has been prepared, based on CBRE's current anecdotal and evidence-based views of the real estate market. Although CBRE believes its views reflect market conditions on the date of this Industry Report, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances.*

*Forecasts, estimates and other forward-looking statements contained in the Industry Report are inherently uncertain. Changes in factors underlying their assumptions, or events or a combination of events that cannot be reasonably foreseen can have a significant impact on the actual results, and future events could differ materially from such forecasts, estimates, or other forward-looking statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in this Industry Report.*

*The Industry Report may not be reproduced in whole or in part without prior written approval of CBRE* ".

**Valuation data**

Unless stated otherwise, the valuation report dated January 27, 2025, included in this Draft Placement Memorandum is issued by the Valuer as of September 30, 2024. For details, please see "*Valuation Report"* attached as Annexure A. The valuation has been undertaken to ascertain the Market Value of the respective properties proposed to be acquired by the Trust given the prevalent market conditions. In consideration of the same, a detailed assessment of the sites and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the respective properties *vis-à-vis* their surrounding sub-markets, etc. The valuations are based on asset-specific information provided by the Investment Manager. The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the Valuation Report that another party has supplied information to the Valuer, this information is believed to be reliable but the Valuer can accept no responsibility if this should not to be so. The valuation of our Portfolio has been carried out in accordance with the provisions of the InvIT Regulations. The valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future. Assumptions are a necessary part of undertaking valuations. The Valuer has adopted assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of the Valuer's expertise, or the Valuer's instructions. The reader accepts that the valuation contains certain specific assumptions and

acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in "*Risk Factors*" on page 137. Accordingly, investment decisions should not be based solely on such information. The extent to which the valuation assumptions used by the Valuer in their Valuation Report as highlighted in this Draft Placement Memorandum is meaningful depends on the reader's familiarity with and understanding of the methodologies used in undertaking valuations. The Valuation Report is issued by iVAS Partners and is subject to the following disclaimer:

*"iVAS Partners ("iVAS) has prepared the Summary Valuation Report titled Summary Report dated 27 January 2025,("Report"). iVAS is not operating under a financial services license when providing the Report, which does not constitute financial product advice. The Report is not a recommendation to invest / disinvest in any offer or transaction and no part of the Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in/with TVS Infrastructure Trust.*

*Any reference to iVAS within the Offer Document must be read in conjunction with the full report. The Report is strictly limited to the matters contained within, and should not be read as extending, by implication or otherwise, to any other matter in the Offer Documents.*

*iVAS has prepared the Report relying on and referring to information provided by third parties, publicly available information as well as industry publications and other sources that iVAS considers reliable ("**Information**"). However, iVAS does not guarantee the accuracy, adequacy or completeness of the Information and is not responsible for any errors or omissions or for the results obtained from the use of the Information or this Report.*

*Forecasts, estimates and other forward-looking statements contained in the Report are inherently uncertain. Changes in factors underlying their assumptions, or events or a combination of events that cannot be reasonably foreseen can have a significant impact on the actual results, and future events could differ materially from such forecasts, estimates, or other forward-looking statements. In making any decision regarding the transaction, the recipient should conduct its own investigation and analysis of all facts and information contained in this Report.*

*The Report may not be reproduced in whole or in part without prior written approval of iVAS."*

**Credit Rating**

The Trust has obtained credit rating from ICRA Limited which has given the Trust an issuer rating of "Provisional ICRA AAA (Stable)" by way of its letter dated January 24, 2025, the rationale for which is available on its website at https://www.icra.in/Rationale/ShowRationaleReport?Id=132605.

**Websites**

The information contained on our website, the websites of our Investment Manager, our Sponsor, the Trustee, the Lead Managers or the other websites referred in this Draft Placement Memorandum or that can be accessed through our websites or such other websites, neither constitutes part of this Draft Placement Memorandum, nor is it incorporated by reference therein and should not form the basis of any investment decision. For details of the websites of the Investment Manager, Sponsor, Trustee and Lead Managers, please see the section entitled "*General Information*" on page 174.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Draft Placement Memorandum are not statements of historical fact but constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can' 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'propose', 'pursue', 'seek', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals, including the Trust's business strategy, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding the Trust's expected financial conditions, results of operations, cash flows, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Trust's business strategy, revenue, cash flows and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Draft Placement Memorandum that are not historical facts.

These forward-looking statements and any other projections contained in this Draft Placement Memorandum (whether made by the Parties to the Trust or any third-party), are based on current plans, estimates, presumptions and expectations and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the Trust's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In accordance with the InvIT Regulations, the projections have been included in this Draft Placement Memorandum, which should be read together with the underlying assumptions and notes thereto. Please see Annexure C for details.

The Valuation Report, included in this Draft Placement Memorandum, is based on certain projections and estimates and, accordingly, should be read together with assumptions and notes thereto. For further details, see "*Valuation Report"* attached as Annexure A.

All forward-looking statements and financial projections are subject to risks, uncertainties and assumptions. Actual results may differ materially from those suggested by forward-looking statements and financial projections due to certain known or unknown risks or uncertainties associated with the Investment Manager's expectations with respect to, but not limited to, the actual growth in the infrastructure sector, the Investment Manager's ability to successfully implement the strategy, growth and expansion plans, technological changes, cash flow projections, exposure to market risks, general economic and political conditions in India, changes in competition in the infrastructure sector, the outcome of any legal or regulatory proceedings and the future impact of new accounting standards. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.

Factors that could cause actual results, performance or achievements of the Trust to differ materially include, but are not limited to, those disclosed under the sections entitled "*Risk Factors*", "*Industry Overview*", "*Our Business and Properties*" and "*Management's Discussion and Analysis of factors affecting the Financial Condition and Results of Operations*", on pages 137, 236, 416 and 473, respectively. Some of the factors that could cause the Trust's actual results, performance or achievements to differ materially from those in the forward-looking statements, financial projections and financial information include, but are not limited to, the following:

- We may be adversely affected if the Project SPVs/ Holdco are unable to obtain, maintain, transfer or renew all regulatory approvals and comply with applicable laws that are required for their respective business;
- Our ability to consummate the transaction under the securities purchase agreements to be entered into in relation to the Formation Transactions is subject to satisfaction of certain conditions precedent;
- We are generally subject to risks associated with debt financing and refinancing and operating results could be adversely affected by related interest, required repayments and other risks of our debt financing. Our inability to service debt may impact distributions to Unitholders;
- We do not provide any assurance or guarantee of any distributions to the Unitholders. We may not be able to make distributions to Unitholders in the manner described in this Draft Placement Memorandum or make any distribution at all, and the level of distributions may decrease;
- The InvIT Regulations and other regulatory requirements impose restrictions on the investments made by us and require us to adhere to certain investment conditions, which may limit our ability to acquire and/or dispose of assets or explore new opportunities.

The forward-looking statements, Projections and the Valuation Report, reflect current views as of the date of this Draft Placement Memorandum and are not a guarantee for future performance or returns to Bidders. These statements and projections are based on certain beliefs and assumptions, which in turn are based on currently available information. Although the

Investment Manager and the Sponsor believe that the expectations and the assumptions upon which such forward-looking statements are based, are reasonable at this time, neither the Investment Manager nor the Sponsor can assure Bidders that such expectations will prove to be correct or accurate. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

In accordance with the InvIT Regulations, the assumptions underlying the projections have been examined by the Auditor. The projections have been prepared for inclusion in this Draft Placement Memorandum for the purposes of this Offer, using a set of assumptions that include hypothetical assumptions about future events and management's actions that are not necessarily expected to occur, and have been approved by the board of directors of the Investment Manager. Consequently, Bidders are cautioned that the Projections may not be appropriate for purposes other than that described above. In any event, these statements speak only as of the date of this Draft Placement Memorandum or the respective dates indicated in this Draft Placement Memorandum.

The Trust, the Investment Manager, the Sponsor, the Trustee, the Selling Unitholder or the Lead Managers or their respective affiliates or advisors, (financial, legal or otherwise), undertake no obligation to update or revise any of the statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, whether as a result of new information, future events or otherwise after the date of this Draft Placement Memorandum. If any of these risks and uncertainties materialise, or if any of the Investment Manager's underlying assumptions prove to be incorrect, the actual results of operations or financial condition or cash flows of the Trust could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Trust are expressly qualified in their entirety by reference to these cautionary statements. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and financial projections, and not to regard such statements to be a guarantee or assurance of the Trust's future performance or returns to investors.

## THE OFFER

The following is a general summary of the terms of this Offer. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Draft Placement Memorandum:

| | |
|---|---|
| **Offer** | Initial offer by way of a private placement up to [●] Units aggregating up to ₹ 13,000.00 million comprising Fresh Issue of up to [●] Units aggregating up to ₹ 10,500.00 million by the Trust and an Offer for Sale of up to [●] Units aggregating up to ₹ 2,500.00 million by the Selling Unitholder |
| **Offer Price per unit** | ₹ [●] |
| **Minimum Bid Size** | ₹ [●] million |
| **Bid/Offer Opening Date** | [●] |
| **Bid/Offer Closing Date** | [●] |
| **Sponsor and Project Manager** | TVS Industrial & Logistics Parks Private Limited |
| **Trustee** | Axis Trustee Services Limited |
| **Investment Manager** | TVS Infrastructure Investment Manager Private Limited |
| **Eligible Investors** | Institutional Investors and Bodies Corporates, Indian or foreign, subject to applicable law |
| **Authority for this Offer** | This Offer was authorised and approved by the board of directors of the Investment Manager on January 27, 2025*. |
| **Tenure of the Trust** | The Trust shall remain in force perpetually until it is dissolved or terminated in accordance with the Trust Deed. For details, please see the section entitled "*Parties to the Trust*" on page 178 |
| **Units issued and outstanding as of the date of this Draft Placement Memorandum** | As of the date of this Draft Placement Memorandum, there are no issued and outstanding units |
| **Units issued and outstanding immediately after this Offer** | Up to [●] Units |
| **Units allotted to the Sponsor and Sponsor Group** | Up to [●] Units<br><br>The Units held by the Sponsor and Sponsor Group shall rank *pari passu* with, and have the same rights as the Units to be Allotted pursuant to this Offer. The Units to be held by the Sponsor and Sponsor Group have been allotted to the Sponsor and the Sponsor Group pursuant to the resolution of the board of directors of the Investment Manager dated [●] |
| **Distribution** | Please see the section entitled "*Distributions*" on page 470 |
| **Indian Taxation** | Please see the section entitled "*Statement of Possible Tax Benefits"* on page 541 |
| **Use of Proceeds** | Please see the section entitled "*Use of Proceeds*" on page 459 |
| **Listing** | Prior to this Offer, there has been no market for the Units. The Units are proposed to be listed on the Stock Exchange. In-principle approval for listing of the Units has been received from NSE on [●]. The Investment Manager shall apply to the Stock Exchange for the final listing and trading approval, after the Allotment and the credit of the Units to the demat accounts of the Allottees |
| **Designated Stock Exchange** | NSE |
| **Closing Date** | The date on which Allotment of the Units pursuant to this Offer shall be made, i.e., on or about [●] |
| **Ranking** | The Units being issued and transferred shall rank *pari passu* in all respects, including rights in respect of distribution.<br><br>Please see the section entitled *"Rights of Unitholders"* on page 526 |
| **Lock-in and Rights of Unitholders** | For details, please see the sections entitled "*Information Concerning the Units*" and "*Rights of Unitholders*" on pages 458 and 526, respectively |
| **Risk Factors** | Prior to making an investment decision, Bidders should consider carefully the matters discussed in the section entitled *"Risk Factors*" on page 137 |

** The Offer for Sale has been authorised by Selling Unitholder pursuant to resolution of its board of directors dated January 27, 2025. Please see the section entitled "Offer Procedure − Authority for the Offer" on page 532. Further, with respect to the Units offered by the Selling Unitholder in the Offer for Sale, the Selling Unitholder, has held equity shares and other convertible securities in the Project SPVs and Holdco against which such Units are to be received, for a period of at least one year immediately preceding the date of this Draft Placement Memorandum.*

The Offer is a private placement of Units under Regulation 14(2) of the InvIT Regulations. Upon listing of the Units on the Stock Exchange, the Units shall be traded only on the dematerialised segment of the Stock Exchange.

In accordance with the InvIT Regulations, no Unitholder shall enjoy superior voting or any other rights over another Unitholder. Further, there shall not be multiple classes of Units. Additionally, in the future, the Trust may issue subordinate units of the Trust, upon acquisition of an infrastructure project, only to the Sponsor, its Associates and the Sponsor Group, in compliance with the InvIT Regulations, where such subordinate units of the Trust shall be deemed to be a part of the consideration for acquisition of the infrastructure project from such Sponsor, its Associates and Sponsor Group. However, the subordinate units shall not carry any voting rights or distribution rights.

No person connected with the Offer, including any person connected with the distribution of this Draft Placement Memorandum, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application for Allotment of the Units.

For further details in relation to this Offer, including the method of application, please see the section entitled "*Offer Procedure*" on page 532.

## OVERVIEW OF THE TRUST

*The following overview is qualified in its entirety by, and is subject to, the more detailed information contained in, or referred to elsewhere in this Draft Placement Memorandum. The statements contained in this summary that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results of the Trust to differ materially from those forecasted or projected in this Draft Placement Memorandum. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction of the accuracy of the underlying assumptions by the Trust or the Parties to the Trust or the Lead Managers or any other person or that these results will be achieved or are likely to be achieved. Investment in Units involves risks. Bidders are advised not to rely solely on this overview and read this Draft Placement Memorandum in its entirety and, in particular, consider carefully the matters discussed in the section entitled "Risk Factors" on page 137.*

**Structure and description of the Trust**

The Trust has been settled by the Sponsor, as a contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act in Mumbai, Maharashtra, India pursuant to the Trust Deed. The Trust has been registered with SEBI as an infrastructure investment trust under the InvIT Regulations on April 22, 2024 having registration number IN/InvIT/24-25/0030. The Sponsor irrevocably transferred to the Trustee an amount of ₹ 10,000 towards the initial corpus of the Trust, with an intention to settle and establish the Trust.

As on the date of this Draft Placement Memorandum, TVS Industrial & Logistics Parks Private Limited is the Sponsor and the Project Manager of the Trust. For details of the principal places of business and contact persons of the Sponsor, please see the section entitled "*General Information*" on page 174.

Additionally, TVS Infrastructure Investment Manager Private Limited has been appointed as the Investment Manager. Pursuant to the Formation Transactions, the Initial Portfolio Assets are proposed to be held through the Project SPVs and Holdco in accordance with the InvIT Regulations. For details in respect of the Sponsor, the Sponsor Group, the Trustee, the Investment Manager and the Project Manager, please see the sections entitled "*Parties to the Trust – The Sponsor*", "*Parties to the Trust – The Trustee*", "*Parties to the Trust – The Investment Manager*" and *"Parties to the Trust – The Project Manager*" on pages 178, 179, 192 and 206, respectively. Further, for details in respect of the portfolio, please see the section entitled "*Our Business and Properties– Our Portfolio*" on page 424 and for details in respect of the Project SPVs and Holdco, please see the section entitled "*Formation Transactions in relation to the Trust*" on page 26.

**Investment Objectives**

In terms of the Trust Deed, the investment objective of the Trust is to carry on the activity of, and to make investments as, an infrastructure investment trust as permissible in terms of the InvIT Regulations. The investment of the Trust shall be in any manner permissible under, and in accordance with, the InvIT Regulations and applicable law, including but not limited to, in such Holding Companies and/or SPVs and/or infrastructure projects and/or securities in India as permitted under the InvIT Regulations and in accordance with the investment strategy as detailed in this Draft Placement Memorandum.

The Trustee, through the Investment Manager, shall ensure that the Capital Contribution and other InvIT Assets shall be utilized solely for the purposes of making investments, as stated in the Trust Deed, in accordance with the InvIT Regulations and applicable law. Further, the Trustee shall ensure that the Trust complies with any additional conditions as may be specified by SEBI.

Investments by the Trust shall be in compliance with the provisions of the InvIT Documents and the InvIT Regulations and the Trust shall not carry out any other principal activity or trade, in contradictions of the restrictions and requirements under applicable law.

For further details in relation to the business and investment strategy of the Trust, please see the section entitled "*Our Business and Properties"* on page 416. The Trust is required to make distributions to the Unitholders in accordance with the InvIT Regulations and the Distribution Policy. For details in relation to the distribution policy of the Trust, please see the section entitled "*Distributions*" on page 470.

**Fees and expenses**

The expenses in relation to the Trust, other than such expenses incurred in relation to operations of the Project SPVs and Holdco would broadly include fee payable to: (i) the Trustee; (ii) the Investment Manager; (iii) the Project Manager; (iv) the Auditor, (v) the Valuer; and (vi) other intermediaries and consultants.

The estimated recurring expenses on an annual basis (exclusive of out of pocket expenses and escalations), including, but not limited to, are as follows:

| Payment by the Trust | Estimated Expenses* |
|---|---|
| Fee payable to the Trustee | Please see Note 1 |

| Payment by the Trust | Estimated Expenses* |
|---|---|
| Fee payable to the Valuer | ₹ 2,26,200 per asset |
| Fee payable to the Auditor | ₹ 1,22,00,000 |
| Fee payable to the Investment Manager | Please see Note 2 |
| Fee payable to the Project Manager | Please see Note 3 |
| Fee payable to the Registrar | ₹ 1,90,000 |
| Fee payable to the Stock Exchange and Depositories | [●]** |
| Fee payable to the credit rating agency of the Trust | Please see Note 4 |

**The above-mentioned expenses relate to the one full year of operation for the Trust. [Exclusive of GST]*
*** To be updated prior to filing of the Placement Memorandum.*

***Note 1*:**

The Trustee shall be entitled to an initial acceptance fee of ₹1.20 million and an annual fee of ₹ 0.90 million (excluding GST), which shall be paid annually to the Trustee for the services rendered to the Trust.

***Note 2:***

The management fee will be payable by the Trust or by any or all of the Project SPVs/ Holdco to the Investment Manager.

The annual fee payable to the Investment Manager shall be an amount equal to the costs incurred by the Investment Manager in providing the services to the Trust and Project SPVs/ Holdco under the Investment Management Agreement ("**Costs**") and a mark-up of 10% on the Costs ("**Mark-up**"). This Mark-up is on an arm's length basis and such Mark-up may be reviewed periodically, if required. For the purposes of this clause, "**Costs**" shall include but not be limited to all manpower expenses, administrative expenses, depreciation and operating expenses that may be, or are, debited to the Investment Manager's statement of profit and loss. The Costs, as set out above, shall be grossed up to include applicable taxes or duty or levies, which may be payable.

Further, the annual fee payable to the Investment Manager shall be paid by Trust and/or the Project SPVs/ Holdco, in such proportion, as may be determined from time to time, by the Investment Manager.

***Note 3:***

The annual fee payable to the Project Manager shall be an amount equal to the costs incurred by the Project Manager in providing the services to the Project SPVs/ Holdco under this Agreement ("**Costs**") and a mark-up of 10% on the Costs ("**Mark-up**").

For the purposes of this, "**Costs**" shall include but not be limited to all manpower expenses, administrative expenses, depreciation and operating expenses that may be, or are, debited to the Project Manager's statement of profit and loss. The Costs, as set out above, shall be grossed up to include applicable Taxes or duty or levies, which may be payable.

Further, the annual fee payable to the Project Manager shall be paid by the Project SPVs/ Holdco, in such proportion, as may be mutually determined from time to time.

***Note 4***:

The credit rating agency of the Trust shall be entitled to an initial rating fee of ₹1.50 million and an annual surveillance fee of ₹ 0.60 million.

**Set-up expenses**

In connection with the establishment and registration of the Trust, the Sponsor has incurred or may incur approximately ₹ 1.14 million in expenses. Such expenses may be reimbursed by the Trust to the Sponsor in the future as agreed between the Sponsor and the Trust.

**Offer Expenses**

The total expenses of this Offer are estimated to be up to ₹ [●] million. For details in relation to the Offer expenses, please see the section entitled "*Use of Proceeds*" on page 459.

**Details of Credit Ratings of the Trust**

The Trust has been given issuer rating of "Provisional ICRA AAA (Stable)" by ICRA Limited by way of its letter dated January 24, 2025, the rationale for which is available on its website at https://www.icra.in/Rationale/ShowRationaleReport?Id=132605.

Please see the section entitled "*General Information – Credit Rating*" on page 177 in relation to the details of credit ratings.

## FORMATION TRANSACTIONS IN RELATION TO THE TRUST

**Details of arrangement pertaining to the Trust**

Pursuant to the completion of the Formation Transactions, the Trust's initial portfolio of assets are proposed to be held through a Holding Company, namely Marudhamalai Industrial & Logistics Parks Private Limited ("**MILP**") and 9 Project SPVs, namely (i) Durgeshwari Industrial & Logistics Parks Private Limited ("**DILP**"); (ii) Siruvapuri Murugan Industrial and Logistics Private Limited ("**SMILP**"); (iii) Sri Meenatchi Industrial and Logistics Parks Private Limited ("**SRMILP**"); (iv) Maragathammbal Industrial and Logistics Park Private Limited ("**MRILP**"); (v) Revanza Sullurpet Industrial Parks Private Limited ("**RSIPPL**"); (vi) Jagannath Industrial and Logistics Parks Private Limited ("**JGILP**"); (vii) Ramanujar Industrial & Logistics Parks Private Limited ("**RMILP**"); (viii) Tarkeshwar Industrial & Logistics Parks Private Limited ("**TILP**"); and (ix) Presidency Barter Private Limited ("**PBPL**"). PBPL is a wholly-owned subsidiary of MILP. The details of the Project SPVs and HoldCo as of the date of this Draft Placement Memorandum are provided below:

**Details of the Project SPVs and Holdco**

The details of the Project SPVs and the Holdco as of date of this Draft Placement Memorandum are provided below:

1. ***Durgeshwari Industrial & Logistics Parks Private Limited ("DILP")***

DILP was incorporated on January 10, 2023, as a private limited company under the Companies Act, 2013 having CIN as U45309MH2023PTC397285. The registered office of DILP is currently situated at 9th Floor (Part), Iconic Building, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (W), Mumbai, Maharashtra, India – 400 013. DILP holds (i) Chakan Park; (ii) Vaipur Park; (iii) Singadivakkam Park; (iv) Hosur Park; (v) Bhubaneswar Park; (vi) Coimbatore (Sulur) Park.

*Capital Structure*

The capital structure of DILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 150,000 shares of face value of ₹10 each | 1,500,000 |
| 7,850,000 shares of face value of ₹10 each | 78,500,000 |
| | |
| **Issued, subscribed and paid-up capital** | |
| 100,000 equity shares of face value of ₹10 each | 1,000,000 |
| 7,403,846 preference shares of face value of ₹10 each | 74,038,460 |

*Shareholding Pattern*

The equity shareholding pattern of DILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the Equity - issued, subscribed and paid-up equity share capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 99,999 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **100,000** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

The preference shareholding pattern of DILP is as follows:

| S. No. | Name of the Shareholder | Number of Preference Shares of ₹10 each | Percentage of the Preference Share - issued, subscribed and paid-up preference share capital |
|---|---|---|---|
| 1. | TVS Supply Chain Solutions Limited | 1,866,827 | 25.21 |
| 2. | Winever Industrial Enterprises Private Limited | 1,166,143 | 15.75 |
| 3. | Allanzers Fin Net Private Limited | 351,486 | 4.75 |
| 4. | Ace Investments Services (India) Private | 48,600 | 0.66 |
| 5. | British International Investment Plc | 1,562,212 | 21.10 |
| 6. | Lingotto Opportunity Fund ILP | 1,554,808 | 21.00 |
| 7. | Associated Aluminium Products Private Limited | 312,286 | 4.22 |
| 8. | Mr. Gautam Ashra | 62,456 | 0.84 |
| 9. | Mrs. Mamta Ashra | 62,456 | 0.84 |
| 10. | K. S. Vyapaar Private Limited | 124,914 | 1.69 |

| S. No. | Name of the Shareholder | Number of Preference Shares of ₹10 each | Percentage of the Preference Share - issued, subscribed and paid-up preference share capital |
|---|---|---|---|
| 11. | Mr. Keith Fernandes | 62,458 | 0.84 |
| 12. | Mrs. Aditi Ravikumar | 72,000 | 0.98 |
| 13. | Ms. Anuradha Nadar | 400 | 0.01 |
| 14. | Mr. Arul Murugan | 400 | 0.01 |
| 15. | Mr. Arvind Sikri | 800 | 0.01 |
| 16. | Mr. B Dilip Kumar Dave | 400 | 0.01 |
| 17. | Mr. B Ganapathi Sarma | 2,000 | 0.03 |
| 18. | Mrs. Sanjana Lall Prasad | 1,200 | 0.02 |
| 19. | Mr. Sukant Sadashiv Kelkar jointly with Mrs. Seema Kelkar | 9,600 | 0.13 |
| 20. | Mr. Lalit Kumar Daga | 2,000 | 0.03 |
| 21. | Mr. M Sathya Moorthy | 600 | 0.01 |
| 22. | Mr. Manikandan Ramchandran | 23,600 | 0.32 |
| 23. | Mr. Nitin Aggarwal | 24,000 | 0.32 |
| 24. | Mr. Pankaj Suthar | 200 | 0.00 |
| 25. | Mr. Ramachandhran Dinesh | 28,000 | 0.38 |
| 26. | Mr. Ramesh P V | 400 | 0.01 |
| 27. | Ms. Supriya Devgun | 4,200 | 0.06 |
| 28. | Mr. Sargunaraj Ravichandran | 28,000 | 0.38 |
| 29. | Mr. Selvam Rajendran | 600 | 0.01 |
| 30. | Mrs. Sunita Bhandari | 26,000 | 0.35 |
| 31. | Mr. Yogesh Maheshchand Bhargav | 4,800 | 0.06 |
| | **Total** | **7,403,846** | **100.00** |

2. ***Siruvapuri Murugan Industrial and Logistics Private Limited ("SMILP")***

SMILP was incorporated on December 3, 2020, under the Companies Act, 2013 having corporate identity number U45309TN2020PTC139872. Its registered office is located at Vaagai Building, 1st Floor, G-23, 2nd Main Road, Ambattur Industrial Estate, Chennai, Tamil Nadu, India – 600 058. SMILP holds Red Hills Park.

*Capital Structure*

The capital structure of SMILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 27,200,000 Equity Shares of face value of ₹1 each | 27,200,000 |
| | |
| **Issued, subscribed and paid-up capital** | |
| 27,127,641 Equity Shares of face value of ₹1 each | 27,127,641 |

*Shareholding Pattern*

The shareholding pattern of SMILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹1 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 27,127,640 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **27,127,641** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

3. ***Sri Meenatchi Industrial and Logistics Parks Private Limited ("SRMILP")***

SRMILP was incorporated on September 15, 2021, under the Companies Act, 2013 having corporate identity number U70109TN2021PTC146206. The registered office of SRMILP is situated at Vaagai Building, 1st Floor, G-23, 2nd Main Road, Ambattur Industrial Estate, Chennai, Tamil Nadu, India – 600 058. SRMILP holds the Madurai Park.

*Capital Structure*

The capital structure of SRMILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 100,000 Equity Shares of face value of ₹10 each | 1,000,000 |

| Particulars | Amount (in ₹) |
|---|---|
| **Total** | **1,000,000** |
| **Issued, subscribed and paid-up capital** | |
| 10,000 Equity Shares of face value of ₹10 each | 100,000 |
| **Total** | **100,000** |

*Shareholding Pattern*

The shareholding pattern of SRMILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 9,999 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **10,000** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

4. ***Maragathammbal Industrial and Logistics Park Private Limited ("MRILP")***

MRILP was incorporated on December 4, 2020, under the Companies Act, 2013 having corporate identity number U74999TN2020PTC139904. Its registered office is located at Vaagai Building, 1st Floor, G-23, 2nd Main Road, Ambattur Industrial Estate, Chennai, Tamil Nadu, India – 600 058. MRILP holds Thally Park I and Thally Park II.

*Capital Structure*

The capital structure of MRILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 34,000,000 Equity Shares of face value of ₹1 each | 34,000,000 |
| **Total** | **34,000,000** |
| **Issued, subscribed and paid-up capital** | |
| 33,836,227 Equity Shares of face value of ₹1 each | 33,836,227 |
| **Total** | **33,836,227** |

*Shareholding Pattern*

The shareholding pattern of MRILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 1 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 33,836,226 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **33,836,227** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

5. ***Marudhamalai Industrial & Logistics Parks Private Limited ("MILP")***

MILP was incorporated on December 4, 2020, under the Companies Act, 2013 having corporate identity number U74999TN2020PTC139882. Its registered office is located at Vaagai Building, 1st Floor, G-23, 2nd Main Road, Ambattur Industrial Estate, Chennai, Tamil Nadu, India – 600 058. MILP holds Coimbatore Park.

*Capital Structure*

The capital structure of MILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 16,100,000 Equity Shares of face value of ₹ 1 each | 16,100,000 |
| **Total** | **16,100,000** |
| **Issued, subscribed and paid-up capital** | |
| 16,014,812 Equity Shares of face value of ₹ 1 each | 16,014,812 |
| **Total** | **16,014,812** |

*Shareholding Pattern*

The shareholding pattern of MILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 1 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 16,014,811 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **16,014,812** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

6. ***Revanza Sullurpet Industrial Parks Private Limited*** *("**RSIPPL**")*

RSIPPL was incorporated on December 9, 2020, as a private limited company, under the Companies Act, 2013 having corporate identity number U70200TN2020PTC139992. The registered office of RSIPPL is situated at Vaagai Building, 1st Floor, G-23, 2nd Main Road, Ambattur Industrial Estate, Tiruvallur, Ambattur, Tamil Nadu, India – 600 058. RSIPPL holds Sullurpet Park.

*Capital Structure*

The capital structure of RSIPPL is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 6,000,000 Equity Shares of face value of ₹ 10 each | 60,000,000 |
| **Total** | **60,000,000** |
| **Issued, subscribed and paid-up capital** | |
| 10,000 Equity Shares of face value of ₹ 10 each | 100,000 |
| **Total** | **100,000** |

*Shareholding Pattern*

The shareholding pattern of RSIPPL is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 9,999 | 99.99 |
| 2. | Yogesh M Bhargav* | 1 | Negligible |
| | **Total** | **10,000** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

7. ***Jagannath Industrial and Logistics Parks Private Limited*** *("**JGILP**")*

JGILP was incorporated on November 10, 2020, as a private limited company, under the Companies Act, 2013 having corporate identity number U45202MH2020PTC349879. The registered office of JGILP is situated at 9th Floor (Part), Iconic Building, Urmi Estate, 95, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai, Maharashtra, India – 400 013. JGILP holds Cuttack Park I (Banipada) and Cuttack Park II (Indranipatna).

*Capital Structure*

The capital structure of JGILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 50,000 Equity Shares of face value of ₹ 1 each | 50,000 |
| **Total** | **50,000** |
| **Issued, subscribed and paid-up capital** | |
| 50,000 Equity Shares of face value of ₹ 1 each | 50,000 |
| **Total** | **50,000** |

*Shareholding Pattern*

The shareholding pattern of JGILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 1 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 49,999 | 99.99 |

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 1 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **50,000** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

8. ***Ramanujar Industrial & Logistics Parks Private Limited*** *("**RMILP**")*

RMILP was incorporated on June 1, 2023, as a private limited company, under the Companies Act, 2013 having corporate identity number U43299TN2023PTC160896. The registered office of RMILP is situated at Vagaai Building, 1st Floor, G-23, 2nd Main Road, Ambattur Industrial Estate, Tiruvallur, Ambattur, Tamil Nadu, India – 600 058. RMILP holds Pillaipakkam Park.

*Capital Structure*

The capital structure of RMILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 150,000 Equity Shares of face value of ₹ 10 each | 1,500,000 |
| **Total** | **1,500,000** |
| **Issued, subscribed and paid-up capital** | |
| 10,000 Equity Shares of face value of ₹ 10 each | 100,000 |
| **Total** | **100,000** |

*Shareholding Pattern*

The shareholding pattern of RMILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 9,999 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **10,000** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

9. ***Tarkeshwar Industrial & Logistics Parks Private Limited*** *("**TILP**")*

TILP was incorporated on September 8, 2022, as a private limited company, under the Companies Act, 2013 having corporate identity number U45309MH2022PTC390135. The registered office of TILP is situated at 9th Floor (Part), Iconic Building, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai, Maharashtra, India – 400 013. TILP holds Vishakapatnam Park and Vijayawada Park.

*Capital Structure*

The capital structure of TILP is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 150,000 Equity Shares of face value of ₹ 10 each | 1,500,000 |
| **Total** | **1,500,000** |
| **Issued, subscribed and paid-up capital** | |
| 1000 Equity Shares of face value of ₹ 10 each | 10,000 |
| **Total** | **10,000** |

*Shareholding Pattern*

The shareholding pattern of TILP is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | TVS Industrial & Logistics Parks Private Limited | 999 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **1000** | **100.00** |

* *Nominee of TVS Industrial & Logistics Parks Private Limited*

10. ***Presidency Barter Private Limited ("PBPL")***

PBPL was incorporated on October 17, 2007, as a private limited company, under the Companies Act, 1956 having corporate identity number U70100WB2007PTC119807. The registered office of PBPL is situated at Shilpobroto Industrial Park, Jotiakali, Rajganj, West Bengal, India – 734 015. PBPL holds Siliguri Park.

*Capital Structure*

The capital structure of PBPL is as follows:

| Particulars | Amount (in ₹) |
|---|---|
| **Authorised capital** | |
| 130,000 Equity Shares of face value of ₹ 10 each | 1,300,000 |
| **Total** | **1,300,000** |
| **Issued, subscribed and paid-up capital** | |
| 126,600 Equity Shares of face value of ₹ 10 each | 1,266,000 |
| **Total** | **1,266,000** |

*Shareholding Pattern*

The shareholding pattern of PBPL is as follows:

| S. No. | Name of the Shareholder | Number of Equity Shares of ₹ 10 each | Percentage of the issued, subscribed and paid-up capital |
|---|---|---|---|
| 1. | Marudhamalai Industrial and Logistics Parks Private Limited | 126,599 | 99.99 |
| 2. | Yogesh Maheshchand Bhargav* | 1 | Negligible |
| | **Total** | **126,600** | **100.00** |

* *Nominee of Marudhamalai Industrial & Logistics Parks Private Limited*

***Utilisation of Fresh Issue Proceeds and Trust Loan***

Upon the allotment and listing of the Units, the Trust shall utilize the Fresh Issue Proceeds towards (i) providing loans to the Project SPVs/Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/pre-closure charges, and any other refinancing related costs; (ii) general corporate purposes; and (iii) offer expenses. For details, please see the section entitled "*Use of Proceeds*" on page 459.

**Acquisition of the Project SPVs and Holdco by the Trust**

Prior to the Allotment, the Trust, acting through the Trustee, proposes to acquire from the Sponsor and the other shareholders of DILP, SMILP, SRMILP, MRILP, MILP, RSIPPL, JGILP, RMILP and TILP, and the Sponsor and the other shareholders of DILP, SMILP, SRMILP, MRILP, MILP, RSIPPL, JGILP, RMILP and TILP propose to transfer to the Trust in exchange for Units, the entire equity shareholding of DILP, SMILP, SRMILP, MRILP, MILP, RSIPPL, JGILP, RMILP and TILP, pursuant to the Share Purchase Agreements (the "**Proposed Transfer**"), such that the Trust holds each of DILP, SMILP, SRMILP, MRILP, MILP, RSIPPL, JGILP, RMILP and TILP directly, and in the case of PBPL, through MILP. The Sponsor, MILP and certain other shareholders presently hold 100% of the equity shareholding of each of the Project SPVs and Holdco.

Accordingly, the Proposed Transfer shall be as set out below:

***I. Equity Shareholding***

| Sr. No. | Name of the Project SPVs/Holdco | Pre-Offer shareholding of the Sponsors or their affiliates and their respective nominees | | Proposed post-Offer shareholding of the Trust (in %) |
|---|---|---|---|---|
| | | Name of Entity* | Pre-Offer shareholding (in %) | |
| 1. | DILP | TVSILP | 100.00 | 100.00 |
| 2. | SMILP | TVSILP | 100.00 | 100.00 |
| 3. | SRMILP | TVSILP | 100.00 | 100.00 |
| 4. | MRILP | TVSILP | 100.00 | 100.00 |
| 5. | MILP | TVSILP | 100.00 | 100.00 |
| 6. | RSIPPL | TVSILP | 100.00 | 100.00 |
| 7. | JGILP | TVSILP | 100.00 | 100.00 |
| 8. | RMILP | TVSILP | 100.00 | 100.00 |
| 9. | TILP | TVSILP | 100.00 | 100.00 |

| Sr. No. | Name of the Project SPVs/Holdco | Pre-Offer shareholding of the Sponsors or their affiliates and their respective nominees | | Proposed post-Offer shareholding of the Trust (in %) |
|---|---|---|---|---|
| | | Name of Entity* | Pre-Offer shareholding (in %) | |
| 10. | PBPL | MILP | 100.00 | 100.00** |

**Note – For details in relation to nominee shareholders, please refer to the section entitled – "Formation Transactions in Relation to the Trust – Details of Arrangement pertaining to the Trust" on page 26.*
***The Trust will hold 100.00% shareholding of PBPL through MILP.*

For further details with respect to the acquisition of the Project SPVs and Holdco by the Trust, please see the section entitled "*Related Party Transactions – Acquisition of the Project SPVs and Holdco by the Trust"* on page 489.

**Acquisition of the future assets by the Trust**

*ROFO Agreement*

The Sponsor, the Trustee (acting on behalf of the Trust) and the Investment Manager will enter into a ROFO Agreement, to enable the Trust to have the right to purchase assets developed, to be developed and/or maintained by the Sponsor after the Offer. Some of the key terms of the ROFO Agreement are as follows:

*Right of first offer*: The Trust shall have a right of first offer ("**ROFO**") over the fully paid up equity shares, debt securities and other similar securities ("**ROFO Securities**"), subject to the lock-in periods, if any, specified in the respective lease and other ancillary agreements in relation to the warehouse assets ("**ROFO Assets**") acquired and developed by the special purpose vehicles identified in the ROFO Agreement ("**ROFO SPVs**"). Such ROFO will be available to the Trust from such date which is 6 months from the date on which the Units are listed and commence trading on the stock exchange and will be available until such date till Parks aggregating an operationalised area of 20.00 msf (including the area of the Initial Portfolio Assets and such other assets acquired by the Trust pursuant to the Offer) have been acquired/developed by the Trust ("**ROFO Period**").

*Offer*: During the ROFO Period, the Sponsor shall make, if it intends to sell the ROFO Securities, an irrevocable invitation to offer to the Trust, for the acquisition of the ROFO securities of such ROFO SPVs ("**Invitation to Offer**"). The Invitation to Offer shall specify the number of ROFO Securities held by the Sponsor, the number of ROFO Securities that are proposed to be sold, proposed indicative price range for such acquisition and terms of offer accompanied with a copy of the latest audited financial statements of the relevant ROFO SPV, details of material litigation and other material information of the ROFO Assets which are held by such ROFO SPV.

In the event the Trust is interested in the acquisition of the ROFO Securities in relation to each or any particular ROFO SPV offered pursuant to the Invitation to Offer, the Trust shall communicate such interest in writing within a period of 30 (thirty) days from the date of receipt by the Trust of the Invitation to Offer (the "**Notice of Interest**"), and shall initiate a due-diligence process, as may be required.

The Sponsor shall provide information as reasonably requested and as is customary in such transactions by the Trust within 45 (forty five) days of receipt of the Notice of Interest in legible and understandable form, including access to the data room and the project site of the relevant ROFO Asset and ROFO Securities to enable the Trust to perform a due diligence exercise ("**Information**").

Within a period of 90 (ninety) days from the date of receipt of the Information, or such other extended time period as may be mutually agreed, in writing, between the parties, provided the Sponsor has complied with its obligation to provide Information in accordance with the terms of the ROFO Agreement, the Trust shall have the right but not the obligation to make an irrevocable and binding offer to acquire the ROFO Securities at such value, which shall not be less than the proposed indicative price range and on such terms as mentioned in the Notice of Interest, as determined in accordance with the ROFO Agreement and valuation required in terms of the InvIT Regulations, attributed by the Trust to such ROFO Securities (the "**ROFO Asset Offer Price and Terms**") by delivering an irrevocable offer letter to the Sponsor (the "**ROFO Asset Offer Letter**"). The ROFO Asset Offer Letter will be binding on behalf of the Trust.

*Acceptance*: The Sponsor may accept the ROFO Asset Offer Price and Terms, by delivering a notice of acceptance to the Trust within a period of 60 (sixty) days (the "**ROFO Acceptance Period**") from the date of receipt of the ROFO Asset Offer Letter (the "**ROFO Acceptance Notice**"). If the ROFO Acceptance Notice is received by the Trust during the ROFO Acceptance Period, the sale of the ROFO Securities shall be completed in accordance with the ROFO Asset Offer Price and Terms within 60 (sixty) days from receipt of the ROFO Acceptance Notice by the Trust, subject to receipt of necessary approvals and consents including, but not limited to those from regulatory authorities and lenders.

*Non-acceptance*: In the event the Trust sends the ROFO Asset Offer Letter and the Sponsor declines to accept the offer set out in the ROFO Asset Offer Letter made by the Trust, the Sponsor shall be entitled to sell the ROFO Securities to any person ("**Third Party Purchaser**"), provided that the relevant person offers a price higher than the price offered by the Trust in the ROFO Asset Offer Letter delivered by the Trust in accordance with the provisions of the ROFO Agreement, within twelve

months from the expiry of the ROFO Acceptance Period. In the event the Trust had delivered the ROFO Asset Offer Letter in accordance with the provisions of the ROFO Agreement, the Sponsor shall deliver a notice to the Trust of its intent to sell the ROFO Securities to Third Party Purchaser within 7 (seven) days of acceptance by such Third Party Purchaser to purchase the ROFO Securities, such notice of intent from the Sponsor will include a declaration stating that the sale of the ROFO Securities shall be at a price higher than the price offered by the Trust in the ROFO Asset Offer Letter.

*Absence of Offer*: In the event that the Sponsor accepts the ROFO Asset Offer Price and Terms from the Trust, but the Trust fails to complete its purchase of the ROFO Securities within the time period agreed between the Sponsor and the Trust solely due to the Trust's failure (but not the Sponsor's default or failure) to perform its contractual obligations in respect of such purchase, then without prejudice to the other rights of the Sponsor, the Sponsor shall have the right (but not the obligation) to sell all of the ROFO Securities to any other Person, without any restriction as to price or terms at any time.

*Representations and warranties*: Each Party represents and warrants as follows to the other party to the ROFO Agreement:

(i) Each party is duly organized and validly existing under applicable law, and has the right, power and authority to execute, deliver and perform the ROFO Agreement;

(ii) The ROFO Agreement has been duly executed and delivered by such party and, assuming the due authorization, execution and delivery by all other parties hereto, constitutes valid and binding obligations of such party enforceable against such party in accordance with its terms, subject to any principles of equity or insolvency law;

(iii) The execution and delivery of the ROFO Agreement by such party and the performance by such party of its obligations under the ROFO Agreement has been duly and validly authorized by all necessary corporate action and does not require any further authorization or consent of any third party.

(iv) The execution, delivery and performance by such party of the ROFO Agreement, and the compliance by it with the provisions of the ROFO Agreement will not result in:

  (a) a breach of, or constitute a default under, any, agreement or instrument to which such party is a party or by which such party is bound; or

  (b) result in a violation of its constitutional documents; or

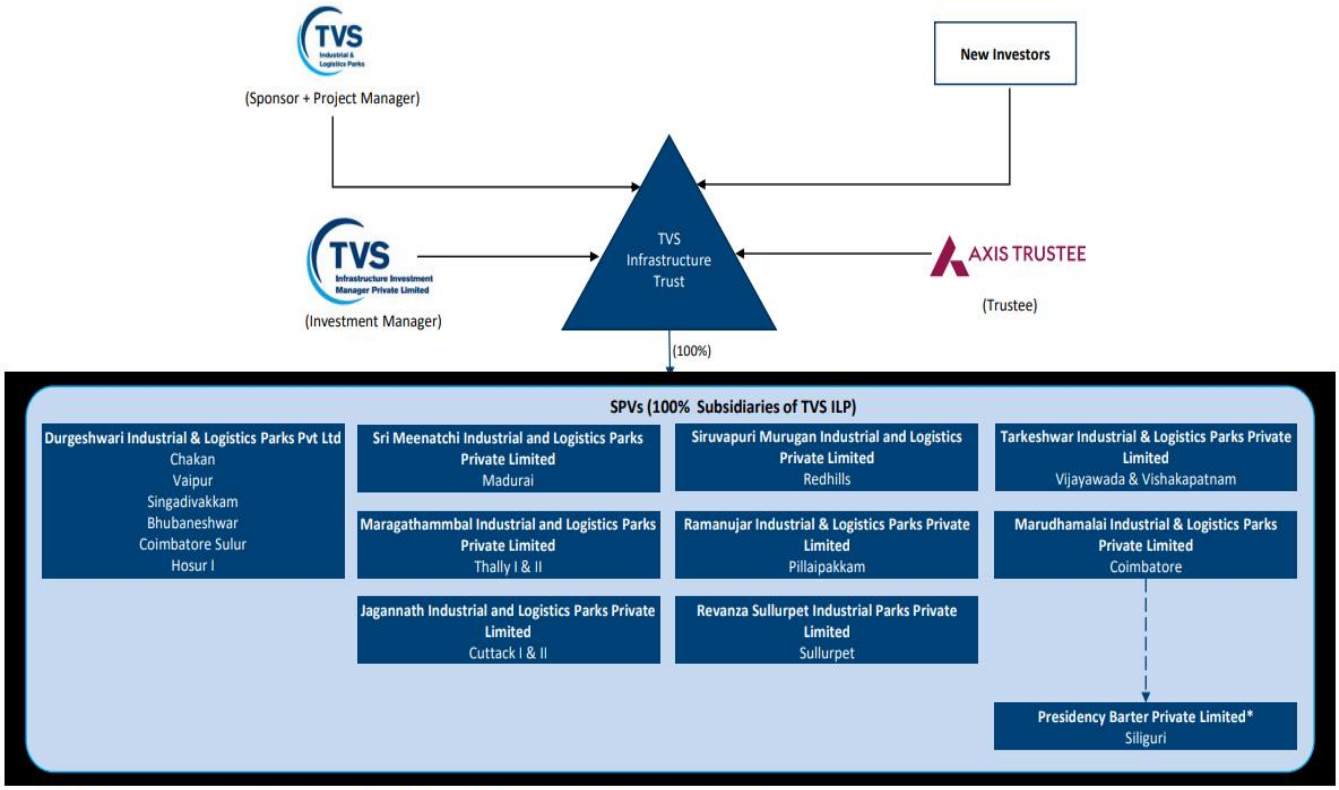
  (c) contravene any applicable law to which it is subject, or any order, writ, injunction or decree of any court or governmental authority to which it is subject.

(v) No liquidation, dissolution, winding up, commencement of bankruptcy, insolvency, liquidation or similar proceedings, whether voluntary or involuntary, with respect to it is pending or has been pending, or to the knowledge of such party, threatened.

*Term and Termination*: The ROFO Agreement shall become effective and binding on the parties on and from the date on which the Units are listed and commence trading on the stock exchange and shall continue to be valid and in full force and effect until such date till Parks aggregating an operationalized area of 20.00 msf (including the assets acquired by the Trust pursuant to the Offer) have been acquired/developed by the Trust from the Sponsor, unless terminated in accordance with the provisions of the ROFO Agreement.

**Proposed post-listing structure**

The following structure illustrates the relationship between the Trust, the Trustee, the Sponsor, the Project Manager, the Investment Manager and the Unitholders as on the Listing Date:




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

## SUMMARY COMBINED FINANCIAL INFORMATION OF THE TRUST

*The following tables set forth the summary financial information derived from the Special Purpose Combined Financial Statements of the Project SPVs/ Holdco prepared in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019), and the Guidance Note on Combined and Carve Out Financial Statements issued by the Institute of Chartered Accountants of India using the recognition and measurement principles of Ind AS and other generally accepted accounting principles and other relevant provisions relating to disclosures required as per the InvIT Regulations, as of and for the six month period ended September 30, 2024 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.*

*The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.*

*The summary financial information derived from the Special Purpose Combined Financial Statements, as presented below, should be read together with the section entitled "Management's Discussion and Analysis of factors affecting the Financial Condition and Results of Operations" on page 473 in conjunction with the Special Purpose Combined Financial Statements attached hereto as Annexure B.*

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***TVS Infrastructure Trust***
***Summary of Special Purpose Combined Balance Sheet***

*(in ₹ lakhs, unless specified otherwise)*

| S. No. | Particulars | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-Current Assets** | | | | | |
| (a) | Property, plant and equipment | 1,36,449.26 | 1,30,182.65 | 1,13,144.83 | 86,208.95 |
| (b) | Capital work in progress (Tangible) | 33,060.10 | 29,408.98 | 24,540.17 | 27,808.92 |
| (c) | Goodwill | 50.87 | - | - | - |
| (d) | Financial assets | | | | |
| | (i) Investments | - | - | 3.80 | 3.80 |
| | (ii) Other financial assets | 738.81 | 30.34 | 975.65 | 674.37 |
| (e) | Non-current tax assets (net) | 780.13 | 418.47 | 404.21 | 702.37 |
| (f) | Other non-current assets | 22,558.45 | 20,329.82 | 16,305.22 | 13,272.72 |
| | | **1,93,637.62** | **1,80,370.26** | **1,55,373.88** | **1,28,671.13** |
| **Current Assets** | | | | | |
| (a) | Financial assets | | | | |
| | (i) Current Investments | 1,303.58 | 2,526.44 | - | - |
| | (ii) Trade receivables | 386.50 | 478.79 | 391.77 | 330.01 |
| | (iii) Cash and cash equivalents | 8,044.53 | 2,972.22 | 52.81 | 192.68 |
| | (iv) Bank balances other than (iii) above | 840.43 | 1,825.77 | 1,673.89 | 681.81 |
| | (v) Loans | 4,507.00 | 3.71 | - | 0.90 |
| | (vi) Other financial assets | 1,603.20 | 1,186.05 | 10.62 | 929.25 |
| (b) | Other current assets | 1,403.68 | 8,935.10 | 1,761.23 | 1,229.61 |
| | | **18,088.92** | **17,928.08** | **3,890.32** | **3,364.26** |
| | | | | | |
| **Total Assets** | | **2,11,726.54** | **1,98,298.34** | **1,59,264.20** | **1,32,035.39** |
| | | | | | |
| **EQUITY AND LIABILITIES** | | | | | |
| **EQUITY** | | | | | |
| (a) | Equity Share capital | 783.39 | 796.05 | 785.05 | 784.95 |
| (b) | Other equity | 12,817.22 | 1 2,450.44 | 8 ,040.86 | 2 ,728.52 |
| | | 13,600.61 | 13,246.49 | 8 ,825.91 | 3 ,513.47 |
| | | | | | |
| **LIABILITIES** | | | | | |
| **Non-Current Liabilities** | | | | | |
| (a) | Financial liabilities | | | | |
| | (i) Borrowings | 1,31,347.98 | 1,21,907.43 | 1,01,571.15 | 81,917.56 |
| | (ii) Other financial liabilities | 5,483.62 | 5,651.85 | 4,755.65 | 3,629.72 |
| (b) | Deferred tax liabilities (net) | 3 ,554.16 | 3,152.09 | 2,687.38 | 1,931.71 |
| (c) | Other non-current liabilities | 1,830.16 | 1,986.86 | 1,975.57 | 2,297.95 |
| (d) | Long-term provisions | 1.13 | 1.29 | 1.00 | 0.14 |
| | | 1,42,217.05 | 1,32,699.52 | 1,10,990.75 | 89,777.08 |
| | | | | | |
| **Current Liabilities** | | | | | |
| (a) | Financial liabilities | | | | |
| | (i) Borrowings | 51,910.93 | 44,446.31 | 30,617.77 | 28,256.87 |
| | (ii) Trade payables | 308.48 | 509.71 | 1,230.37 | 758.46 |
| | (iii) Other financial liabilities | 2,959.60 | 6,681.56 | 6,805.77 | 9,418.83 |
| (b) | Other current liabilities | 706.54 | 714.35 | 793.34 | 309.87 |
| (c) | Short-term provisions | 0.91 | 0.40 | 0.29 | 0.81 |
| (c) | Current tax liabilities | 22.42 | - | - | - |
| | | **55,908.88** | **52,352.33** | **39,447.54** | **38,744.84** |
| | | | | | |
| **TOTAL EQUITY AND LIABILITIES** | | 2,11,726.54 | 1,98,298.34 | 1,59,264.20 | 1,32,035.39 |
| | | | | | |

***TVS Infrastructure Trust***
***Summary of Special Purpose Combined Statement of Profit and Loss***

*(in ₹ lakhs, unless specified otherwise)*

| S. No. | Particulars | For the period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|---|
| **(I)** | Revenue from operations | 9,894.19 | 18,746.39 | 15,605.11 | 10,270.99 |
| **(II)** | Other income | 379.41 | 431.04 | 165.77 | 94.72 |
| **(III)** | **Total Income (I+II)** | **10,273.60** | **19,177.43** | **15,770.88** | **10,365.71** |
| | | | | | |
| **(IV)** | **EXPENSES** | | | | |
| | Sub-contracting expenses | 3.84 | 23.89 | 33.01 | 127.45 |
| | Employee benefit expenses | 61.99 | 358.97 | 320.63 | 175.51 |
| | Other expenses | 2,129.66 | 3,800.07 | 1,801.06 | 978.12 |
| | **Total EXPENSES** | **2,195.49** | **4,182.93** | **2,154.70** | **1,281.08** |
| | | | | | |
| **(V)** | **Earnings before finance costs, depreciation, amortization, and tax (III-IV)** | **8,078.11** | **14,994.50** | **13,616.18** | **9,084.63** |
| **(VI)** | **Finance Cost & Depreciation and amortisation** | | | | |
| | Finance Cost | 4,650.15 | 8,532.25 | 6,798.80 | 4,910.84 |
| | Depreciation | 2,309.00 | 4,302.55 | 3,797.63 | 2,300.01 |
| | | **6,959.15** | **12,834.80** | **10,596.43** | **7,210.85** |
| | | | | | |
| **(VII)** | **Profit before tax (V-VI)** | **1,118.96** | **2,159.70** | **3,019.75** | **1,873.78** |
| | | | | | |
| **(VIII)** | **Tax Expense** | | | | |
| | Current tax | 43.74 | 28.95 | - | - |
| | Adjustment of tax relating to earlier year/ period | - | (0.16) | 0.16 | 0.27 |
| | Deferred tax charge / (credit) | 231.74 | 501.65 | 755.67 | 504.98 |
| | **Total Tax Expense** | **275.48** | 530.44 | 755.83 | 505.25 |
| | | | | | |
| **(IX)** | **Profit after tax (VII-VIII)** | **843.48** | 1,629.26 | 2,263.92 | 1,368.53 |
| | | | | | |
| **(X)** | **Other Comprehensive Income** | | | | |
| | **Items that will not be reclassified to profit and loss and its related income tax effect:** | | | | |
| | i. Re-measurement of the Defined Benefit plan | 0.32 | (0.06) | (0.06) | 0.12 |
| | ii. Income tax on the above | (0.08) | 0.01 | 0.01 | (0.03) |
| | **Other Comprehensive Income for the year/ period** | **0.24** | **(0.05)** | **(0.05)** | **0.09** |
| **(XI)** | **Total Comprehensive Income for the year/ period (IX+X)** | **843.72** | 1,629.21 | 2,263.87 | 1,368.62 |

*TVS Infrastructure Trust*

***Summary of Special Purpose Combined Cash Flow Statement***

*(in ₹ lakhs, unless specified otherwise)*

| | Particulars | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|---|
| | | | | | |
| **A.** | **CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| | Net Profit/ Loss before tax | **1,118.96** | **2,159.70** | **3,019.75** | **1,873.78** |
| | **Adjustments for:** | | | | |
| | Depreciation and amortization | 2,309.00 | 4,302.55 | 3,797.63 | 2,300.01 |
| | Finance costs | 4,403.17 | 8,083.35 | 6,743.70 | 4,511.20 |
| | (Profit)/Loss from sale of property, plant & equipments | | 21.75 | 3.47 | |
| | Interest on income tax refund | - | (4.54) | (13.41) | - |
| | Interest on CCPS | 5.50 | - | - | - |
| | Profit on sale of investments | (37.60) | (154.12) | - | - |
| | Interest on Inter Corporate Deposit | (203.74) | - | - | - |
| | Income from debt instruments | (28.73) | (45.27) | - | - |
| | Fair value gain on financial assets measured at fair value through profit & loss ('FVTPL') | (38.51) | (45.06) | - | - |
| | Impact of lease equalization | (588.84) | (1,268.62) | (2,095.34) | (1,461.63) |
| | Interest on Security deposit taken (net of Imputed interest) | (8.37) | (38.67) | ( 81.24) | (132.35) |
| | Interest Income on fixed deposit and others | ( 70.70) | (160.97) | (121.81) | ( 66.58) |
| | **Operating profit before working capital changes** | **6,860.14** | **12,850.10** | **11,252.75** | **7,024.43** |
| | **Adjustments for:** | | | | |
| | Decrease/(increase) in trade receivables | 92.29 | ( 87.02) | ( 61.76) | (108.73) |
| | (increase)/Decrease in Financial Assets (Excluding Cash & Cash Equivalents) | 49.39 | 101.00 | (23.47) | (82.85) |
| | Decrease/(increase) in Other Assets | 5,920.58 | (10,276.58) | (768.98) | (7,578.80) |
| | Decrease/(increase) in Loans and Advances | (3.50) | (2.71) | 0.90 | (0.90) |
| | Increase/(decrease) in trade payables | (201.23) | (720.66) | 471.91 | 1,929.63 |
| | Increase/(decrease) in financial liabilities | 228.14 | (984.48) | (1,710.81) | 1,470.93 |
| | Increase/(decrease) in Other Liabilities & Provisions | (203.62) | 86.42 | 477.51 | 328.42 |
| | **Cash flow from operating activities** | **12,742.19** | **966.07** | **9,638.05** | **2,982.13** |
| | Less: Taxes Paid (net of refund) | (382.98) | (171.33) | (213.93) | (166.46) |
| | **Net cash flow from operating activities (A)** | **12,359.21** | **794.74** | **9,424.12** | **2,815.67** |
| | | | | | |
| **B.** | **CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| | Purchase of property plant and equipment and Intangible Assets including CWIP | (16,494.12) | (20,500.03) | (27,687.74) | (30,771.51) |
| | Sale of Property, Plant & Equipment including CWIP | - | 49.21 | - | 1,066.60 |
| | Sale / (Purchase) of current investments (net) | (316.13) | (2,323.47) | - | - |
| | (Investment)/ Proceeds of fixed deposits (net) | - | - | - | - |
| | Loan to fellow subsidiary | (4,500) | - | - | - |
| | Income Received from investment | 1,615.09 | - | - | - |
| | Interest received | 64.85 | 164.67 | 79.81 | 66.58 |
| | Receipt / (Payment) from Escrow account | 49.55 | (230.14) | (659.84) | - |
| | Maturity/(Placement) of fixed deposit having original maturity of more than 3 months but less than 12 months | 935.79 | 78.26 | (332.24) | (437.41) |
| | Maturity/(Placement) of fixed deposit having original maturity of more than 12 months | (948.01) | (167.96) | 618.99 | (1,557.36) |
| | **Net cash used in Investing Activities (B)** | **(19,592.98)** | **(22,929.46)** | **(27,981.02)** | **(31,633.10)** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES** | | | | |
| | Other receivables | - | - | 3,048.44 | (10,590.92) |
| | Proceeds from issue of Share Capital | - | 1.00 | 0.10 | 9.44 |
| | Security premium on issue of shares | - | - | - | 33.76 |
| | Proceeds from long term borrowings | 12,522.60 | 31,906.01 | 35,701.66 | 83,742.17 |
| | Repayment of long term borrowings | (2,807.10) | (11,407.11) | (13,682.52) | (51,502.25) |
| | Proceeds/Repayment of short term borrowings (net) | 7,148.72 | 13,563.19 | 124.15 | 11,773.96 |
| | Interest Paid | (4,558.14) | (9,021.11) | (6,774.80) | (4,487.42) |
| | **Net cash used in financing activities (C)** | **12,306.08** | **25,041.98** | **18,417.03** | **28,978.74** |
| | | | | | |
| | **Net Increase / (Decrease) in Cash & Cash equivalents (A) + (B) + (C)** | **5,072.31** | **2,907.26** | **(139.87)** | **161.31** |
| | Cash & Cash equivalent at the end of the year/ period | 8,044.53 | 2,972.22 | 52.81 | 192.68 |

| | Particulars | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|---|
| | Less: Opening Cash of DILP considered after commencement of project | - | 12.15 | - | - |
| | Cash & Cash equivalent at the beginning of the year/ period | 2,972.22 | 52.81 | 192.68 | 31.37 |
| | **Net Increase / (Decrease) in cash & cash equivalents** | **5,072.31** | **2,907.26** | **(139.87)** | **161.31** |
| | **Components of Cash & Cash Equivalent** | **8,044.53** | **2,972.22** | **52.81** | **192.68** |

## SUMMARY FINANCIAL INFORMATION OF THE SPONSOR

*The following tables set forth the summary financial information derived from the audited financial statements of the Sponsor, which was prepared in accordance with Ind AS, as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under the Section 133 of the Companies Act, as of and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022*.

*The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.*

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**TVS Industrial & Logistics Parks Private Limited**
***Summary of Balance Sheet***

*(In ₹ lakhs, unless specified otherwise)*

| Particulars | | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| **I.** | **ASSETS** | | | |
| **1** | **Non-current assets** | | | |
| | (a) Property, Plant and Equipment | 1,64,829.05 | 1,11,543.87 | 96,349.43 |
| | (b) Intangible asset | 86.52 | 37.07 | 47.30 |
| | (c) Right of use of asset | 176.88 | 178.66 | 120.41 |
| | (d) Capital work-in-progress | | | |
| | (i) Tangible capital work in progress | 32,897.33 | 22,933.13 | 23,741.98 |
| | (ii) Intangible capital work in progress | 0.75 | - | - |
| | (e) Financial assets | | | |
| | (i) Loans | 8.54 | 26.77 | 33.40 |
| | (ii) Other financial assets | 539.14 | 96.44 | 837.34 |
| | (f) Income tax assets (net) | 875.69 | 424.38 | 864.49 |
| | (g) Other non current assets | 21,132.55 | 14,056.10 | 5,941.93 |
| **2** | **Current assets** | | | |
| | (a) Financial assets | | | |
| | (i) Investments | 3,535.46 | 15,559.31 | 301.16 |
| | (ii) Trade receivables | 436.80 | 114.22 | 386.13 |
| | (iii) Cash and cash equivalents | 6,051.94 | 983.33 | 9,069.95 |
| | (iv) Bank balance other than (c) above | 3,580.59 | 5,676.30 | 1,672.31 |
| | (v) Loans | 29.38 | 28.71 | 62.84 |
| | (vi) Other financial assets | 1,141.63 | 536.66 | 56.68 |
| | (b) Other current assets | 3,441.19 | 865.53 | 6,627.22 |
| | **TOTAL** | **2,38,763.44** | **1,73,060.48** | **1,46,112.57** |
| **II.** | **EQUITY AND LIABILITIES** | | | |
| **1** | **Equity** | | | |
| | (a) Equity Share Capital | 1,850.96 | 1,155.01 | 1,155.01 |
| | (b) Other Equity | 84,724.54 | 58,315.57 | 56,776.07 |
| **2** | **Non-Current Liabilities** | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 1,31,212.25 | 90,386.95 | 72,523.68 |
| | (ii) Lease liability | 98.43 | 88.26 | 51.75 |
| | (iii) Other financial liabilities | 5,550.83 | 4,071.58 | 3,068.38 |
| | (b) Long-term provisions | 33.68 | 23.00 | - |
| | (c) Deferred tax liabilities (net) | 3,158.96 | 2,356.53 | 1,832.86 |
| | (d) Other non-current liabilities | 1,935.28 | 1,555.70 | 1,781.82 |
| **3** | **Current liabilities** | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 4,398.30 | 11,101.58 | 1,900.00 |
| | (ii) Trade payables (including accruals): | | | |
| | - Total outstanding dues of micro enterprises & small enterprises; and | 893.88 | 539.42 | 300.88 |
| | - Total outstanding dues of creditors other than micro & small enterprises | 157.19 | 824.66 | 2,662.74 |
| | (iii) Lease liability | 82.12 | 94.60 | 69.32 |
| | (iv) Other financial liabilities | 3,393.95 | 1,593.50 | 2,480.26 |
| | (b) Other current liabilities | 1,221.79 | 933.52 | 1,475.26 |
| | (c) Short-term provisions | 28.45 | 20.60 | 34.54 |
| | (d) Current Tax liabilities | 22.83 | - | |
| | **TOTAL** | **2,38,763.44** | **1,73,060.48** | **1,46,112.57** |

**TVS Industrial & Logistics Parks Private Limited**
***Summary of Statement of Profit and Loss***

*(In ₹ lakhs, unless specified otherwise)*

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| **I.** | **Revenue from operations** | 17,609.87 | 14,393.49 | 10,208.67 |
| **II.** | **Other income** | 1,198.59 | 607.27 | 372.00 |
| **III.** | **Total Income (I + II)** | **18,808.46** | **15,000.76** | **10,580.67** |
| **IV.** | **Expenses:** | | | |
| | Sub-contracting charges | 103.74 | 1,600.50 | 197.32 |
| | Employee benefit expense | 888.82 | 845.75 | 656.29 |
| | Finance costs | 8,278.43 | 6,054.10 | 4,893.36 |
| | Depreciation and amortization expense | 4,047.76 | 3,268.74 | 2,385.36 |
| | Other expenses | 3,179.95 | 1,268.93 | 939.13 |
| **V.** | **Total expenses** | **16,498.70** | **13,038.02** | **9,071.46** |
| **VI.** | **Profit / (loss) before tax (III - V)** | **2,309.76** | **1,962.74** | **1,509.21** |
| **VII.** | **Tax expense** | | | |
| | Current tax | 24.10 | - | |
| | Adjustment of tax relating to earlier year | - | (96.88) | 0.27 |
| | Deferred tax charge/(credit) | 583.40 | 522.79 | 792.35 |
| **VIII** | **Total tax expense** | **607.50** | **425.91** | **792.62** |
| IX. | **Profit after tax (VI – VIII)** | **1,702.26** | **1,536.83** | **716.59** |
| X | **Other Comprehensive Income** | | | |
| | (1) Re-measurement of the Defined Benefit plan | 1.05 | 3.58 | 2.36 |
| | (2) Income tax on the above | (0.26) | (0.90) | (1.27) |
| XI | **Total Comprehensive Income for the year (IX + X)** | **1,703.05** | **1,539.51** | **717.68** |
| XII | **Profit attributable to:** | | | |
| | Owners of Holding Company | 1,702.26 | 1,536.83 | 716.59 |
| | Non-Controlling Interest | - | - | |
| **XIII** | **Other Comprehensive Income attributable to:** | | | |
| | Owners of Holding Company | 0.79 | 2.68 | 1.09 |
| | Non-Controlling Interest | - | - | - |
| **XIV** | **Total Comprehensive Income attributable to:** | | | |
| | Owners of Holding Company | 1,703.05 | 1,539.51 | 717.68 |
| | Non-Controlling Interest | - | - | |
| **XV** | **Earning per equity share** | | | |
| | Basic earnings per share (Rs.) | 9.20 | 8.30 | 6.20 |
| | Diluted earnings per share (Rs.) | 9.20 | 8.30 | 3.87 |
| | Face value per share (Rs.) | 10.00 | 10.00 | 10.00 |

**TVS Industrial & Logistics Parks Private Limited**
***Summary of Cash Flow Statement***

*(In ₹ lakhs, unless specified otherwise)*

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|
| **A. Cash flow from Operating Activities** | | | |
| **Net Profit before Tax** | **2,309.76** | **1,962.74** | **1,509.21** |
| Adjustments for: | | | |
| Depreciation and amortisation for the year | 4,047.76 | 3,268.74 | 2,385.36 |
| Finance costs | 8,278.43 | 6,054.10 | 4,893.36 |
| Interest income | (508.93) | (353.04) | (92.51) |
| Profit from sale of property, plant & equipment | (17.10) | (1.52) | - |
| Gain on sale of Mutual Fund at fair value through P & L (net) | (225.67) | (213.21) | (245.86) |
| Unrealised loss on Mutual Fund at fair value through P & L (net) | (45.06) | (14.60) | |
| Gain on foreclosure of compound financial instrument | (9.19) | - | |
| Impact of lease equilisation | 1,009.06 | (973.24) | (1,425.98) |
| Impact of imputed interest | 422.51 | 157.81 | (347.62) |
| Creditors written back | (87.75) | (24.66) | - |
| **Operating profit before working capital changes** | **15,173.82** | **9,863.13** | **6,675.96** |
| | | | |
| Adjustments for: | | | |
| Decrease / (Increase) in trade receivables | (72.42) | 271.91 | (167.04) |
| (Decrease) / Increase in trade payables | (2,454.57) | (1,571.90) | (307.76) |
| Decrease / (Increase) in financial assets | (18.19) | (226.57) | |
| Decrease / (Increase) in other current assets | (8,658.40) | (1,702.17) | (4,368.85) |
| Decrease / (Increase) in loans and advances | 17.56 | 40.77 | 56.89 |
| Increase / (Decrease) in financial liabilities | 3,150.35 | - | |
| (Decrease) / Increase in other current liabilities and provisions | (2,269.29) | (800.17) | 2,324.71 |
| **Cash Flow from Operating Activities** | **4,868.86** | **5,875.00** | **4,213.91** |
| Less: Taxes Paid (net of refund) | 428.49 | (594.61) | 194.01 |
| **Net Cash Flow from Operating Activities (A)** | **4,440.37** | **6,469.61** | **4,019.90** |
| | | | |
| **B. Cash Flow from Investing Activities** | | | |
| Purchase of Property, Plant & Equipment and Intangible Assets including CWIP | (27,081.16) | (18,191.22) | (22,208.69) |
| Sale of Property, Plant & Equipment and Intangible Assets | 68.29 | 108.97 | 23.52 |
| Proceeds from sales / (Purchase) of investments (net) | 12,303.77 | (15,030.35) | 18,474.16 |
| Proceeds from/(Investment in) Fixed Deposit having original maturities of more than 3 months but less than 12 months | 2,759.12 | (3,777.41) | (2,300.58) |
| Proceeds from/(Investment in) Fixed Deposit - In fixed deposit account having original maturity of more than 12 months | (1,000.00) | 673.69 | |
| Changes in other bank balances | (663.40) | - | |
| Interest received | 508.93 | 190.46 | 92.51 |
| **Net cash used in Investing Activities (B)** | **(13,104.45)** | **(36,025.86)** | **(5,919.08)** |
| | | | |
| **C. Cash Flow from Financing Activities** | | | |
| On account of Business Combination | (161.36) | - | |
| Share issue expenses | (16.33) | - | |
| Proceeds from long term borrowings | 43,094.05 | 33,839.70 | 80,780.65 |
| Repayment of long term borrowings | (19,694.77) | (7,518.85) | (65,542.82) |
| Increase / (Decrease) in short term borrowings (net) | (720.99) | 747.13 | |
| Repayment of lease liabilities including interest | (100.45) | (79.39) | (51.88) |
| Interest Paid | (8,673.77) | (5,518.97) | (4,291.54) |
| **Net cash used from Financing Activities (C)** | **13,726.38** | **21,469.63** | **10,894.42** |
| | | | |
| **Net (Decrease) / Increase in Cash & Cash equivalents (A+B+C)** | **5,062.30** | **(8,086.62)** | **8,995.24** |
| | | | |
| Effect of Exchange differences on translation of foreign currency cash and cash equivalents. | 0.52 | - | - |
| Add: Cash & Cash equivalent at the beginning of the year | 983.33 | 9,069.95 | 74.72 |
| Add: Cash acquired under business combination | 5.79 | - | |

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|
| | | | |
| **Cash & Cash equivalent at the end of the year** | **6,051.94** | **983.33** | **9,069.95** |
| **Components of Cash & Cash Equivalent** | **6,051.94** | **983.33** | **9,069.95** |

## SUMMARY FINANCIAL INFORMATION OF THE INVESTMENT MANAGER

*The following tables set forth the summary financial information derived from the audited financial statements of the Investment Manager, which was prepared in accordance with Ind AS, as defined in Rule 2(1)(a) of Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under the Section 133 of the Companies Act, as of and for the financial years ended March 31, 2024, March 31, 2023 and March 31*.

*The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.*

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**TVS Infrastructure Investment Manager Private Limited**
***Summary of Balance Sheet***

*(In ₹ lakhs, unless specified otherwise)*

| Particulars | | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| I | **ASSETS** | | | |
| 1. | **Non-current assets** | - | - | |
| 2. | **Current assets** | | | |
| | (a) Financial assets | | | |
| | (i) Cash and cash equivalents | 502.71 | 9.99 | 0.10 |
| | (ii) Bank balance other than (i) above | 700.00 | - | |
| | (b) Other current assets | 1.70 | - | |
| | **TOTAL ASSETS** | **1,204.41** | **9.99** | **0.10** |
| II | **EQUITY AND LIABILITIES** | | | |
| 1. | **Equity** | | | |
| | (a) Equity Share Capital | 1,210.00 | 10.00 | 0.10 |
| | (b) Other Equity | (9.27) | (1.36) | (0.72) |
| 2. | **Non-Current Liabilities** | - | - | |
| 3. | **Current liabilities** | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 1.84 | 0.67 | |
| | (ii) Other fincial liabilities | 0.45 | 0.62 | 0.72 |
| | (b) Other current liabilities | 0.07 | 0.06 | |
| | (c) Current Tax liabilities (net) | 1.32 | - | |
| | | | | |
| | **TOTAL EQUITY AND LIABILITIES** | **1,204.41** | **9.99** | **0.10** |

**TVS Infrastructure Investment Manager Private Limited**
***Summary of Statement of Profit and Loss***

*(In ₹ lakhs, unless specified otherwise)*

| Particulars | | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| I. | Revenue from operations | - | - | - |
| II. | Other income | 12.69 | - | - |
| **III.** | **Total Income (I + II)** | **12.69** | - | - |
| **IV.** | **Expenses:** | | | |
| | Employee benefit expense | 1.84 | - | - |
| | Finance costs | - | - | - |
| | Depreciation and amortization expense | - | - | - |
| | Other expenses | 0.58 | 0.63 | 0.21 |
| **V.** | **Total expenses** | **2.42** | **0.63** | **0.21** |
| **VI.** | **Profit / (loss) before tax (III-V)** | **10.27** | **(0.63)** | **(0.21)** |
| **VII.** | **Tax expense** | | | |
| | Current tax | 2.59 | - | - |
| | Deferred tax charge / (credit) | - | - | - |
| **VIII** | **Total tax expense** | **2.59** | - | - |
| **IX** | **Profit/ loss after tax (VI-VIII)** | **7.68** | **(0.63)** | **(0.21)** |
| **X** | **Other Comprehensive Income** | **-** | - | - |
| **XI** | **Total Comprehensive Income for the year (IX + X)** | **7.68** | **(0.63)** | **(0.21)** |
| **XII** | **Earnings per equity share** | | | |
| | Basic and diluted Earnings per share (In ₹ )<br><br>(Nominal value per share ₹ 10) | **0.19** | **(15.43)** | **(20.71)** |

**TVS Infrastructure Investment Manager Private Limited**
***Summary of Cash Flow Statement***

*(In ₹ lakhs, unless specified otherwise)*

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|
| **A. Cash flow from Operating Activities** | | | |
| Profit/loss before tax | 10.27 | (0.63) | (0.21) |
| Adjustment for: | | | |
| Interest Income | (12.69) | - | |
| **Operating profit before working capital changes** | **(2.42)** | **(0.63)** | **(0.21)** |
| | | | |
| Adjustments for: | | | |
| (Increase) / Decrease in Other Assets | (1.70) | - | |
| Increase / (Decrease) in Financial Liabilities | (0.16) | (0.05) | 0.21 |
| Increase / (Decrease) in Other Liabilities | 1.33 | | |
| | | | |
| **Cash Flow from Operating Activities** | **(2.95)** | **(0.68)** | **0.00** |
| Less: Taxes paid (net of refunds | 2.59 | - | |
| **Net Cash Flow from / (used in) Operating Activities (A)** | **(5.54)** | **(0.68)** | **0.00** |
| | | | |
| **B. Cash Flow from Investing Activities** | | | |
| Investment in Fixed deposits | (700.00) | - | |
| Interest received | 12.69 | - | |
| **Net cash from/ (used in) Investing Activities (B)** | **(687.31)** | **-** | - |
| | | | |
| **C. Cash Flow from Financing Activities** | | | |
| Increase / (decrease) in Short-term loan borrowings (net) | 1.17 | 0.67 | - |
| Issue of share capital | 1,200.00 | 9.90 | - |
| Share issue expenses | (15.59) | - | |
| **Net cash from / (used in) Financing Activities (C)** | **1,185.58** | **10.57** | - |
| | | | |
| **Net change in Cash and Cash equivalent (A+B+C)** | **492.72** | **9.90** | **0.00** |
| | | | |
| Cash & Cash equivalent at the end of the financial year | 502.71 | 9.99 | 0.10 |
| Less: Cash and cash equivalent at the beginning of the year | **9.99** | **0.10** | **0.10** |
| | | | |
| **Net (Decrease) / Increase in cash & cash equivalents** | **492.72** | **9.89** | |
| **Component of Cash & Cash Equivalents** | **502.71** | **9.99** | **0.10** |

## SUMMARY OF INDUSTRY

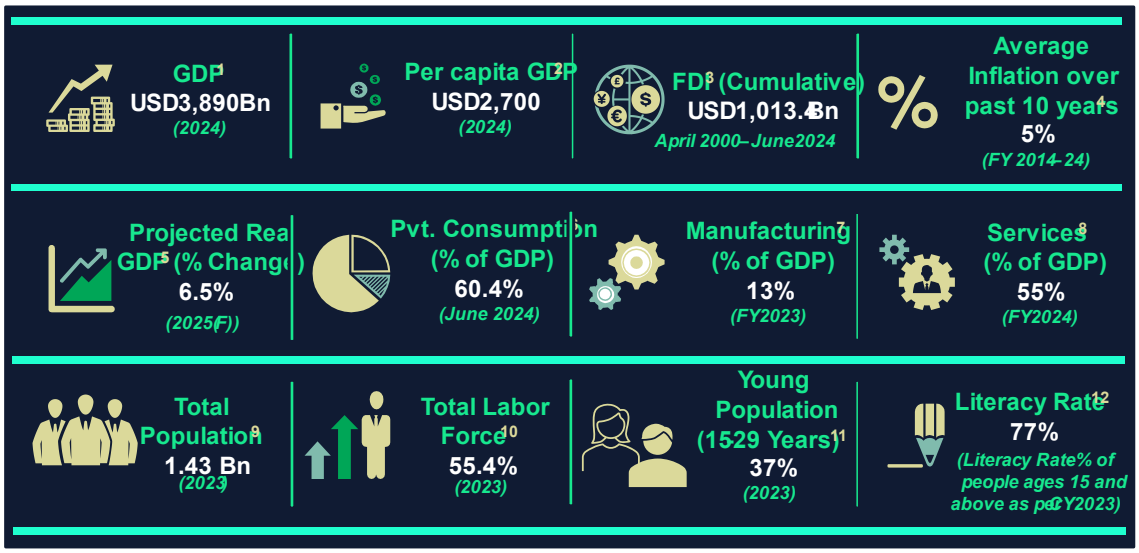
### 1. Macroeconomic Overview

### 1.1. Economic Landscape

India has emerged as one of the fastest–growing, major economies around the world and is expected to become one of the top three economic powerhouses by the year 2030.

India has a strong consumption market, which protects its economy from global market fluctuations. India's share of consumption as a percentage of its Gross Domestic Product (GDP) was approx. 70.8%[1] (as of 2023). With a population of over a billion, India provides the global economy with one of its largest consumer markets.

*Figure 1: Key Statistics – Indian Economic Landscape*

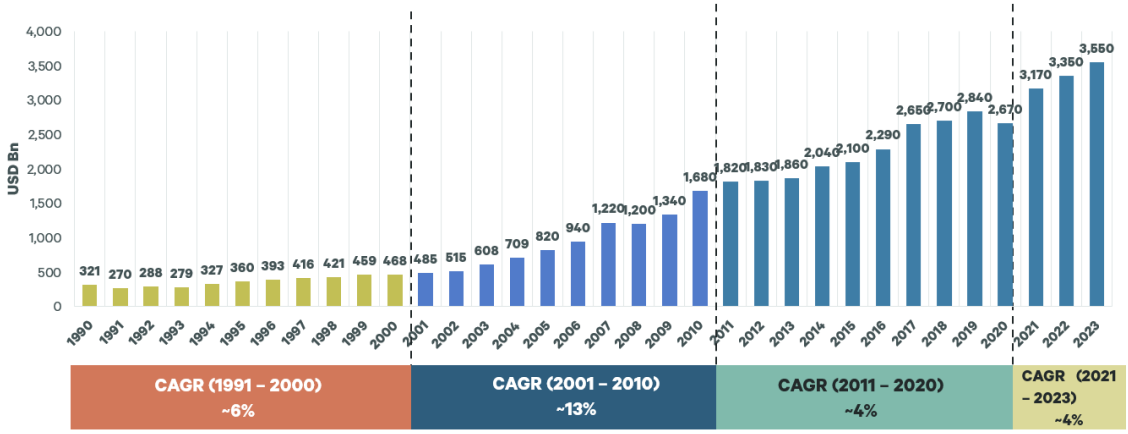



***Source:*** *CBRE Research; (1) IMF, (2) IMF, (3) Invest India, (4) White Paper on Indian Economy, (5) IMF, (6) Ceicdata, (7) World Bank, (8) IBEF, (9) Worldometers, (10) Worldbank, (11) MOSPI, (12) NFHS-5*

The Government of India (GoI) accelerated financial liberalization after the economic reforms of the 1990s. Consistently high national growth rates have been the outcome of India's economy's rapid expansion in the previous two to three decades, thanks to the country's booming service and manufacturing sectors. India has become as a go-to outsourcing location for developed economies because to its large pool of young, educated, English-speaking workers. Because of this, it has been luring FDI in the IT industry from well-established economies like Singapore, the United States, and others. According to these tendencies, the computer software and research and development industry is thriving, which bodes well for economic expansion since it will spur innovation and boost productivity.

*Figure 2: Economic Evolution of India Over Past 3 Decades*

[1] World Bank national accounts data, and OECD National Accounts data files



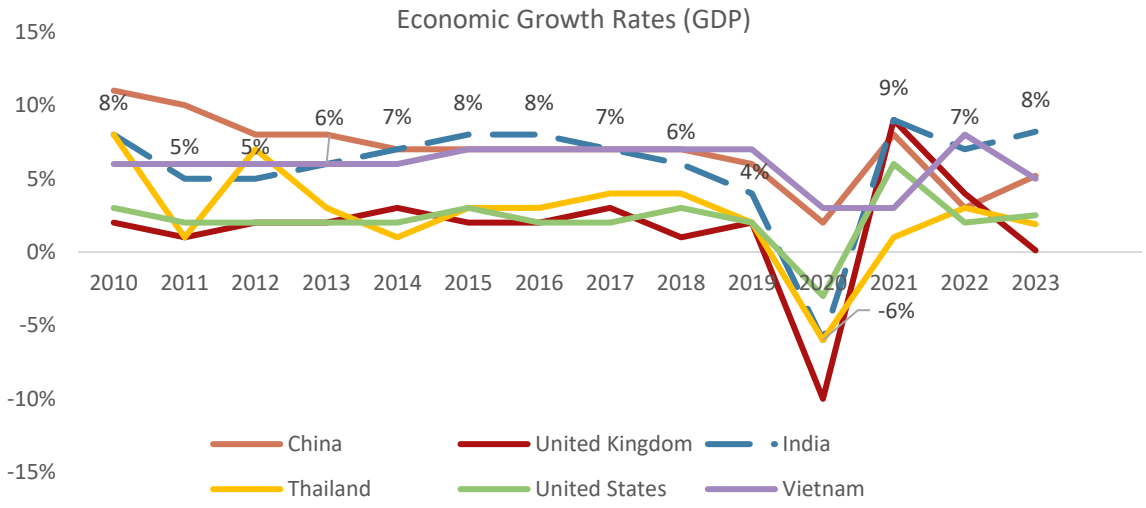

**Source:** World Bank, CBRE Research

In the pre–1990s, the Indian economy grew at an annual average rate of 4% (1970–1989). As presented in *Figure 2*, following liberalization, the Indian economy grew at a rate of approximately 6% (1990–2000). During 2001–2010, the Indian market saw an economic boom with strong FDI inflow and export contributions from the services sector, viz., IT/ITeS, and grew at a CAGR of 13% thereafter.

The Indian economy has demonstrated remarkable resilience in its post-pandemic recovery. Following the lifting of pandemic restrictions, pent-up demand for services and a surge in industrial production have fueled robust economic growth. India has endured the challenges of the pandemic, including market shutdowns and economic uncertainties, emerging as a stronger and more resilient economy. While pre-pandemic growth between 2017-2019 averaged around 2%, post-pandemic growth between 2021-2023 has accelerated to 4%, indicating a significant rebound.

*Figure 3* depicts the growth of India's GDP vis–à–vis other economies:

*Figure 3: Economic Growth Rates (GDP)*




***Source:*** *World Bank, CBRE Research*
*Note: The above growth comparison has been undertaken to highlight the economic growth rate of India vis–à–vis developed economies such as the UK, the US, China, Vietnam and Thailand. Vietnam and Thailand have been compared as these markets are expected to benefit from China Plus One strategy.*

India crossed the inflection point of USD 2,000 GDP per capita in 2019. After crossing a similar milestone unit of GDP per capita in 2006, the Chinese economy had grown by six times.[2] India is expected to follow similar growth trajectory as its neighbour; and with favourable demographics, it is expected to witness the similar robust consumption trend.

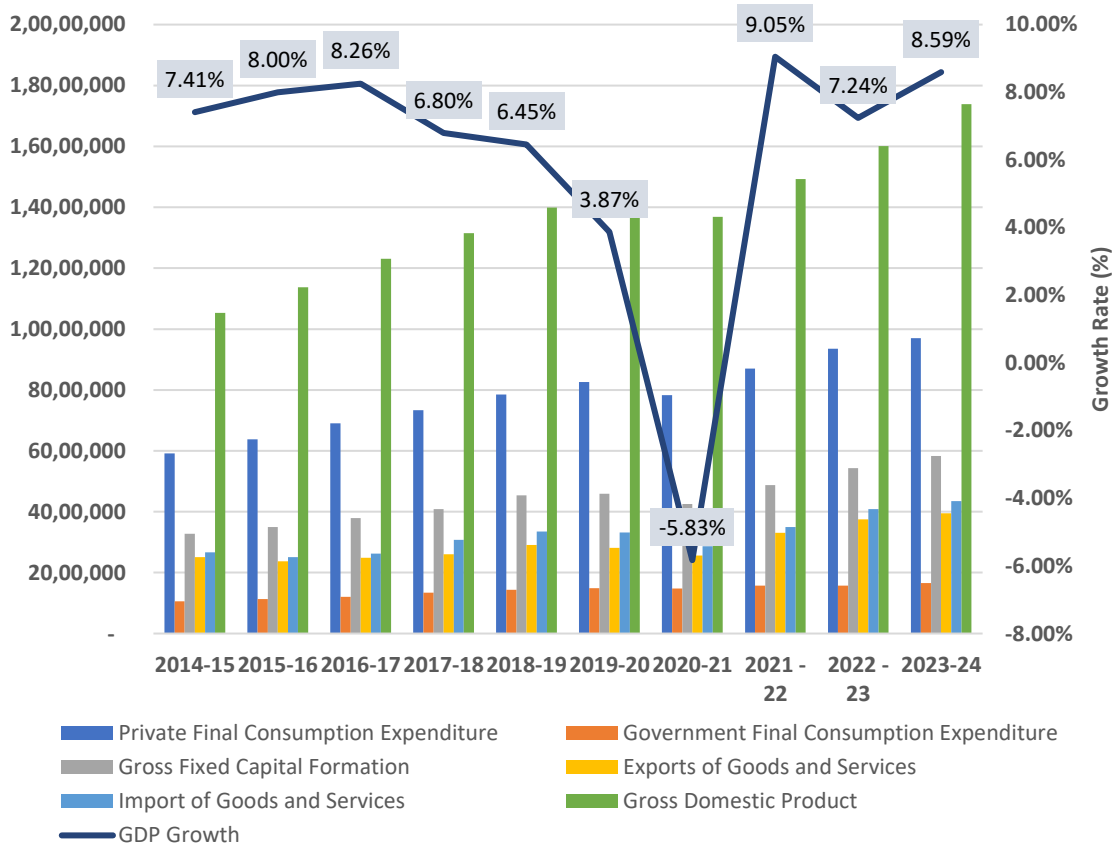
[2] World Bank

Moreover, India's rapid urbanization has played a pivotal role in driving poverty reduction and economic growth. With the urban population projected to surge from 530 million in 2023 to a staggering 600 million by 2030, this trend will continue to shape the nation's trajectory. Furthermore, FDI inflows, coupled with a skilled and educated workforce, have fueled economic growth and job creation. However, the latest SDG Report by the UN reveals that India's employment rate stands at 4.1%, which is lower than the global average of 5% and significantly below rates in regions like Europe and North America (4.9%).

### 1.1.1. India's Economic Structure

Being a traditionally agrarian economy, India has achieved growth on the back of strong contributions from the primary sector. However, the country's economy has undergone a major transformation over the years, leading to the economy being driven by a fair mix of primary, secondary, and tertiary sector activities.

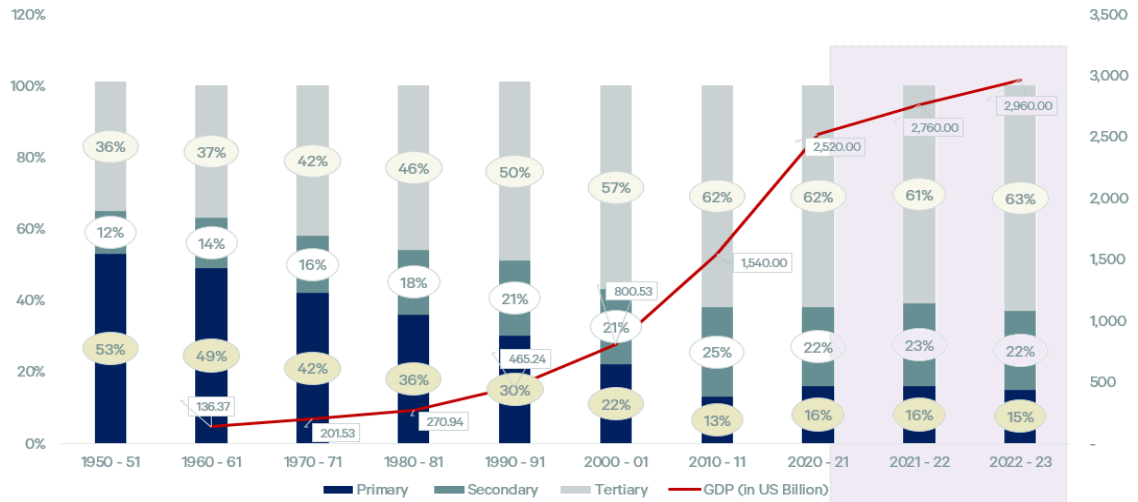
*Figure 4: Components of GDP & GDP Growth Rate*




**Source:** Handbook of Statistics on Indian Economy, Reserve Bank of India; CBRE Research
*Note: Time Period – Accounting Year (April–March)*

The below depicts the sectoral split of India's GDP for the period 1951–2023:

*Figure 5: India's Sectoral Split Trend (1951–2021, 2022 & 2023)*

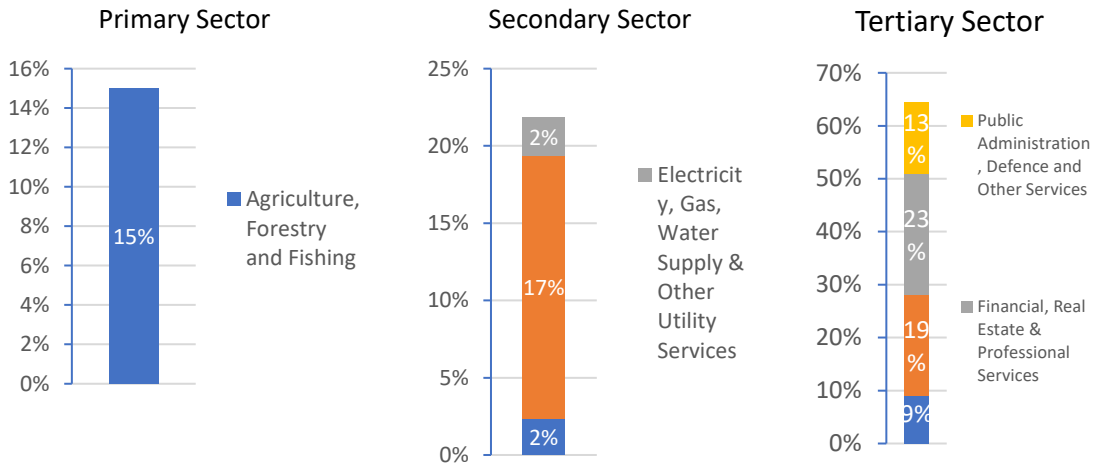



**Source:** Handbook of Statistics on Indian Economy, Reserve Bank of India; CBRE Research
*Note: Time Period – Accounting Year (April–March)*

The growth of India's tertiary sector initially occurred on the basis of inter–sectoral linkages in the economy, mainly due to the primary sector's strong base. However, down the years, with the influx of other sectors such as manufacturing, banking and other financial services and insurance (BFSI) sector, telecommunications, transportation, and the IT/ITEs boom, the focus shifted towards higher value–added sectors, as evident from the above figure

Further break–up of the activities of the primary, secondary, and tertiary sectors of the Indian economy is shown in below figure

***Figure 6: Break–Up of Primary, Secondary & Tertiary Sectors of Indian GVA (Constant Price) – 2023 - 2024***

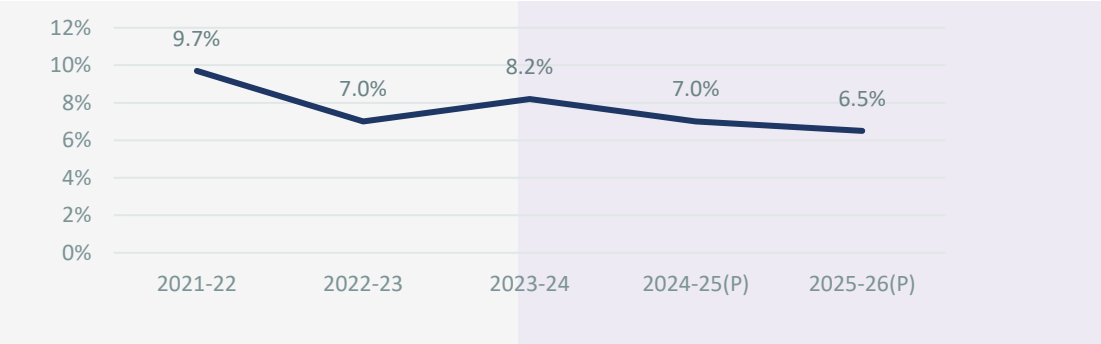



***Source:*** *Handbook of Statistics on Indian Economy, Reserve Bank of India; CBRE Research.*
*Note: Time Period – Accounting Year (April – March)*

### 1.1.2. GDP Forecast & Future Trend

India is the 5th largest economy in the world, and according to the latest Government estimated, India is expected to become a US $5 trillion economy by 2025. India reportedly experienced stronger-than-anticipated economic growth in the latter half of 2023. To further accelerate the estimated growth, the Government of India has undertaken significant investments in social and physical infrastructure, including initiatives such as PLI (Production Linked Incentive), the Smart City Mission, Make in India, Aatmanirbhar Bharat, Local Goes Global, and Digital India. These initiatives have ensured that India remains an attractive market for international investors. The government's focus on capital expenditure (capex) and exports is expected to enhance production capacity and further strengthen demand. Growth in India is projected to remain strong at 7% in FY 2024-25.

*Figure 7: Real GDP Growth Projections – India*

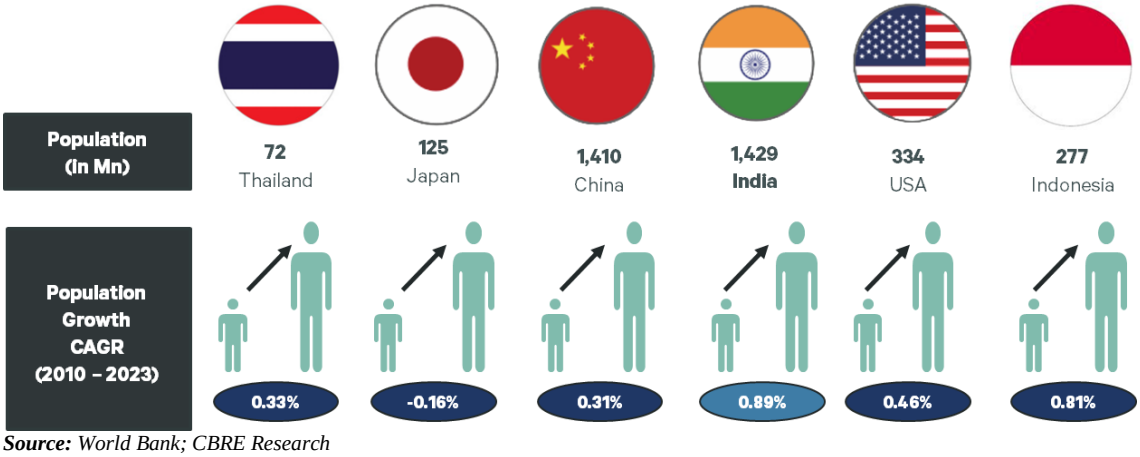



***Source:*** *International Monetary Fund (2021-22; 2022-23; 2023-24), RBI (2024-25; 2025-26)*
***Note:*** *E – Estimation; P – Projections*

### 1.1.3. Key Demographic Trends

India currently houses approximately 18% of the global population. The country boasts of the largest population at nearly 1,429 million in 2023.[3] The country has historically been one of the largest consumption markets in the world. On an overall basis, India's current projected population growth rate has overtaken China.[4]

*Figure 8: Global Population Comparisons*




***Source:*** *World Bank; CBRE Research*
***Note:*** *Population in Mn; Population Year: 2023*

To assess the demographic dividend of a nation, three major factors are typically taken into account, viz., the working age trend, gender distribution of the workforce, and their location trend (urban/rural population mix).

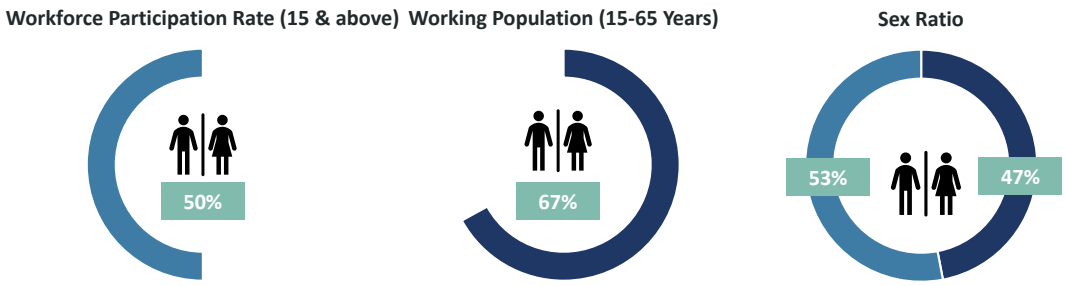
### 1.1.4. Current Demographic Landscape

The decadal growth for India is one of the highest among the major economies of China, USA, Japan, the UK, or even among competing manufacturing regions such as Vietnam and Thailand. Further, to understand the break–up of India's population in detail, *Figure 15* summarizes the key statistics of India's demographic scenario.

The significant base of India's youth population coupled with a 74% literacy rate ensures the availability of an educated and skilled workforce, which is expected to provide the manufacturing base of the country with a low–cost and sustainable labour pool, going forward.

*Figure 9: Key Statistics – Indian Demographic Landscape*

[3] World Bank 2023
[4] United Nations; *https://population.un.org/wpp/publications/files/wpp2019_highlights.pdf.*



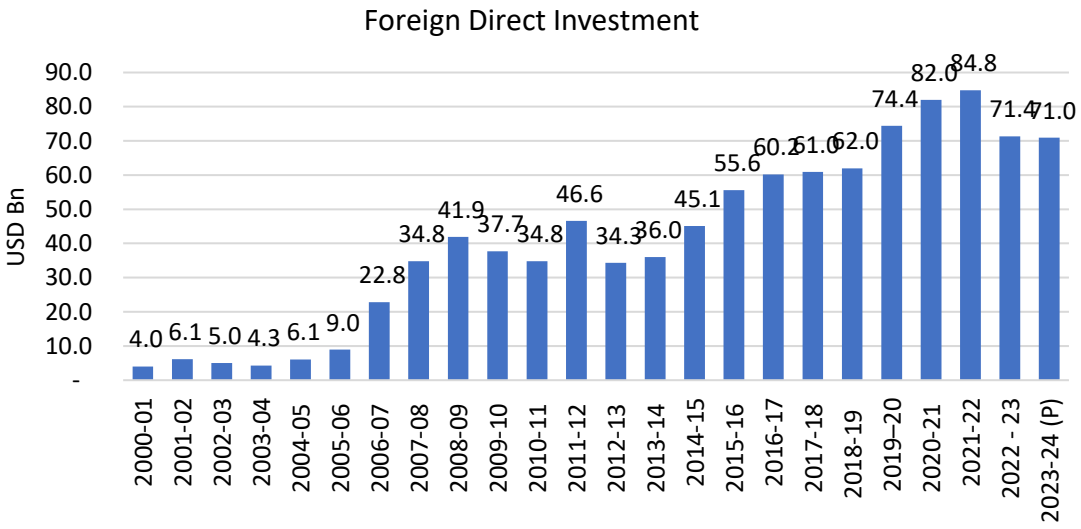

***Source:*** *World Bank; Census Data; CBRE Research*

As per Worldometers India's population grew approximately 9% between 2015 and 2024. Over 34.5% of India's population is urban, which is expected to grow at CAGR of 3–5% by 2030, owing to workforce migration and the rapid urbanization of Tier II and III cities. Tier II and III cities are also acting as feeder towns for smaller towns and villages. According to the National Commission on Population, approximately 38.6% of the population is expected to reside in urban India. Currently, urban India accounts for approximately two–thirds of the national economic output.[5] Urbanization has a substantial positive impact on the economy as it leads to organized demand and organic growth in several sectors, such as an organized housing market, e–commerce, fast moving consumer goods (FMCG), fast moving consumer durables (FMCD), organized retail, hospitality, automotive, transportation, and infrastructure development and among others.

### 1.1.5. FDI & Historical Trends for India

Foreign direct investment (FDI) flows were strong and consistent, which contributed to the widening current account deficit during the time. Consistent with its strong domestic economic performance, India has attracted substantial foreign direct investment. India has rapidly emerged as a preferred investment destination, further, FDI inflows have increased 20-fold in last 20 years.

*Figure 10: FDI Equity Inflow Trend From 2000–01 To 2023–24*

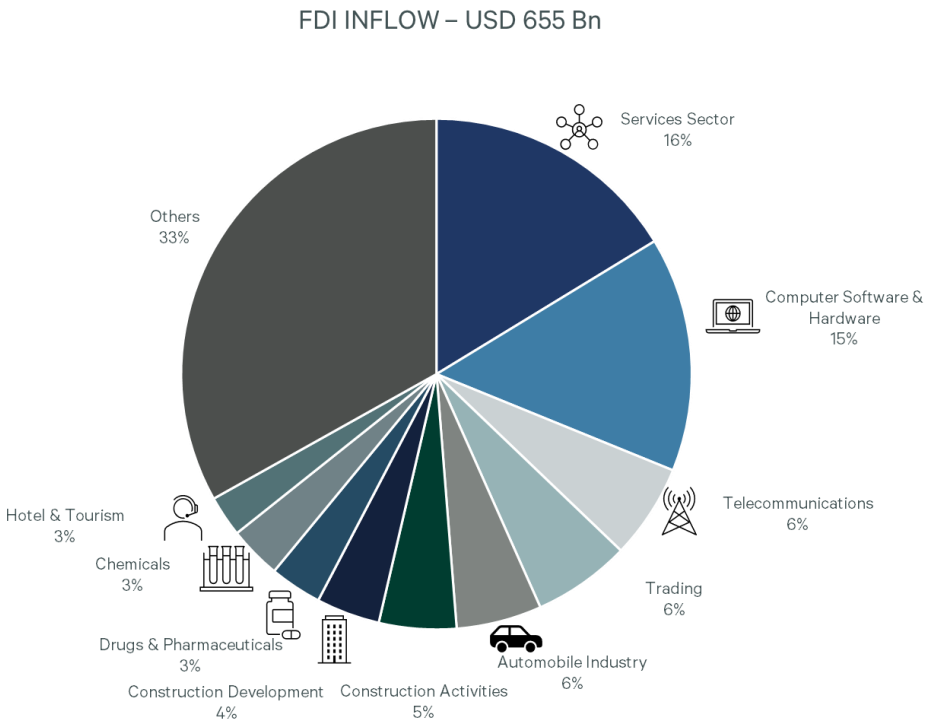



***Source****: DPIIT, Ministry of Commerce and Industry, Government of India, (P) – Provisional*

The below figure summarizes the sectoral split of FDI inflow into the country from April 2000–September 2023:

*Figure 11: Sector–Wise FDI Inflow – Top 10 Investment Sectors*

[5] World Bank

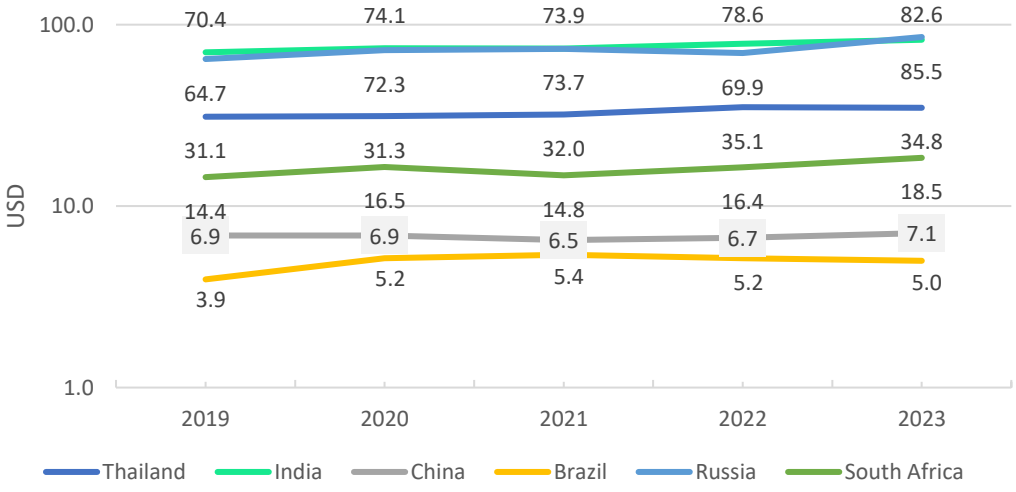



***Source:*** *DPIIT, Ministry of Commerce and Industry, Government of India; CBRE Research*

### 1.1.6. Indian Currency and Future Outlook

The Indian rupee (INR) has shown resilience in the face of the global economic crisis, mainly due to the high foreign exchange reserve maintained by the Reserve Bank of India (RBI) and a reasonable level of Current Account Deficit (CAD). Since 2022, the INR has consistently hovered around 80 per US Dollar (USD); this pressure on the domestic currencies of numerous emergent economies, including India, has resulted from the outflow of foreign capital. Although compared to other major currencies like the Euro, British Pound, and Japanese Yen, the observed depreciation has been relatively modest.

*Figure 12: Currency Exchange rate Against USD in the last 5 years*



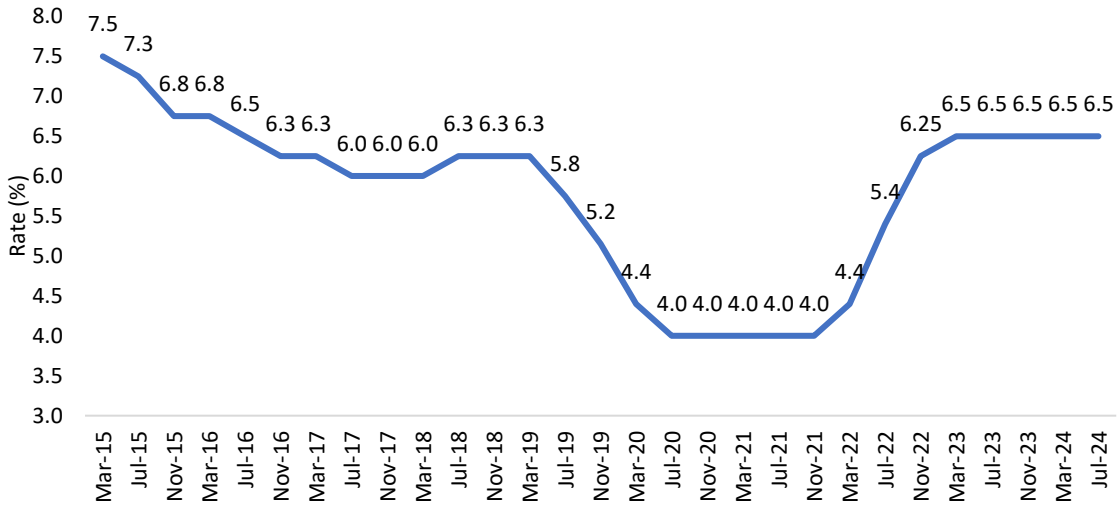

***Source:*** *World Bank; CBRE Research*

### 1.1.7. Interest Rate Movements over the Last Five Years

In response to rising inflation, the Reserve Bank of India (RBI) implemented a series of aggressive interest rate hikes throughout 2022. However, in late 2023 and throughout 2024, the RBI maintained a hold on further rate increases and ultimately reduced the cash reserve ratio (CRR) by 50 basis points to 4%. Furthermore, certain economic forecasts suggest the possibility of interest rate cuts in the latter part of 2025 as inflationary pressures subside. With the anticipated decrease in repo rate, real estate lending rates are expected to lower, positively impacting the developers' and end-users' sentiment.

The following figure illustrates the repo rate movement trend over the period 2015–2023:

*Figure 13: Repo Rate Movement – India*




***Source:*** *Reserve Bank of India (DBIE)*

## 1.2. Government Initiatives & Impetus on Logistics Sector

With the unveiling of the 'Make in India' programme in September 2014, and the Government's inspiring call for an 'Aatmanirbhar Bharat' (Self–reliant India) more recently, a robust logistics sector is required to facilitate the movement of goods, services, and people globally. Thus, the GoI has formulated a logistic vision: "To develop an integrated cost–effective, reliable, sustainable and digitally–enabled logistics ecosystem in the country for accelerated and inclusive economic growth".

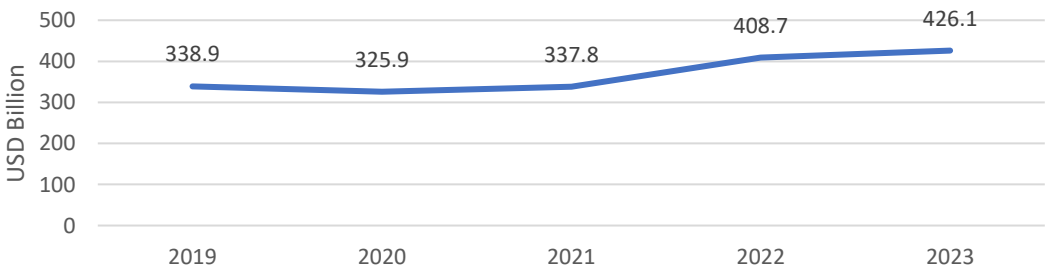
To support its vision, the Government has provided the logistics sector with an initial impetus by granting it an 'infrastructure status', allowing developers to finance projects through international funding and reduced interest rates.

### 1.2.1. Focus on Manufacturing

Following the liberalization of India's economy in the early 1990s, the country has witnessed sustained growth in the manufacturing sector. Despite the stable growth and availability of skilled, low–cost labour, India lags behind major industrialized economies in terms of manufacturing contribution to the economy. The GoI envisages growing the manufacturing sector by ensuring a 21% contribution from the same towards the country's GDP. According to Government's estimates, India is expected to achieve US $1 Tn from manufacturing sector by 2025. Based upon the same, the Government has also realized the necessity of focused intervention.

Further, the Gross Value Added (US $ Bn on Basic Price) of India's manufacturing sector over last 5 years is as per the following graphical representation:

***Figure 14: GVA by Manufacturing Sector (Basic price in USD Billion)***




***Source:*** *PIB; CBRE Research*

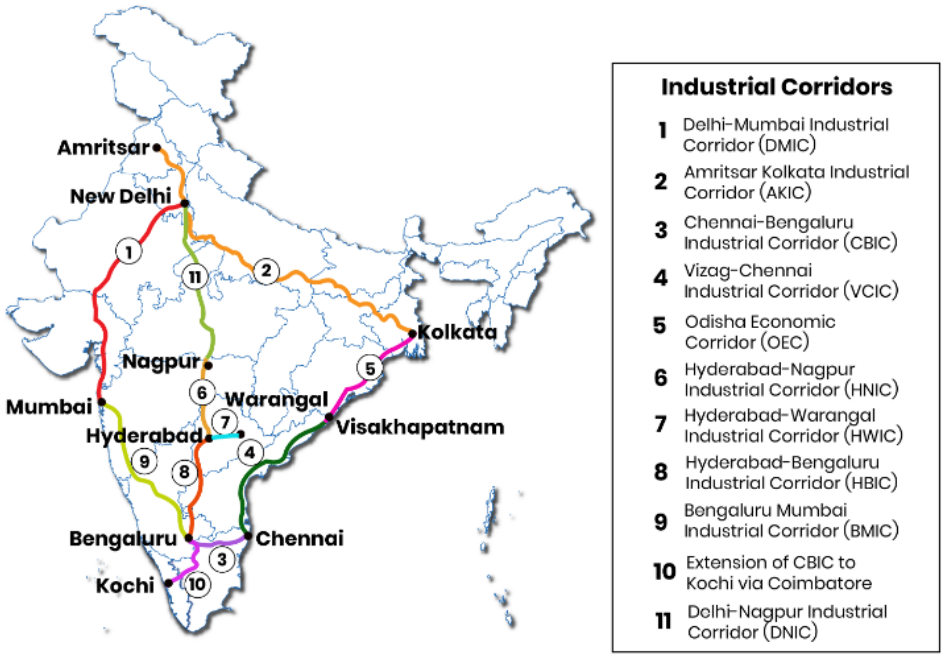
Some of key initiatives by Government of India to bolster the sector are elucidated below:

1. **Make in India:** This initiative was launched under the aegis of the Ministry of Commerce and

Industry's Department of Industrial Policy and Promotion (DIPP) in September 2014. The policy aims to create a conducive environment for investments, develop modern and efficient infrastructure, and open up new sectors for foreign capital. Under Make in India initiative, GOI formed a collaboration with Germany, aiming on investments from small and medium sized German Companies, resulting in total investments exceeding €1.4 Bn. The automotive, electrical, consumer goods, construction and waste-water management industries accounted for the majority of these investments. The Defence Ministry offered USD 6.7 billion tender to build six conventional submarines in the aim to promote Make In India.

2. **National Industrial Corridor Development Programme:** National Industrial Corridor Development Programme is aiming to develop new industrial cities as "Smart Cities" and converging next generation technologies across infrastructure sectors. Government of India is developing various industrial corridor projects as part of the National Industrial Corridor Programme which is aimed at development of futuristic industrial cities in India which can compete with the best manufacturing and investment destinations in the world. The same will create employment opportunities and economic growth leading to overall socio-economic development. Some of the major corridors includes, Delhi Mumbai Industrial Corridor, Amritsar Kolkata Industrial Corridor, Chennai Bengaluru Industrial Corridor and Bengaluru Mumbai Industrial Corridor.

***Figure 15: Proposed Corridors under NICDP***




***Source:*** *PIB; CBRE Research*

3. **Aatmanirbhar Bharat:** Aatmanirbhar Bharat, or Self-Reliant India, is a comprehensive initiative launched by the Indian government to make the country economically self-sufficient and globally competitive. It aims to reduce reliance on imports, boost domestic manufacturing, and create jobs. Key components of this initiative include reforms in various sectors like agriculture, manufacturing, healthcare, and education. The government has also implemented various schemes and policies to incentivize domestic production and attract foreign investment. Under this initiative, the Government of India has announced a special economic package of USD 235 billion for making the country independent against competition in the global supply chain and empowering its economically weak sections.

4. **Skilled India:** It is aided in these initiatives by its functional arms – Directorate General of Training (DGT), National Council for Vocational Education and Training (NCVET), National Skill Development Corporation (NSDC), National Skill Development Fund (NSDF), 37 Sector Skill Councils (SSCs), 33 National Skill Training Institutes (NSTIs/NSTI(w)), about 15000 Industrial Training Institutes (ITIs) under DGT and 187 training partners registered with NSDC. The Ministry is also willing to work with the existing network of Skill Development centres, universities and other alliances in the field.

5. **Start–Up India:** This is a flagship initiative of the GoI, intended to build a strong eco–system for

nurturing innovation and start–ups in the country, which will drive sustainable economic growth and generate large–scale employment opportunities. Globally, India ranks 3rd in terms of total Unicorns created, India sits behind China (249 Unicorns) at 2nd rank and US (993 Unicorns) at 1st rank.

6. **National Manufacturing Policy:** In 2011, the GoI had announced a 'National Manufacturing Policy' for enhancing the share of manufacturing in GDP to 25% (currently at 17%), within a decade and creating 100 million jobs by 2025.

7. **Sagarmala Pariyojana:** This is an integrated development expected to reduce cost and time for transforming goods, benefiting industries and export/import trade. The programme will also involve the development of port–proximate industrial and logistics capacities near coastal cities.

Further, Indian government has implemented several other initiatives to boost economic growth and development. These include the National IPR Policy to streamline intellectual property rights, the National Policy on Electronics to establish India as a global electronics manufacturing hub, and the Production Linked Incentive (PLI) scheme to encourage large-scale industrial manufacturing across various sectors. The IoT Policy aims to leverage the Internet of Things for economic and social development. Furthermore, initiatives like Mega Textile Parks (MITRA) and the promotion of Medical Device Parks aim to enhance manufacturing capabilities in key sectors, attract investments, and improve India's global competitiveness. Notably, the recent introduction of the Employee Linked Incentive (ELI) scheme in the Union Budget 2024-25 aims to facilitate employment opportunities and provide incentives to both employees and employers in the manufacturing sector, supporting 4.1 crore youth by 2030. These policies collectively demonstrate the government's commitment to driving industrial growth, fostering innovation, and creating a conducive environment for economic development in India.

### 1.2.2. Concessional Tax Rates

To further promote new manufacturing start–ups in the country, Government of India in 2019 introduced a new corporate tax regime for manufacturing sector. The Taxation Laws (Amendment) Ordinance, 2019 added Section 115BAB offering a low tax rate of 15% (plus surcharge and cess) to new manufacturing establishments. Furthermore, as part of Budget 2022–23, the government extended the concessional corporate tax benefit till March 2024 for newly incorporated manufacturing companies.

### 1.2.3. Impact of GST on sector consolidation

1. **Minimization of transportation time:** GST has reduced transportation time in the logistics sector by cutting down compliance time at inter-state check posts. This leads to lower delivery costs and potentially reduces the final price of goods.

2. **Trouble-free supply of goods:** GST has combined taxes like VAT, Octroi, and CST into a single tax, simplifying the supply of goods. E-way bills under GST have made it easier to transport goods.

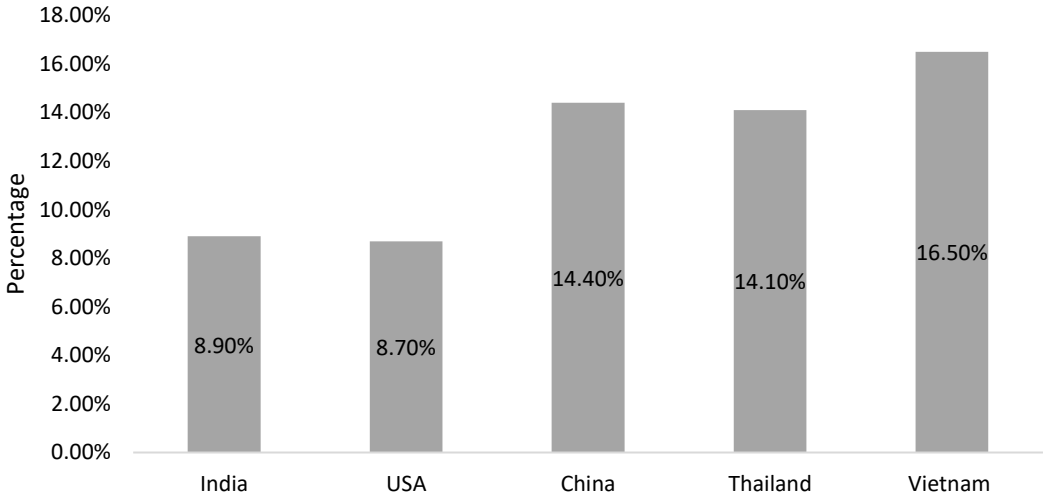
3. **Paperwork reduction:** GST has reduced paperwork by introducing e-way bills, replacing multiple documents previously required for transport vehicles.

4. **Improvement in warehouse system:** Under the previous tax regime, businesses had to set up separate warehouses in each operational state due to the specific tax structure. With the implementation of GST, this requirement has been eliminated, allowing for easier and more effective inventory management.

### 1.2.4. Sectoral Reforms

According to quick estimates by the National Council of Applied Economic Research (NCAER), logistics costs in India ranged from 7.8% to 8.9% of GDP in 2021-22. Recognizing the significant impact of these costs on the economy, the Government has undertaken extensive initiatives at both the Central and State levels to streamline logistics operations and reduce costs to single-digit percentages of GDP. These efforts aim to enhance supply chain efficiency, boost competitiveness, and create new job opportunities within the logistics sector.

***Figure 16: Country-wise Logistics Cost (% on GDP)***




***Source:*** *National Council of Applied Economic Research (NCAER); CBRE Research*

1. **Logistics Division:** In September 2022, India's government released the long-awaited National Logistics Policy (NLP), a comprehensive, cross-sectoral framework to upgrade the logistics infrastructure and create an integrated logistics ecosystem in the country.

2. **National Rail Plan:** Indian Railways have prepared a National Rail Plan (NRP) for India – 2030. The Plan is to create a 'future ready' Railway system by 2030. The NRP is aimed to formulate strategies based on both operational capacities and commercial policy initiatives to increase modal share of the Railways in freight to 45%. The objective of the Plan is to create capacity ahead of demand, which in turn would also cater to future growth in demand right up to 2050 and also increase the modal share of Railways to 45% in freight traffic and to continue to sustain it. Approximately 58 Super critical Projects of a total length of 3,750 kms costing USD 460 Crore and 68 Critical Projects of a total length of 6,913 kms costing USD 890 Crore, have been identified for completion by 2024.

3. **PM Gati Shakti:** The policy aims to serve as a digital platform to bring together 16 ministries for integrated planning and coordinated implementation of infrastructure connectivity projects across the country. The said infrastructure initiatives aim to provide integrated multi–modal connectivity for the movement of people, goods, and services, while providing last–mile connectivity infrastructure and reducing travel time.

4. **Secured Logistics Document Exchange (SLDE):** The SLDE plans to replace the present manual process of generation, exchange, and compliance of logistics documents with a digitized, secure, and seamless document exchange system through the Aadhar and Block Chain technologies.

5. **Bharatmala Pariyojana:** This is a centrally sponsored and funded road and highway development project of the Ministry of Road Transport and Highways (MoRTH), Government of India. The project envisages the development of about 26,000–km of Economic Corridors, which along with the Golden Quadrilateral (GQ) and the North–South and East–West (NS–EW) Corridors are expected to carry most of the country's freight traffic.

6. **Multi–Modal Logistics Parks:** As a part of the Bharatmala Pariyojana, the Cabinet Committee on Economic Affairs (CCEA) mandated MoRTH to develop 35 Multi–Modal Logistics Parks (MMLPs) across the country.

7. **Dedicated Freight Corridor (DFC) Project:** The DFC project is an initiative of the Ministry of Railways, Government of India, for the planning, development, and mobilization of financial resources and construction, maintenance, and operations of six DFCs across India. The project aims to provide safe and efficient cargo movement through an interconnected freight transport system.

8. **National Infrastructure Pipeline (NIP):** The NIP for FY 2019–25 is a whole–of–government exercise to improve project preparation and attract investments, thereby providing world class infrastructure. Transportation and logistics are two of the key opportunity sectors identified as part of the NIP. There are a total of approx. 9,628 proposed projects with a total project cost of approx. USD 23.7 Bn. Currently approx. 2,008 projects are under-development.

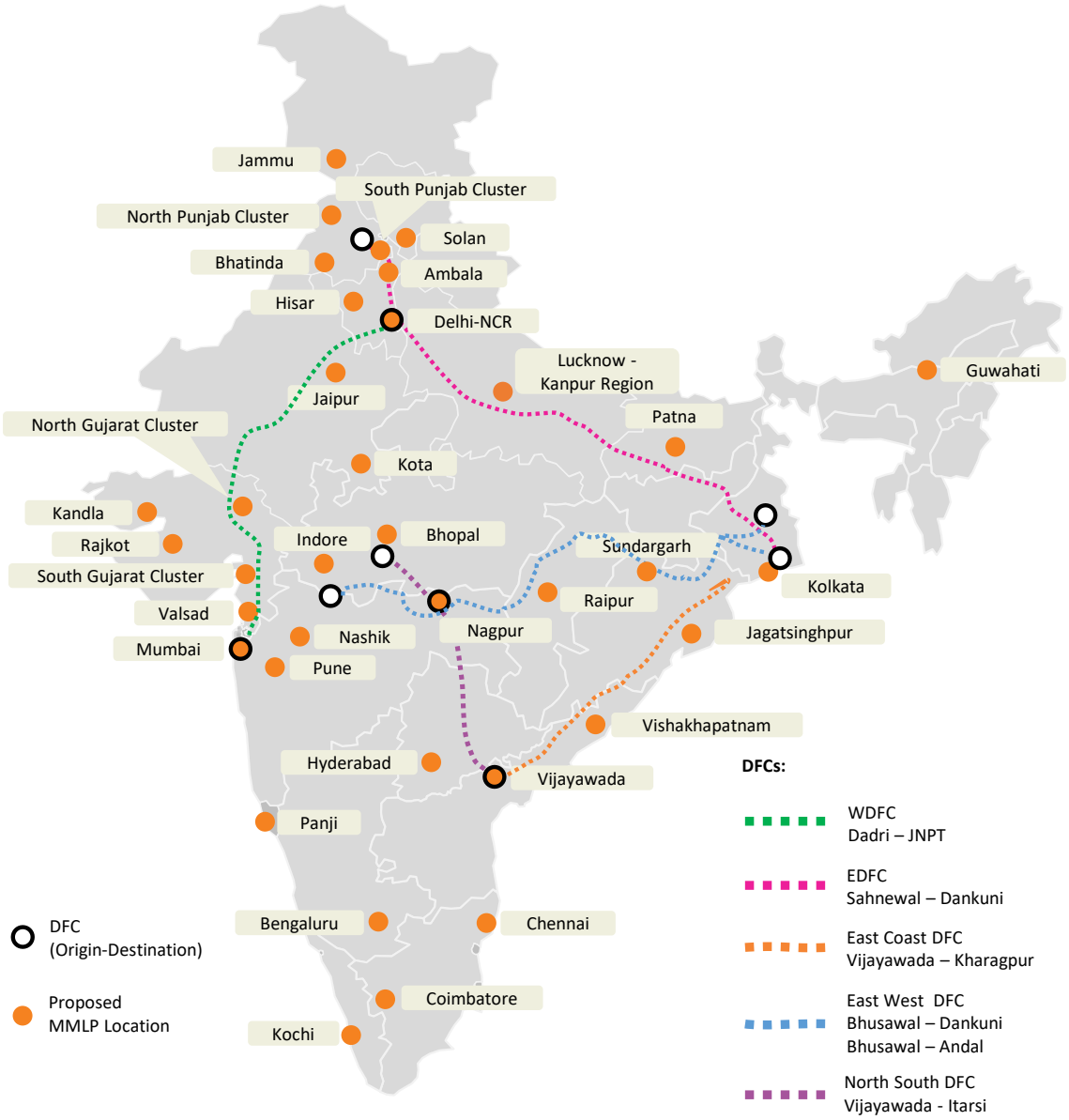
9. **Free Trade and Warehousing Zone (FTWZ) Policy:** In India, Free Trade and Warehousing Zone was introduced in the Exim Policy with the objective to facilitate the import and export of goods and services. Each Zone was considered to have USD 1.2 crores outlay and 5 lakh sqm of built–up area. The government of India introduced the FTWZ Policy as a part of Foreign Trade Policy (FTP) 2004–2009 governed by the SEZ ACT, 2005 and SEZ Rules, 2006 to leverage India's strategic geographical location and cost and skill arbitrage.

10. **Pradhan Mantri Kisan SAMPADA Yojana (PMKSY):** An umbrella scheme incorporating ongoing schemes of the Ministry of Food Processing Industries (MoFPI). PM Kisan SAMPADA Yojana is a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. Government has identified cold storage as a thrust area for development and has recommended for the creation of cold–chain Infrastructure. The objective of the Scheme of Cold Chain, Value Addition and Preservation Infrastructure is to provide integrated cold chain and preservation infrastructure facilities, without any break, from the farm gate to the consumer.

11. **Coastal Economic Zones (CEZ):** The government intends to encourage port-led industrial growth in the nation through the Sagarmala initiative. To this end, 14 coastal economic zones have been assigned for development, and there are strategies for leveraging investment for approximately USD 123 billion in 415 projects nationwide.

Additionally, finalization of draft policies, including the National Logistics Policy and Logistics Master Plan will further boost logistics activity nationally.

*Figure 17: Logistics – Key Infrastructure Developments*




***Source:*** *Ministry of Road Transport and Highways*

## 2. Overview of Indian Logistics & Warehousing Sector

### a. Logistics and Warehousing Overview at India Level

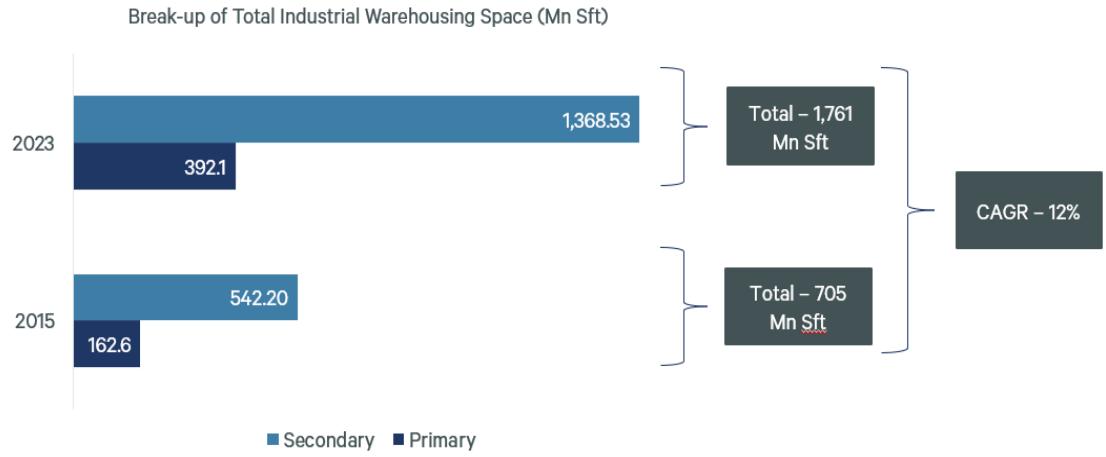
India's logistics and freight industry is valued at an estimated USD 317.26 billion in 2024, driven by a burgeoning economy and a consumer base of nearly 1.4 billion. The warehousing sector has emerged as an attractive investment destination, fueled by the exponential growth of e-commerce, 3PL, and modern retail. Since the implementation of GST in FY 2015, the Indian warehousing industry has witnessed robust growth, expanding at a CAGR of approximately 12% through FY 2023. This momentum is expected to continue, with a projected CAGR of 12-13% over the next five years.

While Tier 1 cities will continue to experience growth in grade A warehouse development (15-20% CAGR), Tier 2 cities are poised for even higher growth. Driven by increasing internet penetration, rising disposable incomes, and the rapid expansion of e-commerce and quick commerce, demand for warehousing in Tier 2 & 3 cities is set to surge. This growth is expected to range from 14% to 18% annually over the next four to five years, making these regions key drivers of the warehousing sector in the near future.

Further, Manufacturing and logistics industries are inextricably linked, with producers relying on robust and efficient supply chains to receive raw materials and ship finished products to customers. Though the manufacturing industry is expected to grow, India's low logistics efficiency has historically played a significant role in reducing its industrial competitiveness. Over the last few years, the Government of India has implemented a number of policies and infrastructural measures to boost the growth of the manufacturing

sector and improve the efficiency of the logistics industry.

*Figure 18: Breakup of total industrial warehousing space in Mn sf*




***Source:*** *CBRE Research*

As of 2023, the total industrial warehousing supply across India is almost 1,761 million sft. Of this, primary warehousing stock[6] makes up about 22% of the total industrial warehousing supply, with secondary warehousing space making up the rest (78%).

The top eight cities in India account for 22–24% of the total industrial warehousing supply, whereas the top twenty-four cities account for approximately 32–33% of the total warehousing supply in India.

***Figure 19: Warehousing Stock of top 8 cities in 2015 Vs 2023***

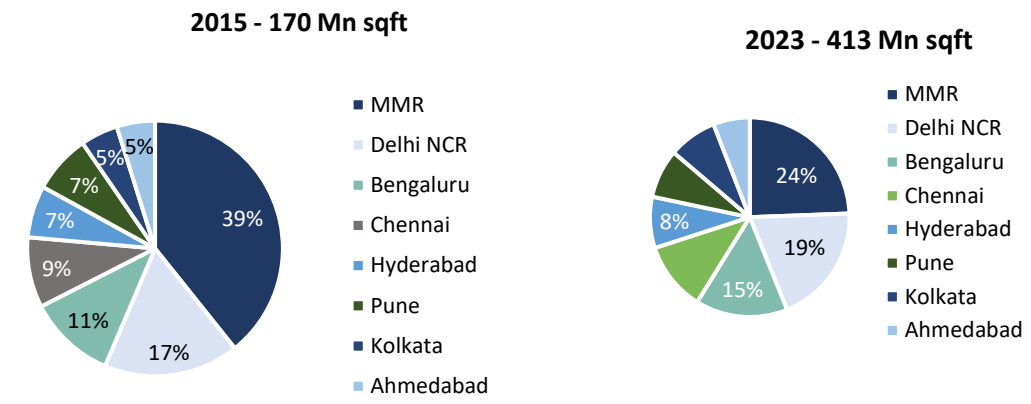
[6] ***Approach & Methodology for assessment of pan India warehousing Supply***

*(i) Conducting an analysis of the distribution of market share of significant occupiers in various industries by mapping their warehouse footprint using primary and secondary sources of information. The consolidated data is obtained from primary and secondary research sources, with some reliance on third parties for data points, which has been used to approximate the present market size.*

*(ii) Forecasting the market share of the industry sector in the aggregate warehousing market size in India through a comparison of the mapped warehousing space occupied by significant occupants with the total available space. The present analysis provides preliminary insights into the competitive environment and prospective avenues for expansion in the Indian logistics sector. This has been done to provide stakeholders with an understanding of market conditions, growth potential, and associated risks; actual figures may vary.*

***Key Caveats to the Approach and Methodology***

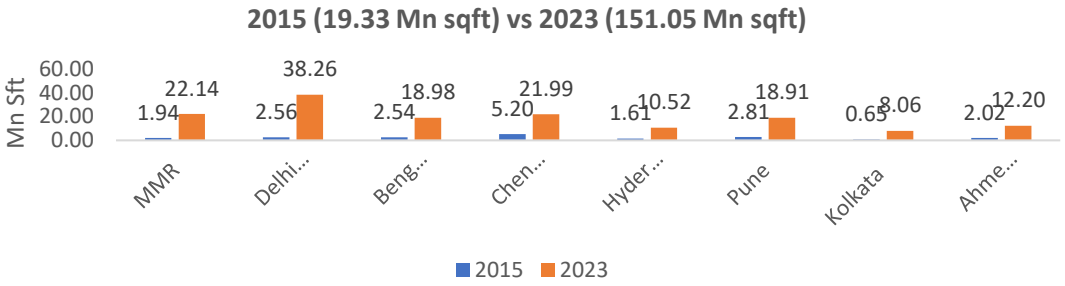
- *Industry sizing of the identified industrial sectors would be based on the secondary research*
- *Warehousing footprint has been mapped based on primary research / on ground market research / stakeholder interaction.*
- *Market sizing projections for identified industrial sectors are derived from secondary research and historical growth rates as well as macroeconomic and microeconomic data. The future trajectory of the warehousing sector is contingent on macroeconomic indicators, and any fluctuations in these indicators could potentially affect the projected growth.*




***Source:*** *CBRE Research*

The quality of warehouse with the most significant expansion has been Grade A warehousing, which has increased by around 27% across the top eight cities. The fact that the top eight cities exhibit an aggregate growth rate of 25%–27% suggests that end users are increasingly inclined towards modern warehouses. This shift towards Grade A warehousing in major cities indicates a growing preference for efficient and modern storage facilities. This trend towards Grade A warehouses is also observed in Tier II and III cities. In Tier II cities, demand is further driven by the entry of global industries, improved connectivity, rising disposable incomes, and limited availability of ready-to-move-in space in Tier 1 locations. Occupiers are adopting diverse strategies, including self-build, partnerships, and build-to-suit solutions, to enter and expand in these markets. Furthermore, optimizing the logistics supply chain across all stages is crucial. The emergence of last-mile facilities like micro-fulfillment centers and dark stores will support rapid deliveries within Tier II cities, significantly enhancing demand for warehousing spaces.

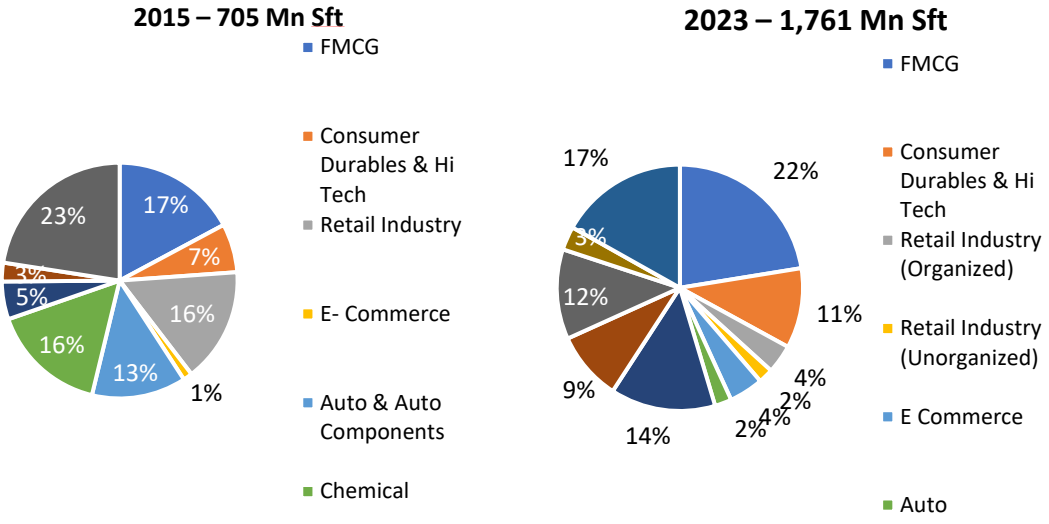
*Figure 20: Grade A Warehousing Stock of top 8 cities in 2015 Vs 2023*




***Source:*** *CBRE Research*

As the demand for industrial storage grows, developers are expected to focus on building Grade A facilities in Tier I, II, and III regions to suit end customers' demands. This tendency suggests that urban storage solutions will become more efficient and technologically advanced. The demand for Grade A storage is expected to rise further as end users pursue efficient logistics and supply chain operations.

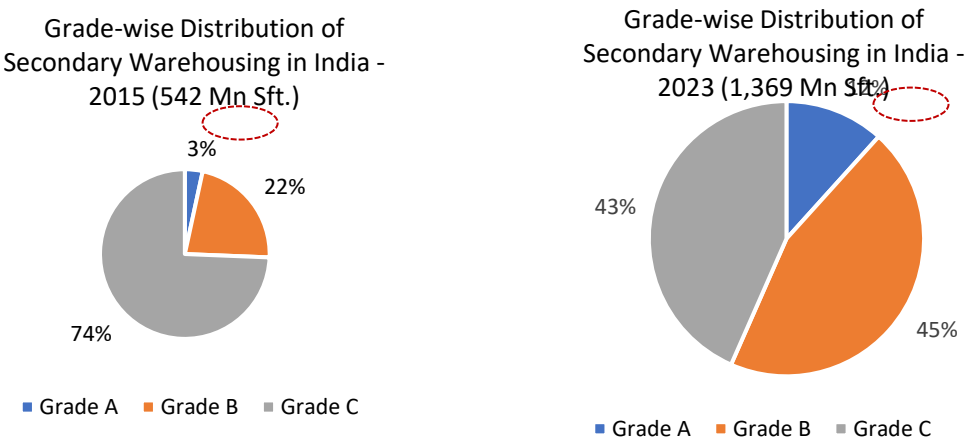
*Figure 21: Sector Wise Distribution of Total Warehousing Supply – 2015 Vs 2023*




***Source:*** *CBRE Research; Note: *Others – wood, paper, metal products, electrical equipment, machinery & equipment*

With respect to the sector–wise split in the secondary warehousing space, the e–commerce and retail (unorganized and organized) industries have shown exponential growth during 2015–2023. Further, FMCG, FMCD and textile and Apparels account for the maximum share in terms of requirement of warehousing.

*Figure 22: Grade–Wise Distribution of Total Warehousing Supply – 2015 Vs 2023*




***Source:*** *CBRE Research; * Secondary warehousing is the transportation of goods from a warehouse to a distributor.*

India's warehousing segment has seen a surge in Grade A and B space over the last 6–7 years. Grade A space has increased from 18 million sft to 160 million sft during 2015–2023.

Grade A space is expected to grow further in the next 3–4 years owing to the emergence of e–commerce, 3PL and modern retail sectors, as discussed earlier, coupled with focus from international and national funds on Grade A warehousing development.

Apart from the push from funds and institutional players towards developing Grade A warehousing stock, there is an increasing preference of end–users for warehouses developed by institutional/ organized players with a pan India presence. Grade A players have a planned supply of nearly 50 million sft across the top eight Indian cities and is expected to be developed over the next 3–4 years.

### 2.1.1. Evolution of Warehouse Quality

Warehouses play a strategic role in the supply chain by enabling inventory distribution, sorting, or cross–docking processes that strive to meet the growing demand of the market. The warehousing industry in India has transformed over the last decade, with the demand for Grade A quality warehouse increasing from traditional Grade B and C developments.

*Table 1: Evolution of Warehousing Qualities in India*

| Pre–2005 | 2005–2016 | 2017 onwards |
|---|---|---|
| C Grade | B Grade | A Grade |
| Structure Type: RCC Sheds<br>Centre Height: 5–6 m<br>Floor Capacity: 3–4 tonnes/$m^2$<br>Canopy Length: No Provision<br>Average Floor Plate: 10,000–50,000 sft<br>These developments have a poor ventilation system, congested truck maneuvering areas, no parking facilities, poor floor strength, minimal lighting, etc. | Structure Type: PEB/RCC<br>Center Height: 6–9 m<br>Floor Capacity: 4–5 tonnes/$m^2$<br>Canopy Length: 1–2 m.<br>Average Floor Plate: 50,000–100,000 sft<br>Other facilities: Water harvesting facility, basic fire–fighting facilities, manual gate rollers, etc. | Structure Type: PEB<br>Center Height: 9–12 m<br>Floor Capacity: 5–10 tonnes/$m^2$<br>Canopy Length: 3–5 m<br>Average Floor Plate: 100,000 sft & above<br>Other facilities: Water harvesting, fire–fighting facilities, ESFR/K115-160 sprinkler system, automated gate rollers, automated dock levelers, forklifts, optimized column spacing, flat, high dock door ratios, extensive concrete truck courts, solar powered lighting and ventilation systems, dedicated truck parking, etc. |
| | | |

***Source:*** *CBRE Research*

Over time, warehouse buildings have evolved, from RCC structures to modern warehouses. Driven by the need for large floor plates and higher capacity utilization, the warehousing industry in India has scaled up and upgraded its existing capacities to meet the rising requirements of the sector. Surge in demand from manufacturing industries coupled with the surge of e–commerce companies have brought in a best–in–class supply chain ecosystem to the country. This has led to the initiation of quality–grade, modern warehouses with efficiency, quality, amenities, and safety as priorities.

A transformation in the development of warehouses has, therefore, been witnessed over the years, especially in terms of construction and technology, which is also a testament to the fact that the Indian warehousing industry is evolving and competing with international standard warehousing developments.

*Table 2: Comparison of Grade A Warehousing Specifications*

| Specifications | India | Other Established Countries |
|---|---|---|
| Structure | PEB, pre–cast concrete walls up to 3.64 m, metal panels up to roof | PEB steel frame structure and pre–cast walls with insulation |
| Column Spacing | 11–12 x 24–25 m | 11–12 x 24–25 m |

| Specifications | India | Other Established Countries |
|---|---|---|
| Clear Height | 12 Mm | 9–15 m |
| Skylight | Energy efficient lighting and skylights | 2–4%<br><br>natural light |
| Flooring | 5 tonnes/$m^2$ flat/ super flat floors, FM2–compliant | 5–6 tonnes/$m^2$ with anti–dust floor finishing |
| Canopy Width | 3 – 4.5 m wide awning | Canopy dock door seal or dock shelter |
| Firefighting Systems | Global NFPA/FM/NBC standard firefighting and suppression systems | ESFR, fire hydrant system, air sampling alarm system, and hose reel |
| Office | Over 2 floors: ground and mezzanine | Over 2 floors: ground and mezzanine |
| Roof | Standing seam premium roof system and capability of taking solar panel load | Standing seam premium roof system and capability of taking solar panel load |
| Lighting | LED fixtures to provide 150 Lux illumination | LED fixtures 150–200 Lux |
| Ventilation | 3–6 air changes per hour | 3–6 air changes per hour |
| Docking System | Manually/Automatic operated rolling shutters and mechanically operated dock levelers | Automatic/ Manually operated rolling shutters and mechanically operated dock, levelers |

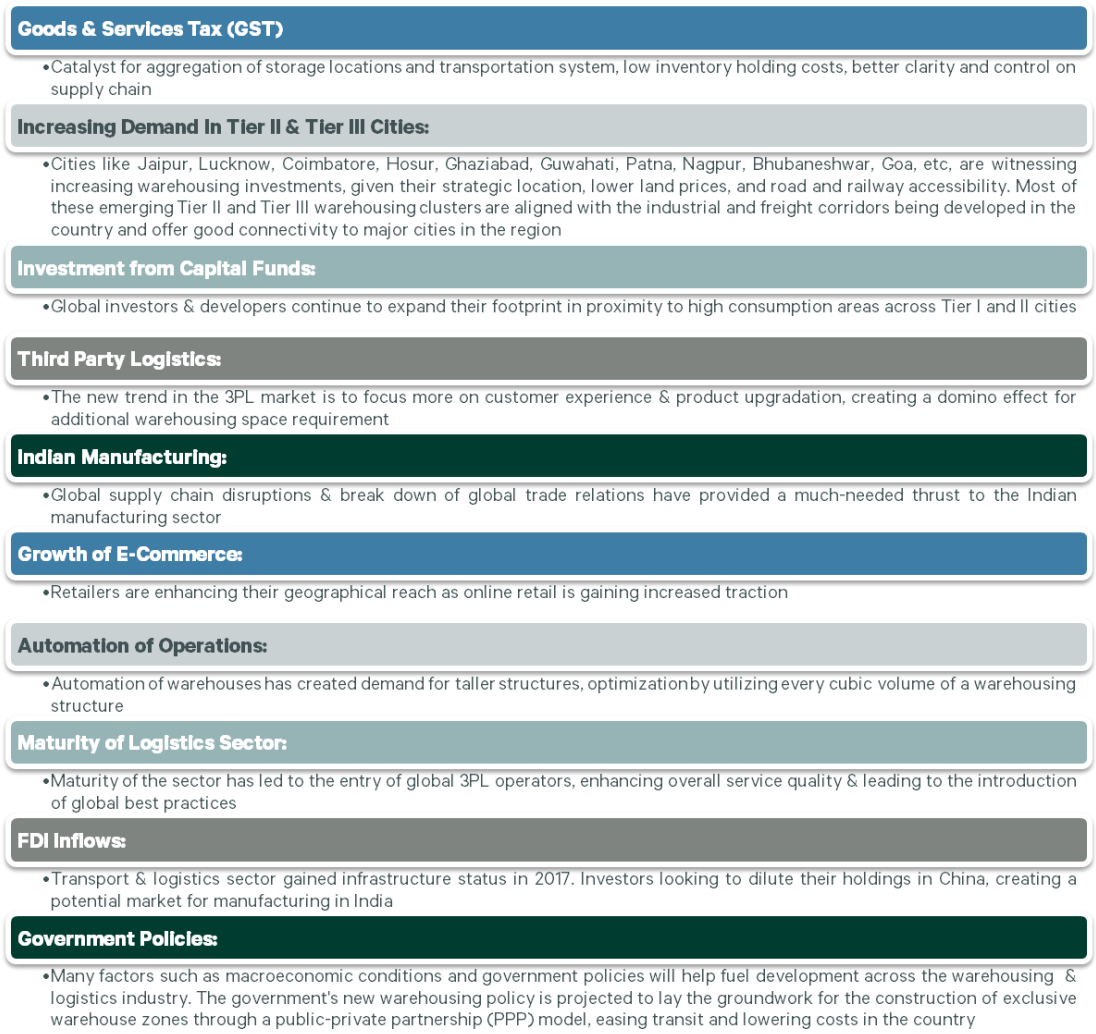
***Source:*** *CBRE Research;*

The technology used for constructing warehouse structures in India is aligned with standard global practices, such as the use of pre–engineered building (PEB) structures that are light weight, high strength, and provide a larger span, while reducing time and cost over conventional RCC structures.

**b. Demand Drivers for Indian Logistics & Warehousing Sector**

Structural changes continue to drive demand for logistics facilities in India. The Indian logistics sector is evolving quickly, driven by continued policy interventions, robust growth in manufacturing along with the rise of e–commerce and third–party logistics (3PL) players. The logistics sector is seeing expansion due to increased demand from conventional occupier sectors as well as faster demand from e-commerce and 3PL sectors.

*Figure 23: Demand Drivers for Warehousing in India*




***Source:*** *CBRE Research*

### i. GST and the Emergence of Omnichannel Retail

The supply chain networks in the GST era are being planned with more customer focus, taking into consideration the geographical location of customers. It is obvious that post–implementation of GST, there is a need for redesigning the distribution and procurement network to transition from state–centric supply chains to a geographic and demographic–centric supply chain.

### ii. Growth of E–Commerce

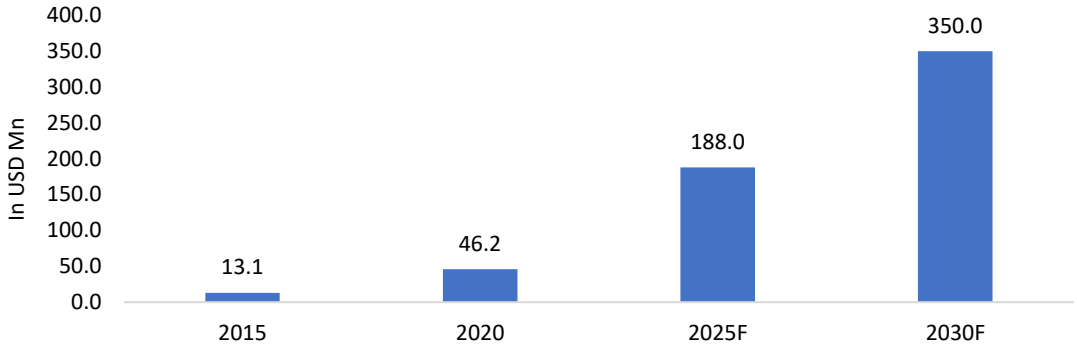
With the boom in the e–commerce industry and changes in consumer behaviour, the logistics sector too has significantly benefitted. E–commerce growth has been one of the key factors influencing the increase in demand for Grade A warehouses.

### iii. E–Commerce Boom and Its Impact on Retail

After China and the US, India has the third–largest online consumer base of 230 - 250 million as per FY 2023. India's online retail industry is expected to grow at a CAGR of 22.45% and become a USD 350–billion market by 2030.[7] Furthermore, the Government has played a pivotal role in the overall growth of this industry. Policies, including the allowance of 100% FDI in the Business–to–Business (B2B) channel have strengthened this evolving market.

*Figure 24: India E–Commerce Market Size*

[7] IBEF, December 2023




***Source:*** *IBEF, December 2023*

**iv. Reduction in Overall Logistics Cost at GDP Level**

India's logistics sector witnessed a remarkable improvement in 2021-2022. Logistics costs as a percentage of GDP significantly decreased, falling to a range between 7.8% and 8.9%[8]. This marks a substantial improvement compared to 2016, when logistics costs were much higher at 13%. This positive trend can be attributed to several factors, including reduced expenses in areas like inventory holding, packing, stevedoring, transportation, information management, and administration during the 2021-2022 period.

**v. Growth of 3PL**

The term "third-party logistics" encompasses various types of businesses, including those engaged in outsourced logistics operations, "less than truckload (LTL)" logistics, and "Courier, Express and Parcel" (CEP) services. Third-party logistics providers facilitate the streamlining of supply chains and the enhancement of operational efficiency, which can be of great benefit to a wide variety of business types

**vi. Thrust towards Indian Manufacturing**

Government initiates in the sector and a breakdown of global trade relations have provided a much–needed thrust to the Indian manufacturing sector, with some of the critical factors being:

**US–China Trade War:** Following imposition of trade tariffs, there have been global concerns regarding erosion of global GDP and a decline in trade. Though the global economic outlook looks grim, India has an opportunity to replace Chinese exports globally.

**Chinese Supply Chain Disruptions:** Supply chains reliant on China have been disrupted by two major events: the imposition of US trade tariffs and the pandemic. Other factors, such as rising labor costs and intellectual property concerns, may also be driving companies to consider alternatives to China within Asia

**Aatmanirbhar Bharat Abhiyan:** With the pandemic and a growing resistance to Chinese imports, there has been a strong focus on developing a self–reliant economy and fostering indigenous production. Aatmanirbhar Bharat Abhiyan is the mission started by the Government of India on 13th May 2020, an economic package of USD 23.8 Billion as aid to support the country in the times of pandemic. Primarily focused on 5 components – Economy, Infrastructure, Systems, Vibrant Demography and Demand.

**vii. Repurposing Warehouses for CKD Assembly**

**Strategic Advantage in Pune, Chennai, and Bangalore**

Certain micro- markets of Bangalore, Pune, and Chennai, offer feasible alternatives for manufacturers seeking to reduce capital investment in specialised assembly facilities, particularly in the initial stages of operation or for low-volume production lines, through the establishment of warehouse infrastructure. Of the overall warehousing stock in Pune, Chennai and Bangalore approximately 34%, 22% and 10% in these cities are occupied by value added services or CKD assembly units. Manufacturers achieve a competitive edge and expedite time to market by utilizing warehousing assets. Implementing value-added services, or CKD assembly units, within Grade A warehousing blocks offers a multitude of advantages in comparison to captive units.

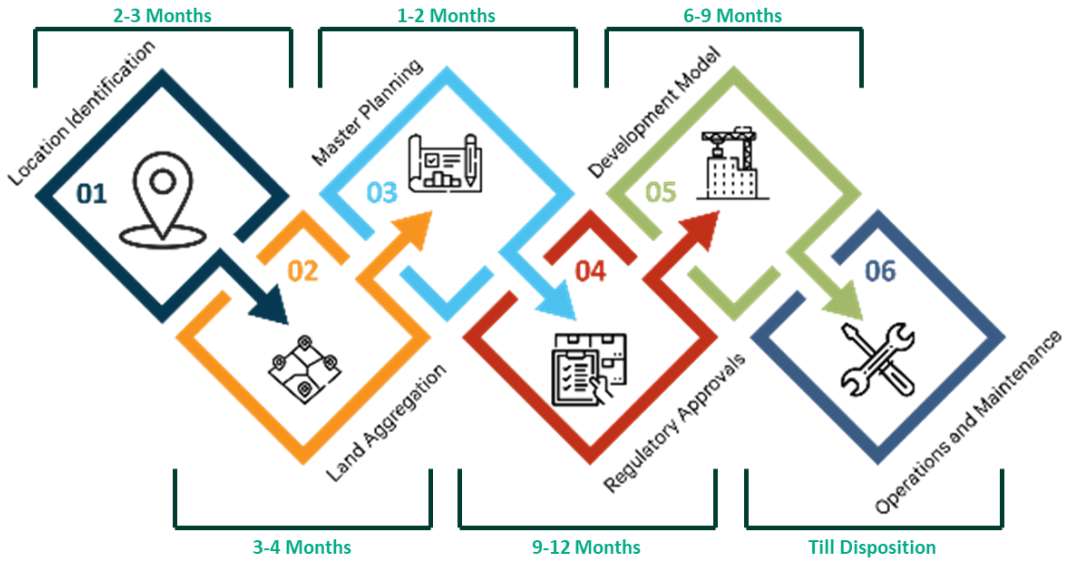
[8] Source: National Council of Applied Economic Research, Dec 2023 Report

## c. Overview of Logistics Real Estate Fundamentals

### i. Development Cycle for a Warehousing Development

With the pivotal role that warehousing plays in the logistics sector, its development process involves a detailed methodology to ensure smooth operations of the supply chain. Through innovation in development technologies and a booming e–commerce industry, the warehousing industry has become a sunrise sector in India.

***Figure 25: Development Cycle – Warehousing***




***Source:*** *CBRE Research*

#### 1. Location Selection

Warehouses are developed after running detailed demand projections for a location, based on its connectivity with key production and consumption hubs. The location is further broken down into specific sites, based on transportation time and total cost of running operations from the shortlisted location/s. The warehouse location determines the efficiency and speed of a supply chain network.

#### 2. Land Aggregation

Following location identification, acquiring suitable land for warehouses and fulfilment centres is a cumbersome process due to the extensive stakeholder and legalities involved in the process. Access to land is the most challenging entry barrier to the sector. The average land holding in India is 2.67 acres[9] compared to 16.9 acres in the USA, making aggregation and acquisition of land among the biggest challenges of developing any project in the country.

#### 3. Master Planning

The master planning exercise has a lasting impact on how a warehousing facility is developed, operated, and subsequently integrated into its target market. It defines the connection between the topography, land use, infrastructure, public right–of–way, buildings, social settings, and their surrounding environments.

#### 4. Regulatory Approvals

A critical process in developing warehousing hubs is getting the requisite approvals from key authorities. Depending on the location of the warehouse, key regulatory approvals are required to ensure the development of the warehousing facility. The required approvals include environmental clearances, approvals from pollution control board/s, approvals from the Directorate of Fire and Safety, forest approval/s, and ground water clearance.

#### 5. Development Model

[9] Department of Agriculture; Government of India; Agriculture Census

The construction of a warehousing facility involves the scheduled hiring of contractors and project managers for activities ranging from bulk earthworks, the construction of roads and other transportation networks, and the installation of infrastructure services such as power, water, telecommunications, both for the facility as well as for any required "last–mile" connection spurs. Construction management strategies must minimize the adverse impacts of the development process on the natural and social landscape.

The key components of the warehouse facility are generally assembled as a pre–engineered building (PEB) structure at the subject site. Thus, modern warehouses are fungible in nature, wherein defective or damaged components, such as walls, ceilings and floorings, can be easily replaced. Modern Grade A warehouses are generally constructed along the following development models:

- **Standard Box Warehouse:** The developer constructs the warehouse space as per existing specifications and assembly requirements of the PEB structure.

- **Built–to–Suit (BTS) Warehouse:** The developer constructs a warehousing space as per client requirements, allowing for dynamism and flexibility that businesses require to handle contemporary logistical challenges.

## 6. Operations and Maintenance of Warehousing Facilities

At the most basic level, warehousing facilities are meant to provide an integrated real estate solution for gaps in the market for serviced warehousing options. In this context, Grade A developers provide more than built–up area and utilities. As integrated real estate solutions, a warehousing facility's primary indicator of success is its occupancy level. It is, thus, essential for such facilities to attract tenants and retain them. The main management functions required during the operation of a warehouse include infrastructure management and operations, along with the provision of administrative, business, and social services.

## 7. Assessment of Development Costs

Developing an Industrial–grade Warehousing Asset: When companies outgrow their current warehousing spaces, they look to lease new warehouses to expand and streamline their distribution and delivery processes. The development of infrastructure projects is a complex and resource–intensive process. Factors influencing warehousing development costs include land costs, construction costs, financing costs, etc.

Land costs: Factors influencing the price of land for a real estate development are:

- Physical attributes of the subject land such as topography, location, availability of water, etc.

- Proximity to economic activities/ consumption hubs

- Demand and supply dynamics

The cost of land for an envisaged warehousing development is typically in the range of INR 10–25 million/acre, depending on the demand–supply dynamics, market conditions, the status of the lands, etc.

**Warehousing construction cost:** There are various cost elements involved in the construction of an industrial–grade warehouse. These include soft costs, hard costs, financing costs, etc.,

- Soft costs are not directly linked to the construction activity. Soft costs include permits, taxes, insurance, engineering, architectural design, etc.

- Hard costs are all cumulative expenses directly linked to the physical construction. They are actual construction costs, inclusive of labour and material.

*Table 3: Typical Warehouse Cost of Construction*

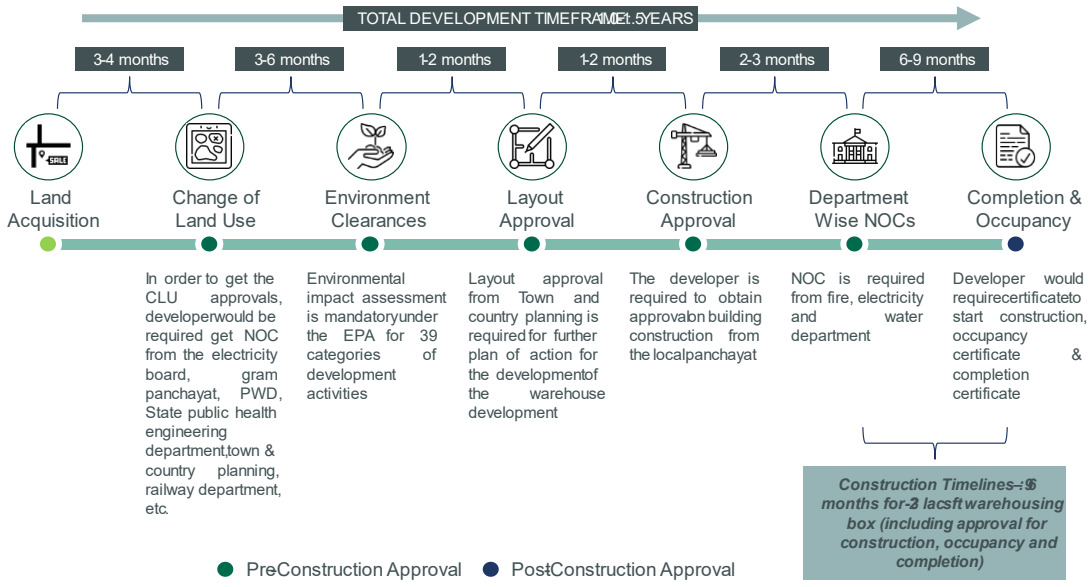
| Typical Cost of Construction (Grade A warehouse) | Cost (INR/sft) |
|---|---|
| Infrastructure (including amenities) | 600 – 650 |
| Civil Costs | 450 – 500 |
| PEB* | 650 – 750 |
| MEP** | 100 – 150 |
| **Total** | **1,800 – 2050** |

***Source:*** *CBRE Research*
*Note: *Pre–Engineered Building; **Mechanical, Electrical and Plumbing,*

**Construction finance and LRD for warehousing asset:** Construction finance is required to meet the developer's liquidity mismatch concerning the construction of the warehousing facility. To warehouse developers, construction finance is offered at the rate of approx. 9 – 9.5% from various private/public banks and Lease Rental Discounting (LRD) is offered at 7.75 – 8.5%.

**Typical lead time:** Typically, it takes around 1.0 years – 1.5 years to build a warehouse, right from the land acquisition phase to the development of the facility (considering a box size of ~2.5–3.0 lakh sft).

***Figure 26: Warehouse Development Approvals & Timeline***



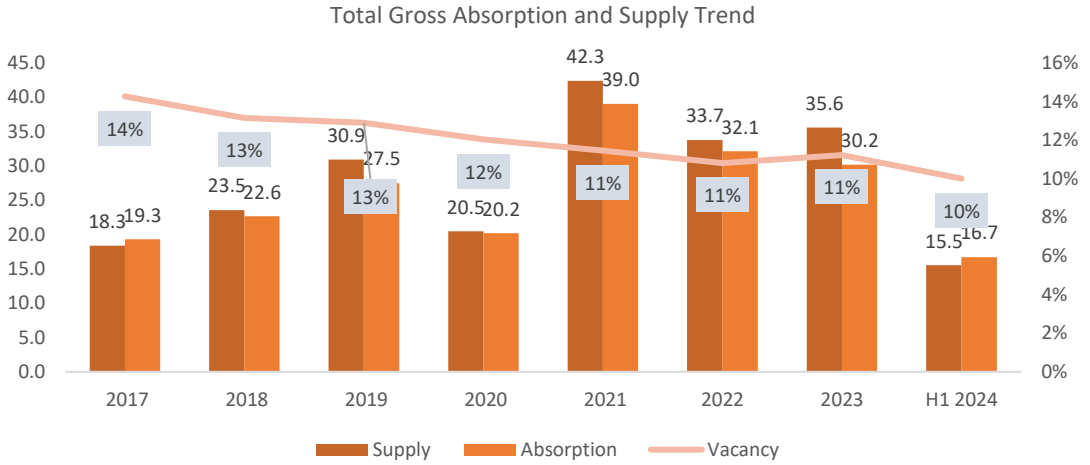

***Source:*** *CBRE Research*

## ii. Preference for Logistics Sector

### 1. Investor Preference for India's Logistics Sector

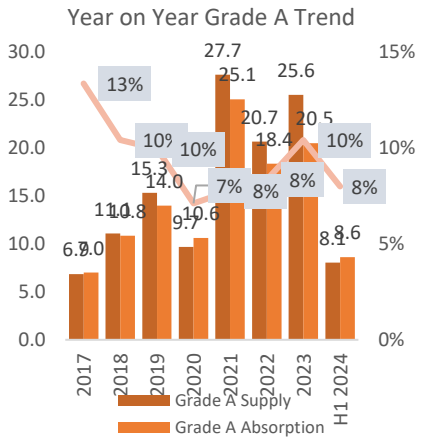
India's logistics and warehousing sector has witnessed a sharp recovery in H1 2024, primarily supported by pro–active Government interventions along with increased investments by private investors/ developers. This momentum in leasing is likely to continue into H2 2024, driving rental growth across cities. The continued space take–up would be led by the continued expansion of 3PL and e–commerce firms against a macroeconomic recovery and rising online penetration.

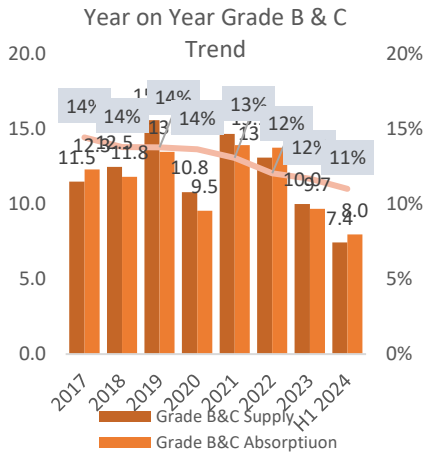
*Figure 27: Warehousing Sector – Grade Wise Gross Absorption Vs Supply Trends (Million Sft)*




***Source:*** *CBRE Research*

*Figure 28: Warehousing Sector –Gross Absorption Vs Supply Trends across Grade A & B (Million sft)*



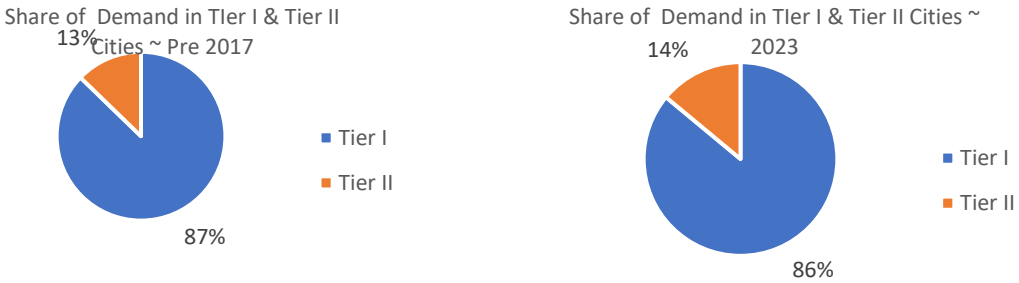

***Source:*** *CBRE Research*

## 2. Surge in Warehousing Demand from Tier II Cities

Tier 2 cities are home to a vibrant consumer segment that is experiencing significant growth in income, purchasing power, and product awareness. These consumers are increasingly participating in e-commerce, driving the demand for warehousing facilities in these cities. As a result, many e-commerce companies are expanding their operations to Tier 2 cities to better serve this growing market. By establishing a presence in Tier 2 cities, e-commerce companies are trying to reduce delivery times and costs, leading to increased customer satisfaction and loyalty.

Tier 2 cities represent a vast, growing consumer base with rising disposable incomes. This fuels demand for FMCG (fast-moving consumer goods) products, pharmaceuticals, and other goods, necessitating storage and distribution centres closer to these markets.

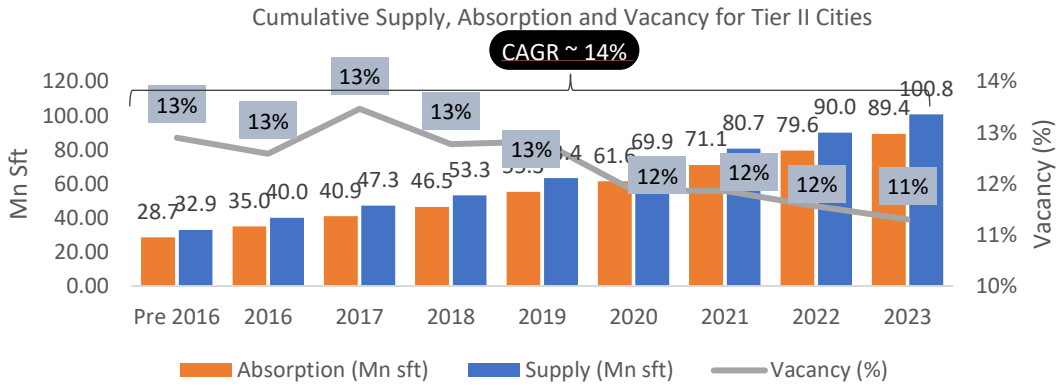
*Figure 29: Warehousing Sector – Tier II cities Absorption Vs Supply Trends*




***Source:*** *CBRE Research: List of Tier I cities: NCR, Mumbai, Chennai, Pune, Bengaluru, Kolkata, Hyderabad, Ahmedabad; List of Tier II Cities: Indore, Lucknow, Guwahati, Jaipur, Rajpura, Nagpur, Patna, Bhubaneshwar & Cuttack*

However, historical growth trajectory of warehousing demand in Tier 2 is comparable to that of Tier 1 cities. As infrastructure and connectivity in these cities improve, businesses seeking to tap into this emerging consumer base are likely to continue to establish warehouses within the Tier 2 cities.

*Figure 30: Warehousing Sector – Tier II cities Absorption Vs Supply Trends*



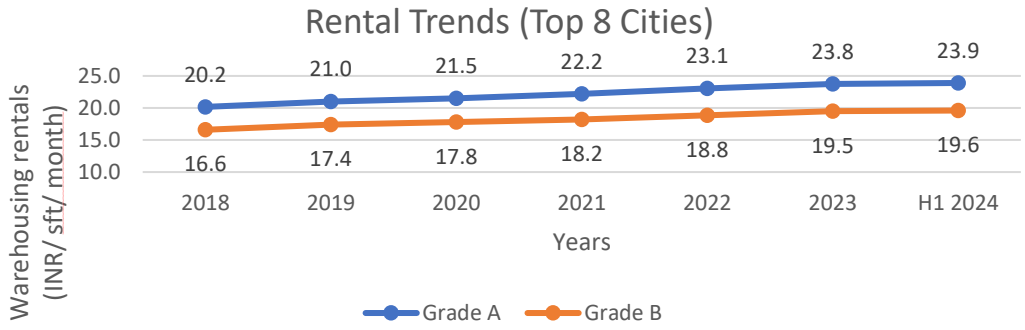

***Source:*** *CBRE Research: Cumulative Supply and Absorption Trend for 19 cities including: Indore, Ludhiana, Nagpur, Patna, Rajpura, Ranchi, Surat, Vijayawada, Coimbatore, Raipur, Sri city, Guwahati, Lucknow, Kanpur, Jaipur, Kochi, Bhubaneshwar, Cuttack, Anantapur, Vishakhapatnam.*

From developers perspective, the competition in Tier 2 cities is less intense compared to Tier 1 cities, providing businesses with opportunities for growth and market expansion. The demand in Tier 2 cities is poised to increase, and it is anticipated that demand will increase by 14% to 18% annually over the next four to five years as demand drivers intensify.

## 3. Rental Outlook

With a steady expansion observed, the warehouse rental market in India is particularly robust in its top eight cities. There has been an observed compound annual growth rate (CAGR) in the rental market for Grade A properties of 4-5% since 2018. Gradual annual increases of 3–4% are observed in Grade B rentals, which cater to a broader spectrum of financial constraints.

*Figure 31: Rental Trends in Top 8 Cities*

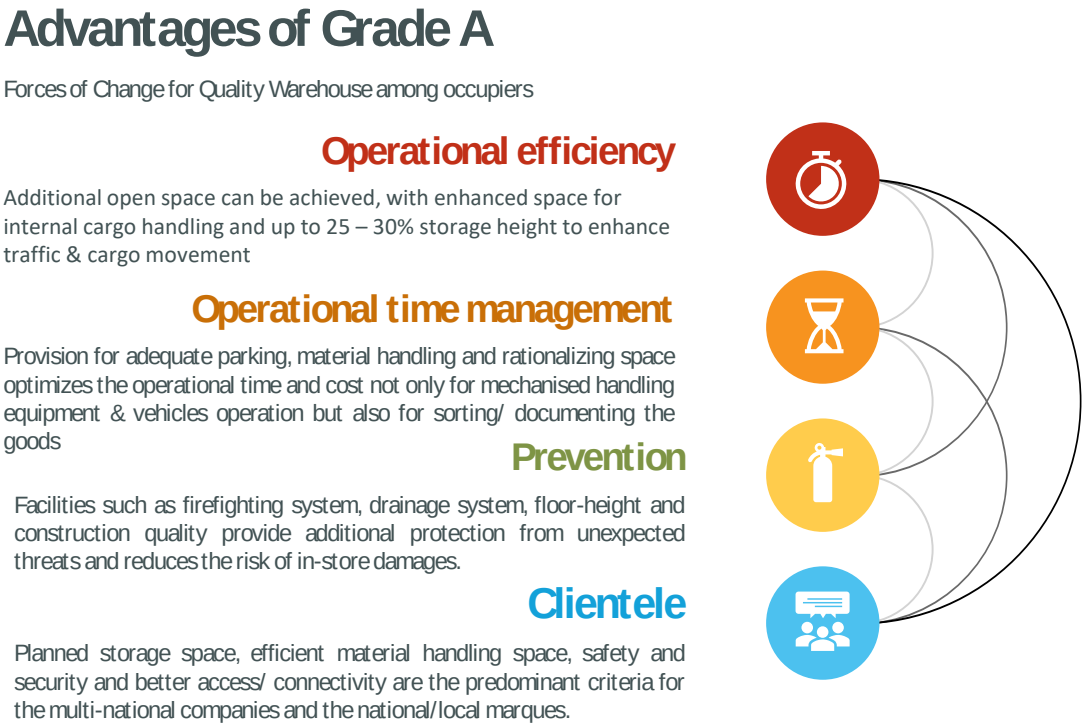



***Source:*** *CBRE Research*

## 4. Value Proposition of Grade A Warehouse

With the supply chain becoming complex with changing consumption patterns, end–users are looking for modern warehouses closer to consumption hubs with the potential to store more cargo per square foot.

*Figure 32: Grade A Warehouse Efficiency Enablers*



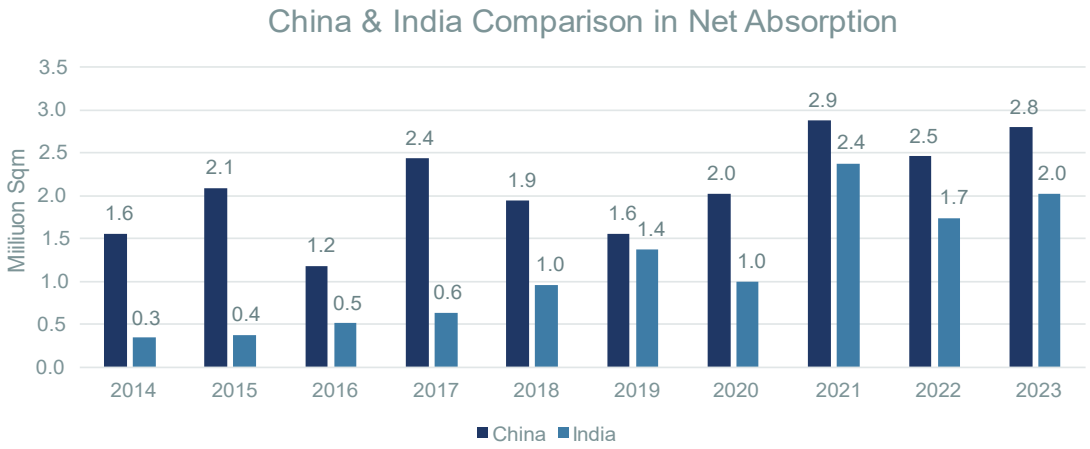

***Source:*** *CBRE Research*

### iii. India's Warehousing Sector Primed for Expansion

At present, the Indian warehousing market is in its nascent phase of growth and has not yet achieved its full potential. The Grade A warehousing supply in India is currently lagging behind, but its swift expansion suggests a bright future. Rapid expansion suggests a bright future for India's Grade A warehousing assets, despite the fact that it is currently catching up. The increasing demand from various sectors and government initiatives are propelling this expansion.

Grade A warehousing supply in India's top 8 cities is rapidly catching up to China's[10] leading metropolises. This head-to-head comparison underscores the immense potential for further growth and investment in India's warehousing sector.

*Figure 33: Per Capita Warehousing – Top 8 India Vs China Cities*




[10] The information presented in the graph is based on data obtained from CBRE reports and other secondary sources. While these sources are recognized within the industry, it's important to acknowledge that the data may contain inherent biases or limitations due to the methodologies used in their collection and estimation.
For a more comprehensive understanding of the Indian warehousing market, it's recommended to conduct primary research, such as surveys or interviews with industry experts. This primary research would provide independent verification and potentially uncover nuances not captured in the secondary data.

***Source:*** *CBRE Research:*

However, for India to compete globally, it needs to bridge the gap in per capita stock and potentially invest more in automation. The best way to understand the scale and opportunities of the Indian warehousing market is to compare India's per capita industrial warehousing off-take with that of global economies.

India has a per capita warehousing stock of 4.5 sft. Even in terms of transactions volumes, in 2023, approximately 195.2 million sft[11] of warehousing space was transacted across 10 key US cities, whereas approximately 30 million sft[12] was transacted across 8 key Indian cities. The growth of the warehousing market is directly correlated to the consumption base of an economy.

The warehousing industry in India is positioned for substantial expansion. Although the initial surge of growth has been observed in Tier 1 cities, a subsequent wave of growth is anticipated in Tier 2 cities. India can potentially establish its warehousing sector as a major participant on the international stage by addressing the per capita stock gap, adopting automation, and leveraging its expanding consumption base.

## iv. Competition Assessment

### 1. Barriers to Entry

There are substantial barriers to entry in the warehousing sector, though compared with other commercial and industrial real estate asset classes they are significantly low. In the warehouse segment, access to land at the right location is one of the biggest barriers to entry.

### 2. Unorganized Competition

As of 2023, the warehousing market in India is largely fragmented and dominated by unorganized developers, who serve approximately 85% of the country's warehousing supply. This unorganized market stock is characterized by limited mechanization. The presence of unorganized developers lends India's warehousing market considerable inefficiencies in terms of high handling costs owing to higher average inventory holding, limited mechanization, and limited technology–driven innovations, among other factors.

### 3. Competition among Organized Developers

Observing the potential growth opportunities in the Grade A space, organized players including global developers such as TVS ILP, LOGOS, Ascendas, Indospace, Pragati, Welspun, Greenbase, Horizon and Hiranandani have identified the segment for investments. Private equity investors have also collectively invested approximately USD 1.03 billion in the year 2023 in the Industrial & logistics sector. Further as of H1 2024 approximately USD 126 million has been invested in the same.

***Figure 34: Evolution of Institutional Players in The Indian Warehousing Market***

***Source****: CBRE Research*

Various development models have been adopted by organized players for the expansion of their warehousing portfolio in the country. Due to the paucity of investment–grade warehousing assets, organized developers such as ESR, Ascendas Firstspace, and Indospace, have adopted a self–development model for their growth.

## v. Upcoming Logistics Trends

### 1. Evolving Distribution Channels

[11] Cities including Dallas, Chicago, Atlanta, Houston, Inland Empire, Southern New Jersey, Los Angles

[12] Cities including NCR, Bengaluru, Chennai, Pune, Mumbai, Hyderabad, Kolkata, Ahmedabad

Omni–channel distribution has emerged as the most resilient of the single and online channels, due to the seamless integration between contact channels, thereby providing flexibility to consumers during the pandemic. With e–commerce continuing to challenge traditional supply chains, distributors have augmented urban logistics systems to serve consumer hotspots. With retailers comprehending the significance of customer proximity and strategic locales, the following trends are envisaged to emerge in the logistics and warehousing space:

- Last–mile facilitation
- Gradual shift in warehousing demand to smaller cities

**2. Last–Mile Fulfilment**

Retailers and distributors are under increasing pressure to deliver consumer products and perishables to customers, often within narrow timeframes. This has created a need for adequate delivery sites in and around dense urban areas to accommodate the growing consumer demand.

Warehouse occupiers have begun implementing the next phase of their supply chain development, incorporating smaller regional and local distribution centres that can get their products to the end user quicker and more efficiently.

**3. Shift in Demand to Tier II Cities and Tier III Cities**

Increasing consumption and a shift in the manner in which consumer acquire and consume goods have contributed to the recent expansion of warehouses in Tier I Indian cities. The rise of omni-channel platforms and the increasing demand for faster delivery services have further driven this growth. As companies increasingly prioritize supply chain streamlining and efficiency, demand for larger warehouse spaces is rising, particularly in urban areas. This trend is expected to extend to Tier II and III cities, as companies expand their operations and embrace omnichannel strategies, the demand for warehouses in these regions will significantly increase. This increased demand is likely to drive further expansion of warehousing facilities. The recent surge in Grade A warehousing space in Tier II and III cities reflects the evolving dynamics of the Indian logistics sector.

The shift towards Tier II and III cities is already noticed the trend in cities such as Coimbatore, Jaipur, Lucknow, Vijayawada, Jammu, Cuttack, etc. These Tier II and III cities offer lower land costs, better infrastructure, and proximity to major highways and ports, making them attractive options for warehousing development. It is expected the demand for Grade A warehousing space in these emerging markets to only increase as omnichannel logistics continues to expand. With greater internet penetration, Tier II and III cities will help small towns, peri-urban areas, and rural areas sell online.

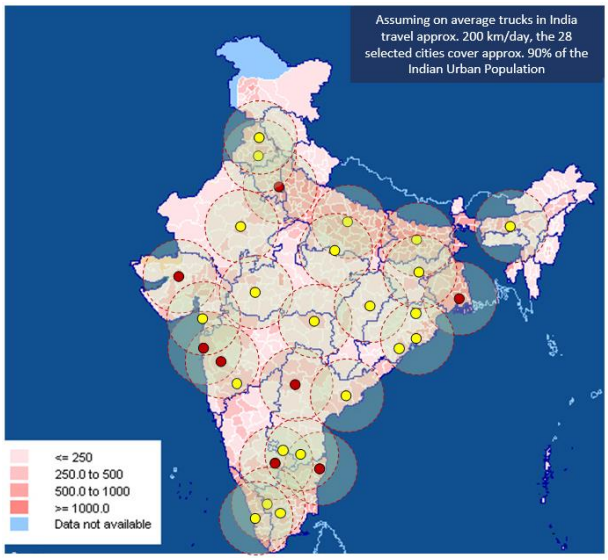
It is expected that India's supply chain network will be hub-and-spoke, with pivotal warehouse hubs supporting smaller regional spokes and creating a trickle-down effect.

India's 24 cities and their environs accommodate 30% of the country's total population and 90% of its urban inhabitants.

*Figure 35: India – Logistic Network*

**Hubs**

1. NCR
2. Mumbai
3. Pune
4. Chennai
5. Bengaluru
6. Hyderabad
7. Kolkata
8. Ahmedabad




**Spoke:**

9. Coimbatore
10. Anantapur
11. Bhubaneshwar
12. Rajpura
13. Jaipur
14. Indore
15. Vijayawada
16. Nagpur
17. Guwahati
18. Lucknow
    Kanpur
19. Raipur
20. Ludhiana
21. Kochi
22. Surat
23. Patna
24. Ranchi
25. Vishakhapatnam
26. Sullurupet
27. Madurai
28. Cuttack

***Source:*** *Census 2001; CBRE Research*

## 3. Understanding India' s Key Warehousing Markets

*Table 4: Pan India Warehousing Market*

| CITY | COMPLETED SUPPLY (Mn sft) | TOTAL ABSORPTION (%) | COMPLTED GRADE A SUPPLY (Mn sft) | GRADE A ABSOPRTION (%) |
|---|---|---|---|---|
| Bengaluru | 66.5 | 93% | 21.3 | 99% |
| Bhubaneshwar | 3.1 | 87% | 1.1 | 97% |
| Chennai | 46.1 | 89% | 23.4 | 89% |
| Coimbatore | 5.1 | 87% | 1.9 | 95% |
| Cuttack | 1.8 | 89% | 0.6 | 97% |
| Madurai | 1.3 | 72% | - | - |
| Pune | 37.7 | 89% | 20.4 | 89% |
| Siliguri | 3.1 | 86% | 0.8 | 80% |
| Sullurpet | 0.5 | 100% | 0.4 | 100% |
| Vijayawada | 5.5 | 96% | 1.6 | 100% |
| Vishakhapatnam | 2.5 | 72% | 1.2 | 88% |

***Source:*** *CBRE Research; Updated as of Q3 2024*

### 3.1. Bengaluru

Bengaluru is one of the fastest growing cities in India. A major part of this growth can be attributed to the information technology boom, which has reflected strongly in the real estate industry. Apart from the significant IT/ ITeS activity, the city is also witnessing enhanced activity levels across diverse sectors such as aerospace research, biotechnology & textile sector. Currently, Bengaluru alone accounts for approx. 38% of software exports from India and 60% of biotechnology companies in India have a base in Bengaluru.

Major industry sectors driving demand for institutional Grade warehousing space in the city include Logistics/3PL, E-Commerce, Modern Retail, FMCD, Apparel & Manufacturing. Key occupiers present in the city include Amazon, Flipkart, Delhivery, Future Supply Chain, TVS Supply Chain, DHL, Gati KWE, DB Schenker, Decathlon, Aditya Birla, etc. Indospace, All cargo Logistics, TVS, Avigna Industrial & Warehousing Parks, Horizon Industrial Parks, Ascendas, Logos, NDR Warehousing, RKV Developers, Gokaldas Warehousing and Anjaneya Developers are the major institutional players in the warehousing market.

#### 3.1.1. Existing Infrastructure Initiatives

The city has a road network consisting of 3 National Highways and 4 State Highways. The arterial roads branching out from the centre and the concentric ring roads are the main corridors driving the real estate activity in the city. The city has three ring roads i.e., Inner Ring Road, Outer Ring Road and the Nice Expressway that were commissioned to enable urban sprawl and develop the outskirts of the city.

#### 3.1.2. Proposed Infrastructure Initiatives

Below is a broad level outline of the proposed infrastructure initiatives in the city:

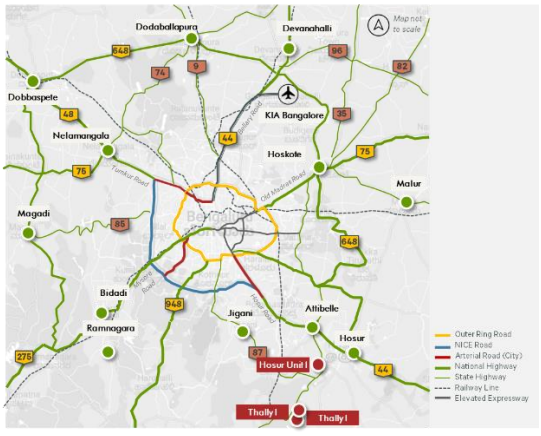
| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Satellite Town Ring Road (STRR) | Ongoing 280 km long, 6-lane bi-directional carriageway which connects major towns such as Hoskote, Devanahalli, Doddaballapur, Dobbaspete, Magadi, Ramanagara, Kanakpura, Anekal, Hosur & Sarjapura<br><br>The project intends to ensure hassle-free inter-city connectivity preventing the vehicles from entering the busy routes of Bengaluru | 2025E |
| Peripheral Ring Road (PRR) | 74 km long and 100-meter-wide with 6-lane bi-directional carriageway (3 lanes on either side). The project is expected to circumnavigate the city linking the major highways such as Tumkur Road (Northwest), Bellary Road (North) and Old Madras Road (East) and Hosur Road (South). | 2027E |
| Widening of Nelamangala – Tumkur Highway | The existing 44 km stretch of Nelamangala – Tumkur Highway (NH 48) is proposed to be widened from 4-lane to 10-lane as part of the Bengaluru-Tumkur Expressway Project | 2025E |
| Bangalore-Mumbai Industrial Corridor | 1000 km proposed economic corridor aimed at boosting manufacturing activity and easy freight movement between Bengaluru and Mumbai Consists of proposal for Mumbai-Bengaluru High Speed Rail Dedicated Freight Corridor and Road and rail upgradation | Project in Pre-Feasibility Study |
| Chennai-Bengaluru Expressway (Part of the Chennai Bangalore Industrial Corridor) | Bangalore - Chennai Expressway is a 260 km in length) and 4-lane (expandable to 8) access route connecting Hoskote near Bangalore with Sriperumbudur near Chennai.<br><br>It is part of the 500 km long Chennai-Bengaluru Industrial Corridor | 2025E |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

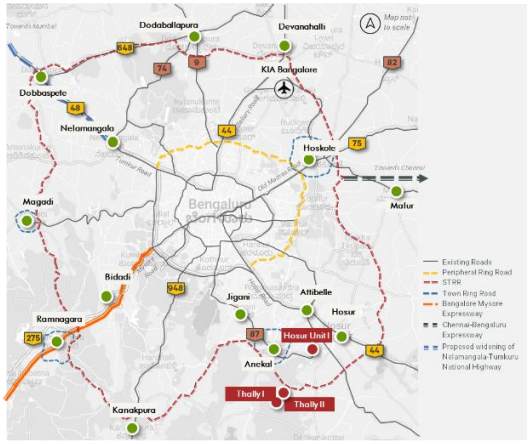
The below figure depicts the existing and proposed infrastructure in Bengaluru.

*Figure 36: Map of Key Existing and Proposed Infrastructure Initiatives*

Existing Infrastructure




Proposed Infrastructure




***Source:*** *CBRE Research*

### 3.1.3. Overview of the Warehousing Market in Bengaluru

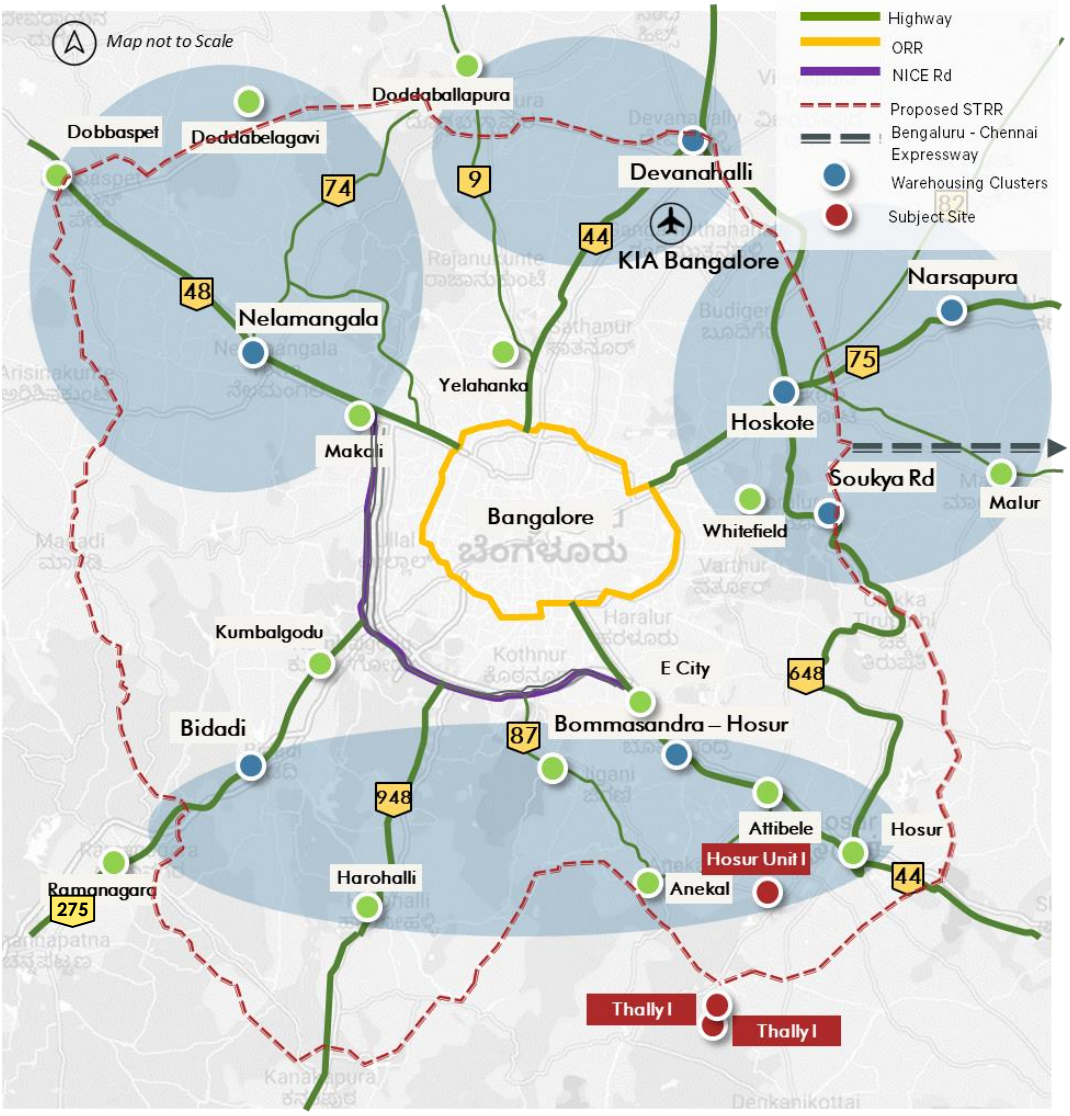
| QUADRANT Classification | Western Quadrant | Southern Quadrant | Eastern Quadrant | Northern Quadrant |
|---|---|---|---|---|
| Micro-markets | Nelamangala - Dobbaspete | Bommasandra Hosur & Bidadi | Soukya Road, Hoskote & Narasapura | Devanahalli |

| QUADRANT Classification | Western Quadrant | Southern Quadrant | Eastern Quadrant | Northern Quadrant |
|---|---|---|---|---|
| Share of Completed Supply | 36% | 27% | 33% | 4% |

***Source:*** *CBRE Research; Updated as of Q3 2024*

Warehousing activity in Bengaluru region is primarily spread across four major quadrants as shown in the above table i.e. Western quadrant along NH-48 belt (towards Mumbai & Bengaluru); Southern quadrant along NH-44 (towards Chennai) and NH-275 (towards Mysuru); Eastern quadrant along NH-75 & NH-648 belt; Northern quadrant along NH-44 (Bellary Road).

***Figure 37: Map of Warehousing Clusters In Bengaluru***




***Source:*** *CBRE Research; Map not to scale only, for representation purpose only*

### 3.1.3.1. Bengaluru – Completed Supply and Absorption Dynamics

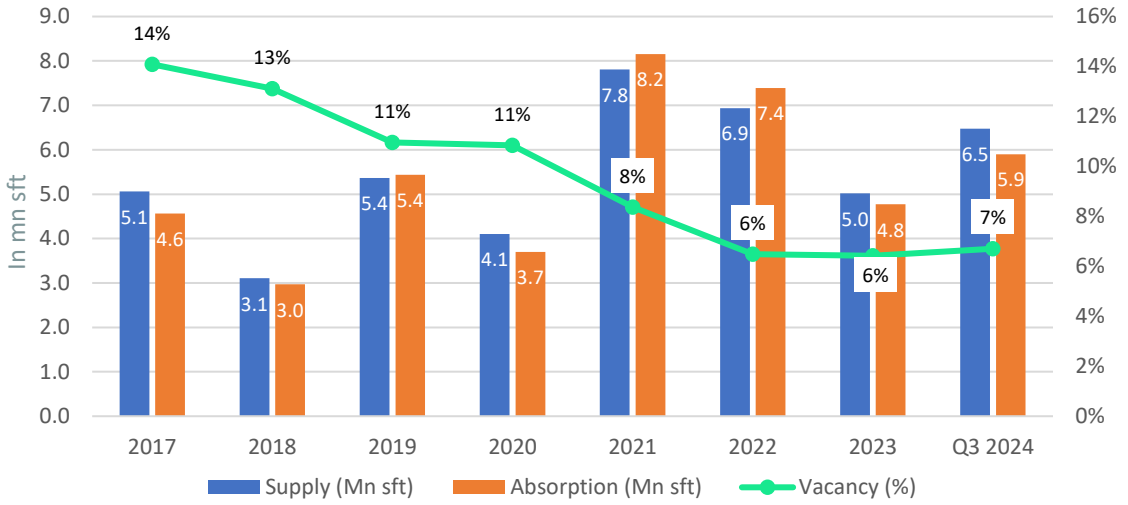
Bengaluru has approx. 66.5 Mn sft of operational warehouse supply, of which approx. 62.1 Mn sft is occupied. Prior to 2014 the supply was majorly by Grade B & C developments; however, the share of Grade C supply has reduced drastically since 2014 due to increased demand for quality warehousing spaces from occupiers such as E-commerce, 3PL, Modern Retail, etc. This has resulted an increased supply from Grade A developments in the recent years. Nelamangala - Dobbaspete, Bommasandra - Hosur, and Soukya Road are the predominant warehousing micro markets, accounting for roughly 75% of the city's total warehouse supply.

*Table 5: Overview of Warehousing Market In Bengaluru*

| Completed Supply (Mn sft) | Absorption Mn Sft | Share of Completed Grade A Supply (%) | Share of Completed Grade B Supply (%) | Share of Completed Grade C Supply (%) |
|---|---|---|---|---|
| 66.5 | 62.1 | 32% | 59% | 9% |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

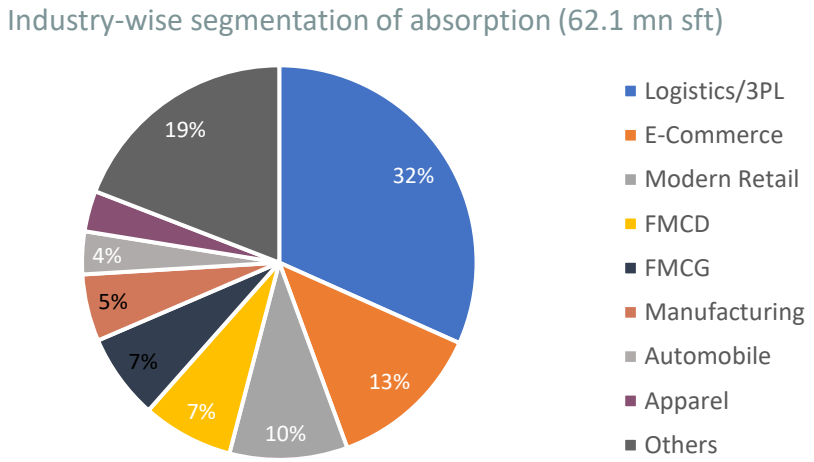
*Figure 38: Y-O-Y Completed Supply & Gross Absorption Levels in Bengaluru*




***Source:*** *CBRE Research; Updatedd as of Q3 2024*

Grade A developments are primarily concentrated in Bommasandra – Hosur, Soukya Road and Hoskote, nearly 75% of completed Grade A supply of Bengaluru is concentrated in these micro markets catering primarily to E-commerce, 3PL, Modern Retail & Manufacturing sectors.

*Figure 39: Segmentation of Absorption by Industry in Bengaluru*




*Note: Others primarily consist of Electrical and Electronics, Pharmaceuticals, Building Materials, Furniture, Plastics, etc.*
***Source:*** *CBRE Research; Updatedd as of Q3 2024*

### 3.1.3.2. Bengaluru– Upcoming Supply Dynamics

This upcoming supply is primarily driven by the growing demand for warehousing in the region, fuelled by rapid population growth, increased disposable incomes, and higher retail consumption, alongside industrial demand stemming from a surge in manufacturing activities. Furthermore, institutional players are expanding their presence in the region. Despite a strong upcoming supply, the market is projected to absorb 36 - 40 million square feet by 2030, given the average annual absorption of 5 - 6 million square feet in recent years.

*Table 6: Upcoming Supply by Micro-Market*

| Location | 2024 – 2025 (Mn sft) | 2026 – 2028 (Mn sft) | 2029 – 2030 (Mn sft) |
|---|---|---|---|
| Bidadi | 0.09 – 0.10 | - | - |
| Bommasandra - Hosur | 2.7 – 2.8 | 1.5 – 1.6 | - |
| Devanahalli | 1.5 – 1.6 | - | - |
| Hoskote | 2.5 – 2.6 | 4.1 – 4.2 | - |
| Narsapura | 1.3 – 1.4 | 4.1 – 4.2 | - |
| Nelamangala - Dobbaspete | 2.8 – 2.9 | 6.2 – 6.3 | 2.7 – 2.8 |
| Soukya Road | 1.3 – 1.4 | | |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

### 3.1.3.3. Bengaluru – Asking Rental Dynamics

The average base rental witnessed in the market is approx. between INR 22 – 24/ Sft / month for a Grade A development and between INR 18 – 20 / Sft / month for a Grade B development. CAGR (2017 – Q3 2024) for Grade A and Grade B developments are to the tune of approx. 5.2% & 5.0% respectively.

*Table 7: Details of Micro-Market Wise Grade A Asking Rentals*

| Micro-Market | Grade | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Bidadi | A | 19 – 20 | 21 – 22 | 21 – 22 | 21 – 22 | 22 – 23 | 22- 23 | 23 – 24 | 24 – 25 |
| | B | 17 – 18 | 18 – 19 | 19 – 20 | 19 – 20 | 20 – 21 | 20 - 21 | 21 - 22 | 21 - 22 |
| Bommasandra - Hosur | A | 19 – 20 | 19 –20 | 20 – 21 | 20 – 21 | 21 – 22 | 21 - 22 | 22 – 23 | 23 – 24 |
| | B | 17 – 18 | 18 – 19 | 18 – 19 | 18 – 19 | 19 – 20 | 19 - 20 | 20 – 21 | 21 – 22 |
| Devanahalli | A | 19 – 20 | 20 – 21 | 20 – 21 | 20 – 21 | 21 – 22 | 22 - 23 | 23 – 24 | 25 – 26 |
| | B | 17 – 18 | 18 – 19 | 18 – 19 | 18 – 19 | 19 – 20 | 20 - 21 | 20 – 21 | 21 – 22 |
| Hoskote | A | 17 – 18 | 18 – 19 | 19 – 20 | 20 – 21 | 20 – 21 | 21 - 22 | 22 – 23 | 23 – 24 |
| | B | 15 – 16 | 16 – 17 | 17 – 18 | 17 – 18 | 18 – 19 | 19 - 20 | 19 – 20 | 20 – 21 |
| Narsapura | A | 15 – 16 | 16 – 17 | 17 – 18 | 17 – 18 | 18 – 19 | 20 - 21 | 21 – 22 | 23 – 24 |
| | B | 11 – 12 | 12 – 13 | 13 – 14 | 14 – 15 | 15 – 16 | 16 - 17 | 17 – 18 | 18 – 19 |
| Nelamangala - Dobbaspete | A | 17 – 18 | 17 – 18 | 18 – 19 | 18 – 19 | 19 – 20 | 20 - 21 | 21 – 22 | 22 – 23 |
| | B | 13 – 14 | 14 – 15 | 15 – 1 6 | 15 – 16 | 15 – 16 | 16 - 17 | 17 – 18 | 18 – 19 |
| Soukya Road | A | 19 – 20 | 20 – 21 | 21 – 22 | 21 – 22 | 22 – 23 | 22 - 23 | 23 – 24 | 23 – 24 |
| | B | 18 – 19 | 19 –20 | 19 – 20 | 19 – 20 | 20 – 21 | 20 - 21 | 20 – 21 | 21 – 22 |

***Source:*** *CBRE Research; Updatedd as of Q3 2024; Unit – INR/sft/Month*

### 3.1.3.4. Bengaluru – Key Lease Transactions

The following table enumerate the key lease transaction in Bengaluru:

*Table 8: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Malur Hosur Road | Logistics | A | 180,000 | 22 – 23 | Q3 2024 |
| Nelamangala - Dobbaspet | Pharmaceutical | B | 80,000 | 20 - 21 | Q3 2024 |
| Nelamangala - | Electronics | A | 150,000 | 22 – 23 | Q3 2024 |

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Dobbaspet | | | | | |
| Hoskote | Manufacturing | B | 54,000 | 22 – 23 | Q3 2024 |
| Hoskote | Logistics/3PL | A | 160,000 | 23 - 24 | Q2 2024 |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

### 3.1.3.5. Western Quadrant Overview

Warehousing developments are concentrated in and around NH 48, a prominent transport corridor passing through Bengaluru and connects to the major cities - Bengaluru and Mumbai in the Northwest and Chennai in the south. The region comprises of prominent industrial areas such as Peenya, Sompura and Dobbaspete, which have been developed by KIADB over the years.

### 3.1.3.6. South Quadrant Overview

Southern warehousing quadrant comprises of micro markets such as Bommasandra – Hosur and Bidadi. Warehousing developments in this quadrant are primarily concentrated in and around NH 44 (Bengaluru – Chennai Highway) and NH-275 (Mysore Highway). Proximity to manufacturing hubs such as Bommasandra – Jigani, Attibele, Hosur & Bidadi coupled with superior connectivity to consumption hubs have led to the growth of warehousing industry in the region.

**Bommasandra-Hosur Micro Market**

*Table 9: Snapshot of Bommasandra-Hosur Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 15.18 Mn sft | 4 - 5 % | 8.69 Mn sft | 2 – 3 % | 41% | 4.3 – 4.4 Mn sft |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

Bommasandra – Hosur micro-market is located along NH-44, which connects Bengaluru to Northern states and further to Tamil Nadu via Hosur. It has superior connectivity and easy accessibility to consumption hubs of Bengaluru via NH-44, NICE Road, and SH-87

This micro market constitutes a share of nearly 84% of the completed supply of southern Micro-market of Bengaluru. The region has a major share of Grade A warehousing supply, accounting for 57% of completed supply of micro market followed by Grade B warehouses at 37%. Prominent grade A developments from institutional players are Indospace, TVS, Avigna Group, Horizon Industrial Group, amongst others.

Third Party Logistics, E-Commerce, Manufacturing, FMCG, Consumer Durables, Automobile, Apparel & Retail are key industry sectors predominantly occupying grade A supply in the micro-market with tenants such as Flipkart, Amazon, DHL, TVS Supply Chain, Udaan, Aditya Birla, PUMA, Wakefit, Schaeffler, Ather, MPlastics, Yazaki, etc.

### 3.1.3.7. East Quadrant Overview

Eastern warehousing quadrant comprises of micro markets such as Hoskote, Narsapura and Soukya Road. Warehousing developments in this quadrant are primarily concentrated in and around NH 75 (Bengaluru – Tirupati Highway), NH-648 (Hoskote – Chikka Tirupathi), SH-35 (Hoskote – Sidlaghatta) and SH-82 (Hoskote – Chinatamani). Its superior accessibility and connectivity to eastern consumption centres of city with proximity to manufacturing hubs such as Hoskote, Malur & Narsapura have led to the growth of warehousing industry in the region. Under construction Satellite Town Ring Road (STRR) and Chennai - Bengaluru Expressway would further boost the warehousing activity in the region.

### 3.1.3.8. North Quadrant Overview

The northern quadrant comprises the Devanahalli micro-market. In this quadrant, warehousing developments are concentrated in and around key transport corridors such as NH 44 (Bellary Road), NH-648 (Soluble-Devanahalli), and SH-9 (Doddaballapura Road). Bellary Road connects the city to an international airport and further northwards to Hyderabad. Located along the growth quadrant of the city, with large-scale residential and commercial developments currently under construction in the region, this would lead to a

large consumption centre like Whitefield.

### 3.2. Bhubaneswar

Bhubaneswar is the largest city in Odhisa, presently, the city is one of the fastest-growing hubs for IT and education institutes in east India, which in turn fuels strong consumption-led demand across warehousing.

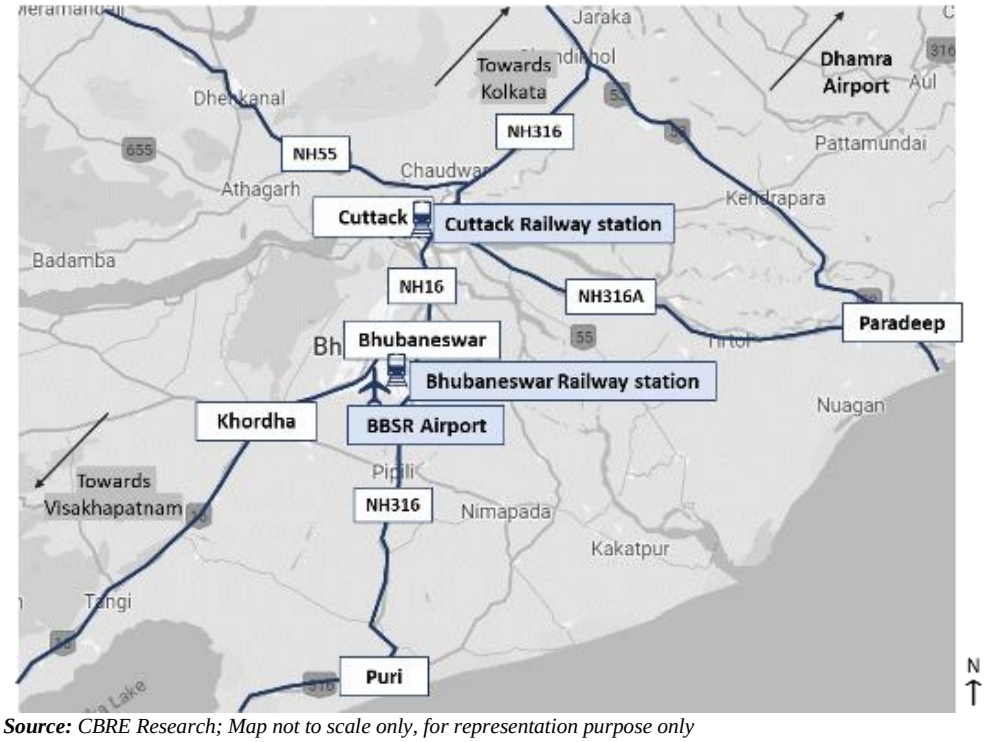
Bhubaneswar Development Authority covers a larger area, including major industrial and warehouse hubs like Pahal, Khordha, Chandaka, etc., which accommodate large companies such as Reliance, Flipkart, Coca-Cola, Kurlon, Amazon, TATA consumers, and several logistics and automobile companies.

*Table 10: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, the highway passes through key warehousing and industrial corridor of Kolkata, Bhubaneswar, Cuttack and Chennai. National Highway 316 – Connecting Puri and Bhubaneswar, the highway meets to key industrial areas in the region. National Highway 316A – Intersecting NH 16 near Pahal, Bhubaneswar, the highway connects Bhubaneswar to Konark, Raghunathpur, Nimapada etc. |
| Railway Network | Existing | Bhubaneswar is the headquarters of the East Coast Railway zone of the Indian Railways with rail connectivity to neighbouring states. City exports minerals, steel, handcrafts etc. via rail to other states. Bhubaneswar also exports cotton to Bangladesh through rail freight. |

***Source**: CBRE Research; Updatedd as of Q3 2024*

*Figure 40: Map of Key Infrastructure Initiatives*




***Source:** CBRE Research; Map not to scale only, for representation purpose only*

#### 3.2.1. Overview of the Warehousing Market in Bhubaneswar

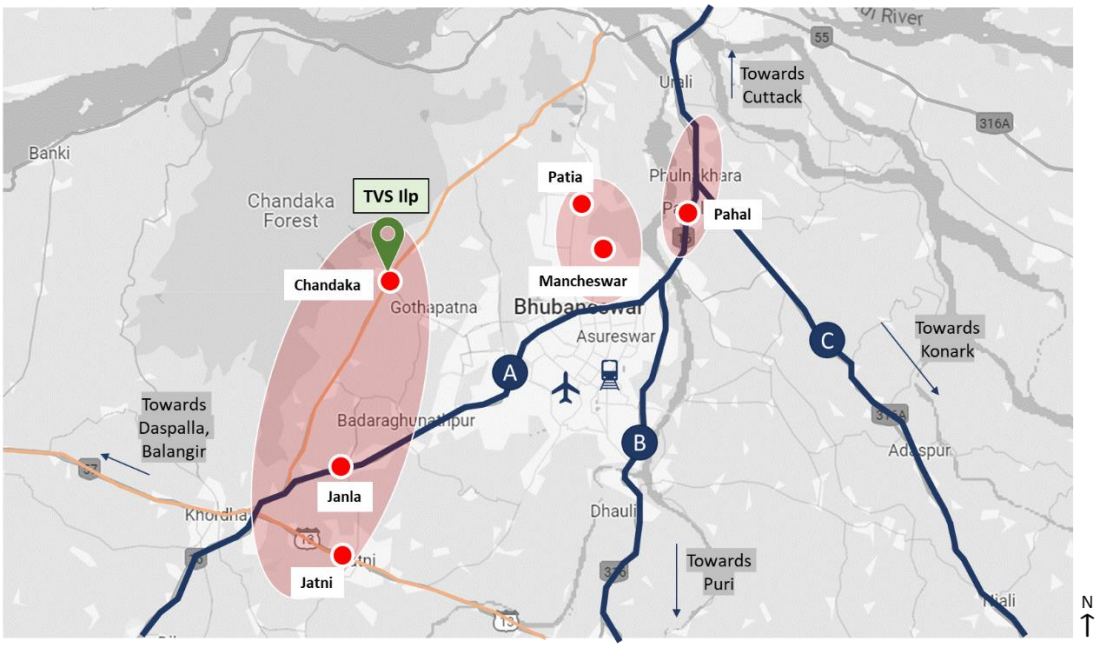
| Cluster Classification | WESTERN CLUSTER | Eastern Cluster | CENTRAL CLUSTER |
|---|---|---|---|
| Micro-markets | Chandaka, Janla, Jatni | Pahal | Patia, Mancheswar |
| Share of Supply in | 55% | 37% | 8% |

| Cluster Classification | WESTERN CLUSTER | Eastern Cluster | CENTRAL CLUSTER |
|---|---|---|---|
| Bhubaneswar Region | | | |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

Chandaka and Pahal are the most prominent warehousing micro-markets, with the majority of the supply in the form of investment-grade warehousing space (Grade A), while markets such as Janla, Jatni, Patia, and Mancheswar primarily comprise of Grade B and C supply. Chandaka, Janla, and Jatni micromarkets contribute to a completed supply (1.69 Mn sft ~ 55%), followed by Pahal (1.14 Mn sft ~ 37%) and Patia, Mancheswar (0.24 Mn sft ~ 8%). In the last couple of years, Patia and Mancheswar micromarkets have not seen much traction, while Pahal and Chandaka are witnessing major demands from companies such as Flipkart, Amazon, Delhivery, LG, Samsung, etc. that have a strong presence in the region.

***Figure 40: Map of Warehousing Cluster In Bhubaneswar City***




A – NH16 (Kolkata-Chennai) B – NH316 (Puri-Bhubaneswar) C – NH316A (Konark-Chandaneswar)

***Source:*** *CBRE Research; Map not to scale only, for representation purpose only*

### 3.2.1.1. Bhubaneswar – Completed Supply and Absorption Dynamics

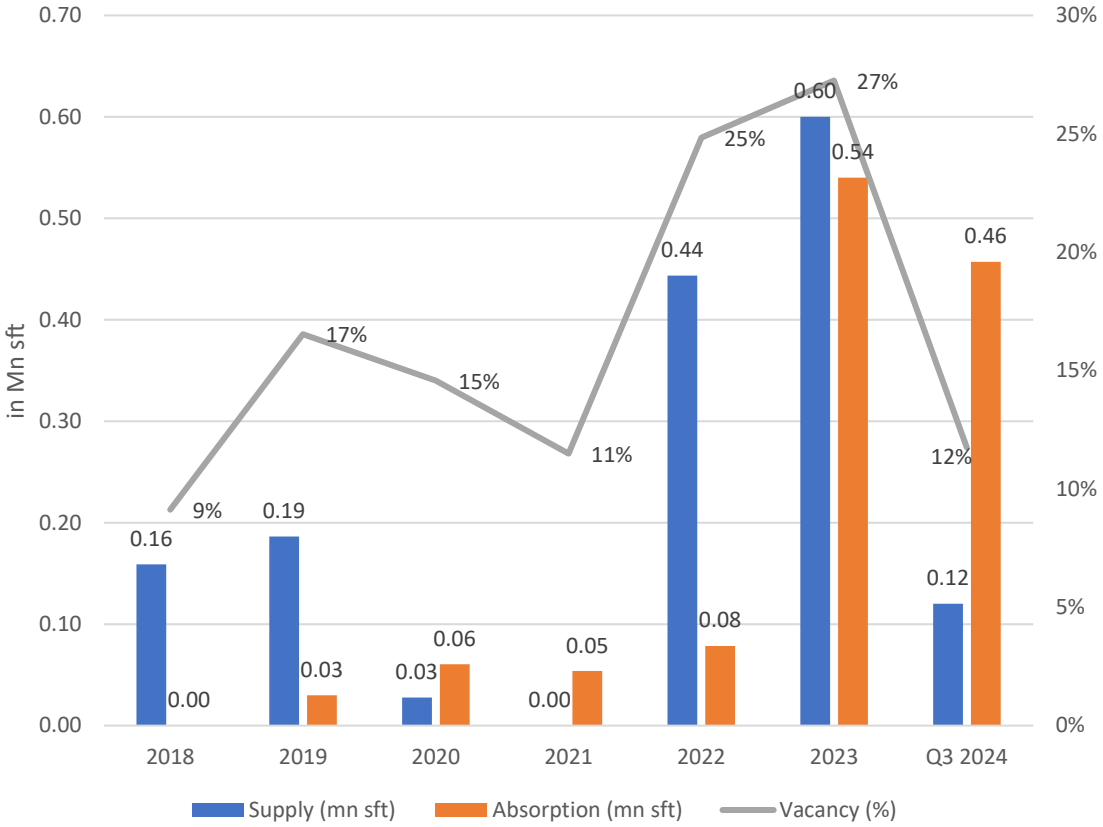
The region boasts an operational warehouse supply of approximately 3.1 Mn sft, with approximately 2.7 Mn sft currently occupied. Prior to 2018, the supply was mostly composed of Grade B and C developments. During the last 5–6 years, the share of Grade B and C supply has drastically reduced due to increased demand for quality warehousing spaces from occupiers such as manufacturing, e-commerce, logistics, electronic goods, etc. Hence, witnessing a significant supply of Grade 'A' supply

*Table 11: Overview of Warehousing Market In Bhubaneswar*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 3.1 | 2.7 | 37%<br>(Absorption – 97%) | 33%<br>(Absorption – 75%) | 30%<br>(Absorption – 92%) |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

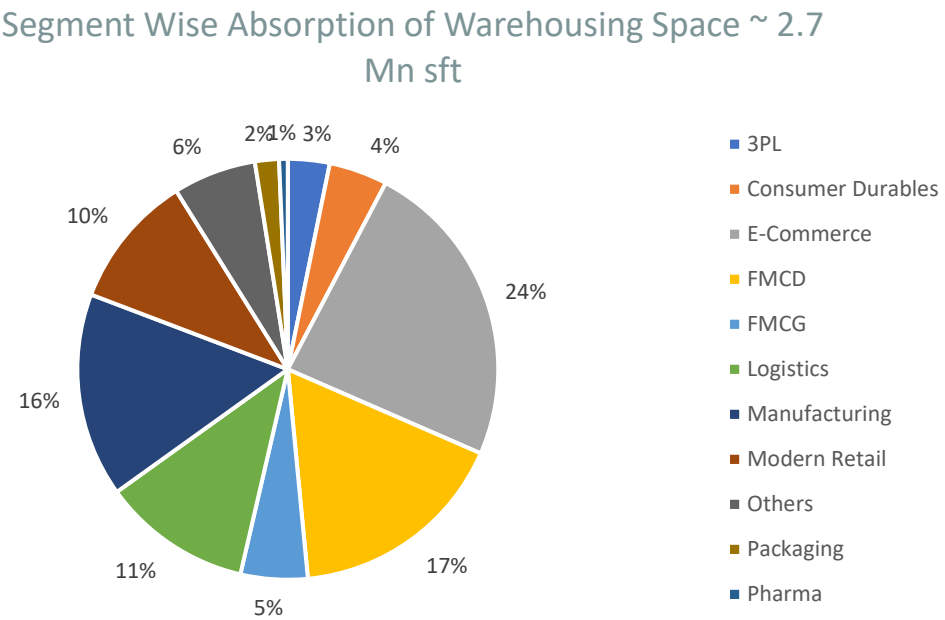
*Figure 41: Y-O-Y Supply & Absorption Levels in Bhubaneswar*




***Source:*** *CBRE Research; Updatedd as of Q3 2024*

Grade A developments are primarily concentrated in Chandaka, Janla, Jatni, and Pahal micro-markets, catering primarily to e-commerce, electronic goods, food and packaging, and manufacturing sectors. A steady increase in supply has been witnessed over the last 6–7 years (2018–2024), with an average annual supply of approx. 0.22 Mn sft. The demand for Grade A developments in these micro-markets is driven by their strategic location, proximity to key transportation hubs (such as Babasaheb Bhimrao Ambedkar Bus Terminal, Bhubaneswar railway station, etc.) and availability of skilled labour. Additionally, the presence of established industrial clusters and supportive government policies (such as Industrial Resolution Policy-2022, Odisha civil aviation policy-2022, etc.) further contribute to the growth of these sectors in the region.

*Figure 42: Segmentation of Absorption By Industry in Bhubaneswar*



***Source:*** *CBRE Research; Updatedd as of Q3 2024; Presently, Ecommerce, FMCG, FMCD and Modern* retail combinedly hold more than 56% of the overall absorption.

### 3.2.1.2. Bhubaneswar – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 1.2 – 1.4 Mn sft, majorly across Grade A warehousing space and is expected to get introduced phase wise between 2024 to 2029 in the market.

*Table 12: Bifurcation of Upcoming Supply In Bhubaneswar*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.04 – 0.06 Mn sft | 1.2 – 1.4 Mn sft |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

The majority of the upcoming supply is expected to be in the micromarkets of Chandaka, Jatni, and Pahal.

### 3.2.1.3. Bhubaneswar – Asking Rental Dynamics

The average quoted base rental witnessed in Bhubaneswar is in the range of INR 25- 27 sft / month for a Grade A development and between INR 18-20sft / month for a Grade B development.

*Table 13: Details of Micro-Market Wise Grade A & B Asking Rentals*

| Micro-Market | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B | A | B |
| Chandaka | 19–21 | 16–18 | 19–21 | 16–18 | 19–21 | 17– 19 | 20–22 | 18–20 | 21–23 | 18–20 | 22–24 | 19–21 | 23–25 | 20–22 |
| Janla | NA | 15–17 | NA | 15–17 | NA | 16–18 | NA | 17–19 | NA | 17–19 | NA | 18–20 | NA | 19–21 |
| Jatni | NA | 14–16 | NA | 14–16 | NA | 15–17 | NA | 15–17 | NA | 16–18 | NA | 17–19 | NA | 18–20 |
| Pahal | NA | 20–22 | NA | 20–22 | NA | 21–23 | NA | 22–24 | NA | 23–25 | 25–27 | 24–26 | 26-28 | 25–27 |
| Mancheswar | NA | 19–20 | NA | 19–20 | NA | 20–22 | NA | 21–23 | NA | 22-24 | NA | 23–25 | NA | 24–26 |
| Patia | NA | 18–20 | NA | 18–20 | NA | 19–21 | NA | 20–22 | NA | 21– 23 | NA | 22–24 | NA | 23–25 |

***Source:*** *CBRE Research; Updatedd as of Q3 2024; Unit – INR/sft/Month*

### 3.2.1.4. Bhubaneswar – Key Lease Transactions

The following table enumerate the key lease transaction in the Bhubaneswar:

*Table 14: Details Of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Chandaka | Ecommerce | Grade A | 80,000 | 22 – 23 | Q2 2024 |
| Chandaka | FMCD | Grade A | 66,000 | 21 – 22 | Q4 2023 |
| Chandaka | FMCG | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |
| Pahal | Ecommerce | Grade A | 3,00,000 | 28 – 30 | Q4 2023 |
| Jatni | Packaging | Grade A | 40,000 | 16 – 17 | Q1 2024 |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

### 3.2.1.5. Western Cluster Overview

The cluster is located on the western side of Bhubaneswar, alongside Khordha-Chandaka Road, NH16, and SH13. The market's proximity to Khordha Industrial Estate and excellent connectivity through Khordha-Chandaka Road have led to its emergence. Out of the completed supply in this cluster, approximately 62% of the supply is Grade A.

**Chandaka Micro Market**

*Table 15: Snapshot of Chandaka Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 1.29 Mn sft | 7 – 9% | 1.05 Mn sft | 3 – 4% | 92 – 94% | 0.06 – 0.07 Mn sft |

***Source:*** *CBRE Research; Updatedd as of Q3 2024*

Chandaka is considered to be an established warehouse micromarket where several e-commerce, logistics, electronics, and manufacturing companies have already taken space. Micro-markets gained prominence

largely on account of their proximity to Khordha Industrial Estate (approximately . 10–15 km) and the availability of land parcels close to Khordha–Chandaka Road. E-commerce, FMCD, and logistics are key industries, occupying approx. 76% of the completed supply in the Chanddaka micro-market with tenants such as Flipkart, Amazon, Coca-Cola, LG, Philips, ITC, Safexpress, etc. The difference between Grade A and Grade B rentals is minimal due to the fact that there are no new additions to Grade B properties in the micromarkets. All the new additions are grade A properties, which are quoting aggressively to grab market share. As a result, occupiers are shifting from Grade B to Grade A properties within the same rental range.

#### 3.2.1.6. Eastern Cluster Overview

The cluster is located on the eastern side of Bhubaneswar, alongside NH 16. The micromarket is dominated by mainly local individual players. Out of the completed supply in the Pahal cluster, approximately 7% of the supply is Grade A.

#### 3.2.1.7. Central Cluster Overview

The Central Cluster of Bhubaneswar warehousing market comprises Patia and Mancheswar micromarkets, constituting nearly 8% of the overall completed supply until Q3 2024.

### 3.3. Chennai

The city is also known as the ‘Detroit of India’ owing to the presence of a robust automobile sector with the presence of prominent automobile companies such as Nissan, Hyundai, Ashok Leyland, TVS, Royal Enfield, etc accounting for a major share of India’s automotive export.

The economic base of the city is primarily constituted by automobile manufacturing, IT/ITeS enabled services and Banking & Finance sectors. The city is well connected across the globe via air, rail, road and sea. Chennai city enjoys the strategic locational advantage of being well connected via all modes of transportation thereby positioning itself as an attractive investment destination.

The major industry sectors continuing with high growth numbers in the region include Auto & Auto components, Chemicals & Petrochemicals, Agro and Food processing, IT & ITes, Pharma & Biotech, textile & Apparel. The state is also home to sunrise sectors with tremendous growth potentials including Aerospace & defence, Agro & food processing, Renewable energy components etc.

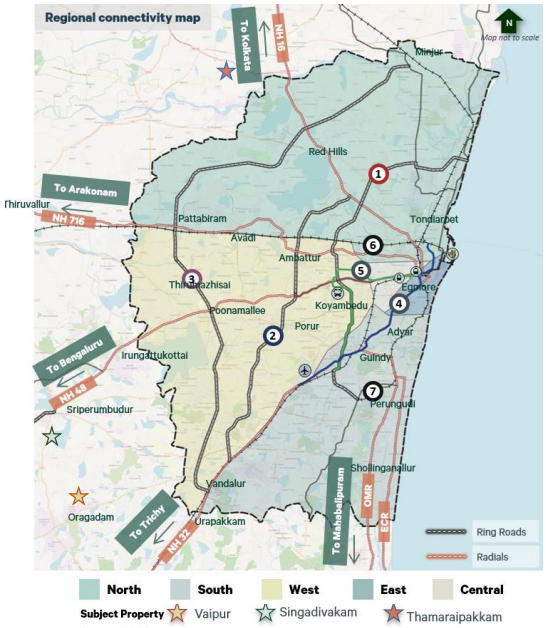
Industrial space in Chennai are planned facilities typically in the form of Industrial parks, Industrial estates or SEZ’s with well-developed common Infrastructure. Government Industrial parks are promoted by government bodies such as TIDCO, SIPCOT and SIDCO.

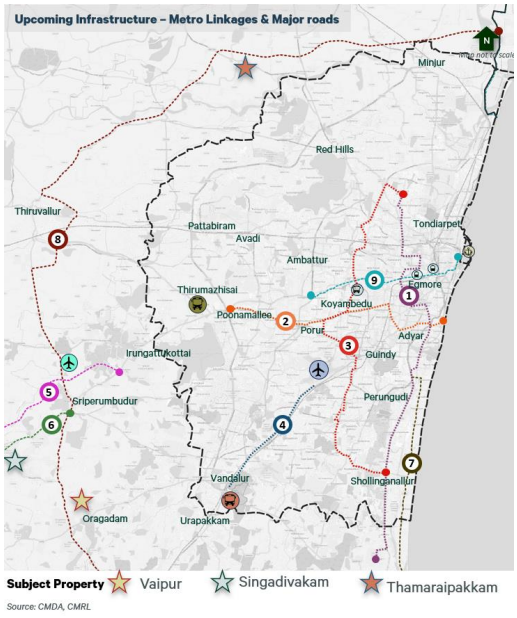
#### 3.3.1. Existing Infrastructure Initiative

Chennai's road network includes key expressways and national highways (NH-16, NH-716, NH-48, NH-32), alongside essential ring roads enhancing city connectivity and reducing congestion.

***Figure 44: Map of Key Existing and Proposed Infrastructure Initiatives***

**Existing Infrastructure** **Planned Infrastructure**




1: inner Ring Road; 2: Chennai Bypass Road 3: Outer Ring Road 4: Sub-urban train 5: Chennai metro rail (phase II); Sub-urban Train 6: MRTS

CMRL II Corridor 3 (Purple Line); 2. CMRL II Corridor 4 (Orange Line) 3. CMRL II Corridor 5 (Red Line) 4. Chennai Airport-Kilambakkam Metro 5. Chennai Airport Expansion (Phase II) 6. Chennai-Bangalore Expressway 7. Widening of Chennai-Bangalore Highway 8. Chennai Peripheral Ring Road 9. Maduravoyal Expressway

**Source:** CBRE Research; Map not to scale only, for representation purpose only

**Key Government Policies:**

The Tamil Nadu Logistics Policy 2023 and Integrated Logistics Plan 2023 seeks to decrease logistics expenses, draw in private capital, and encourage the logistics industry's embrace of new technologies and skill sets. In order to establish Tamil Nadu as a major logistics hub, it provides financial incentives, streamlined rules, land distribution, and infrastructural development.

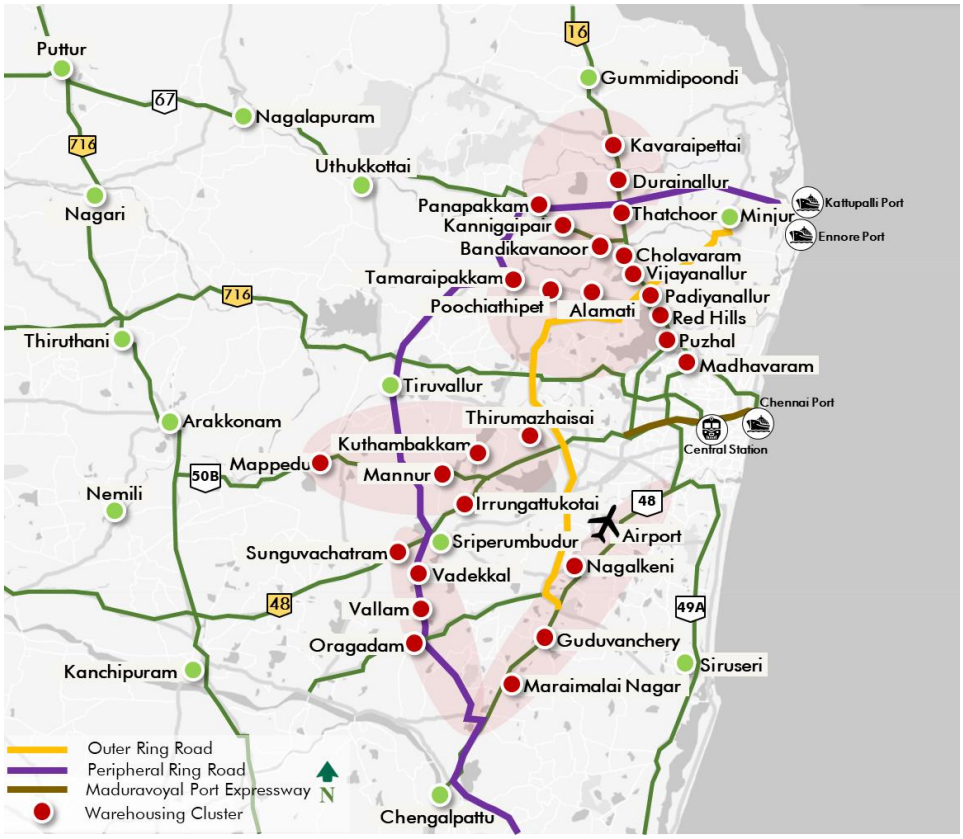
The goal of the Tamil Nadu Industrial Policy 2021 is to establish Tamil Nadu as a major center for manufacturing worldwide. The primary goals are to draw in investments, encourage innovation, and generate skilled employment. Over the course of the policy, the manufacturing sector is expected to increase at a rate of 15% annually, and investments of INR 10 lakh Cr. (US$ 135 billion) are anticipated between 2020 and 2025.

### 3.3.2. Overview of the Warehousing Market in Chennai

| QUADRANT Classification | NORTHERN CLUSTER | WESTERN CLUSTER | SOUTHERN CLUSTER |
|---|---|---|---|
| Micro-markets | Gummidipoondi, Maduravoyal, Thatchoor, Bandikavanoor, Kaveripettai, Cholavaram, Ayilacherry, Red Hills, Puzhal, Madhavaram, Poochiathipet | Vallam, Oragadam, Mevalurkuppam, Sunguvarchatram, Mannur, Mappedu, Thirumazhisai, Velappanchavadi, Pollivakkam | Maraimalai Nagar, MWC, Nagalkeni, Padappai, Vandalur |
| Share of Supply | 44% | 54% | 1% |

**Source:** CBRE Research; Updated as of Q3 2024

***Figure 45: Map of Warehousing Clusters In Chennai***




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.3.2.1. Chennai - Completed Supply and Absorption Dynamics

Chennai has approx. 46.12 mn sft of operational warehouse supply out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 82% of the cities Completed supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 51%), Grade B developments (approx. 45%) & Grade C developments (approx. 4%). Because of its close proximity to industrial centers, first-rate infrastructure, government backing, plenty of land, and highly qualified labour, Chennai's Western Cluster is the ideal site for warehouse construction. As a result, this area now has a greater concentration of upcoming warehouse supply than the other Clusters.

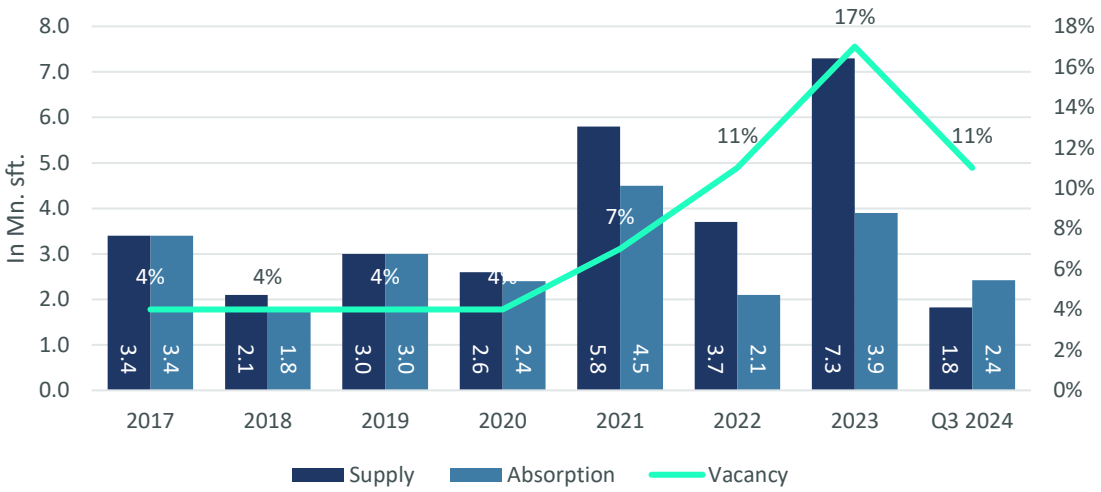
*Table 16: Overview of Warehousing Market in Chennai*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 46.12 | 41.07 | 50.81% | 44.94% | 4.26% |

**Source:** CBRE Research; Updatedd as of Q3 2024

The figure below highlights the y-o-y absorption & supply levels at the city level:

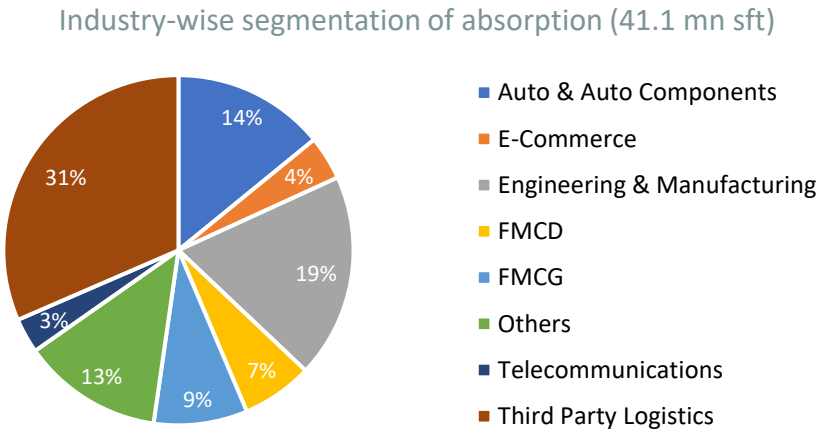
*Figure 46: Y-O-Y Supply & Absorption Levels in Chennai*




**Source:** CBRE Research. Updatedd as of Q3 2024

The year-on-year share of Grade-A warehouse supply has grown significantly since 2014, driven by the entry of large-scale organized players like Indospace, ESR, LOGOS, and Ascendas. From 2017 to 2023, supply addition in the overall Chennai warehousing market experienced a Compound Annual Growth Rate (CAGR) of 11-12% due to demand from the Manufacturing Sector. The Western cluster, encompassing Mannur and Oragadam, has been the primary driver due to its strong manufacturing base, particularly in the automotive and ancillary industries.

*Figure 47: Segmentation of Absorption by Industry in Chennai*




**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.2.2. Chennai - Upcoming Supply Dynamics

The Completed supply in the pipeline is in the range of 6.0 – 7.0 Mn sft out of which approximately 1.0 – 1.5 mn sft of supply in under construction and approximately 5.0 – 6.0 Mn sft is planned which is expected to hit the market in the next two - three years.

*Table 17 : Bifurcation of Upcoming Supply in Chennai*[13]

| Under Construction Supply | Planned Supply |
|---|---|
| 1.0 – 1.5 Mn sft | 5.0 – 6.0 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The majority (approximately 76%) of the upcoming supply is concentrated in the Western Cluster, followed by the Northern Cluster (24%). This distribution is primarily due to the presence of the automotive and

[13] Upcoming supply – This includes the supply that is under construction and planned across Chennai

industrial sectors and the availability of readily developable land in the Western Cluster.

*Table 18 : Details of Upcoming Supply in Chennai Market*

| Location | 2024 | 2025 | 2026 |
|---|---|---|---|
| Northern Cluster | 0.45 – 0.50 Mn Sft | 2.45 – 2.50 Mn sft | 2.40 – 2.5 Mn sft |
| Western Cluster | 0.05 – 0.1 Mn sft | 1.05 – 1.5 Mn Sft | 0.60 – 0.7 Mn sft |
| Southern Cluster | - | - | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.2.3. Chennai – Asking Rental Dynamics

The average base rental witnessed in Chennai is approx. between INR 24 – 27/ Sft / month for a Grade A development and between INR 18 – INR 22 / Sft / month for a Grade B development. Based on the above chart, it is understood that CAGR for Grade A and Grade B developments are to the tune of approx. 4% & 3% respectively.

*Table 19 : Details of Micro-Market Wise Grade A Asking Rentals*

| Micro Market | Grade | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|
| NH 16 Stretch 1 | A | - | - | 20.5 - 21.5 | 21 - 22 | 21.5 - 22.5 | 22.5 – 23.5 |
| | B | 19 – 20 | 19 - 20 | 19.5 - 20.5 | 19.5 - 20.5 | 20 - 21 | 20.5 – 21.5 |
| NH 16 Stretch 2 | A | 17.5 - 18.5 | 19 - 20 | 19 - 20 | 19.5 - 20.5 | 20.5 - 21.5 | 21.5 – 22.5 |
| | B | 16 – 17 | 16.5 - 17.5 | 18 - 19 | 18 - 19 | 18.5 - 19.5 | 18.5 - 19.5 |
| South (GST Road) | A | 26 – 27 | 27 - 28 | 27.5 - 28.5 | 28 - 29 | 28 - 29 | 28 - 29 |
| | B | 24.5 - 25.5 | 25.5 - 26.5 | 25.5 - 26.5 | 25.5 - 26.5 | 25.5 - 26.5 | 25.7 - 26.9 |
| West (Oragadam Vector) | A | 22 - 23 | 23 - 24 | 24 - 26 | 25 - 27 | 25 - 28 | 25 – 28 |
| | B | 18 – 19 | 18 - 19 | 19 - 20 | 20 - 21 | 21 - 22 | 21.5 – 22.5 |
| West (Mannur Vector) | A | 20.5 - 21.5 | 21.5 - 22.5 | 21.5 - 22.5 | 22.5 - 23.5 | 23 - 24 | 23 - 24 |
| | B | 18 – 19 | 18 - 19 | 19 - 20 | 20 - 21 | 21 - 22 | 21.5 – 22.5 |

**Source:** CBRE Research; Unit – INR/sft/Month ; Updatedd as of Q3 2024

### 3.3.2.4. Chennai – Key Lease Transactions

The following table enumerate the key lease transaction in Chennai.

*Table 20 : Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Vallam | Others | B | 200,000 | 27 - 28 | 2023 |
| Oragadam | Engineering & Manufacturing | A | 220,000 | 27 – 28 | 2024 |
| Vallam | Engineering & Manufacturing | A | 106,906 | 24 – 25 | 2024 |
| Karanampettai | 3PL | A | 300,000 | 24 – 25 | 2024 |
| Chinnambedu | E-commerce | A | 200,000 | 23 – 24 | 2024 |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.2.5. Northern vector Overview

Northern Cluster Micro Market comprises of locations along the NH 16 stretches such as Gummidipoondi, Maduravayal, Thatchoor, Bandikavanoor, Kavaraipettai, Cholavaram, Ayilacherry, Red Hills, Puzhal, Madhavaram, Poochiathipet, Puduvoyal, Vishnuvakkam. The cluster is located on the northern side of Chennai and is situated in close proximity to the port ~ a hub of Multi modal logistics with presence of container freight stations, truck terminals etc. Its proximity to consumption hubs and excellent connectivity through NH 16 has led to its emergence as a warehousing corridor. The cluster comprises of approximately 43.9% of the completed supply in the Chennai Region. Out of the completed supply in Northern cluster approximately 31.4% of the supply is Grade A. Further, details of micro markets are elaborated in the following paragraphs.

*Table 21 Snapshot NH 16 Stretch I Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 12.7 Mn sft | 6 - 7% | 1.5 Mn sft | 8- 9% | 6 - 7% | - |

**Source:** CBRE Research Updatedd as of Q3 2024

The warehousing market of NH 16 Stretch 1 is one of the prominent hubs in the northern cluster of Chennai, predominantly established by organized warehousing parks. . This market constitutes a share of nearly 62%

of the completed supply in Northern cluster of Chennai. Currently the vector is primarily characterized by the presence of Grade B & C developments and a very limited Grade A supply. Owing to proximity to city centre and port, 3PL/Logistics, FMCD , Automobile and E- commerce companies are the primary demand drivers in this location ~ contribute to approx. 61% of the demand.

#### 3.3.2.6. Western vector Overview

Western Cluster comprises of locations such as Vallam, Oragadam, Mevalurkuppam, Sunguvachatram, Mannur, Mappedu, Thirumazhisai, Velappanchavadi, Pollivakkam. Presence of SIPCOT Industrial Park, connectivity via SH 57 (proposed Peripheral Ring Road) and proximity to National Highway 48 and availability of large tracts of developable land parcels have resulted this location in becoming a hub for warehousing activity. The cluster comprises of approximately 54% of the completed supply in Chennai. Out of the completed supply in western cluster approximately 67% of the supply is Grade A.

*Table 22 Snapshot of West Oragadam Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 12.2 Mn sft | 10– 11% | 10.3 Mn sft | 11 – 12% | 44% | 4.5 – 5.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Presence of SIPCOT Industrial Park, connectivity via SH 57 (proposed Peripheral Ring Road) and proximity to National Highway 48 and availability of large tracts of developable land parcels have resulted in this location in becoming a hub for warehousing activity. Oragadam vector emerged as a spill over demand from NH-48 corridor that houses the prominent fortune 500 companies and major Global automotive companies.

The tenants in this market predominantly prefer quality Grade A warehousing space due to requirements of high roofing and load bearing capacity of floor.

Automobile, Logistics and FMCG are key industries in the micro-market with tenants such as Nissan Motor, Royal Enfield, Reliance, SV Global Logistics, TPI Composites.

### 3.4. Coimbatore

Coimbatore is the second largest city in Tamil Nadu. The city is a major hub for textiles, industries, commerce, education, information technology, healthcare and manufacturing in Tamil Nadu. Coimbatore is the Industrial Hub of the State with over 2,10,222 MSME14 establishments.

Coimbatore is one of the most industrialized districts of the state and contributes to 7% of the states GDP. The establishment of an industrial base and conducive environment for entrepreneurship enabled the District to further diversify into other manufacturing Industries including Foundry and Pump Manufacturing, among others.

Coimbatore houses a large number of textile mills and textile research institutes. The district also accounts for 80% of the textile machinery manufactured in the country. Coimbatore has emerged as the most trusted destination for automobile industries as well. Some of the major auto component makers in Coimbatore include Robert Bosch GmbH, PRICOL, Craftsman Automation and Roots Industries. Coimbatore has one of the largest foundry clusters in India, houses approx. 700 foundry units across the district.

The industrially advanced character presiding in the city has paved way for it to emerge as an excellent warehousing location after Chennai. The major industry driving demand for warehousing in Coimbatore include 3PL, E-Commerce, Industrial, FMCG and FMCD.

#### 3.4.1. Existing Infrastructure Initiatives

The existing road network in Coimbatore is predominantly connecting the city to major cities and Towns. It comprises of National Highways, State Highways, Major District and Other District roads. The Coimbatore city and metropolitan area is divided into five administrative zones (East, West, North, South and Central) which are served by major arterial roads that run in an east–west or north–south direction. Avinashi Road is one of the city's most important arterial roads, traversing most of Central and East Coimbatore.

#### 3.4.2. Upcoming Infrastructure Initiatives

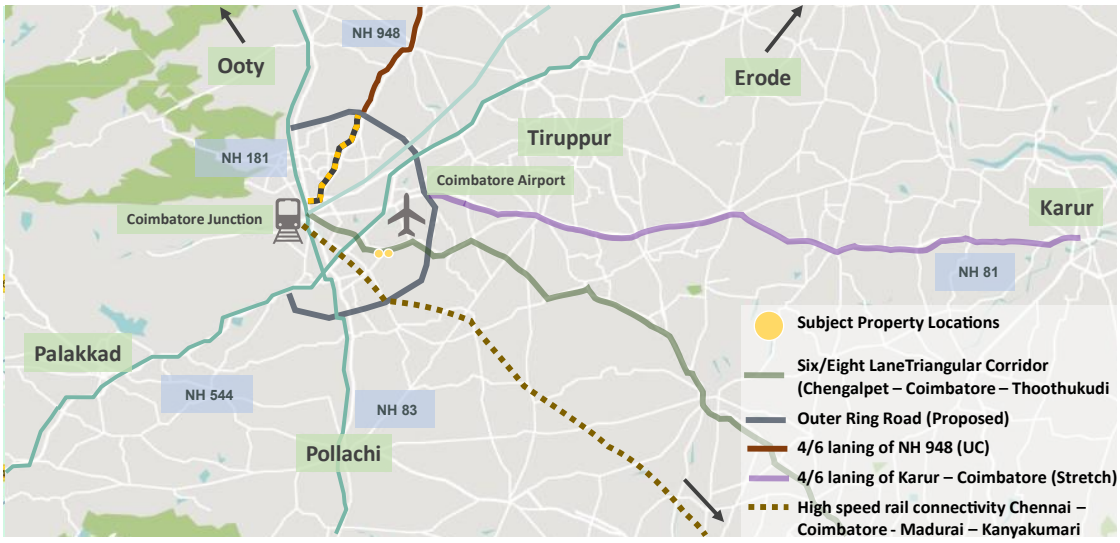
14 Ministry Of Micro, Small & Medium Enterprises – 2016-17

The following initiatives are expected to enhance accessibility and propel development activity in the region:

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Kochi – Coimbatore – Bengaluru Industrial corridor | The corridor covers the states of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala. Dharmapuri-Salem has been identified as the priority node and will be developed as an Integrated Manufacturing Cluster (IMC). The industrial corridors falling under the KBIC is expected to benefit in the economic development of the region and state | 2025 – 2026 |
| Western ring road | The proposed Coimbatore Outer Ring Road is expected to be completed in 3-4 years. The ring road will be developed in three phases. | 2025 – 2026 |
| 4/6 lanes from Karur to Coimbatore | The stretch passes through Karur, Tirupur and Coimbatore districts and important towns such as Vellakovil, Kangeyam, Palladam and Sulur. This project is expected to improve connectivity between the warehousing clusters and the production and distribution zones of Coimbatore region | 2027 – 2028 |
| Proposed six/eight lane triangular corridor | The project will enhance the activities in the proposed Coimbatore – Salem industrial corridor that includes manufacturing and business investment hubs, agri business hubs, special tourism zones and knowledge hubs. This is expected to amplify the industrial growth and also help in efficient transport of materials along the corridor. | 2027 – 2028 |
| Metro rail | Coimbatore Metro Rail will cover 139 km and this project will be executed in three phases by CMRL. The first phase will be for 44 km on the Avinashi road until Karumathampatti and Sathyamangalam road until Valiampalayam Pirivu from Ukkadam | Under planning stages |
| Airport Expansion | The Airports Authority of India (AAI) has proposed to construct a new domestic departure terminal building with swankier interiors on the eastern side of the airport. The terminal would be constructed in an area of 10,000 square feet with a cost of around INR 125 crore. | 2024 - 2025 |

**Source:** CBRE Research,

*Figure 48: Map of Key Upcoming Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.4.3. Overview of the Warehousing Clusters in Coimbatore:

*Table 23: Coimbatore –Vector Wise Warehouse Concentration*

| Cluster Classification | Northern Stretch | Eastern Stretch | Southern STRETCH |
|---|---|---|---|
| Locations | **Sathy road and National** | **Avinashi Road** | **Kochi Frontier Road, Palakkad road and** |

| Cluster Classification | Northern Stretch | Eastern Stretch | Southern STRETCH |
|---|---|---|---|
| | Highway 181 | | Salem Highway |
| Share of Supply in Coimbatore Region | 5% | 9% | 86% |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.4.3.1. Coimbatore - Completed Supply and Absorption Dynamics

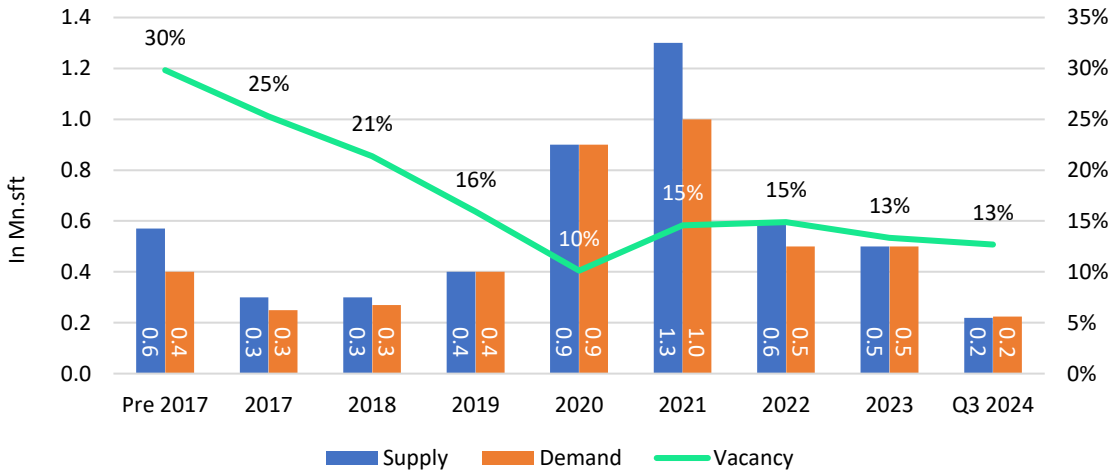
Coimbatore has approx. 5.09 mn sft of operational warehouse supply out of which approx. 4.44 mn sft is occupied. The Southern vector constitutes about 86% of the Completed supply. Industrial and Warehousing market of Coimbatore is primarily driven by the demand arising from Third party logistics, E-Commerce, Industrial Manufacturers, FMCG etc. The city predominantly houses Grade B developments of ~ 39% and about ~ 38% of Grade A and 23 % Grade C developments respectively.

**Southern Cluster:**

This cluster is the major warehousing cluster of Coimbatore and hosts all Grade A developments in the city. All Major Warehousing players are located along this vector (TVS, Indospace, NDR, VSMC)

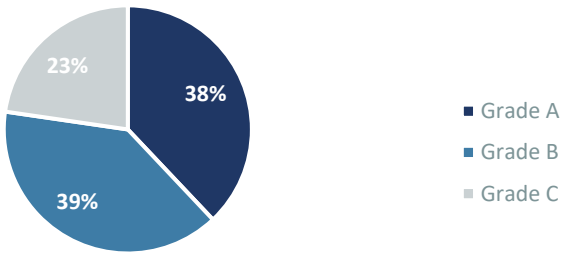
The figure below highlights the y-o-y absorption & supply levels at the city level:

*Figure 49: Y-O-Y Supply & Absorption Levels in Coimbatore*




**Source:** CBRE Research; Updated as of Q3 2024

*Figure 50: Bifurcation of Completed Supply Based on Development Grade*



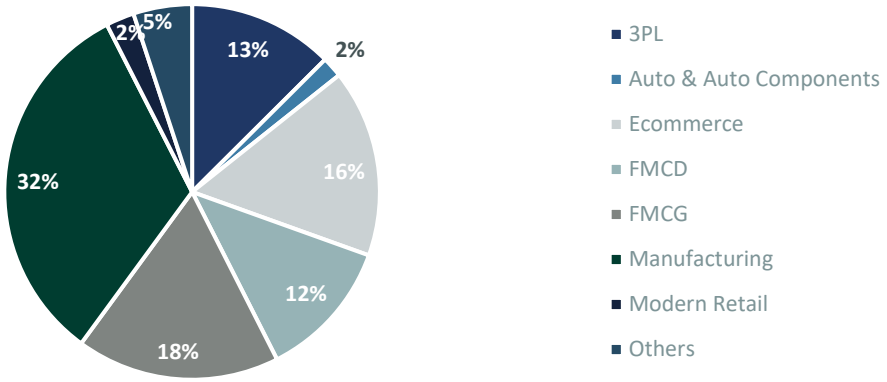

**Source:** CBRE Research; Updated as of Q3 2024

A healthy level of absorption (95 percent) has been observed in Grade-A developments, indicating that occupants prefer higher-quality warehousing developments. The observation of consistent absorption levels in prominent Grade A developments constructed by institutional developers including Indospace, TVS, and

NDR serves as evidence of the increasing need for structured warehouses.

The major Industries driving demand for warehousing in the region include FMCG, FMCD, E Commerce, & 3PL players these categories accounts to 58% of total absorption.

*Figure 51: Segmentation of Absorption by Industry in Coimbatore*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.4.3.2. Coimbatore – Asking Rental Dynamics

For a Grade A property, the average monthly base rental in Coimbatore is between INR 18 - 21/Sft, while for a Grade B development, it is between INR 16.5 to 18/Sft and INR 21–22 per square foot per month is the monthly rent for specific Grade A warehouses with upscale amenities.

*Table 24 : Details of Micro Market Wise Grade A & B Asking Rentals*

| Vector | Micro Market | Grade | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|---|
| South | Palladam-Cochin Frontier Road | A | 18 – 19 | 18 - 19 | 18 - 20 | 19 - 21 | 20 - 22 | 21- 22 |
| | | B | 15 - 16 | 15 - 16 | 16 - 17 | 17 – 18 | 20 – 21 | 20 – 21 |
| East | Avinashi Coimbatore Road | B | 14 - 15 | 14 - 15 | 14 - 15 | 15 - 16 | 18 - 19 | 18 – 19 |
| North | Sathy Road | B | 14 - 15 | 14 - 15 | 14 - 15 | 15 - 16 | 16 – 17 | 16 – 17 |

**Source:** CBRE Research; Unit – INR/sft/Month; Updated as of Q3 2024

### 3.4.3.3. Southern Cluster Overview

This cluster is the most prominent warehousing cluster of Coimbatore and hosts all Grade A developments in the city – Indospace and TVSILP. Out of the completed supply in Southern cluster approximately 44% of the supply is Grade A. Majority of the Warehousing demand is driven by FMCG, FMCD and 3PL tenants. Further, details of micro markets are elaborated in the following paragraphs.

**Southern vector**

*Table 16 Snapshot Southern Vector*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Coimbatore | Upcoming Supply |
|---|---|---|---|---|---|
| 4.39 Mn sft | 7- 8% | 1.93 Mn sft | 4- 5% | 100% | 0.4 – 0.5 Mn sft |

**Source:** CBRE Research ; Updated as of Q3 2024

The presence of developable land banks, as well as its proximity to manufacturing clusters and the Kochi industrial market, are the major demand drivers for this cluster. The strategic location of the Palladam-Kochi Frontier Road also makes it an attractive option for companies looking to establish distribution centres in South India, specifically in Kerala. The availability of skilled labour in the surrounding areas further enhances the appeal of this location for companies looking to set up operations. Additionally, the well-connected road network and access to major ports make it an ideal choice for businesses seeking efficient logistics solutions.

### 3.4.3.4. Eastern Cluster Overview

Second most activity driven cluster of the Coimbatore City, the cluster is majorly characterised with the presence of Grade C type warehousing constituting to about 64% of the completed supply in this stretch.

#### 3.4.3.5. Northern Cluster Overview

State Highway 168, Sathyamangalam Road, Mettupalayam Road, and Annur Road compose the majority of the locations comprising the Northern Cluster Micro Market. In contrast to other sectors of the city, warehousing activity is comparatively minimal. This is primarily due to the existence of IT SEZ and other associated tasks.

## 3.5. Cuttack

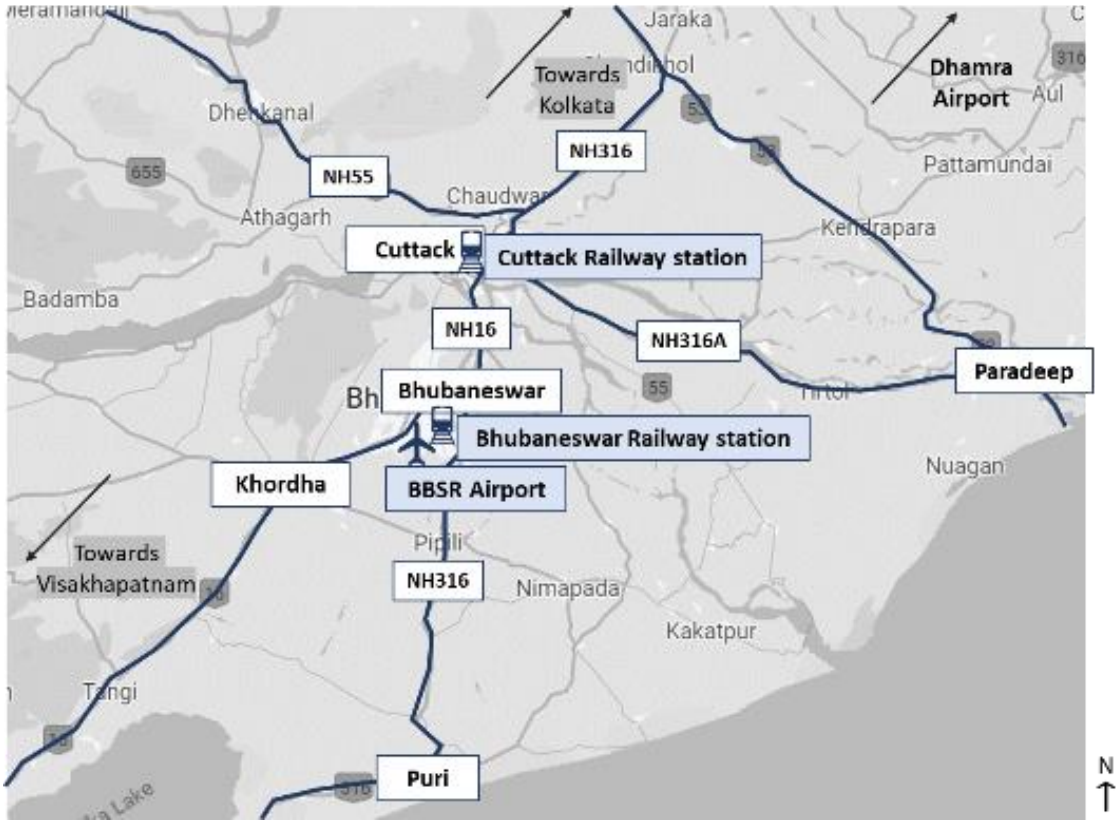
Cuttack, commonly known as the twin city of Odhisa, is situated at around 26 kilometres from Bhubaneswar, the capital city of Odisha. Odisha's oldest industrial centre, Cuttack, is home to numerous minor, medium, and large-scale businesses. Choudwar, situated near Cuttack City, is renowned for its ferroalloy sector.

*Table 17: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, passes through key warehousing and industrial corridor of Kolkata, Bhubaneswar, Cuttack and Chennai<br><br>National Highway 316 – Connecting Bhubaneswar and Puri - Satpada, further, National Highway 316A – Intersects NH16 near Pahal, Bhubaneswar, this highway connects Bhubaneswar to Konark, Raghunathpur, Nimapada, etc. |
| Railway Network | Existing | Cuttack station is operating since 1896 and falls under Khurdha road division of East Coast Railway. Khargpur-Puri line, Cuttack-Paradip line and Cuttack-Sambalpur line run through Cuttack railway station. City exports minerals, steel, handcrafts etc. via rail to other states. |
| Biju Patnaik Airport (Bhubaneswar) | Existing | It is an international airport located in proximity to Bhubaneswar city and only 20-25 km. away from Cuttack city.<br><br>This Airport was dedicated to people of Odisha on 17th April 1962, becoming first ever commercial airport in Odisha state. As the demand grew, another terminal was built in 2013 with a capacity of 4 Mn passengers per annum. |
| Bus Connectivity | Existing | Newly constructed (Sep 2023) Cuttack Netaji Bus Terminal (CNBT) at Khannagar providing Bus parking on a land of approx. 17.2 acres accommodating 191 bus parks |
| Dhamra Airport | Upcoming | Dhamra Airport is to be built by Dhamra Port Company Limited (a subsidiary of Adani Group company), located approximately 20 km from Dharma port. It is planned to allocate 274 acres of land for the airstrip. |

**Source:** CBRE Research

*Figure 43: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

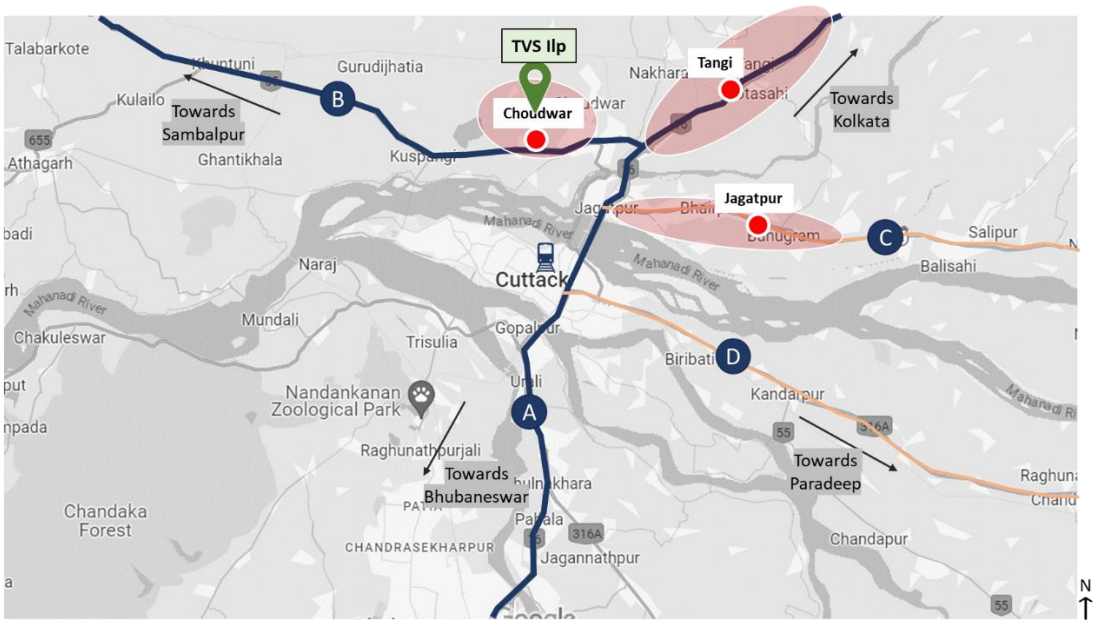
### 3.5.1. Overview of the Warehousing Market in Cuttack

| Cluster Classification | EASTERN CLUSTER | WEstern Cluster |
|---|---|---|
| Micro-markets | Jagatpur, Tangi | Choudwar |
| Share of Supply in Cuttack Region | 74% | 26% |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Cuttack is spread across three major micro markets, viz. Jagatpur, Tangi and Choudwar. Jagatpur and Tangi are the most prominent warehousing micro-markets while, Choudwar is an upcoming micro market primarily with few Grade A warehouse blocks owned by ESR. Jagatpur and Tangi micro markets contribute to a completed supply (1.33 Mn sft ~ 74%), followed by Choudwar (0.46 Mn sft ~ 26%). In last couple of years, Jagatpur and Choudwar micro markets have seen major traction. These micro markets are witnessing major demands from companies such as Pidilite, TATA Consumer, Reliance Retail, Flipkart, Ola Electric, etc. have a strong presence in the region.

***Figure 53: Map Of Warehousing Cluster in Cuttack City***




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.5.1.1. Cuttack – Completed Supply and Absorption Dynamics

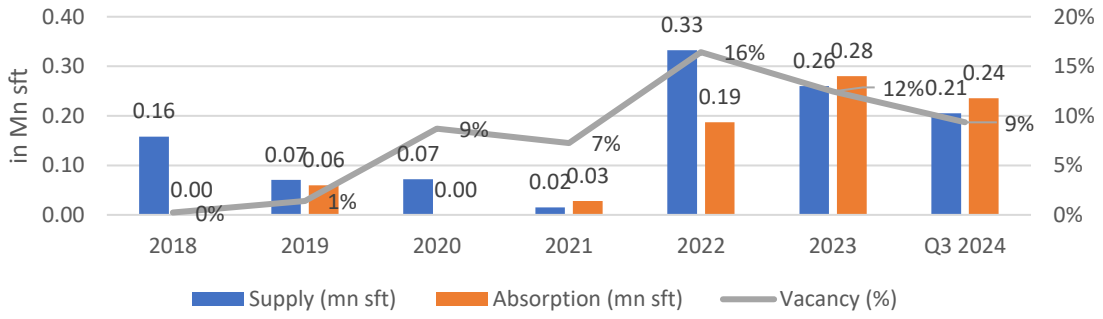
The region has approximately 1.8 Mn sft of operational warehousing supply, of which approximately 1.6 Mn sft is occupied. Prior to 2018, the supply majorly constituted of Grade B & C developments. During the last 5 – 6 years, the share of Grade B & C supply has reduced drastically due to increased demand for quality warehousing spaces from occupiers such as Manufacturing, E-commerce, Logistics, Electronics goods etc. hence, witnessing a significant supply of Grade 'A' supply. Entry of Kingstone group in this region had resulted increase in supply of grade A facility. Later, these warehouses of Kingstone were bought by ESR group.

*Table 27: Overview of Warehousing Market In Cuttack*

| Completed Supply (Mn sft) | Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 1.8 | 1.6 | 34% (Absorption – 97%) | 49% (Absorption – 86%) | 17% (Absorption – 90%) |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 54: Y-O-Y Supply & Absorption Levels in Cuttack*




**Source:** CBRE Research; Updated as of Q3 2024

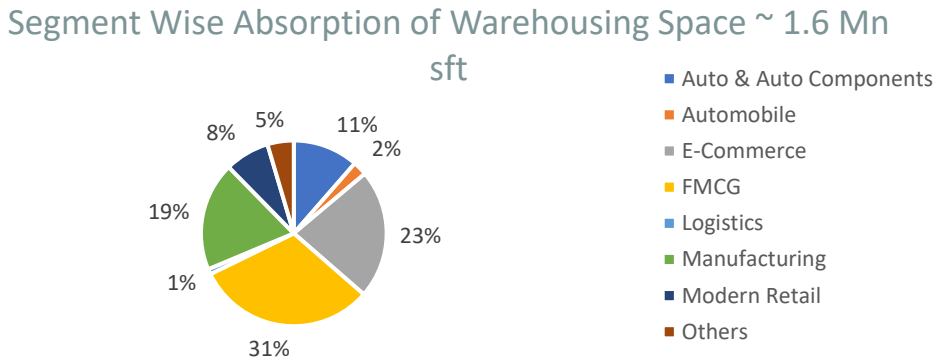
Grade A developments are primarily concentrated in Choudwar micro-market catering primarily to E-commerce sector. Cuttack has witnessed a steady increase in supply over the last couple of years (2018 – 2024) with an average annual supply of approx. 0.16 Mn sft.

Going forward, the Grade A's share of the market composition across the city is expected to increase, considering the upcoming supply, and increasing interest from the national and international E-commerce, FMCG, FMCD and modern retail companies. Majority of the warehousing activity in the region has been in

the Grade B development category being developed by local individual players.

Manufacturing, Ecommerce, Electronic, Logistics & Distribution, Machines & Equipment, are the key tenant sectors occupying space in Grade A developments across Cuttack. Some of the key tenants present are Pidilite, Tata Consumer, Ola Electric, Hyundai HUL, Flipkart, Reliance Retail etc.

*Figure 55: Segmentation of Absorption by Industry in Cuttack*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.5.1.2. Cuttack – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 1.5 – 1.6 Mn sft, majorly across Grade A warehousing space and is expected to get introduced phase wise between 2024 to 2026 in the market.

*Table 28: Bifurcation of Upcoming Supply in Cuttack*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.5 – 0.7 Mn sft | 0.9 – 1.1 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Most of the upcoming supply is expected to be in the micro markets of Choudwar & Tangi.

### 3.5.1.3. Cuttack – Asking Rental Dynamics

The average base rental witnessed in Cuttack is in the range of INR 18 – 22 / sft / month for a Grade A development and between INR 17 – 19 / sft / month for a Grade B development.

*Table 29: Details of Micro-Market Wise Grade A & B Asking Rentals*

| Micro-Market | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B | A | B |
| Tangi | NA | 14 – 15 | NA | 15 – 16 | NA | 15 – 16 | NA | 16 – 17 | NA | 16 – 17 | NA | 17 – 18 | NA | 18 – 19 |
| Jagatpur | NA | 16 – 18 | NA | 17 – 18 | NA | 17 – 18 | NA | 18 – 19 | NA | 18 – 19 | 17-19 | 18 – 20 | 18-20 | 19 – 21 |
| Choudwar | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 21-22 | NA | 22-23 | NA |

**Source:** CBRE Research; Updated as of Q3 2024; Unit – INR/sft/Month

### 3.5.1.4. Cuttack – Key Lease Transactions

The following table enumerate the key lease transaction in the Cuttack:

*Table 18: Details of Key Transactions in Cuttack*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals | Year of Transaction |
|---|---|---|---|---|---|
| Jagatpur | FMCD | Grade A | 40,000 | 18 – 19 | Q1 2024 |
| Jagatpur | Logistics | Grade A | 15,000 | 18 – 19 | Q1 2024 |
| Choudwar | E-commerce | Grade A | 2,20,000 | 21 – 22 | Q2 2023 |
| Choudwar | Retail | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |
| Jagatpur | Manufacturing | Grade A | 40,000 | 18-19 | Q4 2023 |
| Jagatpur | Manufacturing | Grade A | 32,000 | 18-19 | Q4 2023 |

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals | Year of Transaction |
|---|---|---|---|---|---|
| Tangi | FMCG | Grade B | 1,50,000 | 16-17 | Q4 2022 |

**Source:** CBRE Research; Updated as of Q3 2024; Unit - (INR/sft/Month)

### 3.5.1.5. Eastern Cluster Overview

This cluster with large scale Grade A warehouses which are in Jagatpur micro market. Market's proximity to Jagatpur Industrial Estate, Cuttack Industrial Estate, and excellent connectivity through NH 16 and Cuttack-Kendrapada Road have led to its emergence.

### 3.5.1.6. Western Cluster Overview

Western Cluster comprises of only 1 micro market ~ Choudwar. The cluster is located on Western side of Cuttack alongside NH 55. The micro market is dominated by ESR group who has the only notable warehouse establishments in this cluster. Market's proximity to main city area and excellent connectivity through NH 55 have led to its emergence. Out of the completed supply in Choudwar, which is a newly developed area, majority of the supply is Grade A.

**Choudwar Micro Market**

*Table 31: Snapshot of Choudwar Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Cuttack | Upcoming Supply |
|---|---|---|---|---|---|
| 0.46 Mn sft | 0% | 0.46 Mn sft | 0% | 75 – 77% | 1.0 – 1.1 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

It is the upcoming warehousing hub of Cuttack city. The Odhisa government subsidises industrial land parcels in Choudwar. Several corporations have built factories or warehouses on government land. Choudwar industrial area and SH 55 connectivity allow the micro market to accommodate multiple industrial and newly built warehouse buildings. Tangi, Jagatpur, and other warehouse mini marketplaces and industrial clusters are easily accessible. Upcoming supply includes planned supply from TVS ILP.

## 3.6. Madurai

Madurai is renowned as a significant trading center, especially for its handloom industry. Its connectivity is enhanced by National Highways NH-38, NH-45B, and NH-49, along with a domestic airport facilitating links with major cities within India and Colombo, Sri Lanka.

Serving as a pivotal junction on the Chennai-Kanyakumari railway line, Madurai is a focal point for various sectors including agriculture, textiles, commerce, education, information technology, and manufacturing across Tamil Nadu. Industrial advancements in areas such as Kappalur, Uranganpatti, Melur, and Pudur have strengthened Madurai's prominence in the industrial, logistics, and warehouse market. Notable industries driving demand for warehousing in the region include 3PL, e-commerce, automotive and auto ancillary, industrial, FMCG, and FMCD sectors.

### 3.6.1. Existing Infrastructure Initiative

The existing road network in Madurai is predominantly connecting the city to major cities and Towns. It comprises of National Highways, State Highways, Major District and Other District roads. Madurai is the headquarters of the Tamil Nadu State Transport Corporation and provides local and intercity bus transport across seven districts viz. Madurai, Dindigul, Theni, Virudhunagar, Tirunelveli, Thoothukudi and Kanyakumari.

### 3.6.2. Upcoming Infrastructure Initiatives

The following initiatives are expected to enhance accessibility and propel development activity in the region

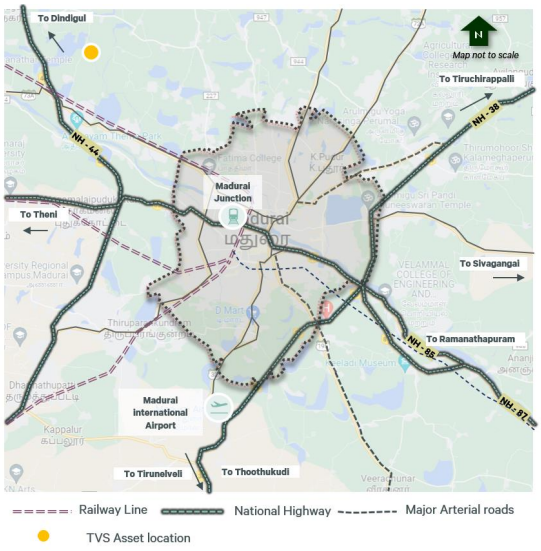
| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Madurai - Thoothukudi Industrial corridor | The corridor envisions on connecting 6 nodes viz. Madurai, Dindigul, Theni, Virudhunagar, Tirunelveli and Thoothukudi and develop industrial activities in manufacturing and agri-business hubs. The corridor is expected to boost industrial activity along the way thereby | Under planning stages |

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| | increasing the demand for warehouse space. | |
| Outer Ring Road | The proposed Madurai Outer Ring Road will be built for a total length of 32.1 km15 on the northern part of Madurai city, connecting NH 38 with NH 44 by linking the existing roads in the stretch. The project aims at decongesting the city traffic and connecting the two primary highways of Madurai viz. NH 38 & 45. | 2026 - 27 |
| Rail Infrastructure | Chennai Metro Rail plans to develop Metro Rail in Madurai district of Tamil Nadu in a total financial outlay of INR 11,368 crores. The project comprises 32 kms rail track between Thirumangalam and Othakadai and is proposed to have 27 stations | Under proposal stages |
| Air Infrastructure | The Airports Authority of India (AAI) has proposed to expand existing integrated terminal building and construct a new ATC Tower cum Technical Block at Madurai International Airport | Under planning stages |

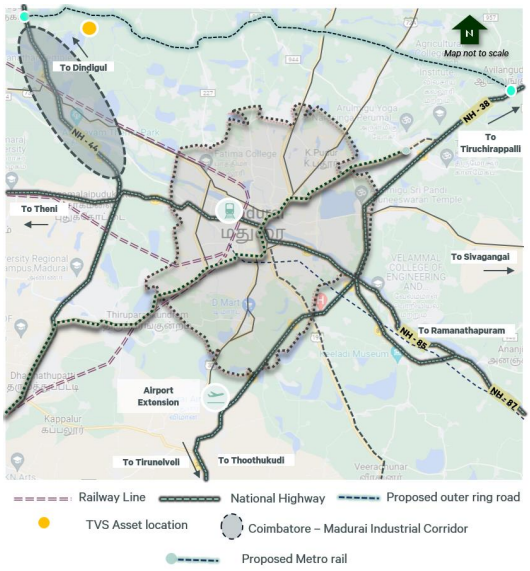
**Source:** CBRE Research

*Figure 56: Map of Key Existing Infrastructure Initiatives*

**Existing Infrastructure**




**Proposed Infrastructure**




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.6.3. Overview of the Warehousing Clusters in Madurai

*Table 32: Warehousing Clusters In Madurai*

| CLUSTER CLASSIFICATION | NORTH & NORTHWEST CLUSTER | SOUTHERN CLUSTER | EASTERN CLUSTER | SOUTHWEST CLUSTER |
|---|---|---|---|---|
| Key Locations | Alanganallur, Vadipatti, Nagari | Avaniyapuram, Kappalur | Melur | Thiruparankundram |
| Share of Supply in Madurai Region | 42% | 30% | 8% | 20% |

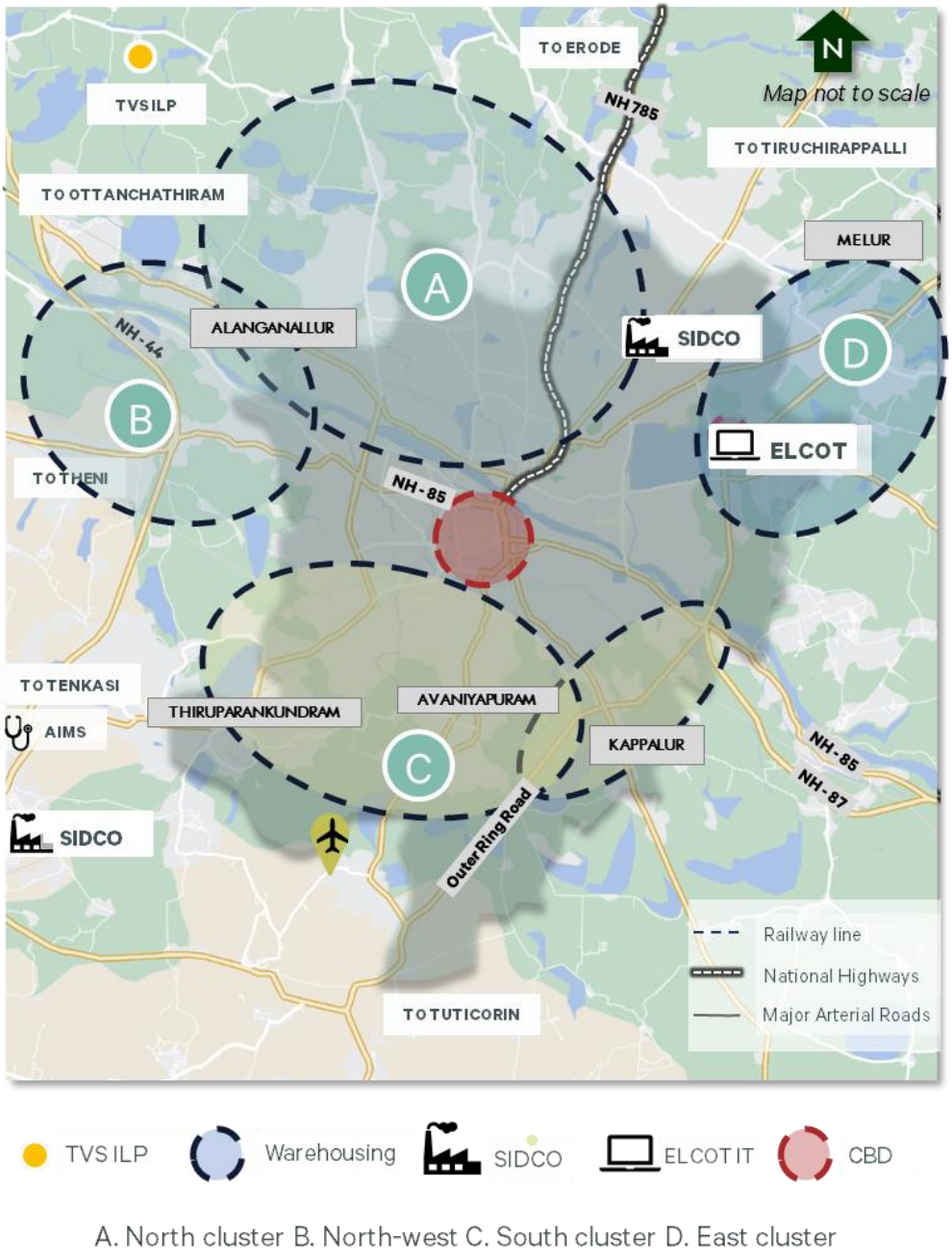
**Source:** CBRE Research; Updated as of Q3 2024

The North and Northwest stretch covers the Nagari, Vadipatti and Alanganallur. The Northern stretch is the

[15] ELCOT website

most preferred warehousing destination for warehousing developers. The southern stretch covers the Avinyapuram road and Kappalur that witnesses the presence of small-medium warehousing developments.

*Figure 57: Map of Warehousing Cluster In Madurai*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.6.3.1. Madurai - Completed Supply and Absorption Dynamics

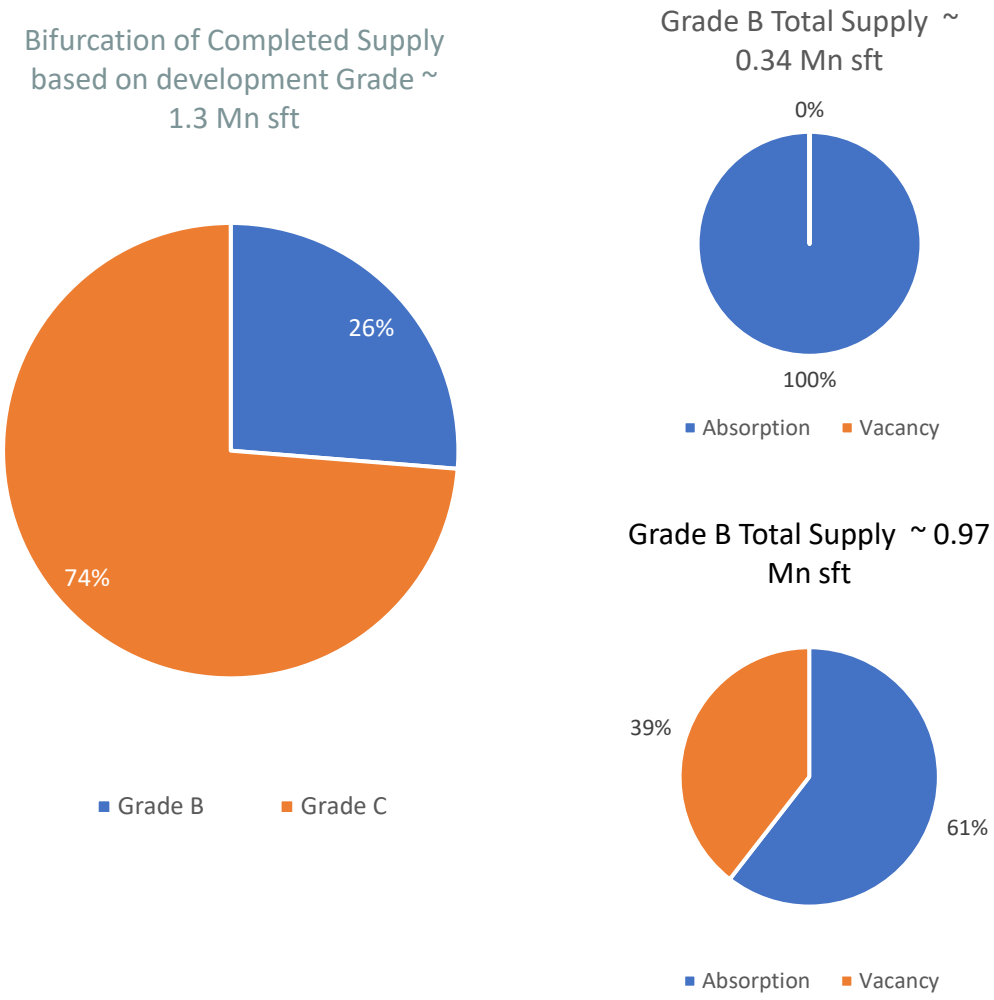
The Madurai Region currently has approximately 1.31 Mn sft of operational warehouse space, with around 0.94 Mn sft occupied. Around 74% of the completed supply, equivalent to 0.97 Mn sft, falls under Grade C classification, mainly due to the absence of significant Grade A and limited presence of Grade B players besides TVS. Madurai is emerging as a pivotal warehousing hub due to its close proximity to the VOC port in Tuticorin (approximately 150 – 155 kilometres away), the presence of MSME and SME clusters, and its role as a major distribution center for nearby towns and Tier III cities such as Dindigul, Pudukkottai, Virudhunagar and Theni.

Some of the major developments in the market include Sri Meenatchi industrial and logistics Park Private Limited – TVS (0.34 Mn sft – completed supply), CWC Warehouse (0.24 Mn sft), and SPG Warehouse (0.19 Mn sft). The Under construction/planned supply from major developments include the Independent Warehouse with a 0.095 Mn sft in Kappalur and TVS with a 0.09 Mn sft in Alanganallur.

The key industries preferred by Grade B warehousing spaces include FMCG, FMCD, 3PL, Automobile etc. Grade C is mostly preferred by Apparel, paints and manufacturing industries with a space off take ranging between 10,000 – 20,000 sft.

The growth of E-commerce has heightened the demand for efficient and technologically advanced warehousing space throughout Madurai.

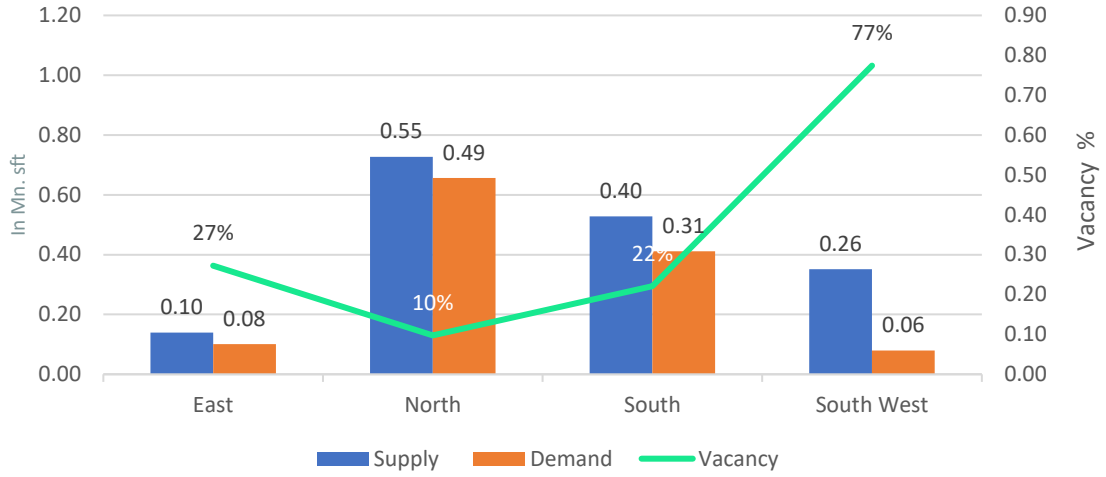
*Figure 58: Bifurcation of Completed Supply Based on Development Grade*




**Source:** CBRE Research; Updated as of Q3 2024

Healthy absorption levels have been witnessed in Grade-B developments which indicates the preference of occupiers for smaller development size of 30,000 to 50,000 sft warehouse box sizes. Due to this trend in absorption and presence of institutional developers are in negligible levels. Grade C warehouses have exhibited substantial vacancy rates, approximately 39%. This trend is particularly pronounced in the Southwest Cluster (Thiruparankundram), where vacancy levels have reached 77%. The primary factors contributing to this high vacancy rate are the quality of the available warehouse stock and the concentration of development by a single entity, the Central Warehousing Corporation (CWC).

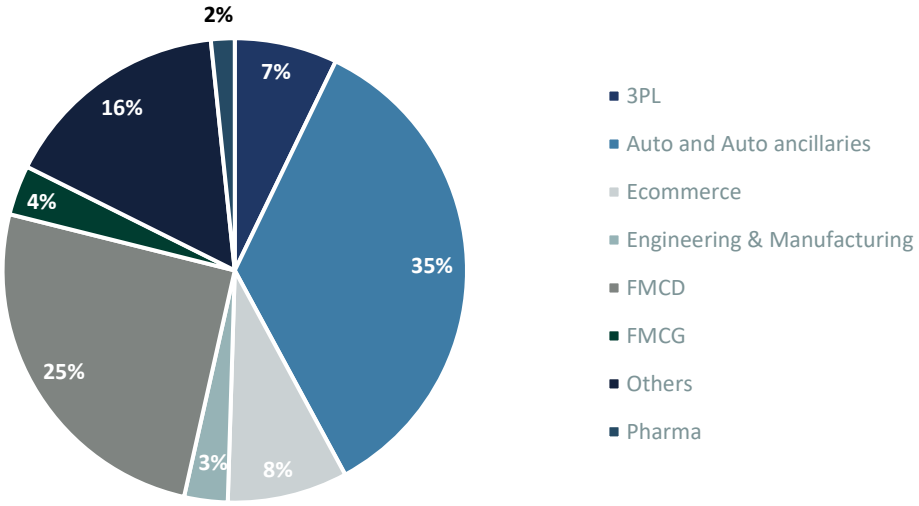
*Figure 59: Cluster Wise Supply & Absorption Levels in Madurai*




**Source:** CBRE Research; Updated as of Q3 2024

The major Industries driving demand for warehousing in the region include 3PL, E-Commerce, FMCD and Automobile which accounts to 75% - 76% of total absorption. Grade C is found to be the most preferred category among all the tenant segments present in the business ecosystem of Madurai.

*Figure 60: Segment Wise Absorption by Warehousing Space in Madurai*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.6.3.2. Madurai - Upcoming Supply Dynamics

The total supply in the pipeline is in the range of approx. 0.19 – 0.20 Mn sft of which the entire supply in under construction and is expected to hit the market by the end of 2024 & 2025.

*Table 33: Grade Wise Bifurcation of Upcoming Supply in Madurai*

| GRADE B | GRADE C |
|---|---|
| 0.09 Mn sft | 0.10 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

The upcoming supply for Madurai is to be witnessed on Southern and Northern Cluster. The locations where the majority of the upcoming supply envisaged are along the Kappalur – Airport Ring Road and along the NH 44 in Alanganallur.

*Table 19: Upcoming Supply from Prominent Grade B Players*

| LOCATION | 2024 – 2025 (MN SFT) |
|---|---|
| TVS, Alanganallur | 0.09 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.6.3.3. Madurai – Asking Rental Dynamics

The average rental witnessed in the Eastern and Southern Cluster is approx. between INR 16 - 18/ Sft / month and developments along the North cluster record warehousing rentals approx. INR 17 – 19 / Sft / month.

Micro Market Wise Average Asking Rentals as of Q3 2024 are enumerated below in the table:

*Table 35: Micromarket Wise Asking Rentals*

| MICRO MARKET | ASKING RENTAL (INR/SFT/MONTH) |
|---|---|
| East (Melur) | 16 - 18 |
| South (Avaniyapuram & Kappalur) | 16 - 18 |
| North (Alanganallur & vadipatti) | 17 - 19 |

**Source:** CBRE Research; Updated as of Q3 2024

## 3.7. Pune

The Pune Municipal Corporation area is established by the presence of residential and commercial activity, whereas Pimpri Chinchwad is an established engineering and automobile hub, home to several large engineering and automobile majors such as Tata Motors, Bajaj Auto, Volkswagen, Kirloskar Group, Mercedes Benz, Alfa Laval, Apollo Tyres, Forbes Marshal, Johnson Controls, Fiat and others.

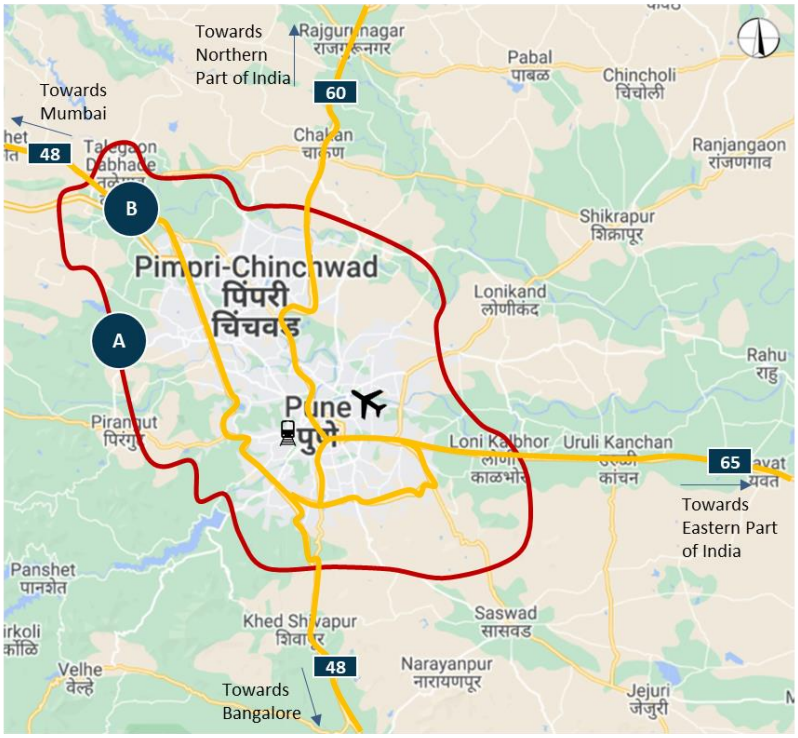
Region also has robust physical infrastructure in form of road, rail and air connectivity along with strong plans to develop further in order to improve the overall infrastructure landscape.

*Table 20: Key Existing and Upcoming Infrastructure*

| INFRASTRUCTURE PROJECT | CURRENT STATUS | PARTICULARS |
|---|---|---|
| Railway Network | Existing | Pune is the divisional headquarter for Central Railways with rail connectivity to neighbouring states (Karnataka, Gujarat, Telangana, Andhra Pradesh, Goa). Sugar, POL (Petroleum, Oil & Lubricants), Auto Parts, fertilizers, steel, etc. are some of the major commodities traded through rail freight. |
| Pune International Airport | Existing | The airport located in proximity to Pune CBD shares a common airstrip for the commercial & defence flights. The airport had been declared as a customs airport in 1997. Airport was initially notified for export of perishable agriculture produce items such as flowers, fruits, vegetables and processed food; however, in 2005, the airport received permission for unloading of imported goods and loading of export goods. This in turn had attracted interests from major industry players to setup their operations in the region. |
| Pune Outer Ring Road | Upcoming | 136.8 km long and 4-6 lane access-controlled road which shall pass through the peripheral nodes of the city and is expected to act as a bypass for the traffic entering Pune city through the National and State Highways. It is expected to be complete by 2026. |

**Source:** CBRE Research

*Figure 61: Map of Key Infrastructure*




A. Proposed Outer Ring Road B. Mumbai – Pune Expressway

**Source:** CBRE; Map not to scale only, for representation purpose only

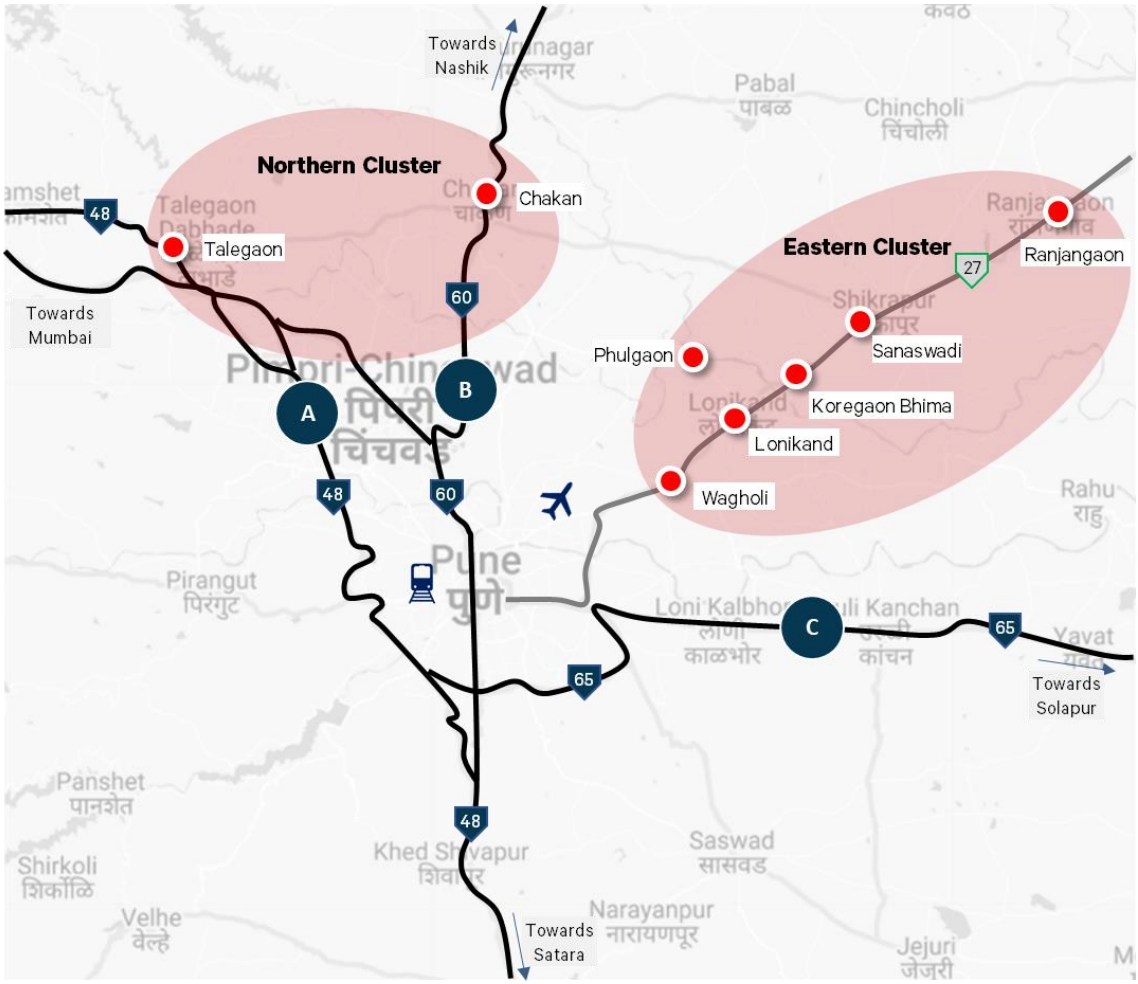
### 3.7.1. Overview of the Warehousing Market in PMR

Warehousing activity in the region is spread across two clusters placed in Northern and Eastern vectors of PMR with Northern cluster having majority of supply.

| Cluster Classification | Northern Cluster | EASTERN Cluster |
|---|---|---|
| Micro-markets | Chakan, Talegaon | Wagholi, Lonikand, Phulgaon, Koregaon Bhima, Sanaswadi, Ranjangaon |
| Share of Completed Supply in PMR | 70% | 30% |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 62: Map Highlighting Warehousing Clusters in PMR*




**Source:** CBRE; Map not to scale only, for representation purpose only

### 3.7.1.1. Completed Supply and Absorption Dynamics

The region's operational warehouse supply is approx. 37.7 mn sft, with around 33.4 mn sft occupied as on Q3 2024.

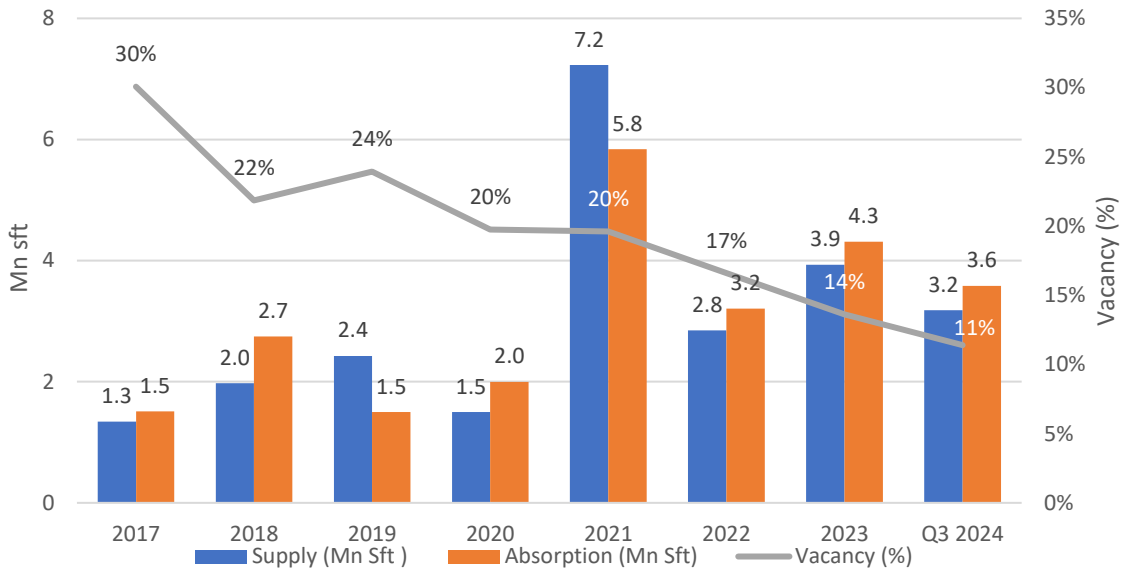
*Table 21: Overview of Warehousing Market In PMR*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 37.7 | 33.4 | 54% (Absorption – 89%) | 40% (Absorption – 89%) | 6% (Absorption – 81%) |

**Source:** CBRE Research; Updated as of Q3 2024

Chakan, Talegaon and Ranjangaon are the most prominent warehousing micro-markets, with the majority of supply in the form of investment grade storage space (Grade A); whilst micro-markets such as Sanaswadi, Phulgaon, Wagholi and Lonikand predominantly consist of Grade B and C supply. Large logistics and manufacturing firms are drawn to Chakan, Talegaon, and Ranjangaon because of their investment-grade warehouses, robust infrastructure, and government support. Affordable Grade B and C warehouses are available at Sanaswadi, Phulgaon, Wagholi, and Lonikand, serving local markets and small enterprises. Chakan and Talegaon micro-markets account for approximately 70% of completed supply (26.4 Mn sft), followed by Ranjangaon (4.7 Mn sft, 12%) and Wagholi - Lonikand - Phulgaon (4.7 Mn sft, 12%).

*Figure 63: Y-O-Y Supply & Absorption Levels In PMR*

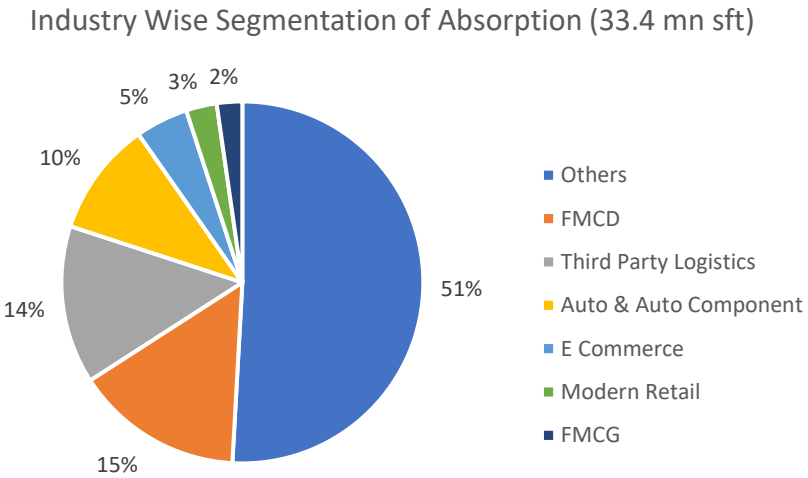



**Source:** CBRE Research; Updated as of Q3 2024

Prior to 2014, the supply consisted primarily of Grade B and C developments. During the last 9 - 10 years, the share of Grade C supply has decreased dramatically due to rising demand for quality storage spaces from occupiers such as Auto & Auto Components, Manufacturing, E-commerce, 3PL, etc., resulting in a considerable supply of Grade A & B supply. A continuous growth in overall supply has been observed over the last 7 - 8 years (2017 – Q3 2024), with an average yearly supply of approximately 3 mn sft in the region.

Manufacturing, Electronics, Logistics (3PL) & Distribution, Automobile, Machines & Equipment and Engineering are the primary tenant sectors. Key tenants include Kuenhe Nagel, Haier, Kawasaki, Amazon, DHL, Agarwal Packers, Parrikh Integrators, Mahindra Logistics, Chetak Logistics, Stellar and Vijay Logistics among others. Figure below illustrates the industry-wise segmentation:

*Figure 64: Segmentation of Absorption by Industry in PMR*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.7.1.2. PMR – Upcoming Supply Dynamics

The upcoming supply comprising under construction and planned in the region is in the range of 10 – 12 mn sft, majorly across Grade A warehousing space and is expected to get introduced in the market by 2028.

*Table 38: Bifurcation Of Upcoming Supply In PMR*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 1 – 2 Mn sft | 9– 10 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Majority of the upcoming supply is expected in the micro-markets of Chakan and Talegaon, followed by Ranjangaon. Institutional investors such as Indospace, Ascendas, ESR, Hiranandani, Malpani Group and Global are expected to expand their existing supply in the future.

### 3.7.1.3. PMR – Rental Dynamics

In PMR, the average quoted base rental for a Grade A property is between INR 24 and INR 30 per sft per month, while for a Grade B development, it is between INR 19 and INR 20. The table below lists the average rentals quoted for Grade A and B micro-markets.

*Table 39: Details of Micro-Market Wise Grade A & B Quoted Base Rentals*

| Micro-market | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Grade** | **A** | **B** | **A** | **B** | **A** | **B** | **A** | **B** | **A** | **B** | **A** | **B** |
| Chakan | 25 – 26 | 17 – 18 | 25 – 26 | 17 – 18 | 26 – 27 | 18 – 19 | 27 – 29 | 18 – 19 | 28 – 30 | 19 – 20 | 29 – 30 | 20 – 21 |
| Talegaon | 24 – 25 | 16 – 17 | 24 – 25 | 16 – 17 | 25 – 26 | 17 – 18 | 25 – 26 | 17 – 18 | 25 – 26 | 17 – 18 | 26 – 27 | 18 – 19 |
| Ranjangaon | 20 – 21 | 15 – 16 | 20 – 21 | 15 – 16 | 21 – 22 | 16 – 17 | 21 – 22 | 16 – 17 | 21 – 22 | 16 – 17 | 22 – 23 | 17 – 18 |
| Wagholi – Lonikand – Phulgaon | 17 – 18 | 13 – 14 | 17 – 18 | 13 – 14 | 18 – 20 | 14 – 15 | 20 – 22 | 15 – 16 | 20 – 22 | 15 – 16 | 21 – 22 | 16 – 17 |
| Koregaon Bhima – Sanaswadi | 17 – 18 | 12 – 13 | 17 – 18 | 12 – 13 | 18 – 19 | 13 – 14 | 19 – 20 | 13 – 14 | 19 – 20 | 13 – 14 | 21 – 22 | 14 – 15 |

**Source:** CBRE Research; Updated as of Q3 2024; Unit – INR/sft/Month;

### 3.7.1.4. PMR – Key Recent Lease Transactions

The following table enumerate the key lease transactions in the region:

*Table 40: Details of Key Transactions*

| Micro-market | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Talegaon | Engineering & Manufacturing | Grade A | 125,000 | 26 - 27 | Q2 2024 |
| Ranjangaon | 3PL | Grade A | 250,000 | 22 – 23 | Q2 2024 |
| Chakan | Auto & Ancillary | Grade A | 240,000 | 29 - 30 | Q3 2024 |
| Chakan | Engineering & Manufacturing | Grade B | 182,000 | 22 - 23 | Q3 2024 |
| Chakan | Engineering & Manufacturing | Grade B | 175,000 | 24 - 25 | Q3 2024 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.7.1.5. Northern Cluster Overview

Chakan and Talegaon micro-markets within the Northern Cluster are placed on the Pune - Nasik Highway (NH-60) and provides easy access to the Mumbai - Pune expressway. Chakan is close to the city's main consumption hubs mainly areas within PCMC (Pimpri Chinchwad Municipal Corporation). Furthermore, both the micro-markets are well served by NH 48 and NH 60, which has contributed to their recent rise as the significant warehousing hubs.

**Chakan Micro-market**

*Table 41: Snapshot of Chakan Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 22.5 Mn sft | 9-10% | 13.1 Mn sft | 7-8% | 64 - 65% | 4 – 5 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Chakan is regarded as an auto and auto accessory manufacturing hub, with the presence of major manufacturers as well as industries that supply OEM parts to production plants. Chakan's warehousing micro-market is the most attractive micro-market, having been built mostly by institutional businesses. Manufacturing, automotive, electronics and logistics are significant industries, accounting for over 50% of completed supply in the Chakan micro-market, with tenants including IKEA, Tata, Kawasaki, Bosch, Delphi

Automotive and others.

#### 3.7.1.6. Eastern Cluster Overview

The cluster is located on the eastern side of PMR, alongside State Highway 27. The cluster accounts for around 31% of the completed supply in the PMR region. Within the cluster, Grade A accounts for approximately 43% of the completed supply.

## 3.8. Siliguri

Siliguri is placed in the Siliguri corridor which is also known as a Chicken's Neck corridor. It is a strategic location towards the north-eastern region of India and crucial as a trading and commercial centre in North Bengal. Siliguri is the gateway to the hill stations of the Northeast, and North Bengal. It is also the transit point to the neighbouring countries of Bhutan, Nepal, and Bangladesh.

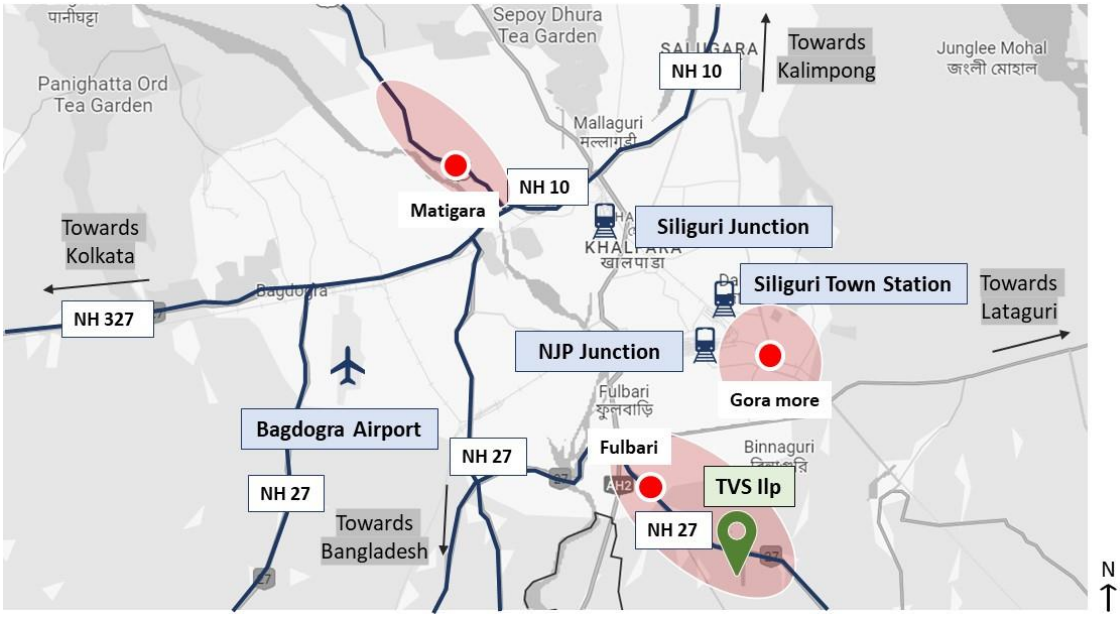
Major industrial and warehouse hub in Siliguri is in Fulbari and its nearby areas which accommodate large companies such as Reliance, Flipkart, Coca-Cola, ITC, and several tea and logistics companies.

*Table 42: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 27 – Connecting Porbandar & Silchar, the highway passes through key warehousing and industrial corridor of Siliguri.<br><br>National Highway 12 – Runs entirely in West Bengal. It connects NH 27 junction at Dalkhola and Bok-khali, the highway meets to key industrial areas in the region.<br><br>Asian Highway 2 – Connects Panitanki near Siliguri on India-Nepal border and Fulbari on India-Bangladesh boarder. |
| Railway Network | Existing | There are mainly 3 major railway stations in Siliguri, Siliguri Town railway station, Siliguri Junction and New Jalpaiguri Junction. All the 3 stations play a vital role to connect Siliguri with rest of India. |
| Bagdogra International Airport | Existing | It is an international airport located approx. 11 – 12 kms from Siliguri CBD area and approx. 16 – 17 kms. away from New Jalpaiguri Junction.<br><br>This Airport is controlled by Indian Airforce but also allows civilian flights to operate. |
| Kharagpur-Siliguri Economic Corridor | Upcoming | NHAI have approved 4 lane expressway which will connect Kharagpur (west of Kolkata) to Siliguri. It will be a 516 kms long expressway. The project is expected to be completed by 2028. |
| Railway Network | Upcoming | On 9th March 2024 PM Shri Narendra Modi inaugurated several railway projects in North Bengal. The projects include Eklakhi - Balurghat section; Barsoi - Radhikapur section; Raninagar Jalpaiguri - Haldibari section; Siliguri - Aluabari section via Bagdogra and Siliguri – Sivok – Alipurduar Jn. – Samuktala (including Alipurduar Jn. – New Coochbehar) section. |

**Source:** CBRE Research

*Figure 65: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

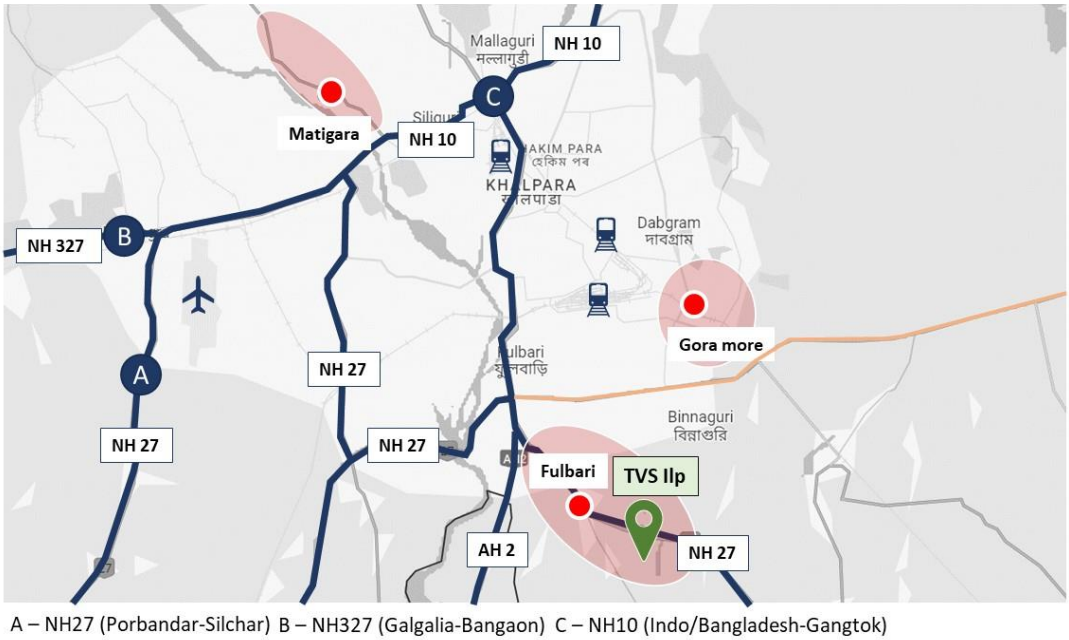
### 3.8.1. Overview of the Warehousing Market in Siliguri

| Cluster classification | Northern cluster | Eastern cluster | Central cluster |
|---|---|---|---|
| Micro-markets | Matigara | Fulbari | Gora More |
| Share of Supply in Siliguri Region | 30% | 28% | 42% |

**Source:** CBRE Research; Updated as of Q3 2024

Matigara and Gora More are the most prominent warehousing micro-markets. The majority of the supply in the form of investment-grade warehousing space (Grade A) can be found in Gora more and Fulbari, while Matigara markets primarily comprise of Grade B and C supply. Gora more contribute to a completed supply (1.32 Mn sft ~ 42%), followed by Matigara (0.91 Mn sft ~ 30%) and Fulbari (0.88 Mn sft ~ 28%). In the last couple of years, Matigara micro markets have not seen much traction owing to unavailability of large and contiguous land parcels, while Gora more and Fulbari are witnessing major demands from companies such as Reliance, Mondelez, Delhivery etc. that have a strong presence in the region.

*Figure 66: Map of Warehousing Cluster in Siliguri City*




A – NH27 (Porbandar-Silchar) B – NH327 (Galgalia-Bangaon) C – NH10 (Indo/Bangladesh-Gangtok)

**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.8.1.1. Siliguri – Completed Supply and Absorption Dynamics

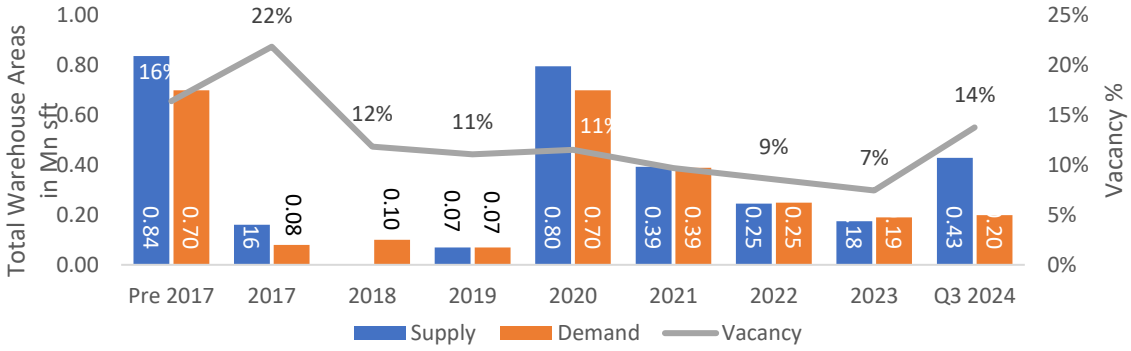
The region boasts an operational warehouse supply of approximately 3.11 Mn sft, with approximately 2.68 Mn sft currently occupied. Prior to 2018, the supply was mostly composed of Grade B, and C developments. During the last 5–6 years, the share of Grade C supply has drastically reduced due to increased demand for quality warehousing spaces from occupiers such as manufacturing, e-commerce, logistics, electronic goods, etc. Hence, witnessing a significant supply of Grade 'A' and 'B' supply.

*Table 43: Overview of Warehousing Market in Siliguri*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 3.11 | 2.67 | 0.80 Mn sft (Absorption – 80%) | 1.39 Mn sft (Absorption – 89%) | 0.91 Mn sft (Absorption – 88%) |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 67: Y-O-Y Supply & Absorption Levels in Siliguri*

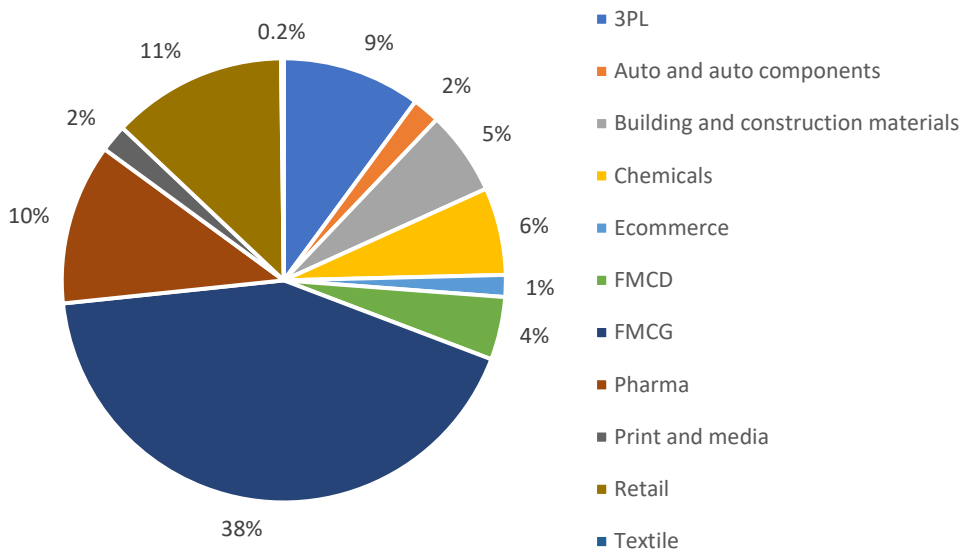



**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Gora more and Fulbari micro-markets, catering primarily to retail and FMCG sectors. A steady increase in supply has been witnessed over the last 4 – 5 years, with an average annual supply of approx. 0.4 Mn sft. The demand for Grade A developments in these micro-markets is driven by their strategic location, proximity to key transportation hubs, and availability of skilled labour. Additionally, the presence of established industrial clusters and supportive government policies further contribute to the growth of these sectors in the region.

Grade A's proportion of the city's market composition is likely to rise in the next few years, due to good transport connectivity to Siliguri as well as other parts of East India, availability of land, etc., owing to increased supply and interest from national and international enterprises. The majority of warehousing activity in the region has been in the Grade B development category, which have been developed by local individuals. FMCG, 3PL, Ecommerce, Pharma and FMCD are the key tenant sectors occupying space in Grade B developments across Siliguri. Some of the key tenants present are Lupin, Pepsico, HUL, Instakart and ITC etc.

*Figure 68: Segmentation of Absorption by Industry in Siliguri*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.8.1.2. Siliguri – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 0.2 – 0.3 Mn sft. , which is anticipoated to be operational by the end of 2025.

*Table 44: Bifurcation of Upcoming Supply in Siliguri*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.1 – 0.2 Mn sft | 0.05 – 0.1 Mn sft |

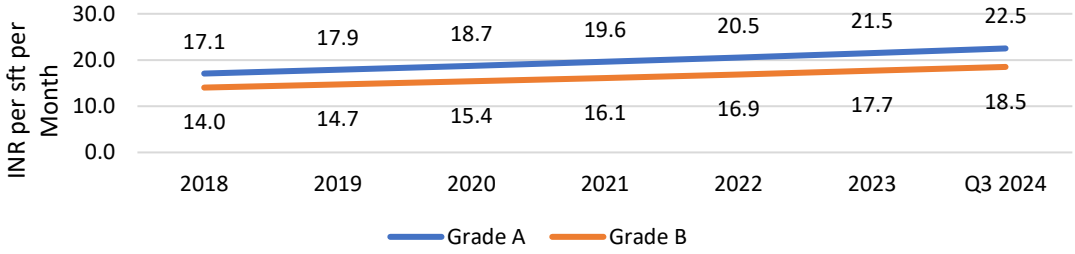
**Source:** CBRE Research; Updated as of Q3 2024

The majority of the upcoming supply is expected to be in the micromarkets of Gora more.

### 3.8.1.3. Siliguri Rental Dynamics

In Siliguri, the average quoted base rental for a Grade A property is between INR 21 and INR 23 per sft per month, while for a Grade B development, it is between INR 18 and INR 19.

*Figure 69: Grade Wise Asking Rentals in Siliguri*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.8.1.4. Siliguri – Key Lease Transactions

The following table enumerate the key lease transaction

*Table 45: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Gora more | Retail | Grade A | 1,00,000 | 22 – 23 | Q4 2022 |
| Gora more | Retail | Grade A | 70,000 | 22 – 23 | Q1 2023 |
| Gora more | Retail | Grade A | 1,00,000 | 21 – 22 | Q2 2023 |

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Fulbari | FMCG | Grade A | 225,000 | 19 – 20 | Q1 2024 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.8.1.5. Northern Cluster Overview

The cluster is located alongside Khaprail Road which connects to NH 10 and AH 2. Maa Amba Infrastructure Pvt Ltd and Simco Group are the dominant players in this micromarket. The market's proximity to Bagdogra International Airport approx. 9 – 10 kms and excellent connectivity through NH 27 have led to its emergence.

### 3.8.1.6. Eastern Cluster Overview

The cluster is located on the eastern side of Siliguri, alongside NH 27. The micromarket is dominated by mainly local individual players. The market's proximity to the main city area and excellent connectivity through NH 27 have led to its emergence. The cluster comprises approximately 24% of the completed supply in the Siliguri region. Out of the completed supply in the Fulbari cluster, approximately 54% of the supply is Grade A, followed by Grade B and Grade C with a supply of 22% & 24% respectively.

**Fulbari Micro Market**

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in SILIGURI |
|---|---|---|---|---|
| 0.88 Mn sft | 20-21 % | 0.48 Mn sft | 24% | 55-60 % |

**Source:** CBRE Research; Updated as of Q3 2024

Proximity to the National Highway and the main city area have resulted in the growth of Fulbari as a micro-market. Several multinational and national companies, such as Coca cola occupying Grade A development, Mondelez, Instakart and Delhivery occupying Grade B development, and companies like Keventer, Emami Frank Ross, etc are occupying Grade C developments in this micromarket. Grade A rental in this micromarket range between 21 – 23 INR/sft/month, whereas Grade B rental is between 17 – 18 INR/sft/month. However, due to recent completions, the vacancy rate in Grade A developments currently stands at 24%. Nevertheless, this vacancy is expected to decline in the near future, driven by rising consumption demand and the growing need for high-quality warehouses

**Central Cluster Overview**

Gora more is the nearest to the city compared to other micromarkets in the region. In this belt, several companies, such as Exide, Amul, Amazon, Reliance, Dabar, Berger paints, Bisk farm, Tata tea, etc are present.

## 3.9. Sullurpet

Sullurpet Mandal forms part of the newly carved out Tirupati district.

Sullurpet is located towards the east coast of Andhra Pradesh in proximity to key industrial hubs like Sri City, Chennai, and the Mambattu APIIC area.

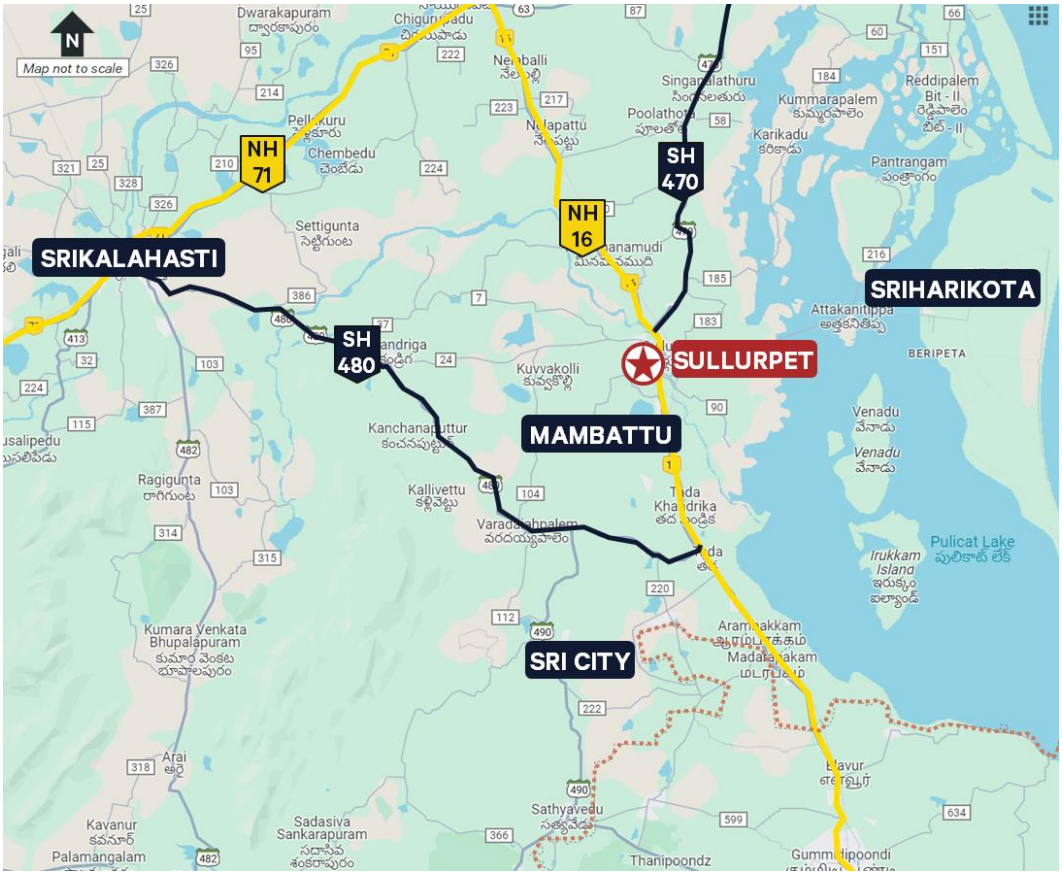
*Table 46: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, the highway passes through key warehousing and industrial regions such as Kolkata, Bhubaneshwar, Brahmapur, Visakhapatnam, Vizianagaram, Vijayawada, etc.<br><br>Sullurpet is located between Nellore and Chennai on the NH 16 stretch, towards the Eastern part of the Highway. National Highway 16 connects Sullurpet to other key cities of Andhra Pradesh such as Visakhapatnam, Vijayawada, etc. and Chennai in Tamil Nadu. |
| Railway Network | Existing | Sullurpet railway station connects the region to Chennai in the South and Nellore in the North. |

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| Tirupati Airport | Existing | The nearest airport to the subject location is Tirupati Airport, located approx. 60 km from the subject region. |

**Source:** CBRE Research

*Figure 70: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

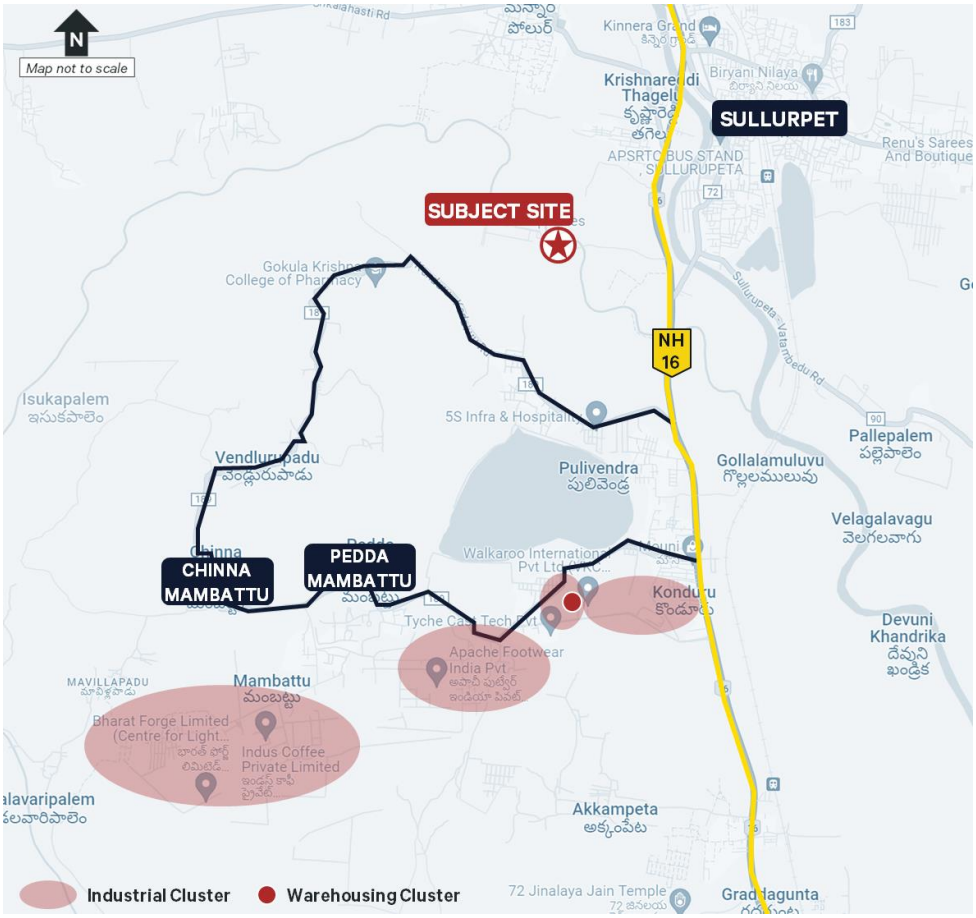
### 3.9.1. Overview of the Warehousing & Industrial Market in Sullurpet

| Cluster Classification | Mambattu – APIIC |
|---|---|
| Micro-markets | Kadaluru, Pedda Mambattu |

Industrial and warehousing activity in Sullurpet is concentrated near the Mambattu APIIC area located towards the western side of the town. The region has various industries set up within the APIIC industrial area with captive warehousing space.

The Mambattu region has approx. 0.52 mn sft of warehousing supply as of Q3 2024. All the supply is absorbed as it has been constructed on a built-to-suit basis

*Figure 71: Map of Warehousing Cluster in Sullurpet*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.9.1.1. Sullurpet – Completed Supply and Absorption Dynamics

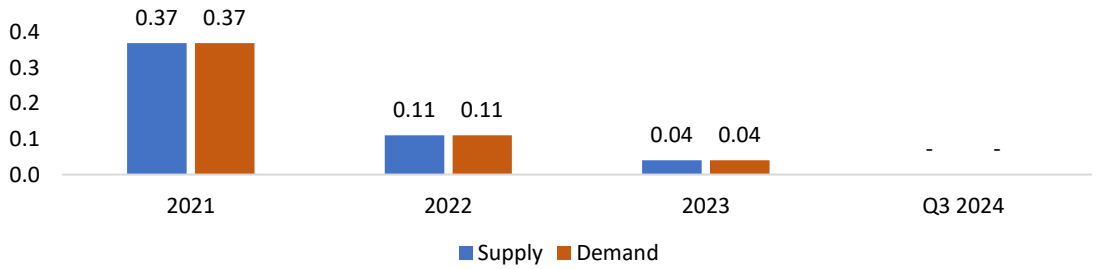
The supply is primarily of Grade B nature from occupiers of the Engineering & Manufacturing segment, with occupiers such as Ludetong and IMI.

*Table 47: Overview of Warehousing Market in Sullurpet*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) |
|---|---|---|
| 0.52 | 0.52 | 71% (Absorption – 100%) |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 72: Supply Absorption Dynamics of Sullurpet*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.9.1.2. Sullurpet – Upcoming Supply Dynamics

The Mambattu Micro Market is anticipated to see an influx of new warehouse space in the range of 0.27 to 0.28 million square feet by the end of 2024 or early 2025. This upcoming supply will be primarily comprised of Grade A development along with Grade B warehousing, catering to the area's established Engineering &

Manufacturing sector.

*Table 48: Bifurcation of Upcoming Supply in Sullurpet*

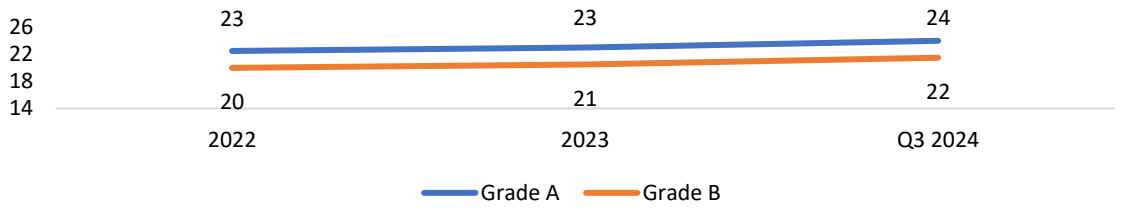
| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.27 – 0.28 Mn sft | 0.02 – 0.03 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.9.1.3. Sullurpet – Asking Rental Dynamics

The average quoted base rental in Sullurpet is INR 23 – 25 /sft /month for a Grade A development, and INR 21 – 23 /sft /month for Grade B development.

*Figure 73: Rental Trends – Sullurpet*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.9.1.4. Sullurpet – Key Lease Transactions

The following table enumerates the key lease transactions in Sullurpet:

*Table 49: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Sullurpet | Engineering & Manufacturing | Grade A | 3,70,719 | 24 – 25 | 2021 |
| Mambattu | Engineering & Manufacturing | Grade B | 35,000 | 21 – 22 | 2022 |
| Mambattu | Engineering & Manufacturing | Grade B | 35,000 | 22 – 23 | 2022 |
| Mambattu | Engineering & Manufacturing | Grade B | 40,000 | 22 – 23 | 2022 |
| Mambattu | Engineering & Manufacturing | Grade B | 40,000 | 22 – 23 | 2023 |

**Source:** CBRE Research; Updated as of Q3 2024

## 3.10. Vijayawada

Vijayawada, a thriving city in Andhra Pradesh, serves as the commercial, cultural, and intellectual hub of the state. Its economy is underpinned by a robust industrial base, with significant contributions from sectors like textiles, real estate, and agriculture.

With Andhra Pradesh's Industrial Development Policy 2020-23, the following sectors have been identified as thrust sectors and are expected to boost industrial activity in the city:

- Aerospace and defence
- Automobiles
- Electronics
- Food processing
- Footwear and leatherwear
- Petrochemicals and allied industries
- Pharmaceuticals and biotechnology
- Textiles
- Toys and furniture

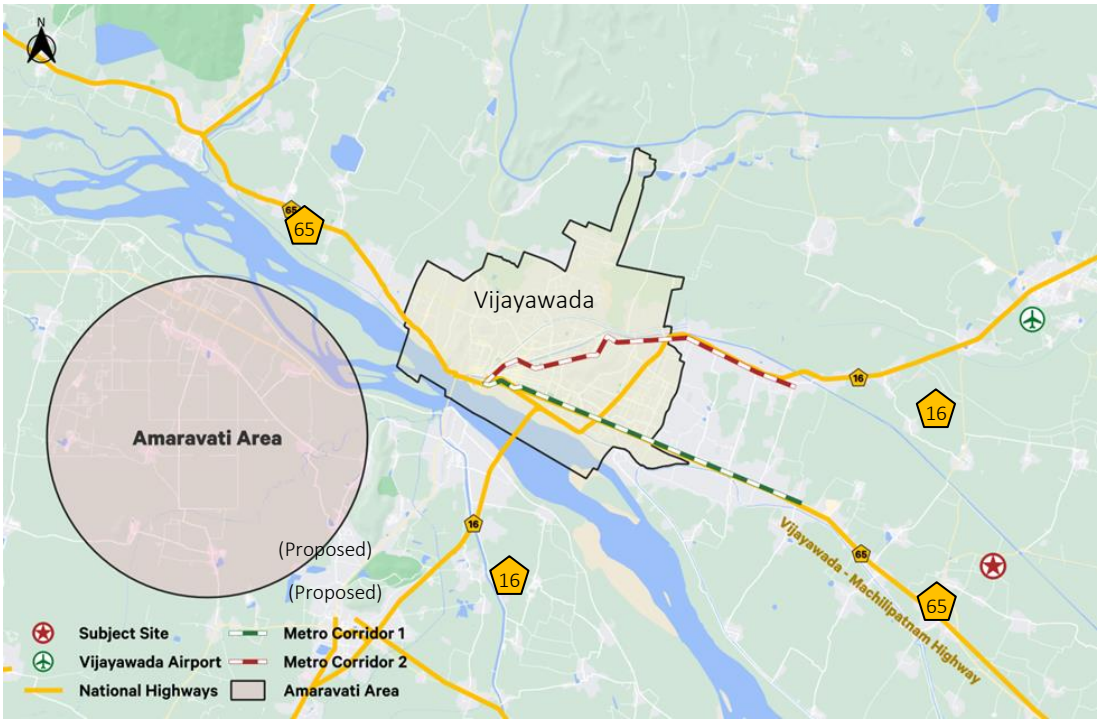
- Machinery, precision equipment, and mineral-based industries

*Table 50: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 65 – Connecting Pune and Machilipatnam, the highway passes through the heart of the city, passing by various residential, commercial, and industrial clusters of Vijayawada<br><br>National Highway 16 – Connecting Kolkata and Chennai, the highway passes through the heart of Vijayawada and connects the city to Amaravati, and other major cities like Guntur and Ongole. |
| Vijayawada Metro Project | Planned | The government of Andhra Pradesh has proposed a metro rail project to enhance public transportation in the city<br><br>The last stop towards the subject site is Gangur which forms part of the first corridor of Vijayawada metro. This provides good accessibility to the subject property, as the distance between the two points is 10 km. |
| Amaravati City Planning | Upcoming | The city of Amaravati, located between Vijayawada and Guntur, is being developed as the new capital of Andhra Pradesh. Although progress has been slow, the city is expected to grow in the future. |
| Vijayawada-Machilipatnam Highway | Planned | The Vijayawada-Machilipatnam highway (NH 65), which is approx. 3-4 km from the subject site, is proposed to be expanded from a 2-lane highway into a 6-lane highway, increasing connectivity to the city by a large margin. This initiative will directly impact the subject site, providing better accessibility to the Machilipatnam port area and other key micro markets of the city. |

**Source:** CBRE Research

*Figure 74: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

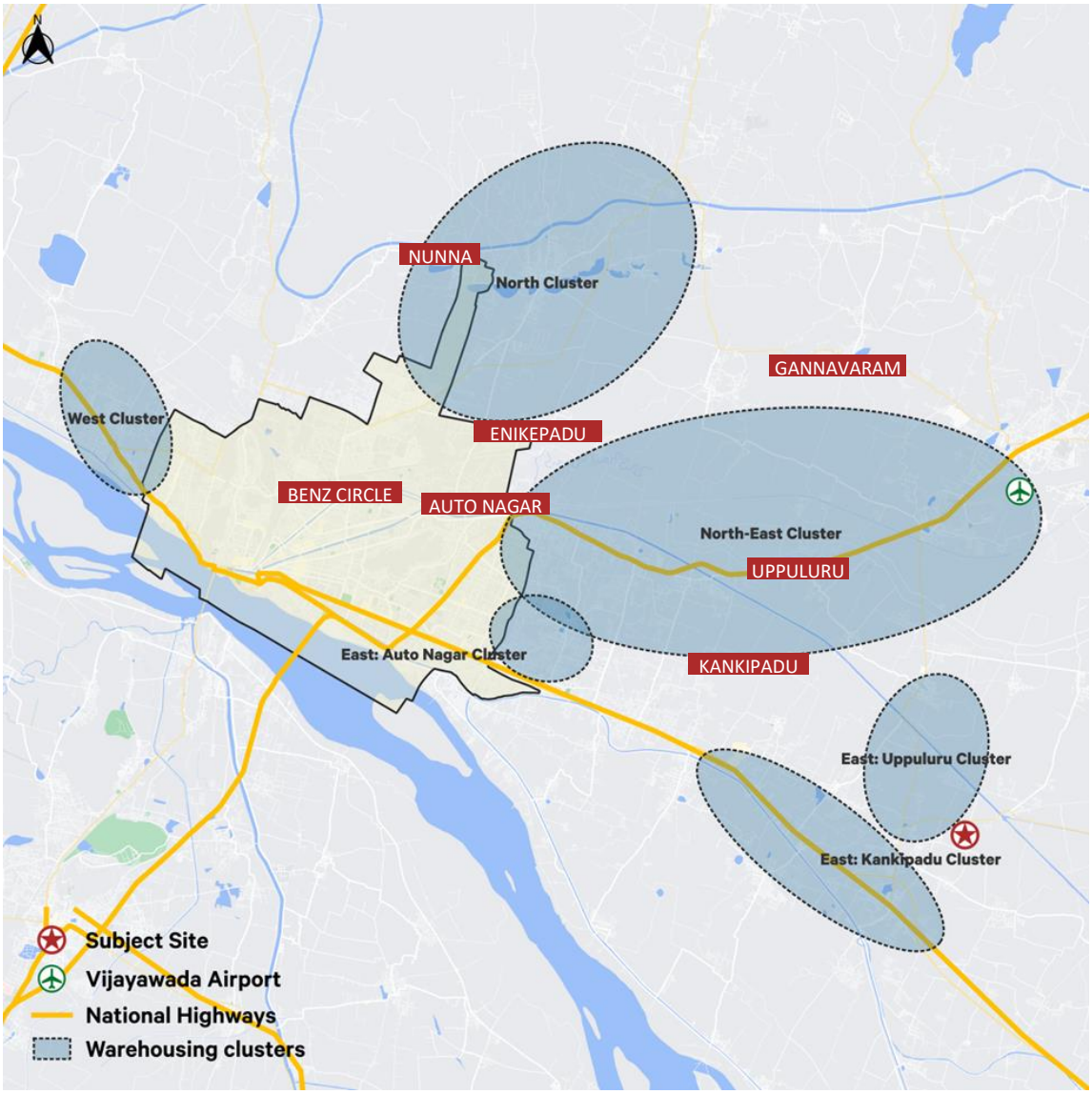
### 3.10.1. Overview of the Warehousing Market in Vijayawada

| Cluster Classification | EAST Cluster | NORTH Cluster | NORTH-EAST CLUSTER | WEST CLUSTER |
|---|---|---|---|---|
| Micro-markets | Auto Nagar, Kankipadu, Uppuluru | Nunna | Enikepadu, Gannavaram, Gudavalli, Kesarapalli, Nidamanuru | Bhavanipuram, Gollapudi, Ibrahimpatnam |
| Share of Supply in Vijayawada Region | 1.71 Mn sft (32%) | 1.13 Mn sft (21%) | 2.20 Mn sft (42%) | 0.23 Mn sft (4%) |

**Source:** CBRE Research; Updated as of Q3 2024

Nunna, Uppuluru, Nidamanuru, Enikepadu, Auto Nagar, and Gudavalli are the most prominent warehousing micro markets with the majority of the supply accounting for a supply of approx. 3.80 Mn sft as of Q3 2024 (~72% of the completed supply), while markets such as Kankipadu, Kesarapalli, and Gannavaram are the upcoming micro markets with approx. 1.26 Mn sft (~24% of the completed supply).

*Figure 75: Map of Warehousing Clusters in Vijayawada*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.10.1.1. Vijayawada – Completed Supply and Absorption Dynamics

The city has approximately 5.5 Mn sft of operational warehousing supply, of which approximately 5.3 Mn

sft is occupied. Over the last 3 – 4 years, Grade A supply has increased in the city with a new supply addition of 1.4 Mn sft since 2020.

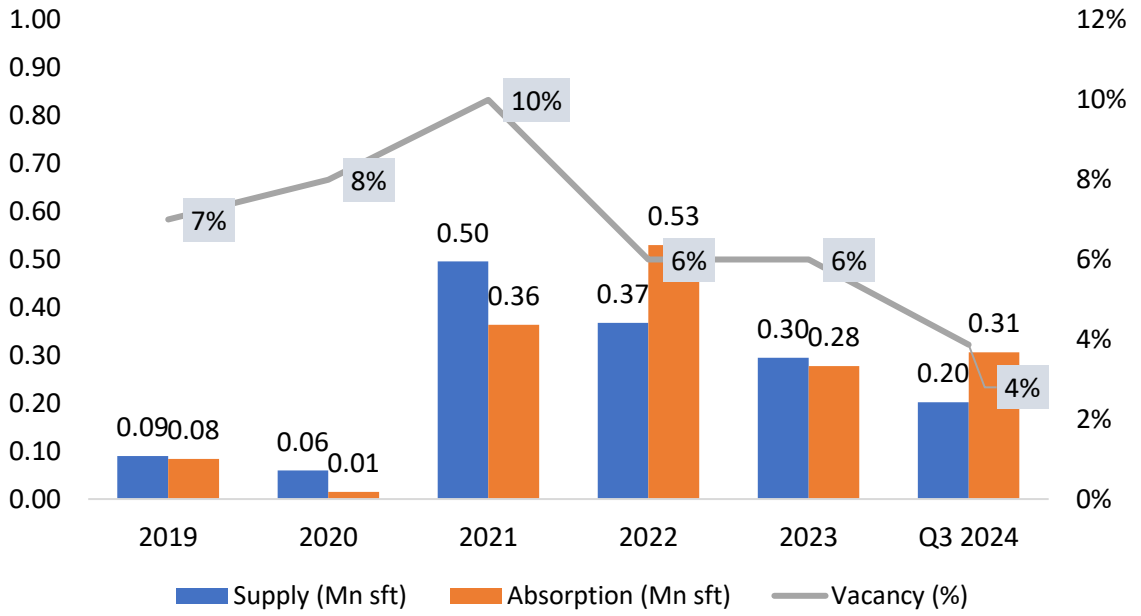
*Table 51: Overview of The Warehousing Market In Vijayawada*

| Completed Supply (Mn sft) | Total Absorption (Mn sft) | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 5.5 | 5.3 | 29% (Absorption – 100%) | 60% (Absorption – 96%) | 11% (Absorption – 98%) |

**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Enikepadu, Gannavaram & Gudavalli micro-markets catering primarily to FMCG, 3PL, and other sectors. A steady increase in Grade A supply was witnessed over the last 5 years (2019 – 2023) with an average annual supply of approx. 0.20 – 0.22 Mn sft.

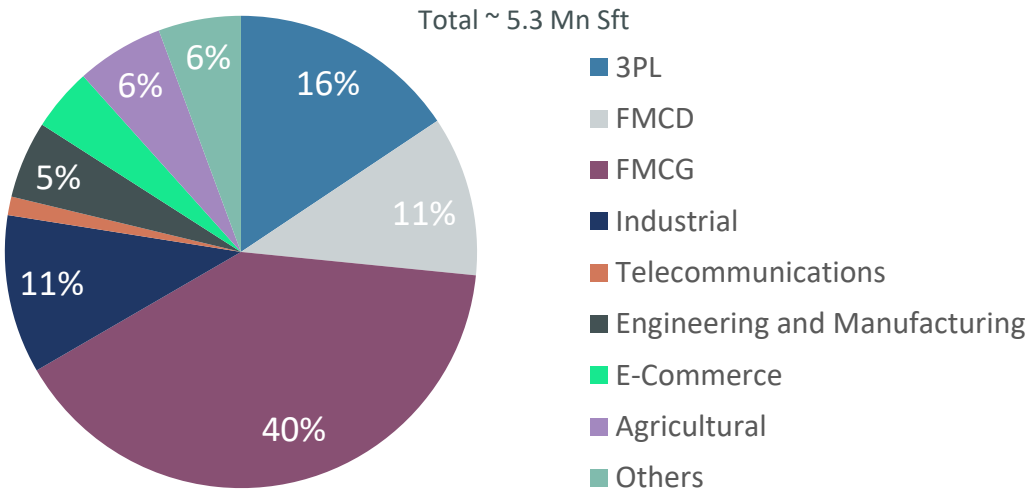
*Figure 76: Supply-Absorption Dynamics – Vijayawada*




**Source:** CBRE Research; Updated as of Q3 2024

Logistics (3PL) & Distribution, E-Commerce, and FMCG are the key tenant sectors occupying space in Grade A developments across Vijayawada. Some of the key tenants present are Abbott India, Delhivery, Hindustan Unilever Limited, Reliance, 20Cube, Marico, Medplus etc.

*Figure 77: Segmentation Of Absorption By Industry In Vijayawada*



**Source:** CBRE Research; Updated as of Q3 2024

### 3.10.1.2. Vijayawada – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 0.5 – 0.6 Mn sft, across Grade A warehousing space and is expected to get operational by 2026.

*Table 52: Bifurcation Of Upcoming Supply In Vijayawada*

| MICRO-MARKET | BUILT-UP AREA (MN SFT) | year of completion |
|---|---|---|
| Gannavaram | 0.17 | 2025 |
| Nidamanuru | 0.05 | 2026 |
| Kankipadu | 0.30 | 2025 |

**Source:** CBRE Research; Updated as of Q3 2024

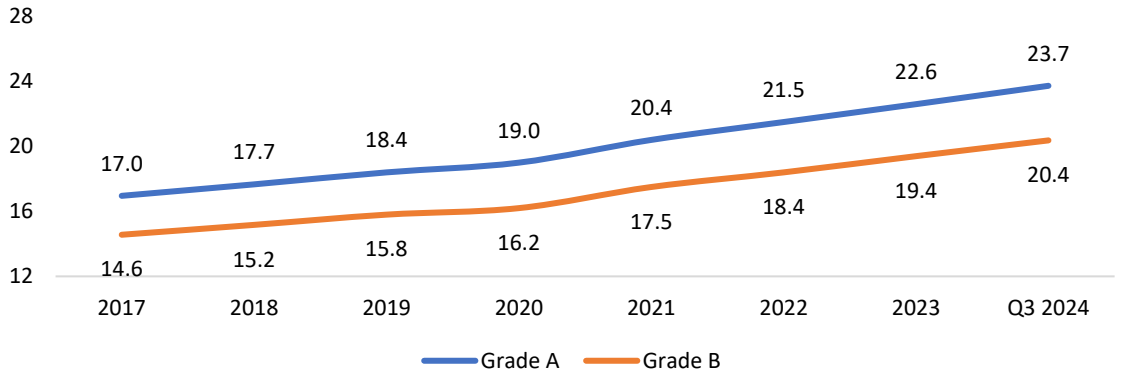
### 3.10.1.3. Vijayawada – Asking Rental Dynamics

The average quoted base rental witnessed in Vijayawada is INR 21 – 24 / Sft / month for a Grade A development and between INR 17 – 20 / Sft / month for a Grade B development.

| Micro-Market | Q3 2024 | |
|---|---|---|
| Grade | A | B |
| Auto Nagar | 24 – 27 | 20 – 22 |
| Enikepadu | 22 – 24 | 19 – 22 |
| Gannavaram | 20 – 23 | - |
| Gudavalli | 21 – 24 | 18 – 20 |
| Kankipadu | 20 – 23 | 17 – 20 |
| Nunna | 20 – 22 | 18 – 20 |
| Uppuluru | 22 - 24 | 17 – 19 |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 78: Rental Trends – Vijayawada*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.10.1.4. Vijayawada – Key Lease Transactions

The following table enumerates the key lease transactions in the city:

*Table 53: Details Of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Kankipadu | FMCD | Grade A | 150,000 | 21 - 23 | 2024 |
| Enikepadu | 3PL | Grade A | 95,000 | 23 – 24 | 2024 |
| Gudavalli | Others (Health & Beauty) | Grade A | 52,000 | 20 – 21 | 2024 |
| Uppuluru | FMCG | Grade A | 2,00,000 | 23 – 25 | 2023 |
| Nunna | FMCD | Grade A | 1,50,000 | 21 – 22 | 2022 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.10.1.5. East Cluster Overview

The micro-markets of Auto Nagar, Kankipadu, and Uppuluru have historically been prominent warehousing clusters owing to the proximity of the regions to the city center. Additionally, the cluster is well-serviced through NH 65 and SH 306. The cluster comprises approximately 32% of the completed supply in Vijayawada. Of the completed supply in the cluster, approximately 22% of the supply is Grade A, while 78% of the supply is Grade B and 1% is Grade C.

**Kankipadu Micro Market**

*Table 54: Snapshot of the Kankipadu Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.69 Mn sft | 4 – 5% | 0.32 Mn sft | 0% | 20% |

**Source:** CBRE Research; Updated as of Q3 2024

The Kankipadu micro market is a growing warehousing cluster due to NH 65 passing right through the region and connecting the region to other prominent hubs of the state in Machilipatnam. The market constitutes a share of nearly 35% of the completed supply in the East cluster. The market serves as an FMCG and E-Commerce hub with tenants such as Big Basket, Prestige, Valvoline, VIVO, etc.

#### 3.10.1.6. North Cluster Overview

The Nunna micro market is located in the growing Northern part of Vijayawada along the state highway 236, which connects the micro market to the agriculture-industrial hub of Nuzividu, leading to its emergence as one of the fastest-growing warehousing cluster in Vijayawada. The cluster comprises approximately 20% of the completed supply in Vijayawada. Out of the completed supply in the North cluster, approximately 13% of the supply is Grade A.

#### 3.10.1.7. North-East Cluster Overview

The cluster is the most prominent warehousing cluster in the city, with a completed supply of approx. 2.20 Mn sft Additionally, the cluster is well-serviced through NH 16 and is close to the Vijayawada International Airport, which is situated in Gannavaram. The cluster comprises approximately 39% of the completed supply in Vijayawada. Of the completed supply in the cluster, approximately 35% of the supply is Grade A, while 63% of the supply is Grade B and 2% is Grade C.

#### 3.10.1.8. West Cluster Overview

The West cluster has minimal warehousing activity, however, there is a lot of potential for warehousing activity as NH 65 passes through the region connecting Vijayawada to Hyderabad on the west. The cluster comprises approximately 4% of the completed supply in Vijayawada.

### 3.11. Visakhapatnam

Visakhapatnam is the industrial hub of Andhra Pradesh and the most cosmopolitan city in the state.

Visakhapatnam is one of the 20 smart cities identified and selected by the Central Government for its Smart Cities Mission, which aims to provide quality infrastructure and amenities.

Visakhapatnam, strategically located on the east coast of India, possesses a dynamic logistics and warehousing landscape. As a major deep-water port, it serves as a crucial gateway for international trade, facilitating the movement of goods across the country. Visakhapatnam boasts excellent connectivity through rail, road, and air networks, further enhancing its logistics capabilities.

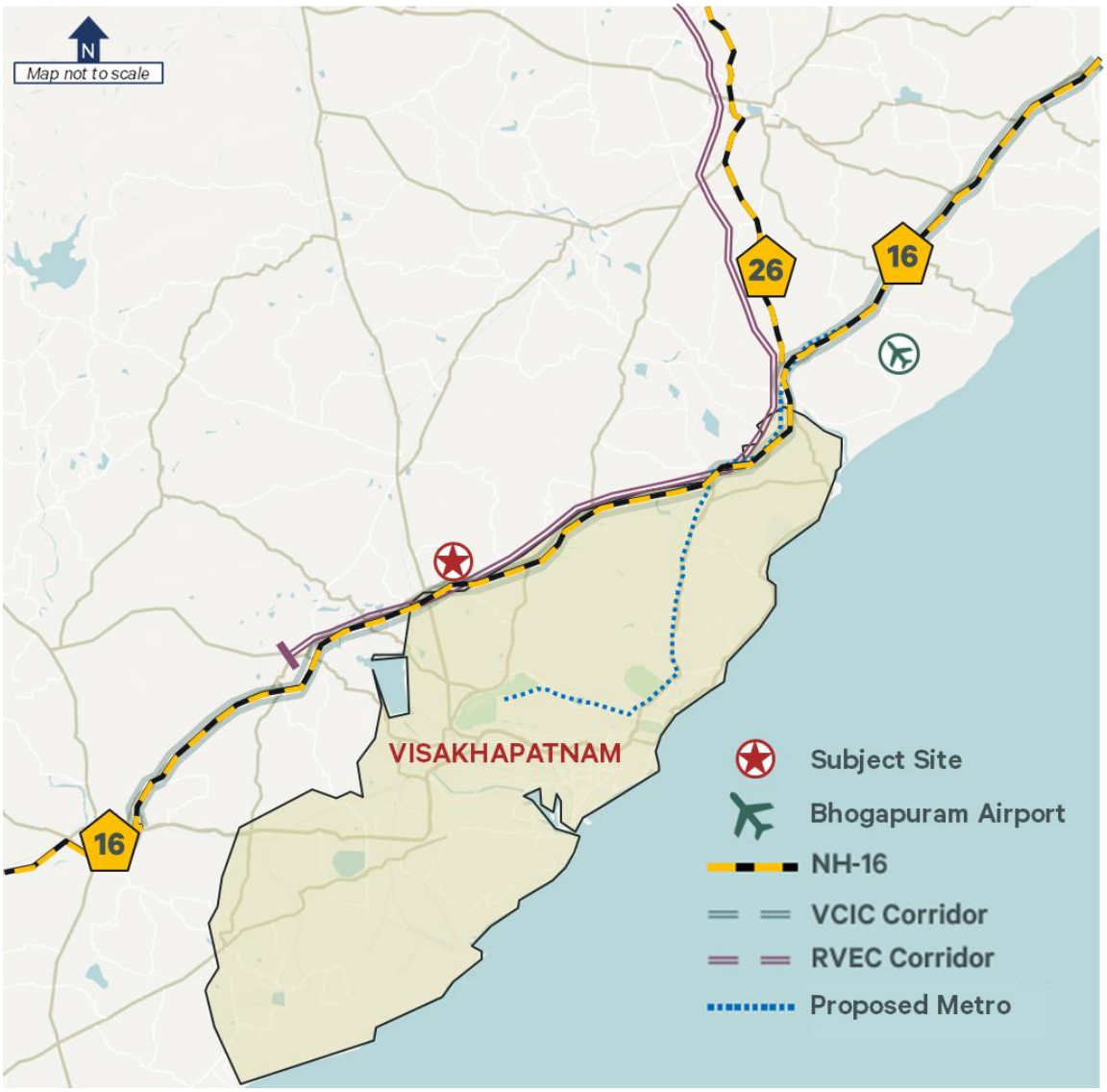
*Table 55: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, the highway passes close to the subject site connecting the city to various industrial and commercial clusters such as Vizianagaram, Vijayawada, and Atchuthapuram. |
| Visakhapatnam Chennai | Conceptual Development | The upcoming industrial corridor from Srikakulam to Chennai is the first phase of the larger East Coast Economic Corridor, aimed at becoming |

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| Industrial Corridor (VCIC) | Plan Prepared | the first and the best economic corridor on the East Coast, while also being aligned with the Golden Quadrilateral. |
| Bhogapuram International Airport | Upcoming | GMR is developing the Bhogapuram International Airport across 2,300 acres. The first phase, slated for completion in 2026, will cater to 6 million passengers. Upon completion of all three phases, the airport will have a capacity of 18 million passengers. This major infrastructure project is expected to enhance regional connectivity, stimulate economic growth, and attract tourism and trade. |
| Raipur-Visakhapatnam Economic Corridor (RVEC) | Under Construction | The Raipur-Visakhapatnam Economic Corridor is a 6-lane expressway, expected to be operational by Q4 2024. The expressway is spanning approx. 464 km will connect Chhattisgarh, Odisha, and Andhra Pradesh. The alignment of the road covers Visakhapatnam and Vizianagaram and is expected to attract large private investments in the region, enhancing the overall image positioning of the city.<br><br>The RVEC expressway passes through Visakhapatnam, less than 2 km to the south of the subject property. |
| Vizag Metro Rail | Planned | A plan for a metro rail system spanning 140 km across three corridors has been proposed to ease traffic congestion and provide efficient public transportation |

**Source:** CBRE Research

*Figure 79: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

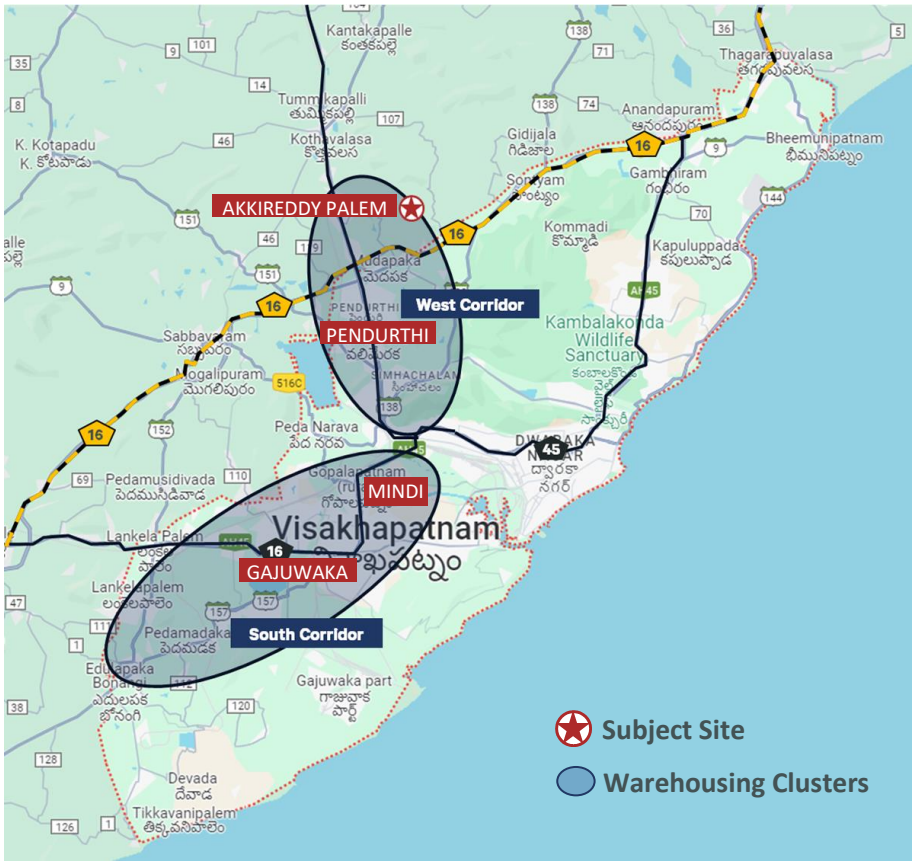
### 3.11.1. Overview of the Warehousing Market in Visakhapatnam

| Cluster Classification | South Cluster | West Cluster | NORTH CLUSTER |
|---|---|---|---|
| Micro-markets | Gajuwaka, Auto Nagar, Mindi, Pedagantyada, Paravada | Pendurthi, Vedanta, Akkireddy Palem, Gandigundam | Bheemili |
| Share of Supply in Visakhapatnam Region | 1.94 mn sft (77%) | 0.56 mn sft (22%) | 0.03 mn sft (1%) |

**Source:** CBRE Research; Updated as of Q3 2024

Auto Nagar, Gajuwaka, Mindi, and Pedagantyada are the most prominent warehousing micro-markets with most of the supply; while markets such as Pendurthi, Akkireddy Palem, and Gandigundam are fast-growing. Auto Nagar-Mindi-Gajuwaka micro markets contribute to a completed supply of 1.69 Mn sft ~ 67% of the completed supply in Visakhapatnam, followed by Pendurthi-Akkireddy Palem (0.31 Mn sft ~ 13%) and Pedagantyada – Paravada - Zinc Colony (0.32 Mn sft ~ 13%).

*Figure 80: Map of Warehousing Clusters in Visakhapatnam*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.11.1.1. Visakhapatnam – Completed Supply and Absorption Dynamics

Visakhapatnam has an operational warehouse supply of approximately 2.53 Mn sft, with approximately 1.80 Mn sft currently occupied. Before 2016, the predominant portion of the supply consisted of Grade B developments. However, certain developers have put forth Grade B developments that are superior to the norm, with an emphasis on EXIM cargo and to meet the rising demand from e-commerce and 3PL companies seeking modern and efficient warehouse space.

Local developers and private landowners though continue to concentrate on the development of Grade-B spaces, whereas institutional logistics providers have recently shown interest in Vishakhapatnam and introduced Grade-A warehousing spaces. An upsurge in Grade A developments, characterized by superior amenities and embellishments, has ensued because of this market shift.

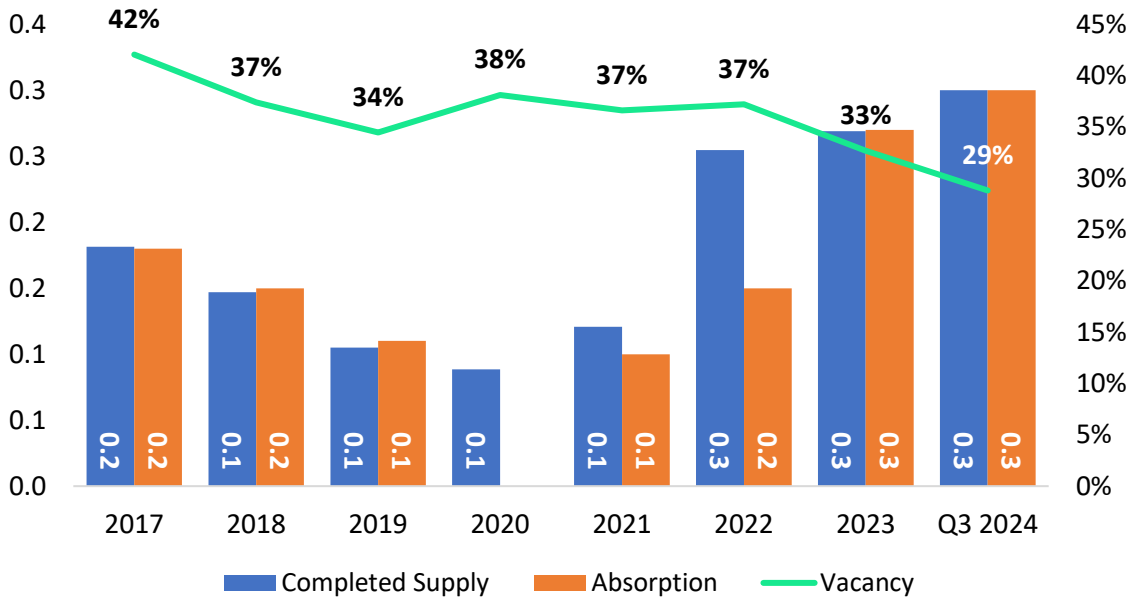
*Table 56: Overview Of The Warehousing Market In Visakhapatnam*

| Completed Supply (mn sft) | Total Absorption (mn sft) | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 2.53 | 1.80 | 47%<br>(Absorption – 88%) | 46%<br>(Absorption – 63%) | 6%<br>(Absorption – 3%) |

**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Pedagantyada, Mindi, and Gajuwaka micro-markets, catering primarily to FMCG, industrial, and chemical sectors. A steady increase in supply was witnessed over the last 5 years (2019–2023), with an average annual supply of approx. 0.15 – 0.20 mn sft.

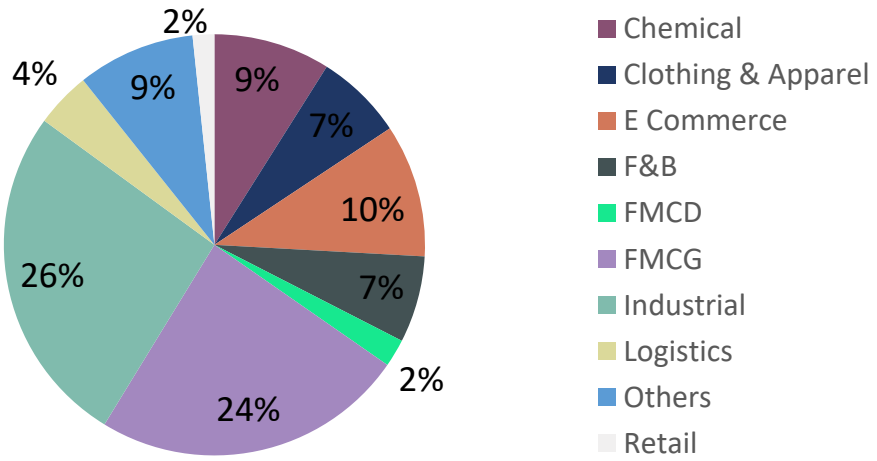
*Figure 81: Supply-Absorption Dynamics – Visakhapatnam*




**Source:** CBRE Research; Updated as of Q3 2024

FMCG, Industrial, Chemical, Logistics (3PL) & Distribution, Retail, and FMCD are the key tenant sectors occupying space in Grade A developments across Visakhapatnam. Some of the key tenants present are L&T, Big Basket, Flipkart, Reliance, ITC, Hindustan Coca-Cola Beverages, Safe Xpress, etc.

*Figure 82: Segmentation of Absorption by Industry in Visakhapatnam*




**Source:** CBRE Research; Updated as of Q3 2024

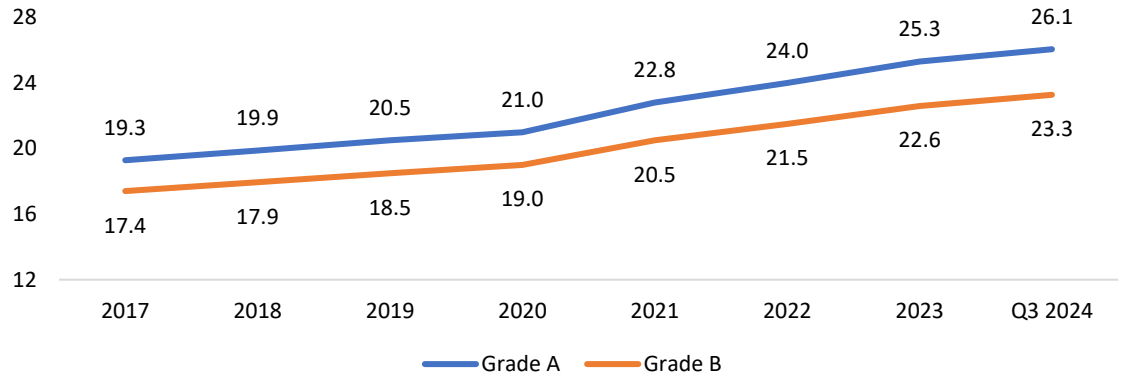
### 3.11.1.2. Visakhapatnam – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 0.6 – 0.7 Mn sft, across Grade A warehousing space and is expected to be operational by the end of 2025.

### 3.11.1.3. Visakhapatnam – Asking Rental Dynamics

The average quoted base rental witnessed in Visakhapatnam is INR 24–27 / Sft / month for a Grade A development and between INR 20 – INR 24 / Sft / month for a Grade B development. Micro market-wise, Grade A and B average asking rentals are enumerated below in the table:

*Figure 83: Rental Trends – Visakhapatnam*




**Source:** CBRE Research; Updated as of Q3 2024

#### 3.11.1.4. Visakhapatnam – Key Lease Transactions

The following table enumerates the key lease transactions in the city:

*Table 57: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Mindi | Chemical | Grade B | 34,000 | 25 – 27 | 2023 |
| Auto Nagar | E-Commerce | Grade B | 73,000 | 27 – 28 | 2023 |
| Gandigundam | F&B | Grade A | 1,00,000 | 22 – 23 | 2023 |
| Pedagantyada | Chemical | Grade A | 25,600 | 24 – 25 | 2023 |
| Mindi | Industrial | Grade A | 1,80,000 | 28 – 30 | 2023 |
| Akkireddy Palem | Blinkit | Grade A | 300,000 | 26 – 27 | Q3 2024 |

**Source:** CBRE Research; Updated as of Q3 2024

#### 3.11.1.5. South Cluster Overview

The cluster is well serviced through NH 16 which has led to its recent emergence as a major warehousing cluster. The cluster comprises approximately 77% of the completed supply in Visakhapatnam. Of the completed supply in the cluster, approximately 34% of the supply is Grade A, while 58% of the supply is Grade B.

#### 3.11.1.6. West Cluster Overview

West Cluster comprises of 2 major regions ~ Pendurthi-Vepagunta, Akkireddy Palem-Gandigundam. The cluster is located on the northwest side of Visakhapatnam along the National Highway 16. This region is the fastest growing market with most of the under-construction supply part of the Akkireddy Palem micro market. The region boasts excellent connectivity through the proposed Visakhapatnam-Chennai-Industrial-Corridor and Raipur-Visakhapatnam-Economic-Corridor. The cluster comprises approximately 23% of the completed supply in Visakhapatnam. Out of the completed supply in the west cluster, approximately 93% of the supply is of Grade A.

*Table 58: Snapshot of West Cluster Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Visakhapatnam |
|---|---|---|---|---|
| 0.56 Mn sft | 4 – 5% | 0.52 Mn sft | 0% | 42 – 43% |

**Source:** CBRE Research ; Updated as of Q3 2024

Proximity to National Highway 16 and corridors like VCIC & RVEC has resulted in the growth of Pendurthi and Akkireddy Palem as warehousing clusters. FMCG, F&B, and Chemicals are key sectors in the cluster with the presence of major tenants such as ITC, Hindustan Coca-Cola Beverages, More, Exide, etc. A future supply of 0.45 mn sft is under construction in the west cluster, slated to be operational by 2024-25. Current quoted rentals for Grade A facilities in the western cluster range from INR 25-26 per square foot per month, while Grade B facilities are priced between INR 19-20 per square foot per month.

## SUMMARY OF BUSINESS

The Trust, is an Indian infrastructure investment trust, sponsored by TVS Industrial & Logistics Parks Private Limited. The Sponsor settled the Trust on March 26, 2024 and the Trust was registered with SEBI on April 22, 2024 as an InvIT in accordance with the InvIT Regulations.

The Sponsor is part of the TVS Mobility Group, which is one of the leading automotive conglomerate in India with a wide array of diversified business interests. The Sponsor has a sound-track record of over 19 years in the infrastructure sector which includes development and management of multiple industrial and logistics parks. Since its inception, the Sponsor has developed 20 Parks in various locations across India, as of September 30, 2024.

The Trust, subject to receipt of certain approvals, will hold 100.00% equity interest in each of the nine Project SPVs and one Holdco which collectively have 18 underlying assets. The Initial Portfolio Assets are currently held by the Sponsor and have a potential of 10.67 msf. Our Initial Portfolio Assets are located across five states in India with an average operating history of approximately 6 years. Our lessee base comprising marquee clients with an average occupancy of ~100% and WALE of 5.48 years across all Initial Portfolio Assets, provides substantial stability to our Portfolio. Other factors that contribute to the stability of our Initial Portfolio Assets are the nature of our clients. Approximately 41% of our clients are in the industrial sector and such clients typically tend to further enhance the infrastructure assets by investing in it.

The warehousing industry in India has become an attractive investment opportunity due to the country's expanding economy and nearly 1.4 billion consumers. In conjunction with the exponential growth of e-commerce, 3PL, and modern retail, the implementation of GST has caused the demand for warehousing in India to increase at a CAGR of approximately 12% between FY 2015 and FY 2023. (***Source**: CBRE)*

The Sponsor established its first Park in Chakan, Maharashtra, in 2006, which has an operational area of 0.37 msf. The Sponsor developed about 1.13 msf of assets between 2009 and 2018, with Parks spread over Chakan in Maharashtra; Vaipur, Singdivakkam and Hosur in Tamil Nadu; and Bhubaneshwar in Odisha. Building upon the knowledge and capabilities developed during these years, the Sponsor underwent a strategic expansion phase. New developments included a second Park in Hosur, Tamil Nadu in 2019, Coimbatore, Tamil Nadu in 2020, Red Hills, Tamil Nadu in 2021 and further expansions into Madurai, Singdivakkam, and Sulur in 2022, all being through development, at Sullurpet in 2023 and at Siliguri, Kochi and Indore 2024, respectively, by way of an acquisition. As of September 30, 2024, the Sponsor owns five Parks which have an operational area of over 0.80 msf each. We believe that this track record underscores the proficiency and experience of the Sponsor in the development and management of industrial and logistics Parks in the infrastructure sector.

The Investment Manager of the Trust will be responsible for managing the Initial Portfolio Assets as well as undertaking investment and management decisions in relation to our assets. Our Investment Manager is supported by a highly experienced board and senior management with extensive experience in the warehousing and industrial park space. The Sponsor is benefitting from the significant experience of the members of the board of directors of the Sponsor. The directors on the Board of the Investment Manager have extensive relevant experience and the Investment Manager believes that the Trust will continue to benefit from the same. The Sponsor will act as the Project Manager of the Trust, relying on its track record of executing, operating and managing one of the largest portfolios of warehouses and industrial parks in India.

The Trustee, Axis Trustee Services Limited is a trusteeship company which has been registered with SEBI as a debenture trustee under the SEBI Debenture Trustee Regulations since January 31, 2014. It is a wholly owned subsidiary of Axis Bank Limited.

The revenue from operations of the Initial Portfolio Assets on a combined basis for the six month period ended September 30, 2024 and the Financial Years ending March 31, 2024, March 31, 2023, and March 31, 2022 was ₹ 989.42 million, ₹1,874.64 million, ₹1,560.51 million, and ₹1,027.10 million respectively.

The tables below provide brief details in relation to our Initial Portfolio Assets as of September 30, 2024:

**Operational Assets:**

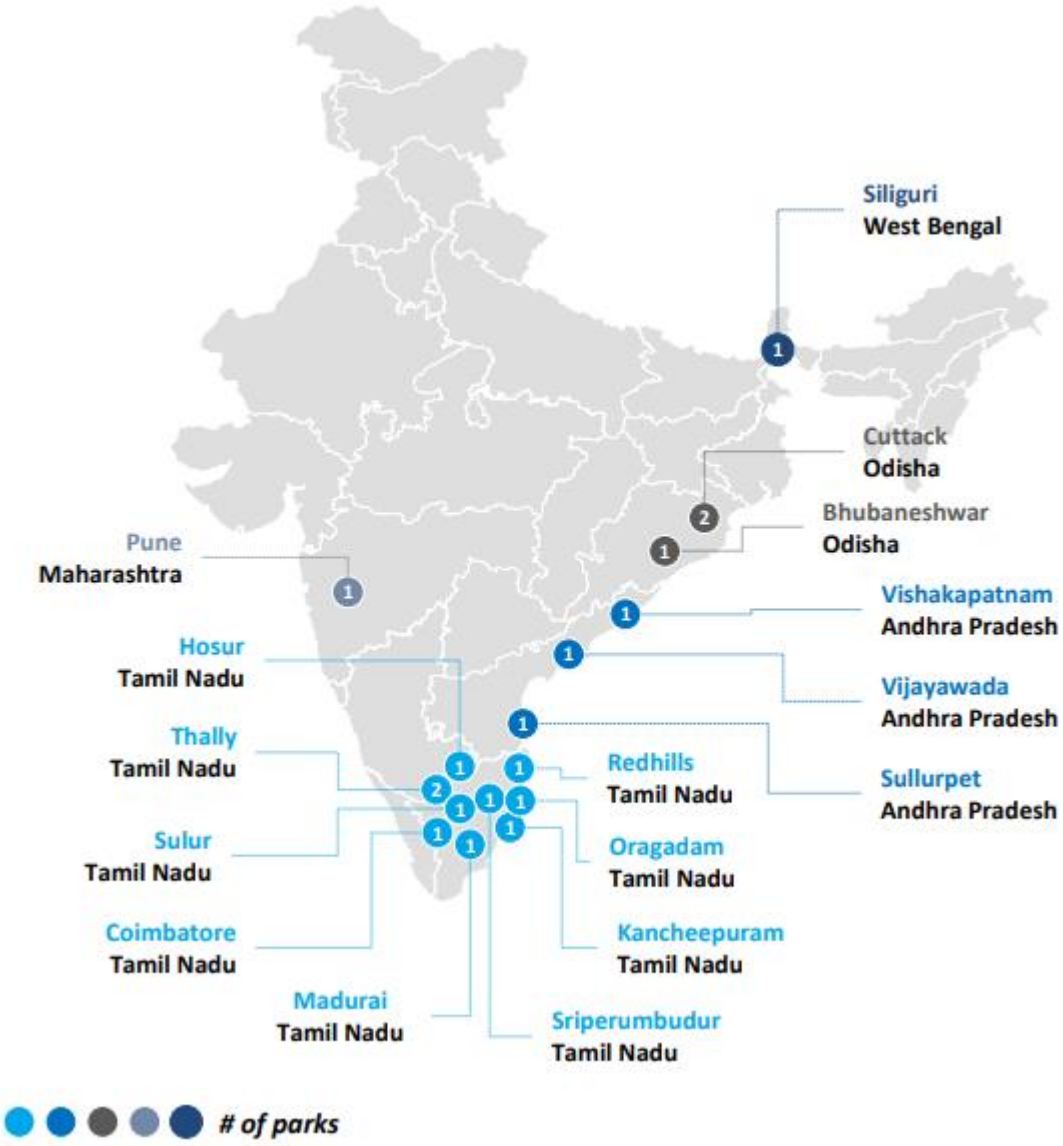
| SPV | State | Micro-market | Year of Commencement | Operational Area | Under Development Area | FY2024 Average Occupancy | WALE | In-place Rent on Chargeable Area | Stabilized Total Monthly Rental |
|---|---|---|---|---|---|---|---|---|---|
| | | | | MSF | MSF | % | Years | INR psf | INR Mn |

| | | | | | | | | pm | |
|---|---|---|---|---|---|---|---|---|---|
| DILP | Maharashtra | Chakan | 2006 | 0.37 | - | 99.40% | 2.57 | 27.4 | 10.09 |
| DILP | Tamil Nadu | Vaipur | 2009 | 0.21 | - | 100.00% | 2.94 | 40.2 | 8.56 |
| DILP | Tamil Nadu | Singadivakkam | 2017 | 0.45 | - | 100.00% | 6.84 | 14.6 | 3.99 |
| DILP | Tamil Nadu | Hosur | 2018 | 1.21 | - | 100.00% | 4.03 | 19.4 | 17.32 |
| DILP | Odisha | Bhubaneshwar | 2018 | 0.23 | - | 100.00% | 3.26 | 21.5 | 4.90 |
| MRILP | Tamil Nadu | Thally 1 | 2019 | 1.16 | - | 100.00% | 2.30 | 19.3 | 23.35 |
| MRILP | Tamil Nadu | Thally 2 | 2019 | 0.48 | - | 100.00% | 12.78 | 19.3 | 4.30 |
| SMILP | Tamil Nadu | Redhills | 2021 | 1.05 | 0.07 | 100.00% | 4.50 | 17.1 | 15.52 |
| SRMILP | Tamil Nadu | Madurai | 2022 | 0.34 | 0.09 | 99.40% | 2.98 | 17.7 | 5.09 |
| DILP | Tamil Nadu | Coimbatore Sulur | 2023 | 0.60 | 0.01 | 100.00% | 5.03 | 19.2 | 10.30 |
| MILP | Tamil Nadu | Coimbatore | 2021 | 0.98 | - | 100.00% | 5.25 | 22.4 | 18.06 |
| RSIPPL | Andhra Pradesh | Sullurpet | 2022 | 0.88 | 0.50 | 100.00% | 9.18 | 28.1 | 21.80 |
| MILP | West Bengal | Siliguri | 2021 | 0.14 | - | 100.00% | 5.94 | 22.0 | 3.23 |
| RMILP | Tamil Nadu | Pillaipakkam | 2024 | 0.57 | 0.11 | 100.00% | 9.88 | 17.0 | 9.51 |
| **Total** | | | | **8.68** | **0.78** | **100.00%** | **5.48** | **19.8** | **156.04** |

**Under Development Assets:**

| SPV | State | Micro-market | Year of Commencement | Operational Area | Under Development Area | FY2024 Average Occupancy | WALE | In-place Rent on Built-Up Area | Stabilized Total Monthly Rental |
|---|---|---|---|---|---|---|---|---|---|
| | | | | MSF | MSF | % | Years | INR psf pm | INR Mn |
| TILP | Andhra Pradesh | Vijayawada | - | - | 0.29 | - | - | - | - |
| JGILP | Odisha | Cuttack 1 | - | - | 0.34 | - | - | - | - |
| JGILP | Odisha | Cuttack 2 | - | - | 0.15 | - | - | - | - |
| TILP | Andhra Pradesh | Vishakapatnam | - | - | 0.42 | - | - | - | - |
| Total | | | | - | **1.20** | - | - | - | - |

The map below illustrates the locations of the Projects:




**Our Strengths**:

Our strengths being our location identification and land acquisition strategy coupled with customized integrated solutions with sustainable and cost-effective designs help us offer an integrated platform to our clients.

***Stable portfolio with inherent growth prospects.***

Our Initial Portfolio Assets are located in India, the fifth largest economy in the world and is expected to become a US $5 trillion economy by 2025. Despite global factors including escalating international commodity prices and risk of recession, and instability in the global financial market, India is anticipated to experience 7% growth in 2024. On the contrary, it is anticipated that the government's emphasis on capital expenditure and exports will bolster aggregate demand and increase production capacity, thereby exerting a positive influence on the GDP. Demand for warehousing and logistics assets is anticipated to increase in the near future. The government has been continuously trying to improve the logistics infrastructure and investments. Accordingly, occupiers aim to achieve operational efficiencies and rationalize costs through a multi-user and large-scale warehouse service provider. India has a per capita warehousing stock of 4.5 sq. ft. Even in terms of transactions volumes, in 2023, approximately 195.2 million sq. ft. of warehousing space was transacted across 10 key US cities, whereas approximately 30 million sq. ft. was transacted across 8 key Indian cities. The growth of the warehousing market is directly correlated to the consumption base of an economy. (*Source: CBRE Report*)

Approximately 41% of our lessee base comprises of clients from the industrial sector, a key factor that contributes to our engagement in long-term lease agreements. This industrial presence emphasizes the stability and reliability of our

rental income as well as strengthens strong relationships with our clients. These long-term leases create a high level of client retention and consequently, we witness consistent high occupancy rates, which are crucial for sustainable business growth and operational stability.

We believe that our Portfolio is well-positioned for strong growth through a combination of contractual rent escalations and re-leasing at higher market rents. We have an approximately 5% annual contractual escalation.

We continuously achieve rental growth by re-leasing space to our lessees. In case existing leases expire, we expect to generate additional rental revenue by re-leasing space to lessees at market rents. We actively track upcoming vacancies and proactively engage with existing and prospective lessees in order to minimize downtime periods between successive leases. As of September 30, 2024, our Portfolio had under-development area of 1.98 msf representing 19% of our total Leasable Area. We believe that the under-development area can be leased out in the near-term based on high demand for warehousing space, the high quality of our Portfolio and our strong lessee relationships.

Our clients' repeated trust in our services is a testament to our capability. Nearly 34% of our existing clients are tenants in at least two of our locations, demonstrating the value we bring across multiple sites. This strong client retention enables us to offer a truly PAN-India solution, aligning our growth strategies with our clients' evolving aspirations and ensuring long-term partnerships.

***Modern warehousing and industrial parks with infrastructure connectivity strategically located in key warehousing and industrial micro-markets.***

We have 18 parks in total with operational area of approximately 8.68 msf across 14 locations and an area of approximately 1.98 msf under development, as at September 30, 2024.

Our parks are built as per market dynamics and are designed to be commercially viable without compromising on the relevant compliance requirements and quality. This provides us with the ability to lease our parks as soon as they are built.

***Diversified lessee base of marquee clients across multiple sectors, consistent occupancy and proven track record of high client retention***.

As of September 30, 2024, our Portfolio has a marquee lessee roster of 30 multinationals and Indian corporates. We have a diversified client portfolio and cater to a wide range of end-user industry spread across various sectors including industrial, 3PL, auto and auto ancillary, electronic etc. The details of lease expansion within the portfolio assets is provided in the table below:

| Sector in which the lessee operates | First lease commencement date | Area leased as at first lease (sq. ft.) | Area leased as of September 30, 2024 (sq. ft.) | Growth (First to current)* |
|---|---|---|---|---|
| 3PL | January 1, 2017 | 94,955 | 20,87,596 | 21.99x |
| e-commerce | June 23, 2018 | 1,93,756 | 11,47,327 | 5.92x |
| Industrial | October 1, 2009 | 59,985 | 1,17,469 | 1.96x |
| Industrial | October 24, 2020 | 1,22,976 | 6,04,045 | 4.91x |
| Industrial | June 1, 2021 | 4,07,029 | 4,53,711 | 1.11x |
| 3PL | September 20, 2020 | 10,000 | 22,531 | 2.25x |
| 3PL | October 1, 2019 | 30,558 | 59,568 | 1.95x |

** Growth in terms of area leased as part of the first lease deed vis-à-vis area leased as a part of the current lease deed.*

Tenure of some of the leases entered into with our lessees range from 10 to 20 years. Over the years, we have been the continued choice of warehouse partners for several of our lessee, reflecting their trust in us. Some of our key clients have expanded their business with us over the years, with some lessees expanding close to five times while some expanding close to twenty times. The table below indicates the list of our current key clients operating in various sectors who have been or will be associated with us for five years or more:

| S. No. | Project Location | Sector in which the client operates | Lease Start Date | Lease Expiry Date |
|---|---|---|---|---|
| 1. | Chakan | Industrial | September 4, 2022 | September 3, 2027 |
| 2. | Chakan | 3PL | August 1, 2020 | July 31, 2025 |
| 3. | Chakan | 3PL | July 1, 2023 | June 30, 2028 |
| 4. | Chakan | 3PL | August 1, 2023 | July 31, 2028 |
| 5. | Vaipur | 3PL | January 1, 2020 | December 31, 2029 |
| 6. | Vaipur | Industrial | October 1, 2019 | September 30, 2024* |

| | | | | |
|---|---|---|---|---|
| 7. | Singadivakkam Phase II | Industrial | June 1, 2021 | July 31, 2031 |
| 8. | Hosur Park 1 Phase 1 | 3PL | April 1, 2023 | May 14, 2038 |
| 9. | Bhubaneshwar | 3PL | July 15, 2022 | July 14, 2027 |
| 10. | Bhubaneshwar | FMCG/D | June 1, 2018 | May 31, 2027 |
| 11. | Bhubaneshwar | 3PL | September 20, 2020 | August 31, 2025 |
| 12. | Thally I | e-commerce | September 1, 2019 | October 31, 2024** |
| 13. | Thally I | Industrial | October 24, 2020 | December 23, 2040 |
| 14. | Thally I | 3PL | October 1, 2022 | September 30, 2027 |
| 15. | Thally II | Industrial | July 7, 2022 | July 6, 2037 |
| 16. | Redhills | e-commerce | April 21, 2021 | March 20, 2031 |
| 17. | Redhills | FMCG/D | June 1, 2021 | May 31, 2026 |
| 18. | Redhills | Auto & Auto Ancillary | July 20, 2021 | July 19, 2027 |
| 19. | Redhills | 3PL | May 9, 2024 | May 8, 2029 |
| 20. | Coimbatore | Industrial | February 1, 2021 | June 30, 2031 |
| 21. | Coimbatore | e-commerce | December 5, 2020 | March 7, 2026 |
| 22. | Madurai | FMCG/D | July 25, 2024 | July 24, 2029 |
| 23. | Madurai | 3PL | November 6, 2023 | November 5, 2028 |
| 24. | Sulur | FMCG/D | May 9, 2023 | May 9, 2032 |
| 25. | Sulur | 3PL | January 12, 2024 | January 11, 2033 |
| 26. | Sulur | FMCG/D | June 1, 2024 | May 31, 2029 |
| 27. | Sulur | FMCG/D | July 1, 2024 | June 30, 2029 |
| 28. | Sulur | FMCG/D | July 25, 2024 | July 24, 2029 |
| 29. | Sulur | FMCG/D | May 8, 2023 | May 7, 2029 |
| 30. | Sullurpet | Industrial | December 15, 2021 | November 30, 2033 |
| 31. | Siliguri | e-commerce | September 8, 2021 | September 7, 2030 |
| 32. | Pillaipakkam | Industrial | August 16, 2024 | August 15, 2034 |

** The lease deed has expired on September 30, 2024*
*** The lease deed has expired on October 31, 2024*

***Strong focus on asset management and maintenance by the Sponsor***

Over the years, we have placed a strong emphasis on asset management and maintenance, recognizing their critical role in our business' success. We have developed in-house teams that are dedicated to upholding the relevant standards in every aspect of our operations.

Our projects team works toward ensuring that all the warehousing parks are constructed in line with our standard specifications, regulatory requirements and client-specific needs. The operations team focuses on maintaining each park well and in an optimal working condition, ensuring seamless functionality. Our business development team plays a crucial role in understanding the right fitment of clients for each park, aligning with long-term business objectives of both the parties. Their strategic efforts ensure that we attract lessees from the relevant industries. By understanding market trends, client needs and leveraging our well-maintained assets, we are able to ensure that our parks remain the preferred choice for all our clients.

***Growth potential backed by strong support from a renowned and experienced Sponsor***.

The Sponsor is TVSILP which has a sound-track record of over 19 years in the development and management of multiple industrial and logistics parks, under the infrastructure sector. Since its inception, the Sponsor has developed 20 Parks in various locations across India, as of September 30, 2024.

We believe we have benefited immensely from the rich experience of the Sponsor Group. We believe our lineage empowers us in leveraging its long-standing brand heritage, in-depth understanding of multi-sector dynamics and local markets, operational experience, corporate governance standards, values and trust. Additionally, the recognition and credibility of our Sponsor Group position us to attract talent, retain customers and network partners. Pursuant to the ROFO Agreement, we have a 'right of first offer' to acquire certain assets from the Sponsor. For details in relation to the ROFO Agreement, please see the section entitled "*Formation Transactions In Relation To The Trust - Acquisition of the future assets by the Trust*" on page 32.

***Skilled and experienced management team with extensive industry experience.***

Our management team comprises of skilled professionals with extensive experience in the infrastructure sector, which positions us well to pursue our growth strategies seamlessly. We also benefit from the expertise of our Board of Directors and key managerial personnel, who bring with them knowledge in business strategy, logistics, operations

and financial management.

The combined experience of our management team, including both the Investment Manager and Project Manager, ensures that the Project SPVs, Holdco and the Trust are managed efficiently. To uphold the principles of good corporate governance and effective management of the Trust, the Investment Manager has established various committees and adopted corporate governance policies. We are confident that our governance framework promotes fairness, transparency, professionalism and accountability, while enhancing the effective management and operational efficiency of our businesses.

The extensive experience of the Investment Manager's team enables the development of a tailored business strategy for the Trust, providing valuable support in governance, engineering, and operations. Accordingly, we expect to benefit from their industry knowledge and strategic insights, which will enable overall growth of the Trust.

***Attractive Industry with Attractive Government Policies***

Demand for warehousing and logistics assets is anticipated to increase in the near future due to occupiers adopting a multipolar supply chain strategy and continuing government impetus to improve logistics infrastructure and investments. Additionally, occupiers shall aim to achieve operational efficiencies and rationalize costs through a multi-user and large-scale warehouse service provider. In the year 2020 there was a slight slump in supply and demand owing to worldwide pandemic scenario causing construction delays coupled with deferment in absorption of warehouse space which was already pre-committed in the market. 2021 witnessed the largest supply influx owing to increased demand from E-commerce, 3PL & retail tenant sectors due to the pandemic and spillover demand from 2020. (*Source: CBRE Report*).

The GoI has formulated a logistic vision: "To develop an integrated cost–effective, reliable, sustainable and digitally–enabled logistics ecosystem in the country for accelerated and inclusive economic growth". To support its vision, the Government has provided the logistics sector with an initial impetus by granting it an 'infrastructure status', allowing developers to finance projects through international funding and reduced interest rates. Besides this, the GOI has also introduced various policies like Make in India, the National Industrial Corridor Development Programme, Aatmanirbhar Bharat, Sagarmala Pariyojana, to bolster the sector. (*Source: CBRE Report*)

***Corporate Finance Capabilities***

Our robust corporate finance capabilities have fostered strategic partnerships with leading financial institutions. These strengths, coupled with our strong business fundamentals, have empowered our team to consistently secure capital at some of the most favorable terms in the sector, ensuring sustained growth and competitiveness in the sector.

***Strong focus on governance and ESG***.

Sustainable practices are the forefront of our business and has always been a part of our strategy and business decisions with continued efforts towards reducing carbon footprint and lowering energy consumption. The Sponsor has almost all facilities under the globally recognized EDGE Certification and has been certified as an EDGE champion.

Our Investment Manager is proposing to adopt an environment, health and safety policy ("**EHS Policy**") on behalf of the Trust. This EHS Policy will provide for a framework for the Trust and its Project SPVs/Holdco, and the Investment Manager to safeguard their employees from occupational hazards and illness, while also striving to protect the environment and preserve the natural resources. The EHS Policy shall be applicable to the Trust, the Project SPVs/Holdco and the Investment Manager. Some of the indicative key compliance requirement, as per the EHS Policy, will include amongst others:

- Compliance with applicable environmental, health, safety, security, legal, and other requirements as per applicable law while efficiently utilizing natural resources, and providing a safe, healthy, and environment-friendly workplace for all employees and associated people;
- The management of the Trust, the Project SPVs/Holdco, and the Investment Manager shall be committed to abiding by the applicable legal requirements and regulations, including complying with the health, safety, security, and environment requirements prescribed by the applicable environment and safety laws and regulations;
- Ensuring that the machinery, equipment, vehicles, safety equipment, safety systems, electrical equipment, tools, temporary structures, inspection and monitoring equipment, communication system and miscellaneous equipment (ladders, working platform, ramps and safety signages) deployed are safe and is in compliance with established safe working procedures and practices;

- Ensuring that each activity is carried out with proper risk management to minimize associated hazards, develop and implement appropriate occupational health, safety, security, and environment procedures while promoting safe working practices and inculcating a safety culture among all interested parties pertaining to our business; and

Further, approximately 24% of our portfolio is occupied by clients based in the sectors which focus on environment conservation with close to 17% from renewable energy space and close to 7% from electronic vehicle space, some of these clients being Ather Energy Private Limited (electronic vehicles) and Indutch Composites Technology Private Limited (wind energy), and a client in the solar energy space, amongst others. Basis our current rentals, our top 10 clients are as follows:

| S. No. | Sector in which our clients operate | No. of clients | (%) of our Portfolio's gross rentals |
|---|---|---|---|
| 1. | Industrial | 7 | 43.14% |
| 2. | 3PL | 1 | 20.45% |
| 3. | e-commerce | 2 | 19.08% |
| 4. | Others | 20 | 17.33% |

**Our Strategies**:

***Optimizing asset utilization through proactive project management, reliance on experience and focusing on value creation.***

We shall focus on continuing to achieve operational excellence by implementing the approach of maximizing the utilization and productivity of the parks thereby enhancing overall profitability. This will involve a comprehensive focus on optimizing the performance of physical assets such as buildings, equipment and using new technology while reducing the operating costs.

The Project Manager shall undertake operations and management of the Initial Portfolio Assets pursuant to execution of the Project Implementation and Management Agreement. Through our Project Manager, which has extensive experience in project and asset management, we intend to institute and implement modern and leading processes and practices across our current and future assets.

Further, we intend to monetize any opportunities that may be available for generating additional revenue from non-warehousing business operations that leverage our warehousing assets. We believe that such opportunities may be available in relation to, amongst others, renting of the roof top, installation of solar power panels to produce and sell electricity or renting out additional space of the Park for non-warehousing activities.

***Continue to pursue accretive growth***

We intend to capitalize on these sectoral tailwinds to grow our operations by leveraging the value accretive acquisition strategy of our Investment Manager:

- *Inorganic Expansion*

  We aim to focus on acquiring more Parks in accordance with our investment objectives. We also propose to invest in Parks in other locations to increase our presence pan-India. In addition to acquisitions, we intend to undertake strategic expansions within our existing assets to enhance the value of our Portfolio leading to lessee retention. We believe that owning the best warehousing assets in India's top sub-markets will allow us to generate robust cash flow growth with strong long-term returns.

  We plan to grow our Portfolio by developing and folding operational assets into the Trust.

- *Geographic Diversification*

  We plan to pursue geographic expansion by establishing new Parks in the under-served market of India, where there is a notable demand-supply gap. This strategic move aims to meet the growing needs of these underserved markets, ensuring efficient distribution and enhanced service delivery to clients. By addressing this gap, we can capitalize on the rising demand, drive business growth and reinforce our presence in these key areas.

- *Land Acquisition*

  Acknowledging suitable land acquisition as one of the most critical aspects associated with our business growth, our Sponsor will strategically focus on acquiring land from State Governments. By focusing on acquiring land from State Governments, we can achieve cost efficiencies, secure strategic locations, benefit from regulatory support, contribute to local economic development and mitigate risks, all of which will drive our growth and operational success.

***Target new customers and diversify customer base.***

We believe that our pan-India network positions us well to capture growing demand for warehousing services from clients belonging to almost all sectors *viz.* 3PL, industrial, auto and auto ancillary, etc. We intend to actively market our Assets to new customers to generate additional sources of revenue and cash flows over time. Long-term rentals help in bringing stability to our portfolio and also ensures expected returns for our investors. On the other hand, the occupiers prefer long-term leases since it safeguards their investment in our facilities. Our preferred sectors are primarily industrial players and our USP is providing customized integrated solutions to them. While we do not limit ourselves to a particular sector, we believe in partnering with the emerging sectors like e-commerce, EV and other alternative energy sectors, etc.

***Increase revenue by providing ancillary services.***

We are a tech-enabled infrastructure solutions provider who provides various set of services to our clients. We intend to provide facilities management services to our lessees that are designed to provide comprehensive and industry specific solutions such as maintenance services, security services, etc. Our fully integrated professional facilities management services will be designed to provide solutions that enhance the operational efficiency of our lessees' facilities.

***Institute and maintain prudent capital management***.

Low leverage provides flexibility for growth through value accretive acquisitions. We seek to achieve an optimal capital structure for our Parks and will seek to source funds from multiple sources, including from domestic and international markets. Immediately on completion of the Offer, our aggregate consolidated borrowings and deferred payments net of cash and cash equivalents will be below 49% of the total value of the InvIT Assets, as prescribed under the InvIT Regulations and we seek to ensure that the Trust has a debt structure to support the capital available with the Trust. Our low leverage will also result in a better credit rating for our Trust, thus allowing us favourable financing terms and cost. ICRA Limited has assigned a "Provisional ICRA AAA (Stable)" rating for the Trust, in its credit rating rationale, taking into account the Initial Portfolio Assets, subject to the terms set out therein.

We have the potential to increase our borrowings in the future to up to 70% of the value of our assets under management while maintaining a AAA credit rating, obtaining unitholders approvals and complying with certain other conditions and we intend to optimize our leverage to retain enough flexibility to provide sustainable and predictable cash flows, while evaluating potential acquisition or development opportunities in the future. We will seek to employ appropriate financing and borrowing policies and also diversify our funding sources with one of the primary objective of minimizing our overall cost of capital. Further, we believe that our low leverage will provide us with a significant advantage in acquiring projects that meet our investment objectives. We intend to leverage our robust corporate finance capabilities and strong lender relationships with leading financial institutions, to continually optimize our financing structure and maintain a well-diversified capital pool.

***Continued focus on automation and modernization of Parks using latest technology.***

We shall endeavor to carry out technological/structural advancements of the Parks, taking into consideration the ever-evolving business landscape, where required. For example, few of our parks are equipped with automated storage and retrieval systems ("**AS/RS**"), an automation technology specifically designed to buffer, store and retrieve product and inventory on demand. This enables significant operational efficiencies, in areas such as in-ward speed, order picking time, processing speed.

## RISK FACTORS

*An investment in the Units involves a high degree of risk. Before investing in the Units, prospective investors should pay particular attention to the fact that the Trust, the Parties to the Trust, each of the Initial Portfolio Assets and each of their activities are governed by the legal, regulatory and business environment in India, which differs from that which prevails in other countries. Investors should carefully consider all the information contained in this Draft Placement Memorandum, including the risks and uncertainties described below and elsewhere in this Draft Placement Memorandum, before making an investment in the Units. The risks described below are those that we consider to be most significant to our business, results of operations, cash flows and financial condition as of the date of this Draft Placement Memorandum. However, they are not the only ones relevant to us or our Units, the industry or geographies in which we operate. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition and consequently, the price of our Units could decline, and investors may lose all or part of their investment. If any or a combination of the following events occur, or if other risks that are not currently known or are now deemed immaterial give rise to similar events, our business, prospects, financial condition, results of operations and cash flows could materially suffer, the value of the Units could decline and you may lose all or part of your investment. Unless specified or quantified in the relevant risk factors below, the Trust, the Sponsor and the Investment Manager cannot quantify the financial or other implication of any of the risks mentioned herein. In order to obtain a complete understanding of our business, prospective investors should read this section in conjunction with sections entitled "Our Business", "Industry Overview", "Management's Discussion and Analysis of Factors Affecting the Financial Condition and Results of Operations" on pages 416, 236 and 473, respectively, and "Special Purpose Combined Financial Statements" attached hereto as Annexure B to this Draft Placement Memorandum. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.*

*In making an investment decision, each Investor must rely on its own examination of the Trust in terms of offering of Units. This Draft Placement Memorandum also contains forward-looking statements (including Projections of Revenue from Operations and Cash Flow from Operating Activities) that involve risks, estimates, uncertainties and assumptions. The actual results could differ significantly from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and elsewhere in this Draft Placement Memorandum, including the section entitled "Forward-Looking Statements" on page 20.*

*Industry, macro-economic and market data and all industry related statements in this section have been extracted from either the CBRE Report which the Investment Manager commissioned on our behalf, or the Valuation Report (included in this Draft Placement Memorandum as Annexure A). For further details, please see the section entitled "Industry Overview" on page 236. Investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer.*

*In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to the Trust and the Project SPVs/ Holdco on a consolidated basis. Furthermore, unless the context otherwise requires, the financial information used in this section is derived from our Special Purpose Combined Financial Statements.*

**Risks Related to title of our Portfolio and use of premises**

***1. We may be adversely affected if the Project SPVs/ Holdco are unable to obtain, maintain, transfer or renew all regulatory approvals and comply with applicable laws that are required for their respective business.***

Our Portfolio require various approvals, licenses, registrations and consent/ permissions from the Government, local bodies and other regulators, for operating their respective business. A number of our approvals are subject to certain terms and conditions and we may not be in compliance with all such terms and conditions, and a failure to comply with these terms and conditions may result in an interruption of our business operations and may have a material adverse effect on our business operations, future financial performance and price of our Units. For details, please see the section entitled "*Regulatory Approvals*" and "*Legal and Other Information*" on pages 500 and 510, respectively. As part of commercial understanding with lessees, certain approvals may be required to be procured by the lessees. We cannot assure you that they will obtain all such approvals. We may have not obtained certain approvals and some of our approvals may have expired in the ordinary course, and our Project SPVs/ Holdco may have either applied for such approvals, or would be in the process of applying for renewals of such approvals, including occupancy certificates for certain portions of our Portfolio. We cannot assure you that we have or would be able to comply with all such compliances and will be able to continuously meet such conditions or be able to prove compliance with such conditions to the authorities, and thus could be subject to penalties and regulatory action for any delays/ inability to obtain the requisite approvals. Failure to obtain the requisite consents to operate and/or comply with any conditions set out thereunder will attract monetary fines, penal actions and

other penalties as may be levied by the competent authorities which may interrupt our operations and may adversely affect our business, financial conditions till such time the non-compliance continues.

Further, certain part of our Portfolio is under development (such as Pillaipakkam Park Phase II), and approvals for commencement of construction of such warehousing assets have been applied for and are yet to be obtained from relevant governmental authorities. For details, please see the section entitled "*Regulatory Approvals*" on page 500. We cannot assure you that such approvals will be obtained in a timely manner or at all. Also, please see the section entitled "*Risk Factors – The InvIT Regulations and other regulatory requirements impose restrictions on the investments made by us and require us to adhere to certain investment conditions, which may limit our ability to acquire and/or dispose of assets or explore new opportunities*." on page 140. Any non-compliance of the approvals, licenses, registrations or consents mentioned hereinabove may result in investigation or action by the Government, or payment of fines or penalties. Furthermore, there are certain approvals which are to be obtained by our clients for operation of their business at our parks. We cannot assure that they will be in possession of all such approvals at all the times during their lease. Any failure on their part to obtain these approvals may affect their business which in turn would have a material adverse effect on us.

Our business is subject to various local state laws and regulatory requirements, including but not limited to those with respect to, permitting, licensing and zoning requirements. Local regulations, including municipal or local ordinances, restrictions and restrictive covenants imposed by community developers may restrict our use of our assets and may require us to obtain approval from local officials or community standards organizations at any time with respect to our assets.

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

Our business and growth strategies may be materially and adversely affected by our inability to obtain permits, licenses and approvals. Our failure to obtain or maintain such permits, licenses and approvals could have a material adverse effect on us. For details, please see the section entitled "*Regulatory Approvals*" on page 500.

**Risks Related to our Organization and Structure**

***2. Our ability to consummate the transaction under the securities purchase agreements to be entered into in relation to the Formation Transactions is subject to satisfaction of certain conditions precedent.***

Certain securities purchase agreements proposed to be entered into with our Sponsor and its related parties in connection with the Formation Transactions contain certain conditions precedent which are required to be completed by the sellers (i.e. the Sponsor and/or its related parties) prior to closing of the Formation Transactions contemplated thereunder. The conditions precedent includes, *inter alia*, valuation report being provided to the buyer by the seller, seller warranties being true, correct and not misleading and additional disclosures being provided to the buyer and receipt of requisite consents from the lenders of the Project SPVs/HoldCo. In the event that any of conditions precedent mentioned in the said agreements are not completed, we will be unable to consummate the Formation Transactions in the manner contemplated herein which may materially and adversely impact our ability to complete the Offer within the anticipated time frame or at all. If we are unable to complete the Formation Transactions, as contemplated herein, the Investment Manager, in consultation with the Lead Managers, and subject to any conditions imposed by the SEBI or any other regulators, may decide not to proceed with the Offer or to withdraw or reduce the size of the Offer. For further details of the conditions precedent, please see the section entitled "*Related Party Transactions – Acquisition of Project SPVs and HoldCo by the Trust*" on page 489.

***3. We are generally subject to risks associated with debt financing and refinancing and operating results could be adversely affected by related interest, required repayments and other risks of our debt financing. Our inability to service debt may impact distributions to Unitholders.***

We are generally subject to risks associated with debt financing and refinancing. These risks include: (1) our cash flow may not be sufficient to satisfy required payments of interest and repayment of principal (including any increase in the rates of interest); (2) we may not be able to refinance existing indebtedness or the terms of the refinancing may be less favorable to us than the terms of existing debt; (3) debt service obligations could reduce funds available for distribution to the Unitholders and funds available for capital investment; (4) any default on our indebtedness could result in acceleration of those obligations and obligations under

other loans and possible loss of property to foreclosure; and (5) the risk that necessary capital expenditures cannot be financed on favorable terms. Our ability to raise additional debt is subject to, *inter alia*, our aggregate consolidated borrowings and deferred payments, net of cash and cash equivalents, which may not exceed 70% of the value of the assets of the InvIT, as required and subject to fulfilment of conditions under the InvIT Regulations including approval of Unitholders. The debt financing proposed to be provided by us to the Project SPVs/ Holdco, under the Trust Loan Agreements comprises of loan facilities for the repayment of existing outstanding indebtedness. The Trust Loan Agreements shall be executed prior to the filing of the Placement Memorandum. The payment obligations and the associated covenants of the respective Project SPVs/ Holdco in relation to the Trust Loan Agreements will, in all probability, be subordinated to all existing and future obligations of the Project SPVs/ Holdco to any secured lenders, if any. As such, our ability to receive loan payments, and our remedies with respect to the Trust Loan Agreement will be subject to the rights of senior secured creditors. For details, please refer to the sections entitled "*Financial Indebtedness*," and "*Use of Proceeds*" on pages 463 and 459, respectively.

The Trust will also be subject to the risk that certain covenants in connection with any future borrowings may limit or otherwise adversely affect its operations and its ability to make distributions to its Unitholders. Such covenants may also restrict the Trust's ability to acquire additional projects or undertake other capital expenditure by requiring it to dedicate a substantial portion of its cash flows from operations to interest and principal payments on its debt.

Payments to existing and future lenders or debt-instrument holders will be required to be serviced prior to any distributions to Unitholders by us and, accordingly, distribution to the Unitholders will be made after making payments related to interests and principal of debt. Accordingly, any reduction in the cash flows of the Project SPVs/ Holdco or any unanticipated increase in any of the payments to be made by the Project SPVs/ Holdco may result in a decrease in the cash flows available to service debt availed from third parties and us, which may materially and adversely impact the ability of the Project SPVs/ Holdco to meet their payment obligations. These arrangements may impact our ability to receive dividends and other cash flows from the Project SPVs/ Holdco and adversely affect our ability to make distributions to Unitholders.

***4. We do not provide any assurance or guarantee of any distributions to the Unitholders. We may not be able to make distributions to Unitholders in the manner described in this Draft Placement Memorandum or make any distribution at all, and the level of distributions may decrease.***

There is no assurance or guarantee of any distributions to the Unitholders. Distributions to Unitholders will be based on the net distributable cash flows available for distribution. Assessment of the net distributable cash flows is based on pre-determined framework as per applicable regulations and as more specifically prescribed in the Distribution Policy formulated in accordance with the InvIT Regulations, in consultation with financial and tax advisors, the results of which will be subject to limited review by our Auditors. For details of the InvIT Regulations governing distributions and details of our Distribution Policy, please see the section entitled "*Distributions*" on page 470.

Our ability to make distributions may be affected by several factors, including the risk factors described in this Draft Placement Memorandum, as well as, among other things:

- servicing of any debt raised post the completion of Offer and listing of the Units by the Trust;
- cash flows received from Project SPVs/ Holdco;
- debt servicing requirements and other liabilities of the Project SPVs/ Holdco;
- compliance with loan agreements, including restrictive covenants to obtain consent from the lenders prior to making any dividend payments;
- fluctuations in the working capital needs of the Project SPVs/ Holdco;
- ability of our Project SPVs/ Holdco to borrow funds and access capital markets;
- restrictions contained in and any payments under any agreements entered into by our Project SPVs/ Holdco, including arrangements with landowners and regulatory authorities from whom land is leased;
- completing the development of our under development assets or acquisition and operationalization of other projects within the anticipated timeline, including on account of delay in receiving or non-

receipt of approvals for reasons beyond our control, or as per the forecasted budget;

- business and financial position of our Project SPVs/ Holdco, including any operating losses incurred by the Project SPVs/ Holdco in any financial year;
- payments of tax and other legal liabilities, including costs arising on account of litigation;
- applicable laws and regulations and/or any change thereto, which may restrict the payment of dividends by the Project SPVs/ Holdco or other distributions;
- capital expenditure utilization of the assets and fees payable to the Investment Manager, Project Manager and other intermediaries appointed for the Offer; and
- discharging indemnity or other contractual obligations of the Project SPVs/ Holdco under their respective underlying contracts or similar obligations or any fines, penalties levied by regulatory authorities.

Further, as non-cash expenditure, such as amortization and depreciation, is charged to the profit and loss account, the Project SPVs/ Holdco may have surplus cash but no profit in the profit and loss account and, hence, may not be able to declare dividends as per applicable regulations. Further, pursuant to the InvIT Regulations, in the event that an asset is sold by the Trust or Project SPV or if the equity shares/ interest in the Project SPV is sold by the Trust, the Trust is permitted to re-invest such sale proceeds into another infrastructure asset. In such event, the Trust shall not be required to distribute the sale proceeds to investors. In the event of the inability to declare such dividends, the Investment Manager and the Trustee may evaluate various options to make distributions to the Unitholders and utilize such surplus cash. We cannot assure you that the structures implemented will be effective in extracting such surplus cash for making distributions to the Unitholders. For further details, please see the sections entitled "*Use of Proceeds*" and "*Financial Indebtedness*" on pages 459 and 463, respectively.

***5. The InvIT Regulations and other regulatory requirements impose restrictions on the investments made by us and require us to adhere to certain investment conditions, which may limit our ability to acquire and/or dispose of assets or explore new opportunities.***

The InvIT Regulations require us to ensure compliance with certain requirements, including maintaining a specific threshold of investment in eligible infrastructure projects (i.e., projects shall receive all the requisite approvals and certifications for commencing construction of the project). There are also regulatory requirements which impose conditions on minimum Unit holding of the Sponsor and debt financing limits, which may constrain our ability to raise funds and limit our ability to make investments. In particular, under the InvIT Regulations, not more than 20% of the value of our assets may be in certain permitted forms of investments over and above eligible infrastructure projects and we may, therefore, be limited in terms of flexibility for future investment. As on the date of this Draft Placement Memorandum, Cuttack Park I (Banipada) and Cuttack Park II (Indranipatna) have applied for the requisite approvals and certifications for commencing construction of the project in order to qualify as an 'eligible infrastructure project' but are yet to receive the requisite approvals. For further details, please see the section entitled "*Regulatory Approvals*" on page 500. In the event that such approvals are not obtained prior to filing of the Placement Memorandum, such assets may be ineligible for forming part of the Trust and the Trust may be unable to complete the Formation Transactions in the form and manner described in this Draft Placement Memorandum.

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

***6. The acquisitions done by the Sponsor or the Holdco may be subject to certain risks, which may result in damages and losses, and conditions.***

The Sponsor and the Holdco, respectively, have acquired 100% of the issued and paid-up equity share capital of some of the Project SPVs, pursuant to relevant Share Purchase Agreements and subject to the fulfillment of the conditions set out in the said Share Purchase Agreements. While the Investment Manager believes that reasonable due diligence has been carried out on such Project SPVs, prior to its acquisition, there can be no assurance that these Project SPVs will not have defects or deficiencies that are unknown or unquantified and that may require additional capital expenditure or obligations to third parties, including to the relevant statutory authorities, which may have an adverse effect on the Trust's earnings and cash flows and the

distributions to the Unitholders.

For instance, the Siliguri park and the Sullurpet park were not originally owned by the Sponsor, we have relied on certain information and management representations provided by PBPL and RSIPPL, respectively, including existence of no disputes, litigation, proceedings or claims against the entities. While indemnities have been sought for some such cases in the relevant Share Purchase Agreements from the sellers, we cannot assure you that there would not be any adverse impact on the Trust pursuant to reliance on such information, representations or due to non-availability of documents. Under the terms of the Share Purchase Agreements, a claim for indemnity may be brought by an Indemnified Party within the specified claim periods mentioned.

In addition, the acquired entities may be subject to unknown or contingent liabilities for which the Trust may have limited or no recourse against the Sponsor. Such unknown or contingent liabilities may also include tax liabilities and other liabilities whether incurred in the ordinary course of business or otherwise.

***7. Certain relevant documents relating to the disclosures pertaining to litigation are not traceable. Accordingly, documents which were available have been relied upon to include disclosures in this Draft Placement Memorandum.***

We have been unable to locate the copy of complaint filed by tenant of DILP against Maharashtra Industrial Development Corporation and the copy of order below exhibit 41 granting interim relief to DILP. Accordingly, we have relied on certain secondary documents including a copy of the plaint containing details of the suit. We cannot assure you that such untraceable documents will be available with us in future. For further details of this litigation and other legal matters involving us, please see the section entitled "*Legal and Other Information*" on Page 510.

**Risks Related to Our Business and Industry**

***8. A significant portion of our revenues is derived from a limited number of large lessees and from a few sub-markets. Any conditions that impact these lessees, or sub markets may adversely affect our business, revenue from operations and financial condition.***

Our revenues from operations are concentrated in a few large lessees and from few sub-markets in our Portfolio. We expect that, in the future, a limited number of large lessees and submarkets will continue to comprise a large percentage of our combined revenue from operations. Accordingly, our financial condition, results of operations and ability to make distributions to Unitholders may be materially and adversely affected by the downturn in the businesses of one or more of these lessees, non-renewal or early termination of leases for any reason, economic and other factors that lead to a downturn in the submarkets in which these Parks are located. If we are unable to diversify our lessee base, in or diversify into new submarkets, we may experience material fluctuations or decline in our revenue, because of which our financial condition and operations could be materially and adversely affected.

***9. Our revenues, operations, cash flows and financial condition may be adversely affected by low occupancy and rent levels of our Parks.***

The success of our business depends on our ability to maintain high occupancy levels, which drives the revenue received from leases based upon the amount of space we have leased. Our occupancy rate has been 99%, 100%, 99% and 99%, as of September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively. We may be unable to maintain occupancy levels and receive rent at desired levels from our lessees as a result of a number of factors, including those that are beyond our control, such as prevailing economic, income and demographic conditions in the relevant submarkets; prevailing rental levels in the submarkets where the assets are located; performance of key sectors including 3PL, industrial, e-commerce etc. and changes in applicable regulatory schemes, including governmental policies relating to zoning and land use, among others. For instance, any changes to demarcation or zoning of existing city limits could have a bearing on our operations requiring us to relocate or cease operations in such areas. This may result in reduced lessee occupancy levels, cause lessees to cease operations or experience significant financial difficulties and, therefore, cause the actual Rents we receive for the properties in our Portfolio to be lower than estimated market rents for future leasing, which would adversely affect our business, operations and cash flows. Our inability to maintain and attract lessees to lease our Parks, or to maintain and evolve a favorable mix of lessees who are able to stand up to prevailing economic conditions and consumer demand, may have an adverse effect on our revenues, operations, cash flows and financial condition.

***10. Any development and construction projects or proposals to upgrade existing projects or acquire new projects in our Portfolio may be exposed to a number of risks and uncertainties which may adversely affect our business, financial condition, operations and cash flows.***

As of September 30, 2024, our Portfolio comprised of 1.98 msf of Under Development Area. In the future as well, we may seek to expand or upgrade our Portfolio by engaging in development or construction of existing projects or acquiring assets for further development. The development of these projects involves various risks, including regulatory risks, financing risks and the risk that these projects may ultimately prove to be unprofitable. These projects may pose significant challenges to our management, administrative, financial and operational resources. We cannot assure you that we will succeed in any of these projects or that we will recover our investments. Any delay or failure in the development, financing or operation of any of our future development area or increase in their costs of development may adversely affect our business, financial condition, results of operations and cash flows. Risks related to the development of these projects include, without limitation:

- the contractors hired to complete the projects may not be able to complete the construction of the projects on time (due to unforeseen circumstances), or within budget or to the required specifications and standards;
- delays in completing and achieving commercial operation could increase the financing and other costs associated with the construction and cause our budgeted cost to be exceeded;
- our inability to obtain adequate capital or other financing at competitive rates or at all to complete the construction or upgrade of and commence operations of these projects;
- change(s) in local development regulations;
- inability to compete with competing projects;
- our inability to recover the amounts already invested in these projects, if the assumptions contained in the feasibility studies for these projects do not materialize; and
- our inability to obtain necessary approvals and consents, including, without limitation, planning permissions and/or regulatory permits, required in order to commence or complete construction and development or expansion or upgrade of our project.

In addition, our future development area may undergo changes during the planning, launch, construction and completion phases, which may result in actual Leasable Areas at such projects being lower than projected. Such changes may result from planning changes, construction requirements and/or other matters outside of our control. Any reduction in actual Leasable Area at our future development area, may affect their commercial viability, which may have an adverse effect on our business, financial condition, results of operations and cash flows. Any delays in completing our projects as scheduled could result in dissatisfaction among our lessees, resulting in reduced confidence in our projects. Additionally, we may not achieve the economic benefits expected of such projects. In the event there are any delays in the completion of such projects, our relevant approvals and leases may expire or be terminated. As a result, we cannot assure you that our future development area will be completed in a timely manner, within budget or at all.

***11. The Trust has no established operating history, which makes it difficult to accurately assess our future growth prospects including, achieving our business objectives or generating sufficient cash flows to make or sustain distributions.***

The Trust was settled as a contributory, determinate and irrevocable trust under the Indian Trusts Act, 1882 on March 26, 2024 and registered with SEBI as an infrastructure investment trust under the InvIT Regulations on April 22, 2024. We will acquire the Portfolio pursuant to the Formation Transactions; while our Project SPVs/ Holdco have been in operation for years, the Trust does not have an operating history by which our performance may be judged. We are subject to business risks and uncertainties associated with any new business enterprise formed through a combination of existing business enterprises. Further, while some of the directors and key managerial personnel of our Investment Manager have been associated with our Portfolio historically, the Investment Manager has been recently incorporated. Accordingly, there is no assurance that we will be able to operate our business and revenues successfully or profitably, or that we will be able to achieve our investment objectives at all.

***12. The Special Purpose Combined Financial Statements are prepared for this Draft Placement Memorandum and may not necessarily represent our consolidated financial position, our future financial position, operations and cash flows.***

The Special Purpose Combined Financial Statements included in this Draft Placement Memorandum are

merely a combination of historical financial data of our Project SPVs and Holdco, as required under the InvIT Regulations and the Guidance Note on Combined and Carve Out Financial Statements, Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, and have been prepared on the assumption that the entire Portfolio will be acquired pursuant to consummation of the Formation Transactions. For the purpose of this Draft Placement Memorandum, the Special Purpose Combined Financial Statements have been prepared so as to present the financial position, operations and cash flows of our Project SPVs and Holdco on a combined historical basis for the period ended September 30, 2024 and FY24, FY23 and FY22, and do not necessarily represent our consolidated financial position, operations and cash flows had we been in existence and if we had been operated under a common management during the periods presented. Our Special Purpose Combined Financial Statements may not necessarily represent our proposed holding structure post-listing and are not necessarily indicative of the financial condition, operations or cash flows of the Trust that would have occurred if it had operated as a legal group of entities during the periods presented and may not be representative of the position which may prevail after the Portfolio Assets are transferred to us. Accordingly, our future consolidated financial statements may differ from the Special Purpose Combined Financial Statements. There can be no assurance that our future performance will be consistent with the past financial performance included elsewhere in this Draft Placement Memorandum. Furthermore, pursuant to the Demerger Scheme, some of the InvIT Assets have been transferred by the Sponsor to DILP, for which carve out financials have been prepared and no standalone audited historical financial information is available. For further details, please see "*Special Purpose Combined Financial Statements*" enclosed as Annexure B.

***13. Lessee leases across our Portfolio are subject to the risk of non-renewal, non-replacement, default, early termination, regulatory or legal proceedings or changes in applicable laws or regulations, thereby impacting leasing and other income. Also, lease agreements with some of our lessees are not adequately stamped or registered, and consequently, we may be unable to successfully litigate over the said agreements in the future and penalties may be imposed on us. Further, some vacant properties could be difficult to lease, which could adversely affect our revenues.***

A significant portion of our revenue is driven from the leasing of space at our assets in tier 1 and tier 3 cities. We have entered into lease agreements with our lessees for terms which generally extend from three years to twenty years. Leases with lessees across our portfolio may expire and may not be renewed by them. Further, our leases may be terminated by our lessees without cause by giving a prior notice upon expiry of the contractual lock-in period. For details of key terms of lease deeds please see the section entitled "*Our Business and Properties—Lease Agreements and Lease Management*" on page 455. Lessees may be late in rental payments or delay the commencement of the lease. Lessees with a presence across multiple assets in our Portfolio may also decide to move out of some or all of their rented units in our Portfolio. The Project SPVs/ Holdco may face delays in finding suitable lessees, which could also have an adverse impact on the revenue from the Portfolio.

Additionally, while failure to adequately stamp a document may not affect the validity of the underlying transaction, it may be inadmissible as evidence in Indian courts (unless stamped prior to enforcement with payment of requisite penalties, which may be up to ten times the stamp duty payable, and other such fees that may be levied by the authorities). Further, documents, which are insufficiently stamped, are capable of being impounded by a public officer. Consequently, should any dispute arise in relation to our use of the relevant properties, we may be unable to, or may incur additional expenses (including penalties and interest) to enforce our rights in relation to such properties. Further, some of these lease agreements have been registered, some lease agreements are in the process of being registered and some lease agreements may remain unregistered.

As part of our rental agreements, the lessees are generally required to furnish interest free refundable security deposits. The expiry or termination of such agreements requires us to refund any deposits to the lessees, which could temporarily impact the liquidity of our Project SPVs/ Holdco. Further, any default by a lessee prior to the expiry of the lease arrangement may result in deductions from its security deposit. As a consequence, issues may arise with our lessees in relation to the quantum of deductions of the security deposits, which may result in our lessees refraining from handing over possession of the property to us. Legal disputes, if filed by us in this regard, may remain unresolved for an indeterminate period and involve considerable expense if they become the subject of court proceedings and their outcome may be uncertain.

Although we ensure that we lease our assets to stable lessees with sound financial background, insolvency proceedings may be initiated under the Insolvency and Bankruptcy Code against our lessees and they may be subject to moratoriums, which could prevent us from realizing our rental dues or further leasing our premises to any third parties. Further, our lessees are required to utilise the premises in accordance with the terms of the lease deeds and applicable law. Any non-compliance with these requirements could result in a loss of reputation for us and cause us to terminate such lease arrangements.

Typically, future lease rentals from specific assets (and, in certain cases, specific lessees) are charged to lenders towards repayment of amounts borrowed from such lenders. In certain instances, we may be required to obtain the prior consent of certain lessees prior to mortgaging the underlying land. For further details on security over lease rentals, please see the section entitled "*Financial Indebtedness*" on page 463. In case of termination of the lease deeds, the relevant Project SPV will be required to make alternate arrangements to pay the monthly instalments to the lenders, failing which we could be in breach of the facility agreements, and could lead to acceleration of repayment of the loans. Please also see the section entitled, "*Risk Factor - We are generally subject to risks associated with debt financing and refinancing and operating results could be adversely affected by related interest, required repayments and other risks of our debt financing. Our inability to service debt may impact distributions to Unitholders.*" on page 138. There could also be instances when an adverse court order may impact revenue collection from our lessees. For details, please see the section entitled "*Legal and Other Information*" on page 510.

As a part of some of the rental agreements, leased premises shall be free from any third-party interest, encumbrances, and will not be assigned, gifted, set up as trust or mortgage, in any manner whatsoever without prior notice to the lessee. However, in majority of the lease agreements we are entitled to mortgage and/or charge the lease premises and/or seek rental discounting facility, against rents to be received from the lessees, with any bank or financial institutions; such mortgages would be subject to the lessees' leasehold rights. The rights of the lessees will be covered in the sale mortgage or indenture of conveyance or other deeds. The agreement ensures that no mortgage or alienation of the leased premises affect the peaceful possession and enjoyment by the lessees.

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

***14. The actual performance of the Trust is subject to significant business, regulatory, and tax risks, uncertainties and contingencies that could cause actual results to differ materially from the forward-looking statements in this Draft Placement Memorandum.***

This Draft Placement Memorandum contains forward-looking statements, including the Projections of Revenue from Operations and Cash Flow from Operating Activities. These forward-looking statements are based on a number of assumptions such as (i) no major change in future cash flows for the SPVs and no major change in the financial performance as estimated prior to COVID-19 impact, (ii) initial portfolio of SPVs remains unchanged through the Projection Period, (iii) no further assets are acquired or divested during the Projection Period, (iv) no outflow on account of any litigation related matters including current pending litigations/contingent liabilities is expected to become due during the Projection Period, (v) no material change in taxation legislation or other applicable legislation, and (vi) no gain or loss has been considered on account of changes in foreign exchange rates many of which are outside the control of the Trust. The assumptions underlying the Projections of Revenue from Operations and Cash Flow from Operating Activities are inherently uncertain and are subject to significant business, regulatory and tax risks, uncertainties and contingencies that could cause actual results to differ materially from the forecast results. In the event assumptions are not satisfied, the associated revenue of the Trust which is dependent on a number of factors, including warehousing rentals from the Initial Portfolio Assets may decrease for a number of reasons. This may adversely affect the ability of the Trust to achieve the landmarks set out in the Projections of Revenue from Operations and Cash Flow from Operating Activities, as some or all of the events and circumstances assumed may not occur as expected, or events and circumstances, which are not currently anticipated, may arise. While the Trust currently expects to meet the Projections of Revenue from Operations and Cash Flow from Operating Activities based on the assumptions set out in *"Projections of Revenue from Operations and Cash Flow from Operating Activities"*, no assurance can be given that the assumptions will remain true or relevant and that the actual profit and cash flow will be achieved as forecasted or projected.

The Projections of Revenue from Operations and Cash Flow from Operating Activities should be reviewed in conjunction with the description of the business of the Project SPVs/ Holdco, Please see section entitled *"Management's discussion and analysis of factors affecting the financial condition and results of operations"* on page 473 and other information contained in this Draft Placement Memorandum, including the information set forth in this *"Risk Factors"* section on page 137.

The Investment Manager shall not provide any updated or otherwise revised profit and cash flow forecast or profit and cash flow projection in the event that any assumptions differ from actual results. The revenue of Trust will be dependent on the cash flows from dividends, buyback of Project SPV shares, interest payments and principal repayments (net of applicable taxes and expenses) from the Project SPVs/ Holdco, whose revenue, in turn, is dependent on a number of factors, including committed occupancy in the project assets and completion of its projects within expected timelines.

Further, the statutory auditor's report on Projections of Revenue from Operations and Cash Flow from Operating Activities, contains certain assumptions, which are indicated in Annexure A and Annexure C herein.

Accordingly, we do not provide any assurance to you that we will be able to achieve the financial projections or make the distributions as set out in the Projections of Revenue from Operations and Cash Flow from Operating Activities in the future. As a result, Investors should not rely upon the projections in making an investment decision, given the possibility that actual results may differ materially from the underlying estimates and assumptions.

***15. We face certain risks relating to our reliance on third parties in maintaining our Parks and on contractors and third parties in developing our future development and construction projects that may adversely affect our reputation, business, financial condition, operations and cash flows.***

Given the nature of the business, our lessees are responsible for and liable as a lessee for operating and using the Parks in accordance with applicable laws and the terms of our leases. including obtaining certain operational approvals as applicable, as well as ensuring that they act responsibly in compliance with applicable requirements. Our ability to direct and control how some of our properties are operated and used on a day-to-day basis may be limited.

We also rely on third party service providers for certain aspects of our business, including for certain information systems, technology, and administration. Any interruption or deterioration in the performance of these third parties, failures of their information systems and technology, or termination of these arrangements or other problems in our relationships with these third parties, could impair the quality of our operations, affect our reputation and adversely affect our business. We may also rely upon contract labor in relation to the development work undertaken at our under-construction properties. See "*We are exposed to a variety of risks associated with safety, security and crisis management*." on page 146**.**

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

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

The valuation of our properties is inherently subjective due to, amongst other factors, the individual nature of each property, its location, expected future rental revenues from that particular property and the valuation method adopted. The Valuer has issued a valuation report setting out its opinion as to the value of the Portfolio as of September 30, 2024. For details on the assumptions, disclaimers and methodology used in the Valuation Report, please see the section entitled "*Valuation Report"* attached as Annexure A of this Draft Placement Memorandum. We cannot assure you that the methodologies adopted and the assumptions made for issuing the Valuation Report are accurate, and accordingly, reflect the right valuation of our Portfolio. The valuation is an estimate and not a guarantee, and it is fully dependent upon the accuracy of the assumptions as to income, expense and market conditions. The assumptions made and conclusions derived may turn out to be inaccurate, which may affect the valuation of the Portfolio. Further, the Valuer has followed a particular methodology to

arrive at the valuation. There is no assurance that other methodologies would not have led to a different valuation. The Valuation Report does not purport to contain all the information that may be necessary or desirable to fully evaluate us or the Portfolio or an investment in the Units. The Valuation Report contains forecasts, projections and other forward-looking statements that relate to future events that involve risks and uncertainties, which may cause the actual results or performance to be significantly different from any future results or performance expressed or implied by the forward-looking statements. The Valuation Report does not confer rights or remedies upon investors or any other person and does not constitute and should not be construed as any form of assurance as to our financial condition or future performance or as to any other forward-looking statements included therein, including those relating to macroeconomic factors, by or on behalf of the Sponsor, the Investment Manager, the Lead Managers or us. Further, we cannot assure you that the valuation prepared by the Valuer reflects the true value of the net future revenues of the Portfolio. Further, in the event that the Valuer does not continue to value the Portfolio subsequent to the listing of the Units of the Trust due to any reasons beyond our control, and a new valuer is appointed for the purpose of the ongoing valuation, we cannot assure you that the methodology, assumptions and valuation will not be different from the valuation arrived at by the Valuer in the Valuation Report. For further details, please see the sections entitled "*Regulatory Approvals"* and "*Legal and Other Information*" on pages 500 and 510, respectively.

Further, valuations do not necessarily represent the price at which an asset would sell, since market prices of assets can only be determined by negotiation between a willing buyer and seller. As such, the value of an asset forming part of our Portfolio may not reflect the price at which such asset could be sold in the market, and the difference between value and the ultimate sales price could be material. Additionally, the price at which we may be able to sell any assets in our Portfolio in the future may be different from the initial acquisition value of such assets. The Valuation Report has not been updated since the date of its issue, and does not consider any subsequent developments and should not be considered as a recommendation by us, the Sponsor, the Investment Manager, the Lead Managers or any other party that any person should take any action based on such valuation. Accordingly, Investors should not rely on the Valuation Report in making an investment decision to subscribe to or purchase Units.

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

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

***18. Our contingent liabilities could adversely affect our financial condition, results of operations and cash flows.***

As of September 30, 2024, we had contingent liability of ₹ 117.44 lakhs that is determined as per Ind AS 37—Provisions, Contingent Liabilities and Contingent Assets. If any of our contingent liabilities materialize, it could have an adverse effect on our financial condition, results of operations and cash flows. For further details, please see the sections entitled "*Management's Discussion and Analysis of Factors Affecting the Financial Condition and Results of Operations—Off- Balance Sheet Arrangements and Contingent Liabilities"* and *"Special Purpose Combined Financial Statements"* attached hereto as Annexure B.

***19. We are exposed to a variety of risks associated with safety, security and crisis management of our Portfolio Assets.***

We are committed to ensure the safety and security of our lessees, employees and assets against natural and man-made threats. However, certain unforeseen events such as extreme weather, civil or political unrest, violence and terrorism, serious and organized crime, fraud, employee dishonesty, cybercrime, pandemics, fire and day-to-day accidents, incidents, health crises of guests and petty crime which impact the tenant, consumers, or employee experience, could cause loss of life, sickness or injury may occur and consequently result in compensation claims, fines from regulatory bodies, or litigation. This may impact our reputation. Serious incidents or a combination of events could escalate into a crisis which, if managed poorly, could further expose us and our assets to significant reputational damage. Any accidents or any criminal activity at our properties may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. We may also rely upon contract labor in relation to

the development work undertaken at our under-construction properties. Our Project SPVs/ Holdco, or our Investment Manager or our Project Manager may (as principal employers) become liable to persons working at our premises in case of any accidental death or grievous injury. Further, any work stoppages, labor unrest and labor disputes could have a material impact on our operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation and cause a loss of consumer confidence in our business. While we maintain insurance on property and equipment in amounts believed to be consistent with industry practices and our insurance policies cover physical loss or damage to our property and equipment arising from a number of specified risks including burglary, fire, landslides, earthquakes and other perils, we may not be able to maintain adequate insurance to cover all losses we may incur in our business operations. Please see the section entitled "*Risk Factors—We may not be able to maintain adequate insurance to cover all losses we may incur in our business operations*" on page 156.

***20. We face various risks and uncertainties related to public health crises. The future occurrences as well as impacts of such global outbreaks is uncertain and hard to measure and may have a material adverse effect on us.***

We face various risks and uncertainties related to public health crises, like COVID-19 pandemic which disrupted financial markets and significantly impacted worldwide economic activity to date and could potentially do so in future. These risks include, without limitation:

- limiting the ability of our lessees to comply with the terms of their leases with us, including in making timely payments to us;
- a decrease in sales and revenue of our lessees could result in decrease in rental income receivable by us from such lessees;
- limiting our ability to evict lessees who are unable to comply with the terms of their leases with us;
- potential temporary or long-term work stoppages and closure of our assets, disruption in the supply of materials, including due to spread of the disease among our employees or due to shutdowns that may be requested or mandated by governmental authorities;
- limiting the ability of our service providers and partners to comply with the terms of their arrangements with us;
- insolvency or bankruptcy of our lessees;
- limiting the ability to re-lease space that is or that has become vacant;
- adverse impact on the value of our properties;
- labor unrest and unavailability due to risks of disease from working with other employees and outside vendors;
- economic impacts from mitigation and other measures undertaken by us and/or third parties;
- reduced ability to execute our growth strategies, including identifying and completing acquisitions and expanding into new markets; and
- inability to comply with the covenants in our financing agreements which could result in events of default and the acceleration of indebtedness, which could negatively impact our financial condition, results of operations, cash flows and our ability to obtain additional borrowings.

The long-term effect of force majeure events is highly uncertain and cannot be predicted. Further, any epidemic, pandemic or other health crisis, whether similar to COVID-19 or other past global diseases, could materially and adversely affect our business, financial conditions, cash flows and results and may also cause unprecedented economic disruption in the nation and in the rest of the world, which could have the effect of exacerbating many of the other risks described in this "*Risk Factors*" section.

***21. Our success depends in large part upon the Investment Manager and Project Manager, the management and personnel that they employ, and their ability to attract and retain such persons.***

Our ability to make consistent distributions to our Unitholders depends on the continued service of management teams and personnel of the Investment Manager and Project Manager. Each of the Investment Manager and Project Manager may face challenges in recruiting and retaining a sufficient number of suitably skilled personnel. Generally, there is significant competition for management and other skilled personnel in our industry in India, and it may be difficult to attract and retain the skilled personnel that the Investment Manager and Project Manager need for our operations. Furthermore, the Investment Manager and Project Manager may not be able to adequately re-deploy and re-train their employees to keep pace with evolving industry standards and changing customer preferences. The loss of key personnel of either of the Investment Manager or the Project Manager, may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows of the Trust.

***22. We depend on the Investment Manager, the Project Manager and the Trustee to manage our business and assets, and our financial condition, results of operations and cash flows and our ability to make distributions may be harmed if the Investment Manager, Project Manager or the Trustee fails to perform satisfactorily. The rights of the Trust and the rights of the Unitholders to recover claims against the Project Manager, the Investment Manager or the Trustee may be limited.***

The success of our business and growth strategy and the operational success of our assets will depend significantly upon the Investment Managers' satisfactory performance of these services. Our recourse against the Project Manager, the Trustee and the Investment Manager is limited. The aggregate maximum liability of the Project Manager in each financial year is limited to an amount equivalent to the fee payable to the Project Manager in such financial year in accordance with the terms of the Project Implementation & Management Agreement, as applicable, unless the loss or damage caused is due to gross negligence, fraud or wilful default of the Project Manager. If the Trustee is required by the InvIT Regulations or any applicable law to provide information regarding the Trust or the Sponsor or the Unitholders, the investments made by the Trust and income therefrom and provisions of such presents, and complies with such request in good faith, whether or not it was in fact enforceable, the Trustee shall not be liable to the Unitholders or to any other party as a result of such compliance or in connection with such compliance. The Trustee is also not liable on account of anything done or omitted to be done or suffered by the Trustee in good faith in accordance with, or in pursuance of any request or advice of the Investment Manager. Further, the Trustee is not liable for any act or omission or (as the case may be) failing to do any act or thing, which may result in a loss to a Unitholder (by reason of any depletion in the value of the Project SPVs or otherwise), except in the event that such loss is a direct result of fraud, gross negligence or wilful default on the part of the Trustee or results from a breach of the Trust Deed by the Trustee, as determined finally by a court of competent jurisdiction. The liability of the Trustee shall be limited to the extent of the fees received by it, in all circumstances whatsoever except (a) in case of any negligence or misconduct or fraud on the part of the Trustee, as determined finally by a court of competent jurisdiction; and or (b) failure to show the degree of care and diligence required under the Indian Trusts Act, 1882 while carrying out the duties of the Trustee described in the Trust Deed, in each case as may be determined by a court of competent jurisdiction. The liability of the Investment Manager in each financial year is limited to the aggregate fees paid to the Investment Manager for the immediately preceding one financial year, in accordance with the terms of Investment Management Agreement, provided that such aggregate maximum liability shall not be applicable in the event, such liability of the Investment Manager to indemnify the Trustee Party for losses or damages suffered arises out of any gross negligence, wilful default or misconduct or fraud of the Investment Manager, as determined by a court of competent jurisdiction. Further, the Investment Manager is not liable for any act or omission which may result in a loss to a Unitholder (by reason of any depletion in the value of the Trust Fund or Project SPVs or otherwise), except in the event that such loss is a result of fraud or gross negligence or wilful default or where the Investment Manager fails to exercise its obligations under the Investment Management Agreement. Accordingly, the Unitholders may not be able to recover claims against the Project Manager, the Trustee or the Investment Manager. If the management agreements were to be terminated or if their terms were to be altered, our business could be adversely affected, as the Trustee may not be able to immediately replace such services, and even if replacement services were immediately available, the terms offered or obtained with the new managers could be less favourable than the ones currently offered by the Investment Manager and the Project Manager.

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

We track certain operational metrics with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations and our methodologies for

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

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

Any limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, cash flows and results of operations would be adversely affected. Please see the section entitled "*Management's Discussion and Analysis of factors affecting the Financial Condition our Results of Operations*" on page 473 for more details.

***24. This Draft Placement Memorandum contains information from the CBRE Report and the Valuation Report (summary of which has been included as Annexure A), which the Investment Manager has commissioned on our behalf.***

The information in the section entitled "*Industry Overview*" and in other sections in this Draft Placement Memorandum is based on the CBRE Report and the Valuation Report dated January 27, 2025. Please also see the section entitled "*Risk Factors—The valuation reports obtained for our Portfolio are based on various assumptions and may not be indicative of the true value of our assets*" on page 145. The Investment Manager has exclusively commissioned and paid for these reports for the purposes of inclusion of industry information in this Draft Placement Memorandum. Given the scope and extent of the CBRE Report, disclosures are limited to certain excerpts and these reports have not been reproduced in their entirety in this Draft Placement Memorandum. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. The reports have been prepared based on information as of specific dates and may no longer be current or reflect current trends. Further, opinions in the reports are based on estimates, projections, forecasts and assumptions may prove to be incorrect.

***25. We and our Project SPVs have entered into and may in the future enter into related party transactions, the terms of which may be unfavorable to us or could involve conflicts of interest. The Investment Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Investment Manager or the Sponsor on more favorable terms than those provided to us.***

We have entered into and may in the future enter into transactions with several related parties, including the Investment Manager and the Sponsor and respective affiliates, associates and Sponsor Group, pursuant to the Formation Transactions Agreements, Trust Loan Agreements, Project Implementation and Management Agreement, ROFO Agreement and certain agreements, the terms of which may be deemed to not be as favorable to us as if they had been negotiated between unaffiliated third parties. These transactions relate to, among others, acquisition of the Portfolio and future assets, maintenance of the Portfolio, trademark licenses arrangements and related party loans and/or advances. Any future transactions with our related parties could potentially involve conflicts of interest, and it may be deemed that we could have achieved more favorable terms had such transactions not been entered into with related parties. For details, please see the section entitled "*Related Party Transactions*" on page 487.

Further, it is likely that we will enter into additional related party transactions in the ordinary course of business including any acquisitions pursuant to the terms of the ROFO Agreement. Such transactions, individually or in aggregate, could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows. Furthermore, certain properties owned by us may be leased

out to lessees that are affiliates of the Sponsor and Sponsor Group, which would give rise to a conflict of interest. In the event of material breach of terms of the lease agreements, including representation and warranties given by us, or in case we fail to obtain necessary approvals at any point of time prior to taking of the premises or fail to keep property free from encumbrances or contravene any license or applicable law, the affiliate may have the right to terminate such agreement, including the lock-in period duration, subject to notice of 30 days to remedy such breach. Additionally, lessee also has the right to terminate the agreement by giving notice of 90 days. The lease and license agreements with affiliates are for fixed periods of time ranging from three years to twenty years (expiring between 2025 and 2040), of which, certain lease and licenses will expire on termination date without an option to renew the agreement. We are in certain instances also required to indemnify the lessee for any losses suffered by them on account of any our wilful act or omission, breach of the terms and conditions of the relevant lease agreements or defect in title of the property.

Further, the InvIT Regulations specify the procedure to be followed for related party transactions. Specified policies and procedures in accordance with InvIT Regulations (including the code of conduct policy) implemented by the Investment Manager and the Sponsor and the Sponsor Group to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may from time to time reduce the synergies across the Investment Manager's and the Sponsor's and the Sponsor Group various businesses that we expect to draw on for purposes of pursuing attractive investment opportunities. For more information regarding our related party transactions, please see the section entitled "*Related Party Transactions*" on page 487.

***26. Our funding requirements and the proposed deployment of Fresh Issue Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Fresh Issue Proceeds.***

We intend to utilize the Fresh Issue Proceeds of the Offer as set forth in the section entitled "*Use of Proceeds*" on page 459. The funding requirements mentioned as a part of the objects of the Offer are based on internal management estimates and commercial considerations, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies.

Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Fresh Issue Proceeds.

Further, as set forth in the section entitled "*Use of Proceeds*" beginning on page 459, we propose to utilize a portion of the Fresh Issue Proceeds, inter-alia, towards (i) providing loans to the Project SPVs/Holdco for repayment for pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/ pre-closure charges and any other refinancing related costs; (ii) general corporate purposes; and (iii) offer expenses. Accordingly, use of the Fresh Issue Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

In the event that we are unable to raise the requisite funds pursuant to the Offer, or are unable to utilize the Fresh Issue Proceeds in the manner contemplated herein, we may be unable to repay/pre-pay the inter-Project SPV loans/ loans availed from related parties as envisaged hereunder.

***27. The Trust may not successfully undertake future acquisitions of new projects due to various factors including the unavailability of debt or equity financing on acceptable terms, challenges with identifying suitable projects and other factors which could impede the implementation of its acquisition strategy and negatively affect its business.***

The Trust will rely on debt and equity financing to expand its portfolio of projects through acquisitions, which may not be available on favourable terms or at all.

The Trust's total outstanding consolidated net debt shall be approximately ₹ [●] million after the Offer, which will constitute approximately [●]% of the value of the InvIT Assets upon completion of the Offer (net of cash and cash equivalents). Under the terms of the InvIT Regulations, the consolidated borrowings and deferred payments of the Trust, net of cash and cash equivalents, cannot exceed 49% of the value of the assets of Trust until certain conditions are met, and cannot exceed 70% of the value of the assets of Trust until, amongst others, the Trust has made six consecutive distributions to Unitholders. Further, if the consolidated borrowings of the Trust exceed 25% of the value of the assets of the Trust, further borrowings, up to 49% of the value of the assets of the Trust, would be subject to: (i) obtaining a credit rating from a credit rating agency registered with SEBI; and (ii) approval of the Unitholders, in accordance with the InvIT Regulations

and Trust Deed. There is no assurance that the relevant approvals can be obtained in a timely manner, or at all or may be subject to additional terms and conditions which may be onerous and restrictive in nature.

Debt financing to fund the acquisition of a project may not be available on short notice or may not be available on acceptable terms. Since the timing and size of acquisitions cannot be readily predicted, the Trust may need to be able to obtain funding on short notice to benefit fully from opportunities. In addition, the level of indebtedness of the Project SPVs may affect the Trust's ability to borrow without prior Unitholders' approval.

Restrictions imposed by the Reserve Bank of India may limit the Trust's ability to borrow overseas funds for projects under development and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, there can be no assurance that any required regulatory approvals or borrowing in foreign currencies will be granted to the Trust without onerous conditions, or at all.

The Trust may also fund the consideration (in whole or in part) for future acquisitions through the issuance of additional Units, subject to Unitholder approval, as required. Such issuances may result in the dilution of the interests in the Trust held by existing Unitholders. The Trust may not be able to complete the issuance of the required number of Units on short notice or at all due to a lack of investor demand for the Units at prices that it considers to be in the interests of then-existing Unitholders. As a result of a lack of funding, the Trust may not be able to pursue its acquisition strategy successfully. Potential vendors may also view the prolonged time frame and lack of certainty generally associated with the raising of unit capital to fund any such purchase negatively and may prefer other potential purchasers.

Debt financing may increase the Trust's vulnerability to general adverse economic and industry conditions by limiting its flexibility in planning for or reacting to changes in its business and its industry. The Trust will also be subject to the risk that certain covenants in connection with any future borrowings may limit or otherwise adversely affect its operations and its ability to make distributions to its Unitholders. Such covenants may also restrict the Trust's ability to acquire additional projects or undertake other capital expenditure by requiring it to dedicate a substantial portion of its cash flows from operations to interest and principal payments on its debt.

Furthermore, we may enter into term sheets or agreements to purchase assets from third parties, the completion of which may stipulate time frames within which title to land must be conveyed or full purchase price must be paid, or provide that all or a part of the advance monies paid to these third parties may be forfeited, due to our inability to fulfill certain agreed obligations within the agreed timeline, in the event that the acquisition process is not completed within the agreed time frames. In certain situations, agreements to purchase land may expire or contain irregularities that may invalidate them. As a result, we cannot provide assurance to you that we will be successful in acquiring or registering these properties, and consequently, development of such properties may not be possible, which could have an adverse effect on our financial condition, results of operations and cash flows. We also cannot assure you that any properties identified by us will be acquired at competitive prices or at all. In the event that the prices are increased by the land owners, we may be unable to acquire these properties or proceed with the developments, which may adversely affect our financial condition, results of operations and cash flows. Further, the title and development rights or other interests over land where assets in the Portfolio are located, and/or rights and interests in our Project SPVs and/or Investment Entity may be subject to legal uncertainties and defects, which may interfere with our ownership of the Portfolio and result in us incurring costs to remedy and cure such defects.

Future acquisitions may cause disruptions to our operations and divert management's attention away from day-to-day operations. Newly acquired properties may require significant management attention that would otherwise be devoted to our ongoing business. Despite pre-acquisition due diligence, we do not believe that it is possible to fully understand a property before it is owned and operated for an extended time. In addition, our acquisition selection process may not be successful and may not provide positive returns to Unitholders. For example, the expected benefit, synergies or efficiencies from such acquisitions may take longer than expected to achieve or may not be achieved at all or may be subject to additional terms and conditions which may be onerous and restrictive in nature.

We may acquire properties subject to both known and unknown liabilities and without any recourse, or with only limited recourse to the seller. As a result, if a liability was asserted against us arising from our ownership of those properties, we might have to pay substantial sums to settle such claims, which could adversely affect our cash flow. Unknown liabilities with respect to properties acquired might include defects in title and inadequate stamping/registration of conveyance deeds and lack of appropriate approvals or licenses in place.

Given the lock-in restrictions under the InvIT Regulations, we will be required to hold any project acquired by us, for a minimum period of three years from the date of purchase or completion of such property. Accordingly, our ability to divest from these projects will be limited.

We are also required to distribute at least 90% of our net distributable cash flows to Unitholders. Accordingly, our ability to undertake any future acquisition will depend on our ability to raise further funds from investors through a fresh issue of Units and/or to raise debt financing, which will be subject to the leverage ratios prescribed under the InvIT Regulations and applicable laws. For risks in relation to restrictions on sources of funding, please see the section entitled "*Risk Factors—We may not be able to successfully meet working capital or capital expenditure requirements of our Portfolio due to the unavailability of funding on acceptable terms*" on page 152.

***28. We cannot assure you that we will be able to successfully undertake future strategic acquisitions of Parks, industrial spaces etc. or efficiently manage the projects we have acquired or may acquire in the future***

Our growth strategy in the future may involve strategic acquisitions in accordance with the InvIT Regulations. We may not be successful in identifying suitable acquisition opportunities that meet the necessary criteria to help grow our business. Moreover, our ability to identify and acquire suitable locations for our projects is dependent on factors that are beyond our control such as the price and availability of suitable existing warehouses, industrial spaces and other spaces at our assets, the willingness of owners of identified spaces to sell on terms acceptable to us, the availability and cost of financing, the terms of the existing leases of lessees leasing space within such spaces, as well as consents and approvals.

We may face active competition in acquiring suitable and attractive properties from other property investors, including other InvITs, property development entities and private investment funds. There is no assurance that we will be able to compete effectively against such entities and our ability to make acquisitions under our strategy or acquisitions that are accretive may be adversely affected. Even if we were able to successfully acquire properties or other investments, there is no assurance that we will achieve our intended return on such acquisitions or investments.

In addition, the acquisition and development of properties, including existing under-development warehouses, and the integration and ongoing operation of such warehouses, may be both capital and time intensive and may require the diversion of significant financial resources and management time from our existing business to our expansion projects. We cannot provide assurance to you that we will be successful in developing warehouses that we acquire or that such warehouses will generate the returns we anticipate. Such factors may adversely affect our business and financial condition.

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

Our Portfolio may require capital expenditure periodically for refurbishments, renovation and improvements beyond our current estimates and we may not able to secure funding for such capital expenditure, in a timely manner or at all. We may not be able to recover any or all of such costs from our lessees or any other party. Our ability to raise funding is dependent on our ability to raise capital through fresh issue of Units and our ability to raise debt on acceptable terms.

Our ability to raise additional debt is subject to our consolidated borrowings and deferred payments not exceeding 70% of the value of our assets, as required under the InvIT Regulations.

Pursuant to the InvIT Regulations, we are required to obtain a credit rating from a credit rating agency registered with SEBI and obtain approval of the Unitholders if our consolidated borrowings (excluding cash and cash equivalents) exceed 25% of the value of our assets.

In the event, our consolidated borrowings and deferred payments exceed 49%, we are required to comply with additional conditions including but not restricted to obtaining credit rating of 'AAA' or equivalent for its consolidated borrowing and the proposed borrowing from a credit rating agency and having a track record of six distribution on a continuous basis, post listing of the Units in the years preceding the financial year in which the enhanced borrowings are proposed to be made.

Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, investor confidence, results of operations and cash flows, the amount and terms of our existing indebtedness, our credit ratings, the continued success of our operational developments and Portfolio and laws that are conducive to raising debt and equity. Factors such as decrease in the market rates for development projects, delays in the release of finances for certain projects in order to take advantage of future periods of more robust property demand; decrease in rental or occupancy rates for the commercial properties; financial difficulties of key contractors resulting in construction delays; and financial difficulties of key lessees in properties could impact the availability of credit. Our inability to raise adequate finances may result in our results of operations, cash

flows and business prospects being materially and adversely affected. Further, additional debt financing or the issuance of additional Units in order to support our operations may decrease distributable income and any issuance of additional Units may dilute existing Unitholders' entitlement to distributions.

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

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

As our Portfolio ages, the costs of maintenance will increase and, without significant expenditure on refurbishment, the net gross asset value may decline. The maintenance requirements for our assets could also vary across States depending on the terrain and climatic conditions to which they are exposed over which we may have limited control. Consequently, the Net Asset Value per Unit may decline unless we successfully develop the under-development portion of the Portfolio or acquire new assets. The quality of assets in our Portfolio has a direct influence over the demand for space in, and the rental rates of, the Portfolio. The business and operations of the assets in our Portfolio may suffer some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation or redevelopment works, if such works are extensive. For details, please see the section entitled "*Management's Discussion and Analysis of Factors Affecting the Financial Condition and Results of Operations*" on page 473.

In addition, physical damage to any of the assets in our Portfolio resulting from an earthquake, fire or other causes may lead to a significant disruption to the business and operation of the affected Portfolio and, together with the foregoing, may impose unbudgeted costs on us and have an adverse impact on our financial condition, cash flows and results of operations and our ability to make distributions to the Unitholders. While we maintain insurance on property and equipment in amounts that we believe are consistent with industry practices and our insurance policies cover physical loss or damage to our property and equipment arising from a number of specified risks including burglary, fire, earthquakes and other perils, we may not be able to maintain adequate insurance to cover all losses we may incur in our business operations. Please see the section entitled "*Risk Factors—We may not be able to maintain adequate insurance to cover all losses we may incur in our business operations*" on page 156.

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

***31. We may be subject to certain restrictive covenants and variable interest rates under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets, and cause our debt service obligations to increase significantly.***

Our lenders may require the receivables of the relevant Project SPVs (including the cash flows) to be secured in their favor. Further, the Project SPVs and we may also be subject to restrictive covenants. The restrictive covenants could include the requirement for prior consent for any change in the management set-up or change of control or shareholding of the borrower, amendment of constitutional documents of the borrower as well as restrictions that affect our ability and the respective Project SPV's ability to declare dividends, transfer funds from lease rentals, issue and allot any securities, repaying or pre-payment any financial indebtedness, and their ability to obtain additional loans. These or other limitations may adversely affect our flexibility and our ability to make distributions to our Unitholders. Further, we cannot assure you that we will be in compliance with our obligations under our financing agreements. If we or any Project SPV/ Holdco fails to meet or satisfy any of these covenants, the lenders could elect to declare outstanding amounts due and payable, terminate their commitments, require the posting of additional collateral and enforce their interests against existing collateral. We may not be able to meet our obligations to such lenders if they accelerate the loans, which may adversely affect our cash flows, business, financial condition and results of operations. For further details on our indebtedness, please see the section entitled "*Financial Indebtedness*" on page 463. Further, consents to be obtained from certain lenders for the Offer are subject to conditions, including, utilization of Fresh Issue Proceeds towards mandatory repayment or prepayment of certain borrowings,

ability to obtain similar consents from other lenders, furnishing of certain information and ensuring no dilution in security/cash flow cover/asset cover of certain borrowing arrangements, listing of the Units by a certain date etc. Please also the section entitled "*Formation Transactions in relation to the Trust*" on page 26. For further details, please see the section entitled "*Risk Factors - Our funding requirements and the proposed deployment of Fresh Issue Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Fresh Issue Proceeds*" on page 150. Further, most of our borrowings are, and are expected to continue to be, at variable rates of interest and expose us to interest rate risk. If the benchmark interest rates increase, our debt service obligations on the variable rate indebtedness would increase, even though the amount borrowed remains the same, and consequently our net income would decrease. For details of restrictive covenants under financing agreements with lenders and the status of lender consents, please see the section entitled "*Financial Indebtedness*" on page 463.

***32. The trademarks, branding and logos used by us are licensed to us by TVS Supply Chain Solutions ("TVS SCS"). NOC to use the trademark may be revoked due to unforeseen circumstances and our ability to use the intellectual property and logos may be impaired.***

TVS SCS ("**Licensor**") has granted to the Investment Manager and the Trust (collectively, "**Licensees**") a royalty-free non-exclusive, non-transferable, non-sub-licensable license (except in relation to the right to sub-license in favour of its affiliates, the Project SPVs), to use the trademark "TVS" their associated logos and branding ("**Trademarks**") with respect to or in connection with the business of the Trust, pursuant to a NOC dated July 17, 2023 ("**Trademark NOC**").

Loss of the rights to use the relevant intellectual property and the logos may affect our reputation, goodwill, business, cash flows and results of operations. Further, the Trademarks are used by the Investment Manager, the Sponsor and us, accordingly the value of the Trademarks and consequently our goodwill, reputation and cash flows, results of operations could be affected by the business and operations of such entities.

***33. The ROFO Agreement to be entered into with the Sponsor is subject to various terms and conditions, and there can be no assurance that we will acquire these assets as described under the ROFO Agreement.***

The Sponsor will enter into the ROFO Agreement with the Investment Manager and the Trustee in order to enable us to have a right to acquire existing and future assets that are proposed to be disposed by the Sponsor or its present or future subsidiaries in which the Sponsor and/ or its subsidiaries have a controlling interest ([●]%) including Potential ROFO Assets after the listing of the Units. For further details, please see the section entitled "*Formation Transactions in relation to the Trust*" on page 26. While the Sponsor may undertake projects which are aligned with our business operations, pursuant to the ROFO Agreement, only such projects which will fulfil the criteria set out under the ROFO Agreement shall be eligible for being offered to us. The eligibility criteria include assets where the Sponsor or its subsidiaries or limited liability partnerships hold controlling interest ([●]%). Further, we are only entitled to a ROFO from the Sponsor and its subsidiaries or limited liability partnerships. There may be entities that are affiliated with the Sponsor that undertake similar projects which we will not have a right of first offer to purchase. For details, please see the section entitled "*Risk Factors — Conflicts of interest may arise out of common business objectives shared by the Sponsor, its Associates and us*" on page 157. The potential ROFO Assets described in this Draft Placement Memorandum are indicative only, and there can be no assurance that any of these assets will be considered pursuant to the terms of the ROFO Agreement, and if considered, there can be no assurance that we will acquire any of these assets.

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

We operate our businesses in an intensely competitive and highly fragmented environment. We face significant competition in our business from a large number of industrial and logistics companies.

The extent of competition we face in a potential project depends on a number of factors, such as the sector, the size and type of project, the complexity, and location of the project, our ability to deliver superior experience for our lessees, and our reputation. In particular, competition from new or existing warehouse properties in the same submarkets as our Portfolio markets may create pricing pressures which could adversely affect our ability to attract lessees and increase revenues at our Portfolio. If we are unable to compete effectively against any warehouse properties within proximity to, or in the same sub-market as any of our Parks, or match any better rental or other terms being offered by our competitors, revenue from our Parks would be reduced and our business, financial condition, results of operations and cash flows will be adversely affected. Increasing competition could result in price and supply volatility, which could cause our

business, financial condition, results of operations and cash flows to be adversely affected.

Demand for our services may not grow as anticipated in certain newer markets. If we are unable to grow our business in such markets effectively, our growth, business prospects, results of operations, cash flows and financial condition may be adversely affected.

Some of our competitors in the industrial and logistics business may have a greater land bank and financial resources. They may also benefit from greater economies of scale and operating efficiencies. Competitors may, whether through consolidation or growth, present more credible integrated projects. We cannot assure you that we will compete effectively with our competitors in the future, and any failure to compete effectively may have an adverse effect on our business, financial condition, results of operations and cash flows.

Further, the Competition Act, 2002, as amended, prohibits any anti competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition, results of operations or cash flows.

***35. If we fail to manage our growth effectively, we may be unable to execute our business plan or maintain high levels of service and satisfaction of lessees, and our business, results of operations, financial condition and cash flows could be adversely affected.***

We have experienced significant expansion in the last three fiscal years and anticipate that we will continue to expand in order to address potential growth in our lessee base and take advantage of market opportunities.

If we are unable to maintain at least our current level of operations, our business, results of operations, financial condition, cash flows and prospects would be materially and adversely affected. Many factors may contribute to a decline in our revenue growth rates, including increased competition, slowing demand for our properties from existing and new lessees, our lessees seeking to reduce the rental fees we charge to them, general economic conditions, government actions and policies, failure by us to continue capitalizing on growth opportunities, changes in the regulatory environment and the maturation of our business, among others. We cannot assure you that our current and planned projects, systems, policies, procedures and controls, personnel and third-party relationships will be adequate to support our future operations. Our failure to manage growth effectively could seriously harm our business, results of operations, cash flows and financial condition.

To manage operations and business growth, we will need to continue to grow and improve our operational, financial, and management controls and our reporting systems and procedures. We may require significant capital expenditures and the allocation of valuable management resources to expand our systems and Portfolio without any assurances that our net revenue will increase. We also believe that our corporate culture has been and will continue to be a valuable component of our success. As we expand our business and mature as a listed entity, we may find it difficult to maintain our corporate culture while managing this growth. Failure to manage our anticipated growth and organizational changes in a manner that preserves the key aspects of our culture could reduce our ability to recruit and retain personnel, innovate, operate effectively, and execute our business strategies, potentially adversely affecting our business, results of operations, cash flows and financial condition.

We will need to adapt and upgrade our controls, policies, procedures and overall operations to accommodate our growing operations and supporting personnel. Moreover, the speed with which our internal controls and procedures are implemented or adapted to changing regulatory or commercial requirements may be inadequate to ensure full and immediate compliance, leaving us vulnerable to inconsistencies and failures that may have a material adverse effect on our business, results of operations, cash flows and financial condition.

***36. If we are unsuccessful in implementing our strategies, particularly our growth strategy, our business, financial condition, results of operations and cash flows may be adversely affected.***

The success of our business depends greatly on our ability to effectively implement our strategies, particularly our growth strategy; please refer to the section entitled "*Our Business and Properties—Our Strategies*" on page 422. Even if we have successfully executed our business strategies in the past, we cannot assure you

that we will be able to execute our strategies on time and within the estimated budget, or that we will achieve expected results. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial and other internal controls as well as technology systems. We may be unable to sustain such growth in revenues and profits or maintain a similar rate of growth in the future. Further, as we grow and diversify, we may be unable to execute our projects efficiently, which could result in delays, increased costs and diminished quality and may adversely affect our reputation. If we are unable to implement our growth strategy effectively, our business, financial condition, results of operations and cash flows may be adversely affected.

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

The Investment Manager is required to arrange for adequate insurance coverage for the Portfolio. We maintain insurance on property and equipment in amounts believed to be consistent with industry practices and our insurance policies cover physical loss or damage to our property and equipment arising from a number of specified risks including burglary, fire, landslides, earthquakes and other perils. Despite the insurance coverage that we carry, we may not be fully insured against some business risks and the occurrence of accidents that cause losses in excess of limits specified under our policies, or losses arising from events not covered by our insurance policies, which could materially and adversely affect our financial condition, results of operations and cash flows.

Although we believe we have industry standard insurance for the Portfolio, if a fire or natural disaster substantially damages or destroys some or all of our Portfolio, the proceeds of any insurance claim may be insufficient to cover rebuilding costs or may be subject to certain deductibles, exclusions and limits on coverage.

For some of our insurance policies, we may not have added a third-party as beneficiary/co-insured to our insurance or taken the approval of such third parties for availing such insurance as required by regulations or contractual obligations, which may have an impact on the amount of insurance claim to be paid out.

***38. There are outstanding litigations and regulatory actions involving our Project SPVs/ Holdco and Sponsor that may adversely affect our business.***

The Project SPVs/ Holdco and Sponsor are currently involved in a number of legal proceedings, including title related proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. If any new developments arise, for example, a change in Indian law or rulings against us by the appellate courts or tribunals, we may face losses and may have to make provisions in our financial statements in accordance with applicable accounting standards under Ind AS 37—Provisions, Contingent Liabilities and Contingent Assets, which could increase our expenses and our liabilities. For details, please see the section entitled "*Legal and Other Information*" on page 510. The promoters, directors, key personnel and employees, as applicable, of our Investment Manager, Sponsor, Project SPVs/ Holdco may from time to time, be involved in various legal proceedings. Adverse decisions in any such matters may have a material adverse effect on the reputation, business, results of operations, financial condition and cash flows of the Trust and the Project SPVs.

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

Our business utilises financial, accounting, communications and other data processing systems of our Investment Manager and Sponsor. Such systems may fail to operate properly or become disabled as a result of tampering or a breach of the network security systems or otherwise. In addition, such systems are from time to time subject to cyberattacks, which may continue to increase in frequency in the future. Breaches of our network security systems could involve attacks that are intended to obtain unauthorized access to our proprietary information, destroy data or disable, degrade or sabotage our systems, often through the introduction of computer viruses and other malicious code, cyberattacks and other means and could originate from a wide variety of sources, including unknown third parties. If such systems are compromised, do not operate properly or are disabled, it could result in disruption of our business.

Further, any failure or deviation of our disaster recovery systems or business continuity plans to meet the relevant regulatory standards, rules or laws in India may result in additional costs in order to upgrade such systems and/or the imposition of sanctions, including financial penalties, upon us, which may have a material adverse effect on business, prospects, results of operations, cash flows and financial condition.

**Risks Related to our Relationships with the Sponsor, the Sponsor Group and the Investment Manager**

***40. Parties to the Trust are required to satisfy the eligibility conditions specified under Regulation 4 of the***

***InvIT Regulations on an ongoing basis. We may not be able to ensure such ongoing compliance by the Sponsor, the Sponsor Group, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.***

Each of the Parties to the Trust is required to satisfy the eligibility conditions specified in the InvIT Regulations on an ongoing basis. These eligibility conditions include, among other things, that: (a) the Sponsor, Investment Manager and Trustee are separate entities; (b) the Sponsor has a net worth of not less than ₹ 1,000 million and has a sound track record in the development of infrastructure or fund management in the infrastructure sector; (c) the Investment Manager has a net worth of not less than ₹ 100 million and has not less than five years' experience in fund management or advisory services or development in the infrastructure sector or development in the infrastructure sector or the combined experience of the directors, partners and employees of the Investment Manager in fund management or advisory services or development in the infrastructure sector is not less than 30 years; (d) the Trustee is registered with the SEBI under Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 and is not an Associate of the Sponsor or Investment Manager; (e) each of the Sponsor, Investment Manager, Project Manager and Trustee are "fit and proper persons" as defined under Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008 on an ongoing basis; and (f) the Sponsor group includes (i) a person or entity directly or indirectly holding an interest or shareholding in any of the assets or SPVs or holdco(s) proposed to be transferred to the InvIT, (ii) a person or entity directly or indirectly holding units of the Trust on a post issue basis or (iii) a person or entity whose experience is being utilized by the sponsor for meeting with the eligibility conditions. We may not be able to ensure such ongoing compliance by the Sponsor, the Investment Manager, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.

***41. Conflicts of interest may arise out of common business objectives shared by the Sponsor, its Associates and us.***

The Sponsor Group is engaged in a broad spectrum of activities, including investments in the warehouse and logistics industry. In the ordinary course of their activities, the Sponsor Group may engage in activities where the interests of certain divisions of the Sponsor and its affiliates, may conflict with the interests of our Unitholders.

The Sponsor Group has or may have an investment strategy similar to our investment strategy and therefore may compete with us. In particular, the Sponsor Group has a wide range of interests in the logistics and warehouse sector. While the Trust is entitled to a right of first offer in respect of all present and future projects of the Sponsor and subsidiaries meeting certain criteria, the right is subject to the terms of the ROFO Agreement. For details, please see the section entitled *"Formation Transactions in relation to the Trust - Acquisition of the future assets"* on page 32. Consequently, there can be no assurance that all potentially suitable investment opportunities that come to the attention of the Sponsor Group will be made available to us. As a result, conflicts of interest may arise in allocating or addressing business opportunities and strategies amongst the Sponsor Group and us, in circumstances where our interests differ from theirs.

In addition, the Trustee and/or Unitholders may not be aware of any such conflict, and even if made so aware, the Trustee and the Unitholders' ability to recover claims against the Investment Manager are limited. Moreover, the Investment Manager's liability is limited under the Investment Management Agreement and the Trustee has agreed to indemnify the Investment Manager out of our assets against certain liabilities. As a result, we could experience poor performance or losses for which the Investment Manager would not be liable. Please see the section entitled *"Risk Factors — Our rights and the rights of the Unitholders to recover claims against the Investment Manager or the Trustee are limited*" on page 171.

Other present and future activities of the Investment Manager, the Sponsor, or the Sponsor Group may also give rise to additional conflicts of interest relating to us and our investment activities. In the event any such conflict of interest arises, we will attempt to resolve such conflicts in a fair and reasonable manner. Investors should be aware that conflicts will not necessarily be resolved in favor of our interests. For details, please see the section entitled "*Risk Factors—We and our Project SPVs have entered into and may in the future enter into related party transactions, the terms of which may be unfavorable to us or could involve conflicts of interest. The Investment Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Investment Manager or the Sponsor Group on more favorable terms than those payable by us.*" on page 149.

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

***personnel cease to be employed by the Investment Manager or otherwise become unavailable to us.***

We are externally managed and advised by the Investment Manager, in accordance with the InvIT Regulations and pursuant to the terms of the Investment Management Agreement. The Investment Manager is required to make investment decisions in respect of our underlying assets including any further investment or divestment of assets. For details, please see the section entitled "*Parties to the Trust - The Investment Manager*" on page 192.

There is no assurance that the Investment Manager will be able to implement its investment decisions successfully or that it will be able to expand our Portfolio at any specified rate or to any specified size or to maintain distributions at projected levels. The Investment Manager may not be able to make acquisitions or investments on favorable terms or within a desired time frame, and it may not be able to manage the operations of its underlying assets in a profitable manner. Factors that may affect this risk may include, but are not limited to, changes in the regulatory framework in India, competition for assets, changes in the Indian regulatory or legal environment or macroeconomic conditions. Even if the Investment Manager is able to successfully grow the operating business of the underlying assets and to acquire further assets as desired, there can be no assurance that the Investment Manager will achieve its intended return on such acquisitions or capital investments. We rely on a small number of key personnel to carry out our business and investment strategies, and the loss of the services of any of our key personnel, or our inability to recruit and retain qualified personnel in the future, could have an adverse effect on our business and financial results. Once these assets are transferred to the Trust, there is no assurance that we will be able to satisfactorily service lessees in the absence of such personnel. In addition, the implementation of our business plan may require that we employ additional qualified personnel. Competition for highly skilled managerial, investment, financial and operational personnel is intense. We cannot assure our Unitholders that we will be successful in attracting and retaining such skilled personnel. If we are unable to hire and retain qualified personnel as required, our growth and operating results could be adversely affected.

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

In addition, we can offer no assurance that the Investment Manager will remain our manager or that we will continue to have access to the Investment Manager's officers and key personnel. If the Investment Management Agreement is terminated or if the Investment Manager defaults in the performance of its obligations thereunder, we may be unable to contract with a substitute service provider on similar terms or at all, and the costs of substituting service providers may be substantial. For further details, please see the section entitled "*Parties to the Trust — Key Terms of the Investment Management Agreement*" on page 194.

In addition, the Investment Manager is familiar with our assets and, as a result, the Investment Manager has certain synergies with us. Substitute service providers may lack such synergies and may not be able to provide the same level of service. If we cannot locate a service provider that is able to provide us with substantially similar services as the Investment Manager provides under the Investment Management Agreement on similar terms, it would likely have a material adverse effect on our business, financial condition, results of operations, cash flows and our ability to make cash distributions to Unitholders.

**Risks Related to India**

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

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

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

- the macroeconomic climate, including any increase in bank interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;

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

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

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

The Government of India and State Governments have traditionally exercised, and continue to exercise, significant influence over many aspects of the economy. As a result, our business, and the market price and liquidity of the Units, may be affected by interest rates, changes in governmental policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. The current Government continues India's current economic and financial sector liberalization and deregulation policies. However, such policies might not continue and a significant change in the Government's policies in the future could affect business and economic conditions in India and could also materially and adversely affect our business, financial condition and results of operations. Any political instability in India may materially and adversely affect the Indian securities markets in general, which could also materially and adversely affect the trading price of the Units.

Any political instability could delay the reform of the Indian economy and could have a material, adverse effect on the market for the Units. Protests against privatization could slow down the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the warehouse infrastructure sector, foreign investment, currency exchange rates and other matters affecting investment in our Units could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our business.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe, China and certain emerging economies in Asia. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Further, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. In addition, China is one of India's major trading partners and there are rising concerns of a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. Risks resulting from a relapse in the Eurozone crisis or any future debt crisis in Europe or any similar crisis could have a detrimental impact on consumer confidence levels and global economic recovery. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth.

On February 24, 2022, Russian military forces launched a military action in Ukraine, and sustained conflict and disruption in the region is likely. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage. Conditions outside India, such as the Israel-Gaza conflict, resulting in a slowdown or recession in the economic growth of other major countries and regions, especially in U.S., Europe and China, have an impact on the growth of the Indian economy, and GoI policy may change in response to such conditions.

Legislators and financial regulators in the United States and other jurisdictions, including India, implement a number of policy measures designed to add stability to the financial markets from time to time. However, the overall long-term effect of such legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation.

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

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

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating improved from Baa3 with a "negative" outlook to Baa3 with a "stable" outlook by Moody's in October 2021 and improved from BBB-with a "negative" outlook to BBB-with a "stable" outlook by Fitch in June 2022 and decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by Dominion Bond Rating Service ("DBRS") in May 2020. India's sovereign ratings from S&P is BBB- with a "positive" outlook as on May 2024. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms

or at all, and consequently adversely affect our business, cash flows and financial performance and the price of the Units.

***47. Significant differences exist between Ind AS and other accounting principles, such as IFRS, Indian GAAP and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

The Special Purpose Combined Financial Statements included in this Draft Placement Memorandum are prepared and presented in conformity with Ind AS, consistently applied during the periods stated in those reports, except as otherwise provided therein, and no attempt has been made to reconcile any of the information given in this Draft Placement Memorandum to any other principles or to base the information on any other standards. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, such as IFRS, Indian GAAP and U.S. GAAP. Accordingly, the degree to which the Special Purpose Combined Financial Statements included in this Draft Placement Memorandum will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Draft Placement Memorandum.

Ind AS has certain differences with IFRS and Indian GAAP. In addition, as the mandated transition to Ind AS is very recent, there is no significant body of established practice from which we can draw on in forming judgments regarding the implementation and application of Ind AS, as compared to established IFRS or Indian GAAP generally, or in respect of specific industries.

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

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

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

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

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

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

The current tax laws and regulations in India provide certain exemptions to interest/dividend income earned by business trusts from a special purpose vehicle. These exemptions could be modified or removed at any

time or clarified in a manner adverse to Unitholders, which could adversely affect our profitability and the amount available for distribution to Unitholders.

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

The Investment Manager intends to take measures to ensure that it is in compliance with all relevant tax laws. However, the tax authorities might take a position that differs from the position taken by us with regard to our tax treatment of various items.

***50. Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units.***

Under current Indian tax laws, units of a business trust listed on recognized stock exchange in India and held for more than 12 months are considered as long term capital assets. In case of sale of such units through a recognised stock exchange in India and subject to payment of securities transaction tax ("**STT**"), any gain arising in excess of ₹ 125,000 is subject to long term capital gains tax at a concessional rate of 12.5% (plus applicable surcharge and cess). However, if the said units are sold in any other manner, the same shall be subject to long term capital gains tax at the rate of 12.5% (plus applicable surcharge and cess).

In case the units are held for less than or up to 12 months, the same shall be regarded as short term capital asset. Any gain arising in case of sale of such units through a recognised stock exchange in India and subject to payment of STT, is subject to short term capital gains tax at concessional rate of 20% (plus applicable surcharge and cess). However, if the said units are sold in any other manner, the same shall be subject to short term capital gains tax at applicable tax rates of the holder (plus applicable surcharge and cess).

The aforesaid taxability in India is subject to tax treaty benefits in the case of a non-resident Unitholder. Further, the applicable taxes on the sale of Units and on any dividend or interest component of any returns from the Unit will also be subject to the category of investor holding or selling the Units.

As per the IT Act, distributions made by a Trust, being in nature of dividend income received from an SPV, will not be subject to tax in the hands of a unitholder, so long as the SPV has not opted to pay corporate tax under the beneficial regime introduced under section 115BAA of the IT Act. Similarly, a Trust will not be required to withhold tax on any distributions which are in the nature of dividend income received from a SPV so long as such SPV has not opted to pay corporate tax under the beneficial regime introduced under section 115BAA of the IT Act. However, where the SPV opts to pay tax under section 115BAA of the IT Act, dividend income distributed by the Trust would be taxed in the hands of a non-resident Unitholder at 20% (plus applicable surcharge and cess) or the applicable treaty rate and at the applicable tax rates for a resident Unitholder. Further, the Trust would be required to withhold tax on such distributions made from dividend received from the SPV. Thus, the taxability of dividends distributed by the Trust will depend on the taxation regime opted by the Project SPVs.

It may also be noted that in terms of section 194LBA(1) of the IT Act, any distributable income in the nature of interest or dividend (where the SPV has opted to pay corporate tax under the beneficial regime introduced under section 115BAA of the IT Act) in the hands of a resident Unitholder is subject to withholding tax at the rate of 10%. Similarly, in terms of section 194LBA(2) of the IT Act, any distributable income in the nature of interest or dividend in the hands of a non-resident Unitholder is subject to withholding tax at the rate of 5% or 10%, respectively, subject to any beneficial rate available under an applicable treaty. The final tax rate for the resident/ non-resident Unitholder may also depend on other considerations.

Further, the Finance Act, has included a definition of "pooled investment vehicle" which comprises business trusts as defined under the IT Act. The IT Act defines business trusts as trusts registered with SEBI as an InvIT. This amendment has come into effect from April 1, 2021. The Finance Act recognises units, debentures

and other instruments issued by infrastructure investment trusts as "securities" under the Securities Contracts (Regulation) Act, 1956. This may have further implications under various regulations issued by SEBI, governing securities, including under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. As announced in previous budgets, the dividend distribution tax applicable on InvITs was abolished and replaced with dividend withholding tax. The Finance Act has also exempted payment of tax deducted at source on dividend paid to InvITs, with effect from April 1, 2020.

Additionally, the Finance Act, 2023 has introduced section 56(2)(xii) to the IT Act which provides that any sum received by a unitholder from a Trust which is not in the nature of income as referred to in section 10(23FC) or 10(23FCA) of the IT Act and is not chargeable to tax under section 115UA(2) of the IT Act, will be subject to tax in the hands of the unitholder as ''income'' under section 56(2)(xii) of the IT Act at the applicable rates, provided the amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units were issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. The aforementioned amounts received by a unitholder being a specified person covered under section 10(23FE) of the IT Act shall not be subject to taxes upon the fulfilment of certain conditions set out in the IT Act. Further, any such distribution received by a unitholder to the extent not chargeable to tax under section 56(2)(xii) and 115UA(2) and not covered under sections 10(23FC) or 10(23FCA) is shall be reduced from the cost of units. For details, please see section entitled "*Statement of Possible Tax Benefits*" on page 541.

Further, the Government of India has announced the union budget 2025 and has introduced the Finance Bill, 2025. While the union budget has been announced, we continue to analyse the impact of proposals of the union budget on our business and cash flows. There is no certainty on the impact of the union budget 2025 on tax laws or other regulations, which may adversely affect our business, financial condition, or results of operations.

The above statements are based on the current tax laws and subject to change as a result of the introduction of new laws or amendments to existing laws.

***51. Changes in legislation or the rules relating to tax regimes could materially and adversely affect our business, prospects and results of operations.***

Tax and other levies imposed by the Government and state governments may include: (i) income tax (including withholding tax and tax collection at source); (ii) wealth tax (which was withdrawn with effect from January 1, 2016); (iii) excise duty; (iv) value added tax/central sales tax/ goods and service tax; (v) service tax; (vi) stamp duty; and (vii) other special taxes and surcharges that are introduced on a temporary or permanent basis from time to time. In some cases, these taxes and other levies may be changed from year to year and the Indian courts which interpret tax legislation may apply such interpretations with retroactive effect. Also, the Government in certain situations has the authority to change tax laws retrospectively.

Further, the Government of India has announced the union budget for the financial year 2024-2025 and has enacted the Finance Act, 2024, with effect from April 1, 2024.

The Finance Act 2023, provides for tax on the unitholders for such portion of distribution received by them that is not covered under section 10(23FC) or 10(23FCA) of the IT Act and that which is not chargeable to tax under section 115UA(2) of the IT Act. Any distribution not covered under the aforementioned clauses will be taxed in the hands of the unitholders as 'income' under section 56(2)(xii) of the IT Act, provided the amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units were issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. The aforementioned amounts received by a unitholder being a specified person covered under section 10(23FE) of the IT Act shall not be subject to taxes upon the fulfilment of certain conditions set out in the IT Act. Further, any such distribution received by a unitholder to the extent not chargeable to tax under section 56(2)(xii) and 115UA(2) and not covered under sections 10(23FC), ) or 10(23FCA) or 115UA(2) shall be reduced from the cost of units. We cannot assure you that there will be no adverse impact on the tax incidence to the unitholders pursuant to the Finance Act 2023. For details, please see section entitled "Statement of Possible Tax Benefits" on page 541.

Further, by way of the Finance Act, 2021 the GoI, amongst others, amended the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") to recognise pooled investment vehicles and recognise the units, debentures, other marketable securities and other instruments issued by InvITs as "*securities*". The Finance Act, 2021 exempted the payment of tax deducted at source on dividends paid to InvITs. For further details, please see the section entitled "*Risk Factors – Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and* on *any dividend or interest component of any returns from the Units*" on page

162.

There have been two key major reforms in Indian tax laws, namely the introduction of the Goods and Services Tax ("**GST**") and provisions relating to general anti-avoidance rules ("**GAAR**"). The GST regime came into effect on July 1, 2017, combining taxes and levies by the Government and State Governments into a unified rate structure.

Additionally, there is limited clarity on the availability of input tax credit, and any unfavourable orders in this regard may have a material adverse impact on our financial position and cash flows. Further, any application of existing law or future amendments may affect our overall tax efficiency and may result in significant additional taxes becoming payable.

The GAAR regime came into effect on April 1, 2017. The GAAR regime is a broad set of provisions which grant powers to India tax authorities to invalidate any arrangement for tax purposes in the event, the main purpose of entering into the transaction by the taxpayer is to obtain a tax benefit. Besides the main purpose test, the transaction should meet any one of the following specified additional tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in the misuse, or abuse, of the provisions of the IT Act; (iii) lacks commercial substance or is deemed to lack commercial substance as prescribed under the IT Act in whole or in part; and (iv) is entered into, or carried out, by means which are, or in a manner which is, not ordinarily employed for bona fide purposes. Such transactions are declared as impermissible avoidance arrangements. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit, amongst other consequences, including on the interest paid by the SPVs on the debt from the Trust. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to the Trust or any Party to the Trust, it may have an adverse effect on the Trust.

The rules notified with respect to GAAR prescribe that these shall not be applicable to FIIs in accordance with the SEBI (Foreign Portfolio Investors) Regulations, 2014 subject to the fulfilment of certain conditions. GAAR may have a material adverse tax impact on the Trust, the Sponsor and the Unitholders.

Further, vide Finance Act, 2022, the applicability of section 94(7) of the IT Act has been extended to the units of a business trust (with effect from Financial Year 2022-23), which provides that where:

(1) any person buys or acquires any securities or unit within a period of three months prior to the record date in relation to the dividend;
(2) such person sells or transfers such securities within three months after such record date or such units within a period of nine months after such record date; and
(3) the dividend or income on such securities or unit received or receivable by such person is exempt,

then, the loss, if any, arising from the sale and purchase of securities and units to the extent of dividend or income received or receivable on such securities or unit, shall be ignored for computing income chargeable to tax.

Vide Finance Act, 2022, the applicability of section 94(8) of the IT Act (commonly known as bonus stripping) has been extended to the units of business trusts (with effect from Financial Year 2022-23), which provides that where:

(i). any person buys or acquires any securities or units within a period of three months prior to the record date;

(ii). such person is allotted additional securities or units without any payment on the basis of holding of such securities or units on such record date;

(iii). such person sells or transfers all or any of the securities or units within a period of nine months after the record date, while continuing to hold all or any of the additional securities or units referred in clause (ii) above,

then, the loss, if any, arising from the sale and purchase of all or any of the securities or units shall be ignored for computing income chargeable to tax and notwithstanding anything contained in any other provision of the IT Act, the amount of loss so ignored shall be deemed to be the cost of purchase or acquisition of such additional units referred to in clause (ii) above as are held on the date of such sale or transfer.

The Investment Manager has not determined the impact of such existing or proposed legislations on our

business. We may incur increased costs relating to compliance with any new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve, and may impact the viability of our current business or restrict our ability to grow our business in the future.

***52. The Ministry of Finance, GoI, has constituted a task force to draft new direct tax legislation, the provisions of which may have an unfavourable implication for us.***

The Ministry of Finance, GoI, has set up a panel to review the IT Act and to draft a new direct tax legislation ("Panel"). The Panel has been tasked with drafting appropriate direct tax legislation aimed at (i) aligning India's domestic direct tax regime in line with international best practices; and (ii) ensuring and encouraging compliance. The implications of the report by the Panel, including findings and recommendations in their report and the provisions of the proposed direct tax legislation may have an unfavourable impact on us. Since the Panel and its report, including their recommendations and the draft of the new direct tax legislation has not been released yet, the possible impact on us cannot be determined at this point in time.

***53. The Trust and the Initial Portfolio Assets may be subject to certain tax related risks under the provisions of the IT Act.***

Shortfall in the determination of fair market value of the equity shares at the time of transfer of the Initial Portfolio Assets to the Trust may be subject to taxation in the hands of the acquirer. The equity shares of the Initial Portfolio Assets are proposed to be transferred to the Trust. Under the provisions of section 56(2)(x) of the IT Act, where a purchase of shares is undertaken at a value which is lower than the fair market value of the shares, such shortfall in value is subject to be taxed as income from other sources in the hands of the acquirer. The manner of determination of fair market value as provided under the Income Tax Rules, 1962, includes the value determined by net asset method, subject to the prescribed adjustments.

The Trust is under an obligation to distribute to the Unitholders, the surplus of the income earned from receipt of cash flows from the interest and dividend received from the Initial Portfolio Assets, after the deduction of the various expenses incurred in connection with earning such income and general-purpose expenses. The provisions of the IT Act provide that the Trust should disclose the nature of the amount distributed to the Unitholders, i.e., whether from dividends received from the Initial Portfolio Assets, interest income earned, etc. However, there is lack of clarity on the method to be adopted by the Trust for the allocation of various expenses incurred towards earning each specific stream of income by the Trust.

***54. The income of the Trust in relation to which pass through status is not granted under the IT Act may be chargeable to Indian taxes.***

Under the provisions of the IT Act, the total income of the Trust other than capital gains, interest and dividend income from the Initial Portfolio Assets would be taxable at the maximum marginal rate ("MMR"). MMR is defined under the provisions of the IT Act to mean the rate of income-tax (including surcharge on income-tax, if any) applicable in relation to the highest slab of income. In accordance with Section 115UA of the IT Act, the MMR applicable to the Trust, a separately assessable resident entity, is 30.0% (plus applicable surcharge and cess). However, the tax authorities may view the Trust as a "pass through" entity and the applicable tax rate will be the MMR applicable to its beneficiaries. If any beneficiary is chargeable to MMR at a rate higher than the rate applicable to other beneficiaries, the income of the Trust attributable to the share of such beneficiary will be taxed at a higher applicable rate. For example, if any Unitholder is a non-resident, the MMR of 35.0% (plus applicable surcharge and cess) would apply. As there are divergent views, there is a possibility that the matter may be litigated if the tax authorities subscribe to the latter view.

***55. Land is subject to compulsory acquisition or eminent domain by the Government and compensation in lieu of such acquisition may be inadequate.***

The right to own property in India is subject to restrictions that may be imposed by the Government. In

particular, the Government under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ("**Land Acquisition Act**") has the right to compulsorily acquire any land if such acquisition is for a "public purpose," after providing compensation to the owner. However, the compensation paid pursuant to such acquisition may not be adequate to compensate the owner for the loss of such property. The likelihood of such acquisitions may increase as central and state governments seek to acquire land for the development of infrastructure projects such as roads, railways, airports and townships. Additionally, we may face difficulties in interpreting and complying with the provisions of the Land Acquisition Act due to limited jurisprudence on them or if our interpretation differs from or contradicts any judicial pronouncements or clarifications issued by the Government. In the future, we may face regulatory actions or we may be required to undertake remedial steps. Any such action in respect of any of the projects in which we are investing or may invest in the future may adversely affect our business, financial condition, results of operations or cash flows.

***56. Failure to comply with, safety, health and environmental laws and regulations in India applicable to our business or adverse changes in such applicable laws and regulations, may materially and adversely affect our business.***

The business is subject to environmental, health and safety regulations and standards and various labour, workplace and related laws and regulations in India, including procurement of consent to establish and operate the diesel generator sets installed at warehousing facilities, from relevant State Pollution Control Boards and Pollution Control Committees. Any adverse changes in, or amendments to, these standards or laws and regulations could further regulate our business and could require us to incur additional, unanticipated expenses in order to comply with these changed standards which would adversely impact our operations. If we or our appointed operators fail to meet safety, health, social and environmental requirements, we may also be subject to litigation proceedings by governmental authorities, as well as litigation proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us. Penalties imposed by regulatory authorities on us or third parties upon whom we depend may also disrupt our business and operations. We might become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future. Clean-up and remediation costs, as well as damages, payment of fines or other penalties, other liabilities and related litigation, could materially and adversely affect business, prospects, results of operations, cash flows and financial condition.

***57. A decrease in demand for warehousing infrastructure in India could materially and adversely affect our ability to attract potential customers in the market.***

As our business consists of setting up, acquiring, owning and operating Parks and supporting infrastructure and providing access to these Parks primarily to our customers, factors adversely affecting the demand for warehouses in India in general would adversely affect our ability to attract potential customers in the market. Such factors could include:

- a decrease in consumer demand for retail services, consumer products, etc. due to adverse general economic conditions or other factors;
- a deterioration in the financial condition of our customers;
- the ability and willingness of retail service providers to maintain or increase capital expenditure;
- a decrease in the overall growth rate of warehousing industry or of a particular segment of the warehousing sector; and
- adverse developments with regard to increase in stamp duty rates on lease agreements, zoning, environmental, health and other government regulations.

Our strategic plans would be based on the assumption that the demand for warehousing services in India will grow at a rapid pace. If the market does not grow or grows at a slower rate than we expect, or the behaviour of market players does not meet our current expectations, the demand for our warehousing services will be adversely affected, which would affect our ability to attract potential customers in order to increase our revenue from operations and cash flows.

***58. Merger or consolidation among warehousing service providers could have a material and adverse effect on our revenue and cash flow.***

Consolidation of organized and large warehousing and logistics service providers may result in greater efficiencies, lower costs, improved quality and service parameters as well as better access to funding sources. This may result in our competitors offering lower costs when compared to our offerings to prospective customers. This would adversely and materially impact our ability to target new customers to grow our revenue and cash flow streams and increase the distributions to our Unitholders.

**Risks Related to the Ownership of the Units**

***59. The Units proposed to be sold in the Offer for Sale have not yet come into existence as of the date of this Draft Placement Memorandum.***

The Selling Unitholder does not currently own the Units that are proposed to be offered by it in the Offer as part of the Offer for Sale, nor have any Units been issued by us. These Units will be issued to the Selling Unitholder after the filing of the Placement Memorandum and prior to the Allotment of the Units in the Offer in exchange for equity shares, and other securities, as applicable, held by the Selling Unitholder in the relevant Project SPVs and Holdco. A portion of the Units issued to the Selling Unitholder, aggregating up to ₹ 2,500.00 million, are then proposed to be sold by the Selling Unitholder in the Offer. The Valuation Report which is included in this Draft Placement Memorandum, has specified the value of the assets in the Portfolio as of September 30, 2024. The acquisition cost of the Portfolio will be determined after taking into consideration various factors, including the valuation of such assets in the Valuation Report and commercial terms agreed to under the Formation Transactions Agreements, as updated in the Placement Memorandum. However, the price at which the Units of the Selling Unitholder will be sold in the Offer for Sale will depend on the Offer Price determined by the Investment Manager in consultation with the Lead Managers and may be different from the valuation of the Units received by the Selling Unitholder pursuant to the Formation Transactions.

***60. Under Indian law, foreign investors are subject to restrictions that limit their ability to transfer or redeem Units, which may adversely impact the trading price of the Units.***

Under foreign exchange regulations currently in force in India, transfers of units between non-residents and residents are permitted, subject to certain exceptions, if they comply with the pricing and reporting requirements specified by RBI. If a transfer of units is not compliant with such pricing or reporting requirements and does not fall under any of the exceptions specified by RBI, then RBI's prior approval is required. Additionally, unitholders who may seek to convert Indian rupee proceeds from a sale of units in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from RBI or any other Governmental agency can be obtained on any particular terms or in a timely manner, or at all. Our Unitholders will not have the right to redeem or request the redemption of our Units while our Units are listed on the Stock Exchange. In terms of the InvIT Regulations, an infrastructure investment trust may redeem units only by way of a buyback or at the time of delisting of units and may be subject to additional conditions and restrictions under Indian regulations.

***61. The Trust may be dissolved and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.***

The Trust is an irrevocable trust registered under the Indian Registration Act, 1908 and it may only be extinguished: (i) if it is impossible to continue with the Trust or if the Trustee, on the advice of the Investment Manager, deems it impracticable to continue with us; (ii) on the written recommendation of the Investment Manager and upon obtaining the prior written consent of such number of the Unitholders as is required under the InvIT Regulations; (iii) if our Units are delisted from the Stock Exchange; (iv) if the SEBI passes a direction to wind up the Trust or the delisting of the Units; or (v) in the event our activities are rendered illegal. Under the Trust Deed, in the event of dissolution, the net assets of the Trust, remaining after settlement of all liabilities, and the retention of any reserves which the Trustee deems to be necessary to discharge contingent or unforeseen liabilities, shall be paid to the Unitholders. Should the Trust be dissolved, depending on the circumstances and the terms upon which our assets are disposed of, there is no assurance that our Unitholder will recover all or any part of its investment.

If a default is triggered under the financing documents the Trust is a party to, steps will be taken to cure such default and/or to repay the affected lender by appropriate means, including divesting or liquidating the assets of the Trust or raising additional financing, in accordance with such financing documents and applicable laws. If such default is not cured, and the affected lender initiates proceedings against the Trust, the Trust will be terminated immediately in accordance with applicable laws. In the event of a termination of the Trust, the net assets which will be paid to the Unitholders will take into account the debt, liabilities and obligations of the Trust. There is no assurance that Unitholders will recover all or any part of their investments. Any distributions received by Unitholders upon the dissolution of the Trust may be taxable under the Income Tax Act, 1961.

***62. The reporting requirements and other obligations of infrastructure investment trusts post-listing are still evolving. Accordingly, the level of ongoing disclosures made to, and the protection granted to our***

***Unitholders may be more limited than those made to or available to shareholders of a company that has listed its equity shares upon a recognised stock exchange in India. Information and the other rights of the Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.***

The InvIT Regulations, along with the guidelines and circulars issued by the SEBI from time to time, govern the infrastructure investment trusts in India. However, as compared with the statutory and regulatory framework governing companies that have listed their equity shares or debt securities on recognised stock exchanges in India, the regulatory framework applicable to infrastructure investment trusts is relatively nascent and thus, still evolving.

SEBI issued the InvIT Regulations with effect from September 26, 2014 which have been periodically amended and supplemented with additional guidelines, notifications and circulars. Recently, SEBI has issued amendments to the InvIT Regulations dated July 13, 2024 and September 27, 2024, and the Master Circular for Infrastructure Investment Trusts dated May 15, 2024. As the regulatory framework governing InvITs in India comprises of a separate set of regulations, interpretation and enforcement by regulators and courts involves uncertainties. Furthermore, regulations and processes with respect to certain aspects of infrastructure investment trusts, including, but not limited to, follow-on public offers and bonus issues, the liabilities of the Unitholders, and the procedure for dissolution and delisting of infrastructure investment trusts have not yet been issued. For example, infrastructure investment trusts are not "companies" or "bodies corporate" within the meaning of the Companies Act, 2013 and various SEBI regulations.

With effect from April 1, 2021, units and other instruments issued by a Trust have been included in the definition of 'securities' under section 2(h) of the SCRA and consequently, the implementation and interpretation of these amendments is untested and evolving. Accordingly, the applicability of several regulations (including regulations relating to intermediaries, underwriters, merchant bankers, insider trading, takeovers and fraudulent and unfair trade practices) to the Trust is subject to the interpretation and clarifications issued by regulatory bodies such as SEBI.

Furthermore, SEBI has the right to, with or without prior notice, order inspection of the books of accounts, records and other documents pertaining to our operations, either on its own or, upon receipt of complaint. Upon review of the inspection report, SEBI is entitled to, if it so deems appropriate (in the interest of the securities markets or our investors) (a) require us to surrender our certificate of registration; (b) wind-up our operations; (c) sell our assets; (d) cease our operations or restrict our ability to access the capital markets for a specified period; or (e) direct us to not do such things as SEBI may deem appropriate in the interest of our investors. Any such occurrence may have a material adverse effect on our business, result of operations, financial conditions and cash flows.

Further, it is unclear whether certain categories of investors that are currently permitted to invest in equity shares offered by Indian companies, may also invest in the Units in the Offer. In addition, new costs may arise from audit, certification and/or self-assessment standards required to maintain compliance with new and existing InvIT Regulations. Such changes in regulation, interpretation and enforcement may render it economically unviable to continue conducting business as a Trust or have a material, adverse effect on our business, financial condition and results of operations.

As we will be operating in a regulatory framework with uncertainties, it is difficult to forecast how any new laws, regulations or standards or future amendments to the InvIT Regulations, including new interpretations by courts or regulators of existing regulations or from stricter enforcement practices by regulatory authorities of existing regulations will affect infrastructure investment trusts and this could have any consequential impact on the infrastructure sector in India. There can be no assurance that the regulatory system will not change in a way that will impair our ability to comply with the regulations, conduct our business, compete effectively or make distributions. We may incur increased costs and other burdens relating to compliance with such new regulations, which may also require significant time and other resources, and any failure to comply with these changes may adversely affect our business, results of operations and prospects. Failure to comply with changes in laws, regulations and standards may have a material adverse effect on our business, financial condition, results of operations and prospects.

Accordingly, the ongoing disclosures made to our Unitholders under the InvIT Regulations may differ from those made to shareholders of a company that has listed its equity shares on a recognised stock exchange in India in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the rights of our Unitholders may not be as extensive as the rights of shareholders of a company that has listed its equity shares on a recognised stock exchange in India, and accordingly, the protection available to our Unitholders may be more limited than those available to such shareholders.

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

Fluctuations in the exchange rates between the Indian Rupee and other currencies will affect the foreign currency equivalent of the Indian Rupee price of the Units. Such fluctuations will also affect the amount that holders of the Units will receive in foreign currency upon conversion of any cash distributions or other distributions paid in Indian Rupees by us on the Units, and any proceeds paid in Indian Rupees from any sale of the Units in the secondary trading market.

***64. Unitholders are unable to enforce redemption of their Units.***

Unitholders will not have the right to redeem Units or request or require the redemption of Units by the Investment Manager while the Units are listed on the Stock Exchange, although the Trust Deed provides that the Investment Manager may repurchase Units at its sole discretion if it has obtained the prior approval of Unitholders in a general meeting by passing an ordinary resolution but subject to other requirements of the relevant laws, regulations and guidelines imposed by authorities in India.

***65. The Units have never been traded and the listing of the Units on the stock exchange may not result in an active or liquid market for the Units. The Units may also experience price and volume fluctuations.***

There is no public market for the Units prior to the Offer and an active public market for the Units may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a trading market for the Units will develop or, if a market does develop, there will be liquidity in the market for the Units. As the Units will be sold through a private placement in a Minimum Bid Size, there may be a lack of liquidity and a limited market for the Units If an active trading market does not develop, you may have difficulty selling your Units, and the value of your Units may be materially impaired. Accordingly, prospective Unitholders should view the Units as illiquid and must be prepared to hold their Units for an indefinite length of time.

The Offer Price may not be indicative of the market price of the Units upon listing. The price of the Units may fluctuate after the Offer as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the Indian InvIT sector, changing perceptions in the market about investments in the Indian InvIT sector, adverse media reports on our assets or the Indian InvIT sector, elopments in India's economic liberalization and deregulation policies, and significant developments in India's fiscal regulations. Although it is currently intended that the Units will be listed on the Stock Exchange(s), there is no guarantee of the continued listing of the Units. There is no assurance that the Trust will continue to satisfy the listing requirements. Further, it may be difficult to assess the Trust's performance against domestic benchmarks.

The trading price of the Units might also decline in reaction to events that affect the entire market and/or other companies in the Indian InvIT industry even if these events do not directly affect or are unrelated to our business, financial condition, cash flows or operating results. If the market price of the Units declines significantly, investors may be unable to resell their Units at or above their purchase price, if at all. There can be no assurance that the market price of the Units will not fluctuate or decline significantly in the future.

***66. The price of the Units may decline after the Offer.***

The Offer Price will be determined by the Investment Manager in consultation with the Lead Managers. The Offer Price may not be indicative of the market price of the Units upon completion of the Offer. The market price of the Units will depend on many factors, including, among others:

- the perceived prospects of our business and investments and the overall relevant sectoral dynamics in Indian market;
- differences between our actual financial and operating results and those expected by investors and analysts;
- changes in research analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of our assets;
- the perceived attractiveness of the Units against those of other business trusts, equity or debt securities;
- the balance of buyers and sellers of the Units;
- the size and liquidity of the Indian InvIT market;
- any changes to the regulatory system, including the tax system, both generally and specifically in relation to India business trusts;
- the ability of the Investment Manager to implement successfully its investment and growth

strategies;

- foreign exchange rates;
- broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.
- publication of research reports about us, other businesses in same sector or other relevant sectors, or the failure of securities analysts to cover the Units after the Offer;
- announcements by us or our competitors of significant contracts, acquisitions, disposals, strategic partnerships, joint ventures or capital commitments; and
- changes or proposed changes in laws or regulations affecting the warehousing industry and infrastructure development in India or enforcement of these laws and regulations, or announcements relating to these matters.

To the extent that we retain cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of our underlying assets, may not correspondingly increase the market price of the Units. Our failure to meet market expectations with regard to future earnings and cash distributions may materially and adversely affect the market price of the Units.

Where new Units are issued at less than the market price of the Units, the value of an investment in the Units may be affected. In addition, Unitholders who do not, or are not able to, participate in the new issuance of Units may experience a dilution of their interest in us.

In addition, the Units are not capital-safe products and there is no guarantee that Unitholders can regain the amount invested, in full or in part. If we are extinguished or dissolved, it is possible that investors may lose a part or all of their investment in the Units. Please also the section entitled "*Information Concerning the Units*" on page 458.

***67. Any future issuance of Units by us may dilute investors' Unitholding. The sale or possible sale of a substantial number of Units by the Sponsor or another significant Unitholder could adversely affect the price of the Units.***

Where new Units are issued at less than the market price of the Units, the value of an investment in the Units may be affected. In addition, Unitholders who do not, or are not able to, participate in the new issuance of Units may experience a dilution of their interest in the Trust.

Further, under the InvIT Regulations, the Sponsor and the Sponsor Group are required to hold a minimum of 15% of our Units for a minimum period of three years from the date of listing pursuant to the Offer and the balance of its unitholding in the Trust is required to be locked in for a period of one year from the date of listing of the Units. Further, after completion of the minimum period of three years from the date of listing pursuant to the Offer, the Sponsor and the Sponsor Group are required to lock-in our Units in accordance with the InvIT Regulations. Further, in accordance with the InvIT Regulations, the Sponsor and the Sponsor Group are required to lock-in our Units as follows:

| | |
|---|---|
| From the beginning of 4$^{th}$ year after the date of listing pursuant to the initial offer and till the end of 5$^{th}$ year from the date of listing pursuant to the initial offer | 5% of total Units or ₹ 500 crores, whichever is lower* |
| From the beginning of 6$^{th}$ year after the date of listing pursuant to the initial offer and till the end of 10$^{th}$ year from the date of listing pursuant to the initial offer | 3% of total Units or ₹ 500 crores, whichever is lower* |
| From the beginning of 11$^{th}$ year after the date of listing pursuant to the initial offer and till the end of 20$^{th}$ year from the date of listing pursuant to the initial offer | 2% of total Units or ₹ 500 crores, whichever is lower* |
| After completion of the 20$^{th}$ year from the date of listing pursuant to the initial offer | 1% of total Units or ₹ 500 crores, whichever is lower* |

** Provided that the maximum value of Units to be held by the Sponsor and Sponsor Group for compliance with the above shall not exceed ₹500 crores or such other value as may be decided by SEBI from time to time wherein such valuation shall be based on the latest available asset value of the Trust.*

If the Sponsor, following the lapse of either of the aforesaid lock-in period, directly or indirectly, sells or is perceived as intending to sell a substantial number of its Units, or if a significant Unitholder other than the Sponsor, directly or indirectly, sells or is perceived as intending to sell a substantial number of its Units, the market price for the Units could be adversely affected.

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

Under the Investment Management Agreement, the Investment Manager is not liable for any act or omission which may result in a loss to a Unitholder by reason of any depletion in the value of the trust fund or the Trust's assets, except in the event that such loss is a result of fraud or gross negligence or wilful default on the part of the Investment Manager, or where the Investment Manager fails to exercise due care in relation to its obligations under the Investment Management Agreement. Pursuant to the Trust Deed, the Trustee is not liable on account of anything done or omitted to be done or suffered by the Trustee in good faith in accordance with, or in pursuance of any request or advice of the Investment Manager. Further, the Trustee is not liable for any act or omission or (as the case may be) failing to do any act or thing which may result in a loss to a Unitholder (by reason of any depletion in the value of the InvIT assets or otherwise), except in the event that such loss is a direct result of fraud, gross negligence or wilful default on the part of the Trustee or results from a breach by the Trustee of the Trust Deed. Also, under the Trust Deed, the liability of the Trustee is limited to the extent of the fees received by it in all circumstances except in case of any gross negligence, wilful misconduct or fraud on the part of the Trustee or (b) failure to show the degree of care and diligence required under the Indian Trusts Act, 1882 while carrying out the duties of the Trustee. The Investment Management Agreement provides that the Investment Manager and its respective officers, directors, shareholders, partners, members, employees, advisors and agents are entitled to be indemnified against claims, costs, losses, damages, liabilities, suits, proceedings, taxes and expenses (including legal fees) ("**Losses**") suffered or incurred by them by reasons of their activities on behalf of us, unless resulting from fraud, gross negligence, wilful default or wilful misconduct or breach of any obligations or duties under applicable law. As a result, the rights of the Unitholders and our rights to recover claims against the Investment Manager may be limited. The Investment Management Agreement provides for the indemnification of the Trustee by the Investment Manager for all Losses. The aggregate maximum liability of the Investment Manager to indemnify the Trustee in each financial year is limited to the investment management fees payable to the Investment Manager under the Investment Management Agreement for the immediately preceding one financial year. However, such aggregate maximum liability shall not be applicable in the case of losses or damages suffered or arising out of any gross negligence, wilful default or misconduct or fraud of the Investment Manager. Accordingly, the liability of the Investment Manager and the Trustee are limited under the terms of these agreements and the Unitholders may not be able to recover claims against the Trustee or the Investment Manager, including claims with respect to any offer documents relating to the Offer. Further, pursuant to the Trust Deed, the Trustee is not under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceeding or claim in respect of the assets of the Trust or any corporate action which in its opinion would or might involve it in expense or liability unless the Investment Manager requests such action in writing and the Trustee is satisfied that the value of the assets of the Trust is sufficient to provide adequate indemnity against such costs, claims, damages, expenses or demands. The value of the Portfolio may not be sufficient to recover claims, including claims with respect to any offer documents in relation to the Offer.

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

We may make fresh issuances of Units in the future, the offering price for which may be above, at or below the then current NAV per Unit. The distribution per Unit may be diluted if new Units are issued and the use of proceeds from such issue of Units generates insufficient cash flow to cover the dilution. Where new Units are issued at less than the NAV per Unit, the then current NAV of each existing Unit may be diluted.

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

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

Among other things, the AIFMD regulates and imposes regulatory obligations in respect of the active marketing in the EEA by AIFMs (irrespective of whether they have their registered office in an EEA Member State or elsewhere) of AIFs (whether established in an EEA Member State or elsewhere). The Investment Manager is a non-EEA AIFM for the purposes of the AIFMD. Non-EEA AIFMs are currently not able to become authorized under the AIFMD. In order to market to investors resident, domiciled or with a registered office in the EEA, non-EEA AIFMs must market AIFs in accordance with the applicable national private placement regimes of the EEA member states in which they wish to market and comply with a sub-set of

requirements under the AIFMD (which are much more limited in scope than those applicable to AIFMs that are established in the EEA). These requirements are: (i) "point-of-sale" disclosures (as to which, please see Annex D), (ii) ongoing investor disclosures required pursuant to Articles 23(4) and (5) of the AIFMD (as to which, please see below), (iii) provision of information relating to the Trust's investments and its assets under management to the regulators of any EEA Member State into which Units in the Trust are actively marketed, and (iv) the "asset-stripping" rules (in the event that the Trust acquires control of an EEA based portfolio company).

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

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

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

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

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

***71. Distributions may be adversely impacted due to cash trapped in the Initial Portfolio Assets.***

Under the Companies Act, 2013, a company can declare dividends only after the mandatory transfer of profits to reserves. Further, amortisation and depreciation are non-cash expenditures and are charged to the profit

and loss account. Consequently, a company may have surplus cash but no profit in the profit and loss account and thus will not be able to declare dividends, resulting in cash trapped in the company. In the event that cash is trapped in the Initial Portfolio Assets, the Investment Manager and the Trustee may evaluate various options to extract the cash and make distributions to the Unitholders. There is no assurance that any such options to extract the cash trapped in the Initial Portfolio Assets would not have adverse tax implications or impact our distributions, business and results of operation adversely.

***72. The Trust has a limited number of listed peers undertaking similar lines of business for comparison of performance and therefore investors must rely on their own examination of the Trust for the purposes of investment in the Offer.***

As of the date of this Draft Placement Memorandum, there are a limited number of other infrastructure investment trusts listed on the Indian stock exchanges and, accordingly, we are not in a position to provide a comparative analysis of our performance with many listed InvITs. Investors must rely on their own examination of the Trust for the purposes of investing in the Units.

***73. It may be difficult for the Unitholders to remove the Trustee or the Investment Manager.***

Under the InvIT Regulations, the Trustee or the Investment Manager cannot be removed without the prior approval of Unitholders where the votes cast in favour of the resolution shall not be less than one and a half times the votes cast against such resolution. Accordingly, the Unitholders may face difficulties in removing and replacing the Trustee or the Investment Manager. Further, under the InvIT Regulations, prior approval of SEBI is required for change in the Investment Manager of the Trust.

***74. Unitholders will have no vote in the election or removal of Directors in the Investment Manager and will be able to remove the Investment Manager and Trustee only pursuant to a majority resolution.***

The Investment Manager has the responsibility of managing the Trust.

Unitholders have no vote in the election or removal of Directors in the Investment Manager. Unitholders' recourse is the removal of the Investment Manager by way of a resolution where Unitholders holding at least 60% of the Units must vote in favour of the resolution. In comparison, the Companies Act, 2013 requires the removal of a director of a public company to be by way of an ordinary resolution approved by a simple majority. Similarly, Unitholders may remove the Trustee only if they believe that the acts of the Trustee are detrimental to the interests of the Unitholders and by way of a resolution where the votes cast in favour of the resolution must meet the required percentage as set out in the InvIT Regulations. Further, the Investment Manager and the Trustee cannot be discharged until a suitable replacement is appointed in their place, and there can be no guarantees that a suitable replacement will be appointed, or that appointment will take place in a timely manner, or at all. Accordingly, as opposed to shareholders removing a director of a public company, it may not be possible for Unitholders to remove the Investment Manager or the Trustee.

## GENERAL INFORMATION

### The Trust

TVS Infrastructure Trust has been settled on March 26, 2024 by the Sponsor, as a contributory, determinate and irrevocable trust under the provisions of the Indian Trusts Act, 1882, in Mumbai, Maharashtra, India pursuant to the Trust Deed and has been registered with SEBI as an infrastructure investment trust under the InvIT Regulations on April 22, 2024 having registration number IN/InvIT/24-25/0030.

For information on the background of the Trust and the description of the Project SPVs and Holdco, please see the sections entitled "*Overview of the Trust*", "*Formation Transactions in relation to the Trust*" and "*Our Business and Properties*" on pages 24, 26 and 416, respectively.

### Principal place of business and correspondence address of the Trust:

**TVS Infrastructure Trust**

9th Floor (Part), Iconic Building
Urmi Estate, 95 Ganpatrao Kadam Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4232 7000
E-mail: info@tvsinfratrust.com
SEBI registration number: IN/InvIT/24-25/0030
Date of registration with the SEBI: April 22, 2024

***Contact person of the Trust***

Nitin Aggarwal is the contact person of the Trust. His contact details are as follows:

**Nitin Aggarwal**

Direct Line: +91 22 4232 7052
E-mail: nitin.a@tvsinfratrust.com

***Compliance Officer of the Trust***

The compliance officer of the Trust is Yogesh Bhargav. The contact details are as follows:

9th Floor (Part), Iconic Building
Urmi Estate, 95 Ganpatrao Kadam Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4232 7055
E-mail: yogesh.b@tvsinfratrust.com

Bidders can contact the Compliance Officer or the Lead Managers in case of any pre-Offer or post-Offer related problems, non-credit of Allotted Units in the respective beneficiary account of Bidders after Allocation or non-receipt of refund orders.

### The Sponsor and the Project Manager

**TVS Industrial & Logistics Parks Private Limited**

***Registered Office and Correspondence Address***

9th Floor (Part), Iconic Building
Urmi Estate, 95 Ganpatrao Kadam Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4232 7000
E-mail: info@tvsilp.in

Website: www.tvsilp.in

***Contact Person of the Sponsor***

Ananth Seshadri and Manav Harivyasi, president strategic initiatives and company secretary of the Sponsor, respectively, are the contact persons of the Sponsor. Their contact details are as follows:

**Ananth Seshadri**
Tel: +91 44 4556 6747
E-mail: ananth.s@tvsilp.in

**Manav Harivyasi**
Tel: +91 22 4232 7085
E-mail: manav.harivyasi@tvsilp.in

**The Investment Manager – TVS Infrastructure Investment Manager Private Limited**

***Registered office*:**

9th Floor (Part), Iconic Building
Urmi Estate, 95 Ganpatrao Kadam Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India
Tel: +91 22 4232 7052
Email: nitin.a@tvsinfratrust.com
Website: www.tvsinfratrust.com

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

Nitin Aggarwal and Yogesh Bhargav are the contact persons of the Investment Manager. Their contact details are as follows:

**Nitin Aggarwal**

Direct Line: +91 22 4232 7052
E-mail: nitin.a@tvsilp.in

**Yogesh Bhargav**

Direct Line: +91 22 4232 7055
E-mail: compliance@tvsinfratrust.com

**The Trustee - Axis Trustee Services Limited**

***Registered Office:***

Axis House, Bombay Dyeing Mills Compound
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India

***Address for Correspondence:***

The Ruby, 2nd Floor, SW
29, Senapati Bapat Marg, Dadar West
Mumbai 400 028
Maharashtra, India
Tel: +91 22 6230 0451
Fax: +91 22 6230 0700
Email: debenturetrustee@axistrustee.in
Website: www.axistrustee.in
SEBI Registration Number: IND000000494

***Contact Person of the Trustee***

Anil Grover is the Chief Operating Officer and the contact person of the Trustee. His contact details are as follows:

**Anil Grover**

The Ruby, 2nd Floor, SW
29, Senapati Bapat Marg, Dadar West
Mumbai 400 028
Maharashtra, India
Tel: +91 22 6230 0451
Email ID: anil.grover@axistrustee.in

**Other Parties involved in the Trust**

**Auditor**

**PKF Sridhar and Santhanam LLP**
201, 2nd Floor, Centrepoint Building
Dr. Baba Saheb Ambedkar Road
Opp. Bharatmata Cinema, Parel
Mumbai 400 012
E-mail: jinesh.d@pkfindia.in / sands@pkfindia.in / mumbai@pkfindia.in
Firm Registration No: 003990S/S200018

**Valuer**

**iVAS Partners**
Plot no. 135
Phase-1, Udyog Vihar
Gurugram, Haryana
Tel: +91 99103 86675
E-mail: info@ivaspartners.co.in
IBBI Registration No.: IBBI/RV-E/02/2020/112
Contact Person: Shubhendu Saha

**Architect**

**Atelier NORD**
13, 2nd floor, 2nd street
Chinmaya Nagar Stage 2
Raghavendra Colony, Virugambakkam,
Chennai – 600 092
Tel: +91 82203 32157
E-mail: karthikeyan@ateliernord.in
Contact Person: Karthikeyan K.
Registration No.: CA/2017/88464

**Lead Managers to the Offer**

**Axis Capital Limited**

1st Floor, Axis House
Pandurang Budhkar Marg, Worli
Mumbai - 400 025
Maharashtra, India
Tel: +91 22 4325 2183
E-mail: tvsilp.invit@axiscap.in
Investor grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Harish Patel
SEBI Registration No.: INM000012029

**Kotak Mahindra Capital Company Limited**

1st Floor, 27 BKC

Plot No. C-27, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4336 0000
E-mail: tvsilp.invit@kotak.com
Investor Grievance E-mail: kmccredressal@kotak.com
Website: https://investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

**Legal counsel to the Trust, the Investment Manager and the Sponsor as to Indian law**

**Cyril Amarchand Mangaldas**

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: +91 22 2496 4455
Fax: +91 22 2496 3666

**Legal Counsel to the Lead Managers as to Indian Law**

**J. Sagar Associates**

One Lodha Place, 27th Floor
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India

**International Legal Counsel to the Lead Managers**

**Hogan Lovells Lee & Lee**
50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049321
Telephone: +65 6538 090

**Registrar and Unit Transfer Agent**

**MUFG Intime India Private Limited** (***formerly known as Link Intime India Private Limited***)

C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli West
Mumbai 400 083
Maharashtra
Tel: +91 81 0811 4949
Fax: +91 22 4918 6060
E-mail: tvsilp.invit@linkintime.co.in
Contact Person: Shanti Gopalkrishnan
Website: www.linkintime.co.in
SEBI Registration Number: INR000004058

**Credit Rating**

The Trust has been given a rating of "Provisional ICRA AAA (Stable)" by ICRA Limited on January 24, 2025, the rationale for which is available at its website, https://www.icra.in/Rationale/ShowRationaleReport?Id=132605. It is clarified that the details available on this website do not form a part of this Draft Placement Memorandum.

## PARTIES TO THE TRUST

### The Sponsor and Sponsor Group

### TVS Industrial & Logistics Parks Private Limited

***History and Certain Corporate Matters***

TVS Industrial & Logistics Parks Private Limited is the Sponsor of the Trust. The Sponsor was originally incorporated as Greenarches Infrastructure Private Limited on July 8, 2005 in Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with CIN U45200MH2005PTC154628. Subsequently, it converted to a public limited company and a fresh certificate of incorporation dated April 27, 2007 was issued for its change in name to Greenarches Infrastructure Limited. Further, a fresh certificate of incorporation dated June 15, 2007 was issued for the change in name from Greenarches Infrastructure Limited to TVS Infrastructure Limited. Upon an intimation being made for conversion of TVS Infrastructure Limited into a private company limited by shares under Section 18 of the Companies Act, 2013, the name of TVS Infrastructure Limited was changed to TVS Infrastructure Private Limited on December 14, 2015. Thereafter, the name was changed to TVS Industrial & Logistics Parks Private Limited and consequently a fresh certificate of incorporation dated September 19, 2018 was issued. Its registered office is located at 9$^{th}$ Floor (Part), Iconic Building, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India.

For details in relation to the contact person and contact details, please see the section "*General Information*" on page 174.

***Background of the Sponsor***

The Sponsor was incorporated on July 8, 2005. As on September 30, 2024, it is managing 20 industrial and logistics parks with operational area aggregating to 8.94 msf, spread across 14 locations and has an area of 2.48 msf under development. The Sponsor is part of the TVS Mobility Group, which is one of the leading automotive conglomerate in India with a wide array of diversified business interests. The Sponsor has a sound-track record of over 19 years in the infrastructure sector. The Sponsor has a track record of development and management of multiple industrial and logistics parks.

Please see below the details in relation to the board of directors of the Sponsor:

| Sr. No. | Name | DIN | Designation |
|---|---|---|---|
| 1. | Ramachandhran Dinesh | 00363300 | Director |
| 2. | Ravikumar Swaminathan | 00581577 | Director |
| 3. | Palamadai Sundararajan Jayakumar | 01173236 | Director |
| 4. | Sargunaraj Ravichandran | 01485845 | Director |
| 5. | Ashish Kaushik | 09289238 | Director |

### Confirmations

(i) In accordance with the eligibility criteria specified under the InvIT Regulations, the Sponsor had a net worth of not less than ₹ 1,000 million as on September 30, 2024. The net worth of the Sponsor as on September 30, 2024 was ₹ 3,895.51 million. Further, the Sponsor, together with its associates, is in compliance with the eligibility requirements prescribed under Regulation 4(2)(d) of the InvIT Regulations.

(ii) Neither the Sponsor nor any of its promoters or directors: (i) are or have been debarred from accessing the securities market by SEBI; (ii) are or have been promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital markets under any order or direction made by SEBI; or (iii) are or have been in the list of wilful defaulters published by the RBI. Further, the Sponsor is a fit and proper person based on the criteria as specified under Schedule II of the SEBI Intermediaries Regulations. No disciplinary action has been taken by SEBI or any regulatory authority against the Sponsor or its directors.

***Details of the holding or the proposed holding by Sponsor in the Trust***

For details, please see the section titled "*Information Concerning the Units*" on page 458.

### Sponsor Group

TVS Industrial & Logistics Parks Private Limited, TVS Supply Chain Solutions Limited, Winever Industrial Enterprises Private Limited, Allanzers Fin Net Private Limited and Ace Investment Services (India) Private Limited form part of the Sponsor Group.

Each of the members of the Sponsor Group have been identified with respect to the Sponsor, in terms of Regulation 4(2)(d)(i) and other applicable provisions of the InvIT Regulations.

As of the date of this Draft Placement Memorandum, the Sponsor and the Sponsor Group are in compliance with the eligibility criteria provided under Regulation 4 of the InvIT Regulations, to the extent applicable to each of the Sponsor or Sponsor Group, severally. Further, each member of the Sponsor Group has confirmed that they are fit and proper persons based on the criteria as specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.

***Details of the holding or the proposed holding by Sponsor Group in the Trust***

For details, please see the section titled "*Information Concerning the Units*" on page 458.

**The Trustee – Axis Trustee Services Limited ("Trustee")**

Axis Trustee Services Limited is the Trustee of the Trust. The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee having registration number IND000000494 which is valid until suspended or cancelled by SEBI. The Trustee is a wholly owned subsidiary of Axis Bank Limited. For details in relation to the registered office address, correspondence address, contact person and contact details, please see the section entitled "*General Information*" on page 174.

***Background of the Trustee***

The Trustee is a wholly-owned subsidiary of Axis Bank Limited engaged in providing corporate and other trusteeship services. The Trustee's services are aimed at catering to the individual needs of the client and enhancing client satisfaction. As Trustee, it ensures compliance with all statutory requirements and believes in the highest ethical standards and best practices in corporate governance. It aims to provide the best services in the industry with its well trained and professionally qualified staff with a sound legal acumen. The Trustee confirms that it has maintained and undertakes to ensure that it will at all times maintain, adequate infrastructure personnel and resources to perform its functions, duties and responsibilities with respect to the Trust, in accordance with the Trust Deed, the SEBI InvIT Regulations and other applicable law.

In accordance with the eligibility criteria specified under the InvIT Regulations, the Trustee (i) has such wherewithal with respect to infrastructure, personnel etc. to the satisfaction of SEBI and (ii) the Trustee is not an Associate of the Sponsor or the Investment Manager. Further, neither the Trustee nor any of the promoters or directors of the Trustee (i) are debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or the sponsor, manager or trustee of any other real estate investment trust, or a real estate investment trust which is debarred from accessing the capital market under any order or directions made by SEBI; or (iii) is in the list of wilful defaulters published by the RBI.

Further, the Trustee is a fit and proper person based on the criteria as specified under Schedule II of the SEBI Intermediaries Regulations.

The details of the board of directors of the Trustee are set out below:

| S. No. | Name | DIN | Designation |
|---|---|---|---|
| 1. | Deepa Rath | 09163254 | Managing director and chief executive officer |
| 2. | Prashant Ramrao Joshi | 08503064 | Director |
| 3. | Arun Mehta | 08674360 | Director |
| 4. | Parmod Kumar Nagpal | 10041946 | Director |

***Brief profiles of the Directors of the Trustee***

1. **Deepa Rath**, aged 48, holding DIN 09163254, is the managing director and chief executive officer of Axis Trustee Services Limited.

2. **Prashant Ramrao Joshi**, aged 59, holding DIN 08503064, is a non-executive director of Axis Trustee Services Limited.

3. **Arun Mehta,** aged 62, holding DIN 08674369, is an independent director of Axis Trustee Services Limited.

4. **Parmod Kumar Nagpal,** aged 65, holding DIN 10041946, is an independent director of Axis Trustee Services Limited.

***Key Terms of the Trust Deed***

The Trustee has entered into the Trust Deed, in terms of the InvIT Regulations, the key terms of which, are provided below and more particularly set out in the Trust Deed:

***1. Powers of the Trustee***

(i) ***General powers***: Without prejudice to the scope and generality of the powers and authority conferred upon the Trustee under the Indian Trusts Act, 1882, the Trustee shall, in relation to the Trust, have all relevant powers in accordance with the InvIT Regulations and applicable law.

(ii) The Trustee shall have the power to appoint the Investment Manager as the investment manager of the Trust and shall have the power to delegate all or any of the powers of the Trustee, as set out in the Trust Deed and as permitted under applicable law, to the Investment Manager. The Trustee shall have the power to execute the Investment Management Agreement with the Investment Manager, the Project Implementation and Management Agreement with the Project Manager and any other agreement or arrangement, from time to time, with the Investment Manager or any of its nominees.

(iii) The Trustee, subject to advice of the Investment Manager, shall have the power to determine, in accordance with the Investment Management Agreement and the Investment Objectives, distributions to Unitholders and other rights attached to the Units in compliance with the InvIT Regulations and applicable law.

(iv) The Trustee shall oversee voting of Unitholders, as applicable, in accordance with the InvIT Regulations.

(v) ***Power to accept subscription to Units of the Trust***: The Trustee shall have the power to do the following, in accordance with the InvIT Regulations which power may be delegated to the Investment Manager in terms of the Investment Management Agreement:

a) cause the offering of the Units or such other classes of units or other equity/ hybrid securities as may be permitted under applicable law (including the InvIT Regulations) from time to time, through any Offer Document;

b) cause any Offer Document to be provided to the investors;

c) issue and allot Units or debt securities or any other classes of units or other equity/hybrid securities as may be permitted under applicable law (including the InvIT Regulations) from time to time, in accordance with applicable law;

d) summon and conduct meetings of the Unitholders in accordance with the relevant InvIT Documents and the InvIT Regulations;

e) subject to, and only in accordance with, the terms of the InvIT Documents and the InvIT Regulations, approve transfer of the Units;

f) all such acts, deeds and actions as may be necessary in relation to the exercise of any of the powers specified under paragraphs (a) to (e) above.

(vi) ***Power to make decisions regarding investments and disinvestments***: The Trustee shall invest and hold the InvIT Assets in the name of the Trust for the benefit of the Unitholders in accordance with the provisions of the InvIT Regulations, the InvIT Documents, the Trust Deed and the Investment Objectives. The Trustee shall be empowered to make investment decisions as provided below, with respect to the underlying assets or projects of the Trust including any further investments or

divestment, subject to InvIT Regulations and in accordance with the Offer Document. Provided such power is delegated to, and exclusively exercised by, the Investment Manager pursuant to the Investment Management Agreement, the Investment Manager is also empowered to, inter-alia:

a) acquire, subscribe, hold, manage, trade, transfer and dispose of shares, stocks, convertibles, debentures, bonds or other equity or equity-related securities or other debt or mezzanine securities of all kinds issued by any Holding Company or any SPV, whether in physical or dematerialised form, including power to hypothecate, pledge or create Encumbrances of any kind on such securities held by the Trust in such Holding Companies or Project SPVs, to be used as collateral security for any borrowings by the Trust or any Holding Company or any SPV;

b) avail commercial loans, including the power to hypothecate, pledge or create Encumbrances of any kind on the InvIT Assets as collateral security for any such loans availed by the Trust, in accordance with the InvIT Regulations and applicable law;

c) keep the capital and monies of the Trust, the Holding Companies and the Project SPVs in deposit with banks or mutual funds or other institutions whatsoever, in accordance with the InvIT Regulations and other applicable law;

d) undertake lending to Holdcos, Project SPVs and any other Persons permitted under applicable law;

e) accept contributions;

f) collect and receive the profit, interest, repayment of principal of debt or debt like, or equity or equity like, mezzanine securities, dividend, return of capital of any type by the Holding Companies, or Project SPVs, and income of the Trust as and when the same may become due and receivable;

g) invest in securities or in units of mutual funds in accordance with the InvIT Regulations and other applicable law by the Trust, the Holding Companies and the Project SPVs;

h) invest in money market instruments including government securities, treasury bills, certificates of deposit and commercial papers in accordance with applicable law by the Trust, the Holding Companies and the Project SPVs;

i) to give, provide and agree to provide to any Holding Companies or Project SPVs, financial assistance in the form of investment in its debt securities or share capital of any class including ordinary, preference, participating, non-participating, voting, non-voting or other class, and in the form of investment in securities convertible into share capital;

j) to invest, acquire, purchase, hold, divest, sale, hypothecate, pledge or otherwise transfer movable property or immovable property of any kind including any rights and interest therein of the Holding Companies and the Project SPVs;

k) provide guarantee, security or other collateral facility in connection with any financing, borrowings or otherwise, undertaken by the Trust, Holdcos, Project SPVs or other investment entities; and

l) to appoint advisors and service providers in connection with the foregoing.

(vii) ***Power to apportion between income and capital***: Subject to the provisions of the InvIT Regulations, the Trustee, in consultation with the Investment Manager, shall have the power to make such reserves out of the income or capital as the Trustee may deem proper and any decisions of the Trustee whether made in writing or implied from its acts, so far as the applicable law may permit, shall be conclusive and binding on the Unitholders and all Persons actually or prospectively interested under the Trust Deed. Any distribution made by the Trustee from such reserves shall be in the manner set out in Article 10 and other relevant provisions of the Trust Deed.

(viii) ***Power to employ agents***: In addition to acting in its capacity as trustee, the Trustee shall have the power to employ and pay at the expense of the Trust, any agent in any jurisdiction whether attorneys, solicitors, brokers, banks, trust companies or other agents whether associated or connected in any way with the Trustee or not, without being responsible for the default of any agent if employed in

good faith to transact any business, including without limitation, the power to appoint agents to raise funds, or do any act required to be transacted or done in the execution of the trusts hereof including the receipt and payment of moneys and the execution of documents.

(ix) ***Power to employ an Investment Manager***: The Trustee shall, on behalf of the Trust, within a reasonable time from the date of execution hereof, appoint the Investment Manager as the investment manager to the Trust, by execution of the Investment Management Agreement, on behalf of the Trust, to manage the assets and investments of the Trust and undertake activities of the Trust in accordance with the terms and conditions set out in the Trust Deed and the Investment Management Agreement and applicable law.

(x) ***Oversee activities of the Investment Manager***: The Trustee shall oversee the activities of the Investment Manager in the interest of the Unitholders, ensure that the Investment Manager complies with the InvIT Regulations and applicable law, including in relation to the appointment of Unitholder Nominee Directors by Eligible Unitholders and shall obtain a compliance certificate or such other reports and information as may be prescribed under the InvIT Regulations from time to time from the Investment Manager on a quarterly basis, or such other time period as prescribed by applicable law, in the form prescribed by SEBI, if any.

(xi) ***Power to employ a Project Manager***: The Trustee shall, on behalf of the Trust, within a reasonable time from the date of execution hereof, appoint the Project Manager as the project manager for the Trust, by execution of the Project Implementation and Management Agreement, for the operation and management of the InvIT Assets, in accordance with the terms and conditions set out in the Trust Deed, the Project Implementation and Management Agreement and applicable law.

(xii) ***Oversee activities of the Project Manager***: The Trustee shall oversee activities of the Project Manager with respect to compliance with the InvIT Regulations and the Project Implementation and Management Agreement and shall obtain a compliance certificate from the Project Manager on a quarterly basis or such other time period as prescribed by applicable law, in the form prescribed by SEBI, if any.

(xiii) ***Power to appoint nominees and custodians***: The Trustee may, in consultation with the Investment Manager, appoint any custodian in order to provide custodian services, and may permit any property comprised in the Trust to be and remain deposited with a custodian or with any Person or Persons in India or in any other jurisdiction subject to such deposit being permissible under the applicable law.

(xiv) ***Power to pay duties and taxes***: In the event of any capital gains tax, income tax, stamp duty or other duties, fees or taxes (and any interest or penalty chargeable thereon) whatsoever becoming payable in any jurisdiction in respect of the Trust or any part thereof or in respect of documents issued or executed in pursuance of the Trust Deed in any circumstances whatsoever, the Trustee shall have the power and duty to pay all such duties, fees or taxes (and any interest or penalty chargeable thereon) as well as to create any reserves for future potential tax liability out of the income of the Trust, or to the extent of the amount invested in the Units by the Unitholders, as may be permitted under applicable law and the advice of tax consultants, and the Trustee may pay such duties, fees or taxes (and any such interest or penalty) on behalf of the Trust. For avoidance of doubt, it is clarified that, pursuant to this Article, no Unitholder will be required to make a contribution as a capital commitment to the Trust (other than the value for Units already paid). The Trustee may, on the recommendation of the Investment Manager, file tax returns with the relevant Governmental Agencies, in accordance with applicable law and the advice of tax consultants.

(xv) ***Power to expend on behalf of the Trust***: The Trustee shall, subject to the advice of the Investment Manager, have the power to pay InvIT Expenses (including any taxes, withholding tax, if any, under Income Tax Act, 1961 or other statutory charges) out of the funds held by the Trust.

(xvi) ***Power to take counsel's opinion***: The Trustee shall, in discharge of its duties, have the power to take the opinion of legal or tax counsel on behalf of and concerning any matter relating to the Trust and the fees of such counsel shall be paid out of the funds held in the Trust.

(xvii) ***Power to appear before relevant authorities***: The Trustee shall, in discharge of its duties, have the power to appear before the relevant authorities, submit information, seek clarifications from any regulatory authority and complete, sign and submit any applications or documents for any approvals, permissions, or actions that may be necessary or desirable on behalf of the Trust.

(xviii) ***Power to conduct activities with trustees of other trusts***: The Trustee may, in execution of the Trust hereof or in exercise of any of the powers hereby or by law given to the Trustee sell, rent or buy any property, or borrow property from or carry out any other transaction with the trustees of any other trust or the executors or administrators of any estate notwithstanding that the Trustee is the same Person as those trustees, executors or administrators or any of them and where the Trustee is the same Person as those trustees, executors or administrators, the transaction shall be binding on all Persons then or thereafter interested hereunder though effected and evidenced only by an entry in the books of accounts of the Trustee, provided such power is delegated to, and exclusively exercised by, the Investment Manager pursuant to the Investment Management Agreement. The Trustee shall ensure that no conflicts of interest shall arise whilst conducting such activities.

(xix) ***Power to effect compromises***: Subject to applicable law, the Trustee (acting on behalf of the Trust) shall have the power to:

a) accept any property before the time at which it is transferable or payable;

b) pay or allow any claim on any evidence that it thinks sufficient;

c) accept any security movable or immovable in lieu of any amounts payable to it;

d) alter the dates for payment of any amounts payable to it; and

e) subject to such approval (if any) as may be required from the Unitholders, compromise, compound, abandon or otherwise settle any claim or thing whatsoever relating to the Trust or the Trust Deed.

(xx) ***Power to borrow***: The Trustee shall, subject to the advice of the Investment Manager, have the power to borrow funds any subordinated equity, bonds, commercial papers, long-term loans, short term loans, bonds or other loans or funds from any Person or authority (whether Government or otherwise, whether Indian or overseas) for the purpose of the Trust on such terms and conditions and for such periods and subject to approval of the Unitholders in accordance with and as may be required in terms of the InvIT Regulations and applicable law. The Trustee shall, subject to the approval and advice of the Investment Manager, also have the power to create Encumbrances of any kind on the InvIT Assets as collateral security for any such borrowings. Further, the Trustee (acting in capacity of the trustee of the Trust) shall have the power to create charge, security interest and/or lien over any or all of the assets of the InvIT (both present or future), to secure and/or guarantee the performance or any of the obligations of the Holdcos/Project SPVs or investment entity, as it may deem fit, subject to compliance with applicable law.

(xxi) ***Power to re-invest***: Subject to the conditions laid down in any Offer Document, InvIT Documents, and the InvIT Regulations and applicable law, the Trustee may, subject to any advice of the Investment Manager, retain any proceeds received by the Trust from Holding Companies or Project SPVs or infrastructure projects, including through the sale of or any Holding Company or SPV or infrastructure projects.

(xxii) ***Power to make rules***: The Trustee may, make rules to give effect to, and carry out the Investment Objectives, subject to applicable law. In particular, and without prejudice to the generality of such powers, the Trustee may provide, in a manner not inconsistent with the provisions of the Trust Deed and the InvIT Regulations, for all or any of the following matters, namely:

a) manner of maintaining of the records and particulars of the Unitholders;

b) norms of investment by the Trust in accordance with the Investment Objectives of the Trust and in accordance with the powers and authorities of the Trustee as set out herein;

c) matters relating to entrustment/deposit or handing over of any securities or shares of the Project SPVs of the Trust to any one or more custodians and the procedure relating to the holding thereof by the custodian;

d) such other administrative, procedural or other matters relating to the administration or management of the affairs of the Trust and which matters are not, by the very nature required to be included or provided for in the Trust Deed or by the management thereof and which matters are not inconsistent with the Investment Objectives, the Trust Deed and applicable law;

e) procedure for seeking the vote of the Unitholders either by calling a meeting or through postal ballot or otherwise; and

f) procedure for summoning and conducting meetings of Unitholders.

The aforementioned power to make rules may be delegated by the Trustee to the Investment Manager subject to the InvIT Regulations and in terms of the Investment Management Agreement.

(xxiii) ***Power to maintain register***: The Trustee shall cause the Depository to maintain the Depository Register.

(xxiv) ***Power to appoint intermediaries***: The Trustee shall advise the Investment Manager in relation to the appointment of Valuer, Auditors, registrar and transfer agent, merchant bankers, custodian, Credit Rating Agency and any other intermediary or service provider or agent as may be applicable with respect to the activities pertaining to the Trust, in a timely manner, in accordance with the InvIT Regulations and applicable law. The Investment Manager shall ensure that the activities of, and the services provided by, any of the intermediaries set out above are as per the provisions of the InvIT Regulations and applicable law.

(xxv) ***Power to review reports***: The Trustee shall review the reports required in terms of InvIT Regulations and applicable law, as submitted by the Investment Manager including, without limitation, in relation to Eligible Unitholder(s), as prescribed from time to time. In the event such reports are not submitted in a timely manner, the Trustee, after due follow-up, shall intimate the same to SEBI as required in terms of the InvIT Regulations and applicable law.

(xxvi) ***Power to open and operate bank accounts***: The Trustee shall have the power to open one or more bank accounts for the purposes of the Trust, to deposit and withdraw money and fully operate the same.

(xxvii) ***Other matters authorised by the Unitholders***: The Trustee shall have the power to take up with SEBI or with the designated stock exchange(s) as applicable, any matter which has been approved in any meeting of Unitholders in respect of the Units held by them, if the matter requires such action.

(xxviii) ***Other powers***: Without prejudice to any other provisions of the Trust Deed, the Trustee shall also have the following powers and authorities:

a) to institute, conduct, compromise, compound, or abandon any legal proceedings for or on behalf of or in the name of the Trustor the Trustee, and to defend, compound or otherwise deal with any such proceedings against the Trust or Trustee or the officers of the Trustee or concerning the affairs of the Trust, and also to compound and allow time for payment or satisfaction of any equity due and of any claims or demands by or against the Trust and observe and perform any decisions thereof;

b) to make and give receipts, releases and other discharges for moneys payable to the Trust and for the claims and demands of the Trust;

c) to vary, alter, postpone, extend or cancel the terms and conditions of agreements, in relation to investments, as entered into with the relevant Project SPVs/Holdcos/investment entities, as applicable;

d) to enter into all such negotiations and contracts, and, execute and do all such acts, deeds and things for or on behalf of or in the name of the Trust as the Trustee may consider expedient for or in relation to any of the matters or otherwise for the purposes of the Trust;

e) to sign, seal, execute, deliver and register according to law all deeds, documents, agreements, and assurances in respect of the Trust;

f) to negotiate, sign, seal, execute and deliver the InvIT Documents, including but not limited to, any issue agreement, share purchase agreement, services agreement, deed of right of first offer, debenture subscription agreement, escrow agreement, underwriting agreement, loan documentation, Offer Document or any other deed, agreement or document in connection with the Trustor the Units, including any amendments, supplements or modifications thereto;

g) take into their custody and/or control all the capital, assets, property of the Trust and hold the same in trust for the Unitholders in accordance with the Trust Deed, the InvIT Regulations and applicable law; and

h) generally to exercise all such powers as it may be required to exercise under the InvIT Regulations and applicable law for the time being in force and do all such matters and things as may promote the Trust or as may be incidental to or consequential upon the discharge of its functions and the exercise and enforcement of all or any of the powers and rights under the Trust Deed, the applicable law and the InvIT Regulations.

(xxix) ***Power to buy-back Units***: Subject to applicable law, the Trustee may at any time, buy-back the Units from the Unitholders.

(xxx) ***Power to repay debt***: Subject to applicable law and the advice of the Investment Manager, the Trustee may cause the Trust to pay, prepay or repay any and all debt raised from any Person in accordance with the terms therein and to redeem any debt securities or other securities, obligations or instruments in accordance with the terms thereof issued to such Persons in compliance with the InvIT Regulations and other applicable law.

(xxxi) ***Power to delegate***: The Trustee may, delegate to the Investment Manager or the Project Manager, any powers set out above and the duties set out below, or as available to it under the InvIT Regulations and applicable law, including, inter alia, management of the assets and investments of the Trust vested in it under the Trust Deed, taking investment decisions, issue, listing and allotment of Units or any other classes of units or other equity/hybrid securities as may be permitted under applicable law (including the InvIT Regulations) from time to time and making distributions in accordance with the InvIT Regulations. Further, for administrative and operational convenience, the Trustee may delegate to any committee or Person with consent of the Investment Manager, any administrative duties as set out below, provided, however, the Trustee shall remain responsible and liable for any such Persons' acts of commission or omission as determined by a court of competent jurisdiction whose decision is final, binding and non-appealable, except the roles and responsibilities delegated by the Trustee to Investment Manager, Project Manager or any third party expert, or any sub-delegation by the Investment Manager or the Project Manager.

***2. Duties of the Trustee***

(i) The Trustee shall carry on and conduct the business of the Trust in a proper and efficient manner in the best interest of the Unitholders.

(ii) The Trustee, on behalf of the Trust, shall appoint an Investment Manager and Project Manager in accordance with the InvIT Regulations and applicable law.

(iii) ***Investment Management Agreement***: The Trustee shall, on behalf of the Trust, within a reasonable time from the date of execution of the Trust Deed, enter into the Investment Management Agreement with the Investment Manager.

(iv) **Ensure that the Investment Manager performs its obligations**:

a) The Trustee shall ensure that the Investment Manager complies with reporting and disclosure requirements in accordance with the InvIT Regulations and in case of any delay or discrepancy, require the Investment Manager to rectify such delay or discrepancy on an urgent basis.

b) The Trustee shall review the transactions carried out between the Investment Manager and its Associates and, where the Investment Manager has advised that there may be a conflict of interest, it shall obtain a certificate from a practising chartered accountant or valuer, as applicable, that such transaction is on arm's length basis.

c) The Trustee shall review the Valuation Report submitted by the Investment Manager.

d) The Trustee shall require the Investment Manager to set up such systems and procedures and submit such reports to the Trustee, as may be necessary for effective monitoring of the functioning of the Trust.

e) The Trustee shall ensure that the Investment Manager convenes meetings of the Unitholders in accordance with the InvIT Regulations and oversee the voting by Unitholders and declaration of such results of such meetings, provided that where there (i) is a change or removal of the Investment Manager, or a Change in Control of the Investment Manager, and the Trustee will be required to obtain approval of the Unitholders of the Trustee shall be responsible for convening and conducting of the meetings of the Unitholders; and (ii) any issue pertaining to the Trustee such as change in the Trustee, the Trustee shall not be involved in any manner in the conduct of the meetings of the Unitholders. The Trustee shall ensure that the Investment Manager convenes meetings of Unitholders not less than once every year and the period between such meetings shall not exceed 15 (fifteen) months.

(v) ***Providing information to SEBI and the stock exchange(s)***: The Trustee shall provide SEBI and the stock exchange(s), where applicable, such information as may be sought by SEBI or by the stock exchange(s) pertaining to the activity of the Trust. The Trustee shall comply with intimation requirements under the InvIT Regulations and applicable law, including in relation to intimating SEBI in case of any discrepancy in the operation of the Trust with the Trust Deed, the InvIT Regulations and any Offer Document. The Trustee shall also immediately inform SEBI in case any act which is detrimental to the interest of the Unitholders is noted.

(vi) ***Interests of the Unitholders***: The Trustee shall, at all times, exercise due diligence in carrying out its duties and protecting the interests of the Unitholders.

(vii) ***Delegation to Investment Manager and Project Manager***:

a) The Trustee shall delegate all such powers to the Investment Manager, as may be required by the Investment Manager, to carry out its obligations under the Investment Management Agreement and under applicable law.

b) The Trustee shall delegate all such powers to the Project Manager, as may be required by the Project Manager, to carry out its obligations under the Project Implementation and Management Agreement and under applicable law.

(viii) ***Change in, or Change in Control of, the Investment Manager***: The Trustee shall obtain prior approval from the Unitholders in accordance with the InvIT Regulations before any change in, or Change in Control of, the Investment Manager due to removal or otherwise. In this regard, the Trustee shall also obtain prior approval from SEBI prior to any change in or Change in Control of the Investment Manager, in the event that such approval is required in terms of the InvIT Regulations. In case of change in Investment Manager due to removal or otherwise, the Trustee shall appoint a new investment manager in accordance with the InvIT Regulations and applicable law, within the time period prescribed under the InvIT Regulations. The previous investment manager shall continue to act as such at the discretion of the Trustee until such time as the new investment manager is appointed. The Trustee shall ensure that the new investment manager shall stand substituted as a party in all the documents to which the earlier Investment Manager was a party. The Trustee shall also ensure that the earlier Investment Manager continues to be liable for all its acts of omissions and commissions for the period during which it served as investment manager, notwithstanding its termination.

(ix) ***Change in Project Manager***: In case of change in Project Manager due to removal or otherwise, the Trustee shall appoint a new project manager in accordance with the InvIT Regulations and applicable law. The Trustee shall appoint a new project manager within the time period prescribed under the InvIT Regulations. The Trustee may, suo moto appoint an administrator in connection with an infrastructure project for such terms and on such conditions as it deems fit. The previous project manager shall continue to act as the project manager at the discretion of the Trustee till such time as a new project manager is appointed. All costs and expenses in this regard will be borne by the new project manager. The Trustee shall ensure that the new project manager shall stand substituted as a party in all the documents to which the earlier Project Manager was a party. The Trustee shall also ensure that the earlier Project Manager continues to be liable for all its acts of omissions and commissions for the period during which it served as project manager, notwithstanding its termination.

(x) ***Change in Control of Project Manager***: The Trustee shall ensure that in case of Change in Control of the Project Manager, written consent is obtained from the counter parties in terms of the

agreements entered into by the Holding Company(ies) or Project SPVs, prior to such change, if applicable.

(xi) ***Subscription monies***: The Trustee shall ensure that subscription amount is kept in a separate bank account in name of the Trust and is only utilised for adjustment against allotment of Units or refund of money to the applicant till the time such Units are listed (as may be applicable) and the same will be utilised for objectives of the offering as will be mentioned in the relevant Offer Document.

(xii) ***Books of account***: The Trustee shall cause the books of accounts of the Trust to be in accordance with Article 15.

(xiii) ***Attainment of objects of the Trust***: The Trustee shall ensure that all acts, deeds and things are done for the attainment of the Investment Objectives of the Trust and in compliance with the InvIT Regulations and applicable law and to secure the best interests of the Unitholders.

(xiv) ***Reports to be filed by the Trust***: The Trustee, either by itself or through the Investment Manager, shall, from time to time, file such reports as may be required by SEBI or any other regulatory authority or as required under the InvIT Regulations and applicable law with regard to the activities carried on by the Trust.

(xv) ***Review of complaint status***: The Trustee shall periodically review the status of the Unitholders' complaints and their redressal undertaken by the Investment Manager, in accordance with the InvIT Regulations.

(xvi) ***Confidentiality***: The Trustee and its directors, officers, employees and agents shall at all times maintain the greatest amount of confidentiality as regards the activities and assets of the Trust and such other matter connected with them and the Trust generally and shall not disclose any confidential information to any other Person, other than the Investment Manager, or the Project Manager, unless such information is required to be disclosed to some regulatory authority, court or any other Person under any order of court or any law in force in India.

(xvii) ***Segregation of assets and liabilities***: The assets and liabilities of the InvIT shall at all times be segregated from the assets and liabilities of the Trustee and the assets and liabilities of other trusts managed by the Trustee. The assets held under the InvIT shall be held for the exclusive benefit of the Unitholders and such assets shall not be subject to the claims of any creditor or any Person claiming under any other fund administered by the Trustee or by the Investment Manager.

(xviii) ***Valuer***: The Trustee shall ensure through the Investment Manager that a detailed valuation is undertaken of the InvIT Assets by a Valuer at such intervals and in the manner as may be prescribed under the InvIT Regulations and applicable law. The Trustee shall ensure that the remuneration of the Valuer is not linked to or based on the value of the asset(s) being valued.

(xix) ***Investment by Trustee***: The Trustee of the Trust shall not invest in Units of the Trust.

(xx) ***Compliance with InvIT Regulations***: The Trustee shall fulfil its obligations in terms of the InvIT Regulations.

(xxi) The Trustee shall ensure that the activity of the Trust is being operated in accordance with the provisions of the Trust Deed, the InvIT Regulations, applicable law and the InvIT Documents and if any discrepancy, it shall inform SEBI immediately in writing.

(xxii) ***Adoption of Policies***: The Trustee shall ensure that the Trust, the Investment Manager, the Project Manager, the Holding Companies and the Project SPVs adopt, policies, including corporate governance policies, policies in relation to acquisition of assets from the Sponsors and third parties, policies in relation to related party transactions, policies in relation to appointment of auditors and valuers, policies in relation to the Net Distributable Cash Flows, leverage policies, policies in relation to anti-bribery and anti-corruption, policies in relation to environment, safety and health, policies anti-money laundering and any other policies in relation to their activities related to the Trust ("**Policies**"), as applicable, prior to filing of the relevant Offer Document for the initial offer. The terms, such as, manner or requirement of Unitholders' approval for each of these Policies, applicability, amendment and termination, of the respective Policies shall be set out in each of the Policies.

(xxiii) ***Maintenance of records***: The Trustee shall maintain records in relation to the Trust in accordance with the InvIT Regulations and applicable law.

(xxiv) ***Winding up of the Trust***: The Trustee shall wind up the Trust in accordance with the InvIT Regulations and applicable law. Upon winding up of the Trust, the Trustee shall surrender the certificate of registration to SEBI.

(xxv) ***Suspension of Trustee's registration***: The Trustee shall promptly, on occurrence, inform the Sponsor of a cancellation, revocation, suspension, non-renewal of its registration to act as a trustee under applicable law or a breach of the terms of such registration that will materially impair its ability to perform its obligations and exercise its powers under the Trust Deed.

(xxvi) ***Statutory charges or levies payable by the Trust***: The Trustee shall, in accordance with the applicable law and on receipt of advice from the Investment Manager, pay all taxes, duties and any other statutory charges or levies that may be payable by the Trust on behalf of the Unitholders, subject to the provisions of the InvIT Documents.

***3. Rights of the Trustee***

(i) ***Right to receive advice***: The Trustee may, in the discharge of its duties, act upon any advice obtained in writing from any bankers, accountants, brokers, lawyers, professionals, consultants, or other experts acting as advisers to the Trustee.

(ii) ***Restriction on right to inspect***: Subject to applicable law, no Unitholder shall be entitled to inspect or examine the Trust's premises or properties (including any Holding Company and Project SPVs) without the permission of the Trustee, who shall give such permission, if necessary, in consultation with the Investment Manager. Further, no Unitholder shall be entitled to require discovery of any information respecting any detail of the Trust's activities or any matter which may relate to the conduct of the business of the Trust and which information may, in the opinion of the Trustee and the Investment Manager adversely affect the interest of the Unitholder.

(iii) ***Right to reimbursement of expenses, outgoings, taxes etc.***: Without prejudice to any other provisions of the Trust Deed, but save as otherwise provided for in any InvIT Document, the Trustee shall be entitled to reimburse itself and shall be entitled to charge the Trust, with the expenses, taxes, levies, and liabilities (including indemnity obligations of the Trust, if any) as set out in Schedule I hereto.

(iv) ***Right to accept value or price of the investment***: The Trustee may accept as sufficient evidence for the value of any investment or for the cost price or sale price thereof or for any other fact within its competence, a certificate by a Valuer or any other professional Person appointed by the Investment Manager for the purpose.

4. ***Liabilities of the Trustee***

(i) ***Assets received by the Trustee***: The Trustee shall only be held chargeable for such monies, stocks, funds, shares, assets, investment, property or securities as the Trustee shall have actually received and shall not be liable or responsible for any banker, broker, custodian or other Person in whose hands the same may be deposited or placed, nor for the deficiency or insufficiency in the value of any investments of the Trust nor otherwise for any involuntary loss. Any receipt signed by the Trustee for any monies, stocks, funds, shares, securities, investment or property, paid, delivered or transferred to the Trustee under or by virtue of the Trust Deed or in exercise of the duties, functions and powers of the Trustee shall effectively discharge the Trustee or the Person or Persons paying, delivering or transferring the same therefrom or from being bound to see to the application thereof, or being answerable for the loss or misapplication thereof provided that the Trustee and such Persons shall have acted in good faith, without negligence shall have used their best efforts in connection with such dealings and matters.

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

(iii) ***Suits, proceedings or claims against the Trust***: The Trustee shall not be under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceedings or claim (including tax proceedings) in respect of the provisions hereof or in respect of the InvIT Assets

or any part thereof or any corporate action which in its opinion would or might involve it in expense or liability unless the Investment Manager shall so request in writing and the Trustee in consultation with the Investment Manager is satisfied that the value of the investment is sufficient to provide adequate indemnity against costs, claims, damages, expenses or demands to which it may be put as Trustee as a result thereof. The costs in relation to such action, suit, proceedings or claims (whether undertaken upon request of Investment Manager or otherwise) incurred by the Trustee in connection with or arising out of the Trust, shall be borne by the Trust.

(iv) ***Bona fide action by the Trustee***: The Trustee shall not be liable in respect of any action taken or damage suffered by it on reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganization or (without being limited in any way by the foregoing) other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate authorities or entities.

(v) ***Acts or things required to be done by the Trustee under law***: The Trustee shall not be liable to the Unitholders for doing or failing to do any act or thing which it is directed or requested to do or perform or to forbear from doing or performing by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request announcement or similar action (whether of binding legal effect or not) which may be taken or made by any Person or body acting with or purporting to exercise the authority of any government (which legally or otherwise). If, for any reason, it becomes impossible or impracticable to carry out any of the provisions of these presents, the Trustee shall not be under any liability therefore or thereby.

5. ***Obligations as per the Indian Trusts Act***:

Nothing in the Trust Deed exempts or indemnifies the Trustee against liability for: (i) breach of trust under the Indian Trusts Act, 1882; (ii) fraud, misconduct or gross negligence by the Trustee as conclusively determined by a court of competent jurisdiction; (iii) violation of applicable laws by the Trustee (to the extent that such violation adversely effects the Trust and/or the Unitholders); or (iv) failure to show the degree of care and diligence required of them as Trustee under the Indian Trusts Act, 1882, while carrying out the duties described in the Trust Deed as determined by a court of competent jurisdiction, whose decision is final and non-appealable.

(i) ***Authenticity of signature***: The Trustee shall not be responsible to any Unitholder for the authenticity of any signature affixed to any document or be, in any way, liable for any forged or unauthorized signature on or for acting upon or giving effect to any such forged or unauthorized signature. The Trustee shall be entitled but not bound to require that the signature of any Unitholder to any document required to be signed by him under or in connection with these presents shall be verified to the Trustee's reasonable satisfaction.

(ii) ***Trustee may act as trustee of other trusts***: Nothing herein contained shall be construed so as to prevent the Trustee from acting as trustee of other trusts or alternate investment funds or venture capital funds or private equity funds or real estate investment trusts or infrastructure investment trusts or private trusts or customised fiduciary trusts separate and distinct from the Trust, and retaining for its own use and benefit all remuneration, profits and advantages which it may derive therefrom, as permitted under applicable law.

(iii) ***Information regarding the Trust, etc***.: If the Trustee is required by the InvIT Regulations or any other applicable law to provide information regarding the Trust or the Unitholders, the investments made by the Trust and income therefrom and provisions of these presents and complies with such request in good faith, whether or not it was in fact enforceable, the Trustee shall not be liable to the Unitholders or to any other party as a result of such compliance or in connection with such compliance.

(iv) ***Depletion in the value of the Trust corpus***: The Trustee shall not incur any liability for any act or omission or (as the case may be) failing to do any act or thing which may result in a loss to a Unitholder (by reason of any depletion in the value of the InvIT Assets or otherwise), except in the event that such loss is a direct result of fraud, negligence or wilful default on the part of the Trustee or results from a breach by the Trustee of the Trust Deed, as determined finally by a court of competent jurisdiction.

(v) ***Trustee to not risk its monies***: If the Trustee engages any external advisors or experts (in accordance with the Trust Deed), to discharge its obligations under the Trust Deed, or undertakes any work (in

consultation with the Investment Manager, in the interest of the Unitholders) which is not covered within the scope of work of the Trustee under the Trust Deed and such additional work is beyond the obligations of the Trustee under applicable law, the Trustee shall be entitled to recover such costs, charges and expenses which the Trustee may incur in this regard, from the funds of the Trust. Further, it is clarified that, the Trustee will not be required to utilize funds held by the Trustee for any other trust for which, Axis Trustee Services Limited is appointed as a trustee, for discharging its obligations as the Trustee under the Trust Deed.

6. ***Provisions relating to Unit holders***

(i) Notwithstanding anything to the contrary contained in any of the InvIT Documents, the aggregate liability (including any taxes, duties, fines, levies, liabilities, costs or expenses) of each Unitholder in the Trust shall be limited to making the Capital Contribution payable by it in respect of the Units subscribed by it. For the avoidance of doubt, the Unitholders shall not be responsible or liable, directly or indirectly, for acts, omissions or commissions of the Trustee, the Investment Manager, the Sponsor, or any other Person, whether or not such act, omission or commission, has been approved by the Unitholders in accordance with the InvIT Regulations or not. Further, the Sponsors shall not be responsible or liable, directly or indirectly, for acts, omissions or commissions of the Trustee, the Investment Manager or any other Person, whether or not such act, omission or commission, has been approved by the Unitholders in accordance with the InvIT Regulations or not.

(ii) Except as may be prescribed under applicable law or approved by the board of directors of the Investment Manager in compliance with applicable law from time to time, each Unit allotted to the Unitholders shall have one vote for any decisions requiring a vote of Unitholders.

(iii) No Unitholder shall enjoy superior voting, preferential voting or any other rights over another Unitholder subject to any Subordinate Units, or any other classes of units or other equity/ hybrid securities as may be permitted under the applicable law (including the InvIT Regulations), being issued in accordance with the applicable law (including the InvIT Regulations). In case of Subordinate Units, such Subordinate Units shall carry only inferior voting or any other rights compared to other Ordinary Units, in accordance with their terms and applicable law.

(iv) In no event shall the Trustee or the Investment Manager be bound to make payment to any Unitholder, except out of the funds held by it for that purpose under the provisions of the Trust Deed.

(v) A Unitholder, whose name and account details are entered in the Depository Register, shall be the only Person entitled to be recognised by the Trustee as having a right, title, interest in or to the Units registered in his name and the Trustee shall recognise such holder as an absolute owner and shall not be bound by any notice to the contrary and shall also not be bound to take notice of or to see to the execution of any trust, express or implied, save as expressly provided or as required by any court of competent jurisdiction to recognise any trust or equity or interest affecting the title of the Units.

(vi) The Unitholders (acting in their capacity as unitholders of the Trust) shall not give any directions to the Trustee or the Investment Manager (whether in a meeting of Unitholders or otherwise), if it would require the Trustee or the Investment Manager to do or omit doing anything which may result in:

a) the Trust or the Trustee, in its capacity as the trustee of the Trust or the Investment Manager, in its capacity as the investment manager of the Trust ceasing to comply with applicable law;

b) interference with the exercise of any discretion expressly conferred on the Trustee by the Trust Deed or the Investment Manager by the Investment Management Agreement, or the determination of any matter which requires the agreement of the Trustee or the Investment Manager, provided that nothing in this Article 12.6 shall limit (i) the right of the Unitholder (as applicable to the Units held) to require the due administration of the Trust in accordance with the Trust Deed; and/or (ii) the right of the Unitholders (as applicable to the Units held) in accordance with Regulation 22(5)(f) of the InvIT Regulations to give directions to the Trustee or the Investment Manager in relation to any issue which is detrimental to the Unitholders (in the sole opinion of the Unitholders), provided that Unitholders holding Units other than Ordinary Units shall not be entitled to such rights with respect to the Units held by them, except as otherwise specified under the terms and conditions of such Units, in accordance with the InvIT Regulations.

(vii) The Depository Register shall (save in case of manifest error) be conclusive evidence of the number of Units held by each Depositor and in the event of any discrepancy between the entries of the Depository Register and any statement issued by the Depository, the entries in the Depository Register shall prevail unless the Depositor proves to the satisfaction of the Trustee and the Depository that the Depository Register is incorrect.

(viii) The Unitholders (as applicable) shall have the right to call for certain matters to be subject to their consent, in accordance with the InvIT Regulations and applicable law.

(ix) The Eligible Unitholders shall have the right to appoint Unitholder Nominee Directors on the board of directors of the Investment Manager from time to time, in the manner prescribed under the InvIT Regulations. The Trustee shall supervise and ensure that the Investment Manager takes all such actions and compliances, as may be prescribed under the InvIT Regulations from time to time, in relation to the right of Eligible Unitholders to appoint Unitholder Nominee Directors on the board of directors of the Investment Manager.

(x) The Unitholders may, in accordance with the provisions of the InvIT Documents and applicable law, and where applicable, the terms and conditions of the Units as may be approved by the board of directors of the Investment Manager, transfer any of the Units to an investor where such investor accepts all the rights and obligations of the transferor and the Trustee or the Investment Manager shall give effect to such transfer in accordance with applicable law.

(xi) After the initial offer, no Person, other than the Sponsor, their related parties and associates ("**Investor**"), shall acquire or receive Units, which when taken together with Units held by the Investor and by persons acting in concert with the Investor, exceeds such percentage of the value of the outstanding Units, as may be permissible under the InvIT Regulations, unless prior approval of the Unitholders (as applicable) is obtained in accordance with the InvIT Regulations. In the event such approval is not received, the Investor shall provide an exit option to the dissenting Unitholders in terms of the InvIT Regulations and in the manner specified by SEBI.

(xii) The Trustee shall obtain and shall ensure that the Investment Manager obtains, as applicable the consent of the Unitholders (as applicable) for the matters prescribed under the InvIT Regulations in accordance with the provisions of the InvIT Regulations.

***7. Indemnification***

It is hereby expressly provided that, in addition to the fees, distributions and expense reimbursements herein described, the InvIT Assets shall be utilized to indemnify and hold harmless the Trustee, Sponsor and any of their respective officers, directors, shareholders, sponsors, partners, members, employees, advisors and agents ("**Indemnified Parties**") from and against any claims, losses, costs, damages, liabilities and expenses, including legal fees ("**Losses**") suffered or incurred by them by reason of their activities on behalf of the Trust, unless such Losses resulted from fraud, gross negligence, wilful default or wilful misconduct or breach of any obligations or duties under applicable law by the relevant Indemnified Party, as determined finally by a court of competent jurisdiction.

***8. Term and Termination of the Trust***

The Trust is subject to dissolution and termination in accordance with and subject to the InvIT Regulations and applicable law:

a) if the Trust fails to make any offer of Units, whether by way of Public Issue or Private Placement, within the time period stipulated in the InvIT Regulations or any other time period as specified by SEBI, the Trust shall surrender its certificate to SEBI and cease to operate as an investment infrastructure trust, unless the period is extended by SEBI;

b) upon the liquidation of all InvIT Assets;

c) if there are no projects under the Trust and the Trust does not invest in any project for six months thereafter;

d) delisting of the Units in accordance with the InvIT Regulations unless in accordance with the InvIT Regulations, the Trust retains its certificate of registration and continues to undertake the activity of a privately placed and unlisted InvIT; or

e) illegality of the Trust.

**The Investment Manager – TVS Infrastructure Investment Manager Private Limited**

***History and Certain Corporate Matters***

TVS Infrastructure Investment Manager Private Limited is the Investment Manager of the Trust. The Investment Manager was incorporated as Mahaveer Industrial & Logistics Parks Private Limited on November 4, 2020, in Mumbai, Maharashtra, as a private limited company under the Companies Act, 2013 with the CIN U45201MH2020PTC349428. Thereafter, the Investment Manager changed its name to TVS Infrastructure Investment Manager Private Limited and consequently a fresh certificate of incorporation dated July 14, 2023, was issued by the Registrar of Companies, Maharashtra at Mumbai with the CIN U66309MH2020PTC349428. Its registered office address is 9th Floor (Part), Iconic Building, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai 400 013 – Maharashtra, India. For details in relation to the correspondence address, contact person and contact details, please see the section entitled "*General Information*" on page 174.

***Confirmations***

In accordance with the eligibility criteria specified under the InvIT Regulations, TVS Infrastructure Investment Manager Private Limited has a net worth of not less than ₹ 100 million as on September 30, 2024. The net worth of Investment Manager as on September 30, 2024, was ₹ 122.92 million. Further, the Investment Manager meets the eligibility criteria specified under Regulation 4(2)(e) of the InvIT Regulations.

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

The Investment Manager is a fit and proper person based on the criteria as specified under Schedule II of the SEBI Intermediaries Regulations. No disciplinary action has been taken by SEBI or any regulatory authority against the Investment Manager or its directors.

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

***Background of the Investment Manager***

TVS Industrial & Logistics Parks Private Limited i.e. the Sponsor presently holds 99.99% of the equity share capital of the Investment Manager and 0.01% beneficial interest is held by Yogesh Bhargav in his capacity as a nominee of the Sponsor.

Please see below the details in relation of the board of directors of the Investment Manager:

| Sr. No. | Name | DIN | Designation |
|---|---|---|---|
| 1. | Palamadai Sundararajan Jayakumar | 01173236 | Non-Executive Director |
| 2. | Sargunaraj Ravichandran | 01485845 | Non-Executive Director |
| 3. | Aditi Kumar | 00954520 | Non-Executive Director |
| 4. | Mahalingam Seturaman | 00121727 | Non-Executive & Independent director |
| 5. | Anand Raghavan | 00243485 | Non-Executive & Independent director |
| 6. | Uma Shanmukhi Sistla | 08165959 | Non-Executive & Independent director |

In terms of Regulation 4(2)(e)(ii) of the InvIT Regulations, an investment manager is required to have at least five years of experience in fund management or advisory services or development in the infrastructure sector or the combined experience of the directors / partners / employees of the investment manager in fund management or advisory services or development in the infrastructure sector should not be less than 30 years. In this regard, the Investment Manager will be relying on the cumulative experience of certain of its directors and key personnels who are its permanent employees.

***Brief Biographies of the Directors of the Investment Manager***

Please see below brief biographies of the directors of the Investment Manager:

**Palamadai Sundararajan Jayakumar** is a Non-Executive Director of the Investment Manager. He holds a degree of Master of Commerce from University of Madras and has passed the final examination held by Institute of Chartered Accountants of India. He was also awarded a Postgraduate Diploma in Business Management from Xavier Labour Relations Institute, Jamshedpur. He has an experience of 23 years working in Citibank N.A. and has also worked with VBHC Value Homes Private Limited as a Managing Director & Chief Executive Officer from 2008 to 2015. In 2015, he was appointed by the Government of India to serve as the Managing Director and Chief Executive Officer of Bank of Baroda from 2015 to 2019. Currently, he is also serving as a director on the board of TVS Industrial & Logistics Parks.

**Sargunaraj Ravichandran** is a Non-Executive Director of the Investment Manager. He has a Bachelor of Engineering degree in agriculture from Tamil Nadu Agricultural University and a Post-Graduate Diploma in management from the Indian Institute of Management, Ahmedabad. He has also been serving as a director on the board of the Sponsor since 2007 and had previously served as a director on the board of TVS Supply Chain Solutions Limited. He has experience of more than 18 years in the supply chain sector.

**Aditi Kumar** is a Non-Executive Director of the Investment Manager. She is also a chartered accountant, a member of the Institute of Chartered Accountants in England and Wales ("**ICAEW**") and was admitted to the roll of solicitors of the Supreme Court of England & Wales. She holds a Bachelor of Law degree (with honours in economics) from University of Durham and a Master of Laws degree from University College London, along with being a Bentham Scholar. She has more than 11 years of experience across varied functional areas including law, finance and advisory. She had worked as a manager in the advisory department in PricewaterhouseCoopers LLP London for 6 years. Prior to that, she had worked as an assistant manager in KPMG LLP, Watford.

**Mahalingam Seturaman** is an Independent Director of the Investment Manager. He holds a degree of Bachelor of Commerce from University of Bombay and has passed the final examination held by the Institute of Chartered Accountants of India. Earlier, he was associated with TVS Supply Chain Solutions Limited, since February 20, 2015 till August 29, 2023. In the past, he has been associated with Tata Consultancy Services in various positions.

**Anand Raghavan** is an Independent Director of the Investment Manager. He holds a Bachelor of Commerce degree from University of Madras and is also a practicing-chartered accountant certified by Institute of Chartered Accountants of India. He was previously associated with Ernst and Young Private Limited as a Partner and Sundaram Finance Limited as Vice President – Corporate Affairs. He was also a member of committee on functioning of asset reconstruction companies and committee for revival of MSMEs in Tamil Nadu with over 20 years of experience in the field of finance.

**Uma Shanmukhi Sistla** is an Independent Director of the Investment Manager. She holds a Bachelor of Science degree from Osmania University and a Master of Business Administration (banking & finance) degree from Indira Gandhi National Open University. She is also a certificated associate of the Indian Institute of Bankers. She has more than 39 years of experience in commercial and investment banking and asset services sector. Earlier, she was associated with State Bank Group, as a president and chief operating officer at SBI Capital Market and managing director and chief executive officer of SBI – SG Global Services Private Limited, in addition to various other roles in State Bank of India.

***Details of the holding or the proposed holding by directors of the Investment Manager in the Trust***

For details, please see the section titled "*Information Concerning the Units*" on page 458.

***Brief profiles of the Key Personnel of the Investment Manager***

Please see below brief biographies of the key personnel of the Investment Manager:

**Ramnath Subramaniam** is a part of the senior management of the Investment Manager and is designated as an Executive Director* at the Investment Manager. He has completed the Master of Business Administration program from Institute for Technology and Management, Mumbai and also holds a postgraduate certificate in business management from XLRI, Jamshedpur. He also holds a degree of Doctor of Philosophy in management from Dravidian University and has received an award of certified corporate directorship from Institute of Directors. He is also a certified portfolio manager from the Council for Portfolio Management & Research. His work experience spans across both Government as well as the private sector. The positions he has held include director - strategic planning at Maharashtra Metro Rail Corporation Limited, CEO of Village Social Transformation Foundation (a Section 8 company of Government of Maharashtra), vice president at Goldman Sachs Asset Management (India) Private Limited, director of IDFC Securities and vice president - research at SSKI Securities Private Limited.

** It is further clarified that the appointment of Ramnath Subramaniam as an Executive Director shall not be construed as an appointment of an Executive Director on the Board of the Investment Manager.*

**Nitin Aggarwal** is the Chief Executive Officer at the Investment Manager. He holds a Bachelor's of Technology degree in chemical engineering from the Indian Institute of Technology, Delhi and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. He has over 16 years of experience in development/fund management in the infrastructure sector. He has been associated with the Sponsor for past 8.5 years, and, he has primary responsibilities towards overseeing finance, legal, information technology and strategic initiatives. Previously, he was associated with IFCI Limited and GE India Industrial Private Limited.

**Yogesh Bhargav** is General Manager – Secretarial & Finance at the Investment Manager and Compliance Officer of the Trust. He holds a Bachelor of Management Studies degree from the University of Mumbai and a Master of Financial Management degree from the University of Mumbai and a Master of Commerce degree from the University of Mumbai. He has also passed the examination held by the Institute of Cost and Works Accountants of India. He has over 16 years of experience in finance. He is an associate member of Institute of Company Secretaries of India. He has been associated with the Sponsor for past 14 years and is responsible for overseeing finance and secretarial initiatives. Previously, he was associated with Great Circle Carriers Private Limited and Glenmark Pharmaceuticals Limited.

***Key Terms of the Investment Management Agreement***

The Investment Manager has entered into the Investment Management Agreement, in terms of the InvIT Regulations, the key terms of which, are provided below.

***1. Power of the Investment Manager***

(i) ***Power to manage and administer the Trust and the InvIT Assets***: The Investment Manager shall take all decisions in relation to the management and administration of InvIT Assets and the investments of the Trust as may be incidental or necessary for the advancement or fulfilment of the Investment Objectives of the Trust in accordance with the InvIT Regulations and other applicable law.

(ii) ***Power to make investment and divestment decisions***: The Investment Manager shall, subject to such approval as may be required from the Unitholders, make the investment decisions with respect to the underlying assets or projects of the Trust and the InvIT Assets, including any further investments or divestments, subject to InvIT Regulations and in accordance with the Offer Document, and in this regard is also empowered to do the following acts on behalf of the Trust, including:

a) acquire, subscribe, hold, manage, trade, transfer and dispose of shares, stocks, convertibles, debentures, bonds and other equity or equity-related securities or other debt or mezzanine securities of all kinds issued by any Holding Company or any SPV or any infrastructure project, whether in physical or dematerialised form, including power to hypothecate, pledge or create encumbrances of any kind on such securities held by the Trust in such Holding Companies or Project SPVs, or infrastructure projects to be used as collateral security for any borrowings by the Trust or any Holding Company or any SPV or any infrastructure project;

b) avail commercial loans, including the power to hypothecate, pledge or create Encumbrances of any kind on the InvIT Assets as collateral security for any such loans availed by the Trust, in accordance with the InvIT Regulations and applicable law;

c) keep the capital and monies of the Trust, the Holding Companies and the Project SPVs in deposit with banks or mutual funds or other institutions, whatsoever, in accordance with the InvIT Regulations and other applicable law;

d) accept capital contributions;

e) collect and receive the profit, interest, repayment of principal of debt or debt like, or equity or equity like, mezzanine securities, dividend, return of capital of any type by the Holding Companies, or Project SPVs, or infrastructure projects and income of the Trust as and when the same may become due and receivable;

f) invest in securities or in units of mutual funds in accordance with the InvIT Regulations and other applicable law by the Trust, the Holding Companies and the Project SPVs;

g) invest in money market instruments including government securities, treasury bills, certificates of deposit and commercial papers in accordance with applicable law by the Trust, the Holding Companies and the Project SPVs;

h) undertake lending to Holdcos, Project SPVs and any other Persons permitted under applicable law;

i) enter into, execute and/or terminate any investment pooling agreements, agreements related to strategic investments, co-investment agreements, and any and all documents and instruments of a similar nature in the name of the Trust or its Holdcos, Project SPVs or other investment entities;

j) provide guarantee, security or other collateral facility in connection with any financing, borrowings or otherwise, undertaken by the Trust, Holding Companies, Project SPVs or other investment entities;

k) to appoint advisors and service providers in connection with the foregoing (including affiliates and associates of the Investment Manager, Sponsor or the Trust).

l) to give, provide and agree to provide to any Holding Companies, or Project SPVs financial assistance in the form of investment in the Trust's debt securities or share capital of any class including ordinary, preference, participating, non-participating, voting, non-voting or other class, and in the form of investment in securities convertible into share capital; and

m) to invest, acquire, purchase, hold, divest, sale, hypothecate, pledge or otherwise transfer movable property or immovable property of any kind including any rights and interest therein of the Holding Companies and the Project SPVs.

(iii) ***Power to appoint a Project Manager:*** The Investment Manager, along with the Trustee, shall, within a reasonable time from the date of execution hereof, appoint a Project Manager for the Trust, by execution of the Project Implementation and Management Agreement, for the operation and management of the InvIT Assets, in accordance with the terms and conditions set up in the Trust Deed, the Project Implementation and Management Agreement and applicable law.

(iv) ***Oversee activities of the Project Manager***: The Investment Manager shall oversee activities of the Project Manager with respect to compliance with the InvIT Regulations and the Project Implementation and Management Agreement and in terms of the InvIT Regulations and applicable law. The Investment Manager shall obtain a compliance certificate from the Project Manager in the form as may be specified by SEBI, on a quarterly basis or such other intervals as may be prescribed under applicable law.

(v) ***Objects of the Trust***: The Trustee hereby authorizes the Investment Manager to do all such other acts, deeds and things as may be incidental or necessary for the advancement or fulfilment of the Investment Objectives of the Trust, as set out in the Offer Document.

(vi) ***Power to issue and to accept subscription to Units of InvIT***: The Investment Manager shall have the power to issue and allot Units in accordance with the InvIT Regulations and within such time period as may be prescribed under applicable law. The Investment Manager shall have the power to accept subscriptions to Units of the Trust and issue and allot Units to Unitholders or such other Persons and undertake all related activities under applicable law. The Investment Manager shall also have the power to refund subscription money and pay necessary interest thereon, in accordance with applicable law. Further, the Investment Manager shall, subject to and only in accordance with the terms of the InvIT Documents and applicable law, have the power to transfer the Units.

The power of the Investment Manager is subject to the condition that, after the initial offer no Person, other than the Sponsor, its related parties and associates (the "**Investor**") shall acquire or receive Units, which when taken together with Units held by the Investor and by persons acting in concert with the Investor exceeds 25% (twenty five percent) of the value of the outstanding Units, unless prior approval of the Unitholders is obtained in accordance with the InvIT Regulations. In the event such approval is not received, the Investor shall provide an exit option to the dissenting Unitholders in terms of the InvIT Regulations and in the manner specified by SEBI.

(vii) ***Power to maintain register of unitholders***: The Investment Manager shall cause the Depository to maintain a Depository Register.

(viii) ***Power to apportion between income and capital***: The Investment Manager, in consultation with the Trustee, shall make such reserves out of the income or capital as it may deem proper, so far as the applicable law may permit. Any distribution made from such reserves shall be in accordance with the InvIT Regulations.

(ix) ***Power to borrow***: The Investment Manager shall have the power to cause the Trust to borrow funds, including any subordinated equity, commercial papers, long term loans, short term loans, bonds or other loans or funds from any Person or authority (whether government or otherwise, whether Indian or overseas) for the purpose of the Trust on such terms and conditions and for such periods and subject to any approval of the Unitholders in accordance with and as may be required in terms of the InvIT Regulations and applicable law in case of a listed InvIT. The Investment Manager shall also have the power to cause the Trust to create Encumbrances of any kind on the InvIT Assets as collateral security for any such borrowings.

(x) ***Power to exercise rights in respect of the Project SPVs/ Holding Company***: The Investment Manager shall have the power to exercise all rights of the Trust in the Project SPVs or Holding Company, including voting rights, rights to appoint directors, whether pursuant to securities held by it, or otherwise, in such manner as it deems to be in the best interest of the Trust, and in accordance with the InvIT Regulations and applicable law. Additionally, if the Trust has invested in infrastructure projects through the Holding Company or Project SPVs, then the Investment Manager, in consultation with the Trustee, shall appoint the majority of the directors of the Holding Company(ies) and/or the SPV(s), in accordance with the applicable law, as well as ensure that in every general meeting including the annual general meeting of any SPV or Holding Company, the voting of the Trust is exercised, in accordance with the InvIT Regulations and applicable law.

(xi) ***Power to appoint external advisors:*** The Investment Manager or the Team may, without any consent from any other parties, appoint external advisors or consultants for administrative, accounting, due diligence, IT, human resource services, tax, consulting or any other similar services and use such services of the external advisors and consultants and rely on the information provided as it deems necessary in its sole discretion. Any such advisor or consultants will be responsible and accountable to the Investment Manager and not the Trust/ Project SPVs/ Holding Company, and no direct relationship will be established between the advisors and the Trust/ Project SPVs/ Holding Company. Additionally, the Investment Manager will always continue to be responsible for the overall management services under the Investment Management Agreement to the Trust/ Project SPVs/ Holding Company.

(xii) ***Power to repay debt***: Subject to applicable law and the advice provided by the Investment Manager to the Trustee, the Investment Manager (through the Trustee)may cause the Trust to pay, prepay or repay any and all debt raised from any Person in accordance with the terms therein and to redeem any debt securities or other securities, obligations or instruments in accordance with the terms thereof issued to Persons in compliance with the InvIT Regulations and other applicable law.

(xiii) ***Power to appoint nominees/representatives***: The Investment Manager, in consultation with the Trustee, shall appoint such number of nominees on the board of directors or the governing board of the Project SPVs and Holdcos, as applicable, which is in proportion to the shareholding or holding interest of the Trust in such Project SPVs/Holdcos, or as may be permitted or required under the InvIT Regulations.

(xiv) ***Power to employ agents***: The Investment Manager shall have the power to employ and pay at the expense of the Trust, any agent in any jurisdiction whether attorneys, solicitors, brokers, banks, trust, companies or other agents, without being responsible for the default of any agent if employed in good faith to transact any business, including without limitation, the power to appoint agents to raise funds, or do any act required to be transacted or done in the execution of the responsibilities hereof including the receipt and payment of moneys and the execution of documents.

(xv) ***Power to appoint nominees and custodians***: The Investment Manager may appoint a Custodian in order to provide such custodian services as may be authorised by the Trustee, and may permit any property comprised in the Trust to be and remain deposited with a custodian or with any Person or Persons in India or in any other jurisdiction subject to such deposit as authorised by the Trustee and permissible under the applicable law.

(xvi) ***Power to appoint intermediaries***: The Investment Manager, in consultation with the Trustee, shall appoint and have the power to appoint, determine the remuneration and enter into, execute, deliver and terminate all documents and agreements, any contracts, agreements, including share purchase

agreement, deed of right of first offer and refusal, escrow agreements, debt documentation, underwriting agreements and other InvIT Documents, any investment pooling agreement, agreement relating to strategic investments, co-investment agreements and other any and all documents and instruments containing customary terms including contractual indemnity with Valuers, Auditors, registrar and transfer agent, merchant banker, credit rating agency or any other intermediary or service provider or agent including any amendments or supplements thereto as may be applicable with respect to the activities pertaining to the Trust in a timely manner as per the provisions of the InvIT Regulations and applicable law. The Investment Manager shall appoint an Auditor for a period of not more than five consecutive years or such period as provided in the InvIT Regulations. The Investment Manager shall have the power to determine the remuneration of the Auditors in consultation with the Trustee. Provided that in the event the Investment Manager is required to take any approval of the Unitholders for approval of remuneration of the Auditors or appointment of the Auditors, the same shall be obtained in accordance with the requirements as set out in the InvIT Regulations. The Investment Manager shall also have the power to determine the remuneration of the Valuer. The remuneration of the Valuer shall not be linked to or based on the value of the InvIT Assets being valued.

(xvii) ***Power to pay duties and Taxes***: In the event of any capital gains Tax, income Tax, stamp duty or other duties, fees or Taxes (and any interest or penalty chargeable thereon) whatsoever becoming payable in any jurisdiction in respect of the Trust or any part thereof or in respect of documents issued or executed in pursuance of the Investment Management Agreement and the Trust Deed in any circumstances whatsoever, the Investment Manager shall have the power and duty to pay all such duties, fees or Taxes (and any interest or penalty chargeable thereon) as well as to create any reserves for future potential Tax liability (and any such interest or penalty) out of the Trust's income, or to the extent of the amount invested in the Units by the Unitholders, as may be permitted under applicable law and the advice of Tax consultants, and the Trustee may pay such duties, fee or Taxes (and any such interest or penalty) on behalf of the Trust. For avoidance of doubt, it is clarified that, pursuant to this clause, no Unitholder will be required to make a contribution as a capital commitment to the Trust (other than the value for Units already paid). The Investment Manager shall also have the power to file any income-Tax returns on behalf of the Trust, and ensure compliance with income Tax provisions, as may be required under applicable law. The Investment Manager shall exercise due care and prudence in payment of duties and Taxes of the Trust and shall endeavour to ensure that there are no material outstanding dues in that behalf, except for any claim or demand made by any Tax department or authority subsequently, or any amounts disputed in good faith.

(xviii) ***Power to expend on behalf of the Trust and seek reimbursement***: The Investment Manager shall have the power to pay Trust Expenses out of the funds of the Trust, or from any or all of the InvIT Assets on behalf of the Trust and the Project SPVs, the Holding Company and the unitholders, in such proportion as may be determined from time to time, and the Investment Manager shall be entitled to reimbursement of any such expenditure duly incurred, subject to Clause 5.1.

(xix) ***Power to take counsel's opinion***: The Investment Manager, in discharge of its duties, shall have the power to take the opinion of legal / Tax counsel in any jurisdiction concerning any disputes or difference arising under the Investment Management Agreement or any matter relating to the Trust and the fee of such counsel shall be paid out of the funds held in the Trust.

(xx) ***Power to effect compromises***: Subject to applicable law, the Investment Manager shall have the power, on behalf of the Trust, to:

a) accept any property before the time at which it is transferable or payable;

b) pay or allow any equity or claim on any evidence that it thinks sufficient;

c) accept any security, movable or immovable, for any equity or other property, in lieu of any amounts payable to it;

d) alter the dates for payment of any amounts payable to it; and

e) institute, conduct, compromise, compound, or abandon any legal proceedings for or on behalf of or in the name of the Trust, or the Investment Manager (in its capacity as investment manager of the Trust) or the officers of the Investment Manager or concerning the affairs of the Trust, and also to compound and allow time for payment satisfaction of any equity due and of any claims or demands by or against the Trust and to refer any differences to arbitration and observe and perform any awards thereof;

f) allow any time for payment of any equity; and

g) subject to such approval (if any), as may be required from the Unitholders, compromise, compound, abandon, submit to arbitration or otherwise settle any equity account, claim or thing whatsoever relating to the Trust or the Investment Management Agreement.

(xxi) ***Power to re-invest***: Subject to the conditions laid down in any InvIT Documents, and the InvIT Regulations and applicable law, the Investment Manager may retain any proceeds received by the Trust from any Holding Company or SPV or infrastructure projects, including through the sale of or any Holding Company or SPV or infrastructure projects.

(xxii) ***Power to make rules***: The Investment Manager may make rules to give effect to, and carry out the Investment Objectives, subject to applicable law. In particular, and without prejudice to the generality of such power, the Investment Manager may provide for all or any of the following matters, namely:

a) manner of maintaining of the records and particulars of Unitholders;

b) norms of investment by the Trust in accordance with the Investment Objectives of the Trust and in accordance with the powers and authorities of the Trustee as set out in the Trust Deed;

c) matters relating to entrustment, deposit or handing over of any securities or shares of the Holding Company or Project SPVs of the Trust to any one or more custodians and the procedure relating to the holding thereof by the custodian;

d) such other administrative, procedural or other matters relating to the administration or management of the affairs of the Trust and which matters are not, by their very nature, required to be included or provided for in the Trust Deed or by the management thereof and which matters are not inconsistent with the Investment Objectives, the Trust Deed and the applicable law;

e) procedure for seeking the vote of the Unitholders either by calling a meeting or through postal ballot or otherwise; and

f) procedure for summoning and conducting of meetings of Unitholders.

(xxiii) ***Power to appear before relevant authorities***: The Investment Manager shall, in discharge of its duties, have the power to appear before the relevant authorities, submit information, seek clarifications from any regulatory authority and complete, sign and submit any applications or documents for any approvals, permissions, or actions that may be necessary or desirable on behalf of the Trust.

(xxiv) ***Power to restrict right to inspect***: Subject to applicable law, no Unitholder shall be entitled to inspect or examine the Trust's premises or properties (including any Holding Company, Project SPVs and infrastructure projects) without the prior permission of the Trustee, who shall give such permission, if necessary, in consultation with the Investment Manager. Further, no Unitholder shall be entitled to require discovery of any information in respect of any detail of the Trust's activities or any matter which may be related to the conduct of the business of the Trust and which information may, in the opinion of the Trustee and the Investment Manager, adversely affect the interest of other Unitholders.

(xxv) ***Power to buyback Units***: The Investment Manager may buyback the Units from the Unitholders at the end of the term of the Trust or any other time or in any other manner in accordance with applicable law.

(xxvi) ***Extension of Loans***: The Investment Manager (on behalf of the Trust) shall provide the Trustee with advice and recommendations regarding the extension of loans from the Trust to the Holding Company or the Project SPVs and also subscription to debt securities or quasi-debt securities or any similar kind of securities issued by the Holding Company and SPV from the Trust or extension of loans from the Trust in compliance with applicable law.

(xxvii) ***Other powers***: The Investment Manager shall also have the following powers and authorities:

a) to open, maintain and close one or more bank accounts and demat accounts, for the purposes of the Trust, to deposit and withdraw money and fully operate the same;

b) to make and give receipts, releases and other discharges for monies payable to the Trust and for the claims and demands of the Trust;

c) to enter into all such negotiations and contracts, and execute or terminate and do all such acts, deeds and things for or on behalf of or in the name of the Trust as it may consider expedient for or in relation to any of the matters or otherwise for the purposes of the Trust;

d) to ascertain, appropriate, declare and distribute or reinvest the surplus generally or under the Trust, to determine and allocate income, profits and gains in respect of the Trust to and amongst the Unitholders, to carry forward, reinvest or otherwise deal with any surplus and to transfer such sums, as it may deem fit, to one or more reserve funds which may be established by it;

e) to sign, execute, deliver and register according to applicable law all deeds, documents, and assurances in respect of the Trust;

f) to ascertain, assess and calculate the Net Distributable Cash Flows of the Trust in accordance with the Trust Deed, the policy adopted by the Trust, the InvIT Regulations and applicable law;

g) pay out of the income of the Trust, after deducting all expenses, the income and other distributions in accordance with the Trust Deed, the InvIT Regulations and applicable law;

h) take into their custody or control all the capital, assets, property of the Trust and hold the same in trust for the Unitholders in accordance with the Trust Deed, applicable law and the InvIT Regulations;

i) generally to exercise all such powers as it may be required to exercise under the InvIT Regulations and applicable law for the time being in force and do all such matters and things as may promote the Investment Objectives of the Trust or as may be incidental to or consequential upon the discharge of its functions and the exercise and enforcement of all or any of the powers and rights under the Investment Management Agreement, applicable law and the InvIT Regulations;

j) in accordance with applicable law, upon consultation with the Trustee, initiate, prosecute or defend any action or other proceedings in any court of law or through arbitration or in any other manner for recovery of debts or sums of money, right, title or interest, property, claim, matter or thing whatsoever now or hereafter to become due or payable or in any way and belonging to the Trust by any means or on any account whatsoever in respect of and pertaining to the investments made by it and the same actions or proceedings or suits to discontinue or settle, as it shall in its best judgment or discretion deem fit;

k) to issue statement of accounts or Unit certificates (if requested) to the Unitholders on behalf of the Trustee in accordance with applicable law. To submit Units for authorization and to make all applications and execute all documents with the Depositories and Depository participants as may be necessary in this regard;

l) to set up such systems and procedures, and submit such reports, as may be required by the Trustee as necessary for effective monitoring of the functioning of the Trust.

***2. Duties of the Investment Manager***

(i) ***Interest of the Unitholders***: The Investment Manager shall use best endeavours to carry on and conduct its business in a proper and efficient manner in the best interest of the Unitholders. Further, it shall at all times maintain high standards of integrity and fairness in all its dealings and in the conduct of its business.

(ii) ***Duty to co-ordinate with Trustee***: The Investment Manager shall coordinate with the Trustee, as the Investment Manager may deem necessary, with respect to the operations of the Trust.

(iii) ***Duty to undertake valuation***: The Investment Manager shall appoint an eligible Valuer and ensure that the valuation of the InvIT Assets is done by the Valuer(s) in accordance with the InvIT

Regulations and at the frequency as required under the InvIT Regulations. The Investment Manager shall submit the Valuation Reports to the Trustee as required under the InvIT Regulations and within the timelines prescribed in the InvIT Regulations. To the extent applicable, the Investment Manager shall also submit the Valuation Reports to the stock exchange(s) in accordance with the InvIT Regulations and applicable law.

(iv) ***Insurance***: The Investment Manager shall arrange for adequate insurance coverage for the InvIT Assets in accordance with the InvIT Regulations. The Investment Manager shall ensure that InvIT Assets held by the Project SPVs are adequately insured.

(v) ***Accounts, audit and reporting***: The Investment Manager shall maintain proper books of accounts, documents and records with respect to the Trust and Project SPVs or HoldCo, in the manner set out in the Trust Deed, to give a true, fair and accurate account of the investments, expenses, earnings, profits etc. of the Trust. The financial year of the Trust shall begin from the date of the Trust Deed and shall end on the immediately succeeding 31st of March and on the 31st of March in each succeeding year, unless otherwise determined. The Investment Manager shall ensure that audit of the accounts of the Trust by the Auditors is undertaken in accordance with the InvIT Regulations and other applicable law and such report is submitted to the stock exchange(s) within the time stipulated by the stock exchange(s), if any, and in accordance with the InvIT Regulations.

(vi) ***Reviewing and monitoring appointment of Unitholder Nominee Directors***: The Investment Manager shall facilitate the appointment of Unitholder Nominee Directors by Eligible Unitholders in the manner prescribed under the InvIT Regulations, from time to time, and shall take all actions as may be required under the InvIT Regulations and applicable law in relation to the review, monitoring and reporting of the nomination rights. In this regard, the Investment Manager shall comply with all obligations prescribed under the InvIT Regulations or applicable law from time to time, including, inter alia, informing Unitholders on a periodic basis of the right to nominate Unitholder Nominee Directors, evaluating notices from Eligible Unitholder(s) in relation to the proposed appointment of a Unitholder Nominee Director, evaluating eligibility of Unitholder Nominee Directors, review of unitholding of Eligible Unitholder(s) on an ongoing basis, taking requisite actions in relation to the withdrawal of nomination or vacation of office of Unitholder Nominee Directors, and submitting such information and reports to the Trustee in relation to Eligible Unitholder(s) and Unitholder Nominee Directors, as may be prescribed from time to time.

(vii) ***Distributions***: The Investment Manager shall declare distributions to Unitholders in accordance with the InvIT Regulations, the Trust Deed and in accordance with the policy adopted by the Trust. Subject to applicable law, such percentage of the net distributable cash flows of the Project SPVs shall be distributed to the Trust or the HoldCo (as may be applicable) in terms of the InvIT Regulations, the Trust Deed and in accordance with the policy adopted by the Trust. Such declared distributions shall be made within the time period prescribed by the InvIT Regulations, the Trust Deed and in accordance with the policy adopted by the Trust. The Investment Manager shall maintain a record (for such periods as maybe prescribed under the InvIT Regulations) of the distributions declared and made to the Unitholders.

(viii) ***Meeting of Unitholders***: The Investment Manager shall convene meetings of the Unitholders and maintain records pertaining to the meetings in accordance with the InvIT Regulations. The Investment Manager acknowledges that matters brought to vote at a meeting of the Unitholders shall require approval of such percentage of Unitholders, present and voting, in accordance with the InvIT Regulations.

(ix) ***Change in control***: The Investment Manager shall intimate the Trustee prior to any change in control of the Investment Manager to enable the Trustee to seek prior approval from the Unitholders as required in accordance with the InvIT Regulations, and prior approval from SEBI, if required under applicable law, and shall ensure that no such change is given effect to until such prior approval has been obtained, or the Investment Management Agreement is terminated and a new investment manager has been appointed in accordance with the terms hereof, or in compliance with any other requirement under the InvIT Regulations and applicable law.

(x) ***Monitoring***: The Investment Manager will monitor the Trust, including monitoring current and projected financial position of the Trust and the Project SPVs. The Investment Manager shall place before its board of directors, a report on the activity and performance of the Trust in accordance with the InvIT Regulations. The Investment Manager shall designate an employee from the Team or a director as the compliance officer for monitoring of compliance with the InvIT Regulations and any circulars or guidelines issued thereunder and intimating SEBI in case of non-compliance.

(xi) ***Maintenance of records***: The Investment Manager shall maintain records pertaining to the activity of the Trust in terms of the InvIT Regulations.

(xii) ***Adoption of Policies***: The Investment Manager shall adopt, as applicable, and shall ensure that, the Trust, the Project Manager, the Holding Companies and the SPVs adopt, policies, including corporate governance policies, policies in relation to acquisition of assets from the Sponsors and third parties, policies in relation to related party transactions, policies in relation to appointment of auditors and valuers, policies in relation to the Net Distributable Cash Flows, appointment and eligibility of Unitholder Nominee Directors, leverage policies, policies in relation to anti-bribery and anti-corruption, policies in relation to environment, safety and health, policies anti-money laundering and any other policies in relation to their activities related to the Trust ("**Policies**"), as applicable, prior to filing of the relevant Offer Document for the initial offer. The terms, such as, manner or requirement of Unitholders' approval for each of these Policies, applicability, amendment and termination, of the respective Policies shall be set out in each of the Policies.

(xiii) ***Duty in relation to the Investment Objectives***: The Investment Manager shall manage the Trust in accordance with the InvIT Regulations and the Investment Objectives of the Trust, and shall ensure that the investments made by the Trust are in accordance with the investment conditions enumerated in the InvIT Regulations, applicable law and in accordance with the Investment Objectives.

(xiv) ***Transactions entered into by the Project Manager***: The Investment Manager shall review the transactions carried out between the Project Manager and its Associates and where the Project Manager has advised that there may be a conflict of interest, shall obtain confirmation from a practising chartered accountant or a Valuer, as applicable, that such transaction is on an arm's length basis.

(xv) ***Complaint status***: The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Trust in accordance with the InvIT Regulations and applicable law.

(xvi) ***Submissions to Trustee***: The Investment Manager shall submit to the Trustee (as may be required pursuant to the InvIT Regulations, from time to time):

a) quarterly reports on the activities of the Trust including receipts for all funds received by it and for all payments made, status of compliance with the InvIT Regulations, specifically Regulations 18, 19 and 20 of the InvIT Regulations, performance report, status of development of under-construction projects, within the time period specified under the InvIT Regulations;

b) Valuation Reports as required under the InvIT Regulations within the time period specified under the InvIT Regulations;

c) proposal or decision to acquire, sell or develop, or bid for any asset or project or expand existing completed assets or projects along with rationale for the same;

d) details of any action which requires approval from the Unitholders as may be stipulated under the InvIT Regulations;

e) details of transactions it enters into with its Associates;

f) details of any other material fact including change in its directors, change in its shareholding, any legal proceedings that may have a significant bearing on the activity of the Trust, within such period as stipulated under applicable law;

g) details, including reports and any other information, in relation to Eligible Unitholders or Unitholder Nominee Directors, as stipulated under the InvIT Regulations and applicable law, from time to time;

h) such information, document and records as pertaining to the activities of the Trust as may be required under the InvIT Regulations and as may be reasonably necessary for the Trustee with respect to its responsibilities under the Trust Deed, the InvIT Regulations and applicable law; and

i) such other information, document and records as pertaining to its activities, obligations, duties and responsibilities under the Investment Management Agreement, the InvIT Regulations and applicable law, as may be reasonably necessary for, and sought by, the Trustee.

In the event of failure of the Investment Manager to submit information or reports as specified above in a timely manner and in terms of the InvIT Regulations, the Trustee shall intimate SEBI.

(xvii) ***Submissions to Unitholders***: The Investment Manager shall submit to the Unitholders such information, document and records as pertaining to the activities of the Trust or having bearing on the operation or performance of the Trust as may be required under the InvIT Regulations.

(xviii) ***Offer, Issue and Listing of Units***: The Investment Manager shall be responsible for all activities pertaining to the offer, issue and listing of the Units of the Trust, as applicable, in accordance with applicable law, including:

a) filing of Offer Document with SEBI;

b) filing the Offer Document with the stock exchange(s), in the event the Trust is listed or proposes to be listed, within the prescribed time period;

c) dealing with all matters up to the allotment of Units to the Unitholders;

d) obtaining in-principle approval and final listing and trading approvals from the designated stock exchange, in the event the Trust is listed or proposes to be listed; and

e) dealing with all matters relating to the issue and listing of the Units as specified under Chapter IV of the InvIT Regulations and all matters relating to the offer and issue of Units under Chapter VIA of the InvIT Regulations and any guidelines as may be issued by SEBI in this regard, as applicable. In the event the Trust is listed, the Trust shall also comply with the minimum public holding for the Units and minimum number of Unitholders as prescribed under the InvIT Regulations.

The Investment Manager shall also ensure that all relevant provisions of the InvIT Regulations and applicable law have been complied with and all statements and disclosures made in any Offer Document are material, true, correct, not misleading and are adequate disclosures in order to enable the investors to make an informed decision and are in accordance with the InvIT Regulations and applicable law, and such Offer Document should not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(xix) ***Delisting of units and winding up of the Trust***: In the event the Trust is listed and in case of occurrence of any event specified in Regulations 17(1)(a) to 17(1)(g) of the InvIT Regulations, the Investment Manager shall apply for delisting of units of the Trust to SEBI and the designated stock exchanges in accordance with the InvIT Regulations and applicable law.

(xx) ***Submission of annual report***: The Investment Manager shall, within the time period prescribed under the InvIT Regulations, submit annual report of the Trust to all the Unitholders electronically or provide physical copies, and to the designated stock exchange.

(xxi) ***Compliance Certificate***: The Investment Manager shall provide a compliance certificate to the Trustee on a quarterly basis in accordance with InvIT Regulations.

(xxii) ***Title to the InvIT Assets***: The Investment Manager shall ensure that the InvIT Assets have proper legal title, if applicable, and that all material contracts entered into on behalf of the Trust or the Holdco/SPV are legal, valid, binding and enforceable by and on behalf of the Trust or the Holdco or SPV.

(xxiii) ***Continuous disclosures to the stock exchange(s)***: In the event the Trust is listed, the Investment Manager shall, in accordance with the requirements of the InvIT Regulations and other applicable law, including any requirements prescribed by SEBI or the stock exchange(s) from time to time, disclose half-yearly reports within the time period prescribed under the InvIT Regulations to the stock exchange(s) and provide any information having bearing on the operation or performance of

the Trust, as well as price sensitive information and other information that is required in terms of the InvIT Regulations and applicable law.

(xxiv) ***Other Duties***: Without prejudice to any other provision of the Investment Management Agreement, the Investment Manager will also have the following duties and obligations:

a) ensure that computation and declaration of Net Asset Value of the Trust is based on the valuation done by the Valuer in accordance with the InvIT Regulations and applicable law and is disclosed to the stock exchanges in accordance with the InvIT Regulations and applicable law, if applicable;

b) maintain regular interaction with the Trustee regarding performance of the Trust and providing the Trustee with any information in relation to the operations of the Trust as maybe required under applicable law;

c) conducting its affairs and the affairs of the Trust in such a manner that no Unitholder will have any personal liability (except to the extent of their Unitholding, where such Unit is partly paid) with respect to any liability or obligation of the Trust;

d) keeping the Unitholders of the Trust informed and updated on investment activities of the Trust in accordance with the terms of the InvIT Documents;

e) collecting all dividends, fees, property and other payments due and receivable by the Trust declaring distribution to the Unitholders in the manner set out in the Trust Deed and in terms of the InvIT Regulations and applicable law;

f) ensure that no commission or rebate or any other remuneration, arising out of transactions pertaining to the Trust is collected by it or its Associates, other than as specified in the Offer Document or any other document as may be specified by SEBI for the purpose of the issue of the Units of the Trust;

g) ensure that the Project SPVs, have proper legal titles, to the extent applicable, and that all the material contracts entered into on behalf of the Trust or the Project SPVs are legal, valid, binding and enforceable by and on behalf of the Trust and the Project SPVs;

h) ensure that the activities of the intermediaries or agents or service providers appointed by it are in accordance with the InvIT Regulations or any guidelines or circulars issued thereunder;

i) ensure that any possible conflict of interest involving its role as Investment Manager is reported to the Trustee;

j) ensure that disclosures or reporting to Unitholders, SEBI, the Trustee and the designated stock exchange are in accordance with the InvIT Regulations and applicable law and rectify any delay or discrepancy or non-compliance of reporting or disclosure requirements under the InvIT Regulations and applicable law on an urgent basis;

k) provide SEBI, the designated stock exchange and Trustee, where applicable, such information as may be sought by SEBI or by the designated stock exchange(s) or Trustee pertaining to the activity of the Trust;

l) to inform the Trustee in writing about any change in the representations and warranties provided by it under Clause 11.3 during the term of the Investment Management Agreement;

m) agrees to undertake/ assist Trustee in undertaking all the compliances including signing and verifying any Tax returns that the Trust may be required to file under the applicable law; and

n) taking any other actions reasonably incidental to any of the foregoing, or necessary or convenient in order to fully effect or evidence any action or transaction contemplated under the Investment Management Agreement.

(xxv) The Investment Manager shall provide to the Trustee such assistance as may be required by the Trustee in fulfilling its obligation towards the Trust under applicable law or as may be required by any regulatory authority with respect to the Trust.

***3. Liabilities of the Investment Manager***

(i) ***Bona fide action by the Investment Manager***: The Investment Manager shall not be liable in respect of any action taken or damage suffered by it on reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganization or, without being limited in any way by the foregoing, other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate government authorities, authorised Persons or entities.

(ii) ***Acts or things required to be done by the Investment Manager under law***: The Investment Manager shall not be liable to the Unitholders for doing or failing to do any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action, whether of binding legal effect or not, which may be taken or made by any Person or body acting with or purporting to exercise the authority of any government (legally or otherwise) it shall be directed or requested to do or perform or to forbear from doing or performing. If for any reason it becomes impossible or impracticable to carry out any of the provisions of the agreement, the Investment Manager shall not be under any liability. However, it shall duly inform the Trustee and the Unitholders of the same.

(iii) ***Information regarding the Trust***: If the Investment Manager is required or reasonably believes that it is required, by the InvIT Regulations or any other applicable law to provide information regarding the InvIT or the Unitholders, the Trust investments and income therefrom and provisions of these presents and complies with such request in good faith, whether or not it was in fact enforceable, the Investment Manager shall not be liable to the Unitholder or any of them or to any other party as a result of such compliance or in connection with such compliance.

(iv) ***Depletion in the value of the Trust corpus***: The Investment Manager shall not incur any liability for any act or omission which may result in a loss to a Unitholder by reason of any depletion in the value of the InvIT Assets or otherwise, except in the event that such loss is a result of fraud or gross negligence or wilful default on the part of the Investment Manager, or where the Investment Manager fails to exercise due care in relation to its obligations under the Agreement.

(v) ***Distribution***: If the Distributions, after being declared, are not made within the period prescribed in the InvIT Regulations, the Investment Manager shall be liable to pay interest to the Unitholders at the rate as may be prescribed in the InvIT Regulations until the distribution is made, and such interest shall not be recovered in the form of fees or any other form payable to the Investment Manager by the Trust.

(vi) The Investment Manager shall not be liable to any Unitholder for the authenticity of any signature or of any seal affixed to any endorsement or other document affecting the title to or the transmission of Units or interests in the Trust or of any investments of the Trust or be in any way liable for any forged or unauthorized signature or seal affixed to such endorsement, transfer or other document, or for acting upon or giving effect to any such forged or unauthorized signature or seal. The Investment Manager shall be bound to require that the signature of any Unitholder to any document required to be signed by such Unitholder, under or in connection with these presents shall be verified to its reasonable satisfaction.

(vii) The Investment Manager shall continue to be liable for all of its acts of omission and commission with respect to the activities of the Trust, notwithstanding surrender of registration of the Trust to SEBI.

(viii) ***Suits, proceedings or claims against the Trust***: The Investment Manager shall not be under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceedings or claim (including Tax proceedings) in respect of the provisions of the Investment Management Agreement or other InvIT Documents in respect of the Investments or any part of such Investments or any corporate or shareholders' action which in its opinion would or might involve expense or liability unless it is satisfied that the value of the Investment is sufficient to provide adequate indemnity against costs, claims, damages, expenses or demands to which it may be put as the trustee as a result thereof.

***4. Indemnification***

In addition to the fees, distributions and expense reimbursements herein described, the Trustee shall on behalf of the InvIT, from the InvIT Assets, indemnify and hold harmless the Investment Manager and its respective officers, directors, shareholders, partners, members, employees, advisors and agents ("**Indemnified Parties**") from and against any claims, losses, costs, damages, liabilities, suits, proceedings and expenses, including legal fees ("**Losses**") suffered or incurred by them by reason of their activities on behalf of the Trust, unless such Losses have resulted from fraud, gross negligence, wilful default or wilful misconduct or material breach of any obligations or duties under applicable law by the relevant Indemnified Party, as determined by a court of competent jurisdiction.

The Trustee, its directors, employees and officers ("**Trustee Party**") shall be indemnified by the Investment Manager against any and all direct and actual losses, actions, claims, suits, proceedings, damages, liabilities, costs and expenses including legal fees, incurred or suffered by the Trustee Party in connection with the material breach of any of the terms of the agreement by the Investment Manager, or failure in furnishing information required by SEBI or any regulatory authority with respect to the Trust, or furnishing incorrect information by the Investment Manager under the InvIT Regulations or related to Trust including in any Offer Document, if arising out of gross negligence, wilful default or misconduct or fraud on part of the Investment Manager, in carrying out its obligations under the Investment Management Agreement, Trust Deed, the other InvIT Documents, any information memorandum, Offer Document and applicable law. The Trustee acknowledges and agrees that the aggregate maximum liability of the Investment Manager in each financial year with regard to Clause 9 of the Investment Management Agreement, shall be limited to the aggregate fees paid to the Investment Manager for the immediately preceding one financial year, in accordance with the terms of the agreement.

***5. Termination***

(i) Subject to the other provisions of the Agreement, including Clause 10 of the Investment Management Agreement, the Investment Management Agreement shall continue during the term of the Trust and shall terminate upon dissolution of the Trust.

(ii) The Investment Management Agreement shall be effective from the date of execution of the Agreement and shall terminate in accordance with the terms of the Agreement.

(iii) The appointment of the Investment Manager may be terminated by the Trustee in accordance with the procedure specified under the InvIT Regulations.

(iv) Unitholders, other than any party related to the transactions and its Associates holding not less than such percentage by value as specified under the InvIT Regulations, may apply in writing to the Trustee for removal of the Investment Manager.

(v) Subject to the approval of Unitholders (if required) and compliance with other requirements under applicable law, the Investment Management Agreement may be terminated:

a) by the Investment Manager by delivery of a written notice of 30 (thirty) Business Days to the Trustee, subject to appointment of new Investment Manager in accordance with Clause 10.6 and the InvIT Regulations; or

b) by the Trustee by delivery of a written notice to the Investment Manager at any time, upon material breach of any of the terms, covenants, conditions or provisions of this Agreement by the Investment Manager and a failure of the Investment Manager to cure the said breach within a period that is earlier of: (i) the period stipulated under applicable law, or (ii) such period as may be reasonably required for remedy of such failures, subject to a minimum of 60 Business Days; or (iii) such other period as may be mutually agreed to cure such breach; or

c) by any Party by delivery of a written notice to the other Party upon the bankruptcy of such other Party, or if winding up or liquidation proceedings are commenced against such other Party, and such proceedings persist for a period of more than three months.

(vi) After prior approval from the Unitholders and SEBI in accordance with the InvIT Regulations, for the change in the Investment Manager due to removal or otherwise, the Trustee shall appoint a new investment manager and execute a new investment management agreement within three months from the termination of the previous investment management agreement in accordance with

applicable law, and the terms of such appointment and agreement shall not be on more favourable terms and conditions. The Trustee shall also ensure that the new investment manager stands substituted as a party in all documents to which the Investment Manager was a party, in relation to the Trust in its capacity as the Investment Manager. The Investment Manager shall remain in office until the appointment of a new investment manager. The Investment Manager shall continue to be liable for all of its acts, omissions and commissions during its tenure as Investment Manager, notwithstanding the termination.

(vii) Upon removal or replacement of the Investment Manager in accordance with the InvIT Regulations, the Investment Manager shall, within a period of 30 (thirty) Business Days, transfer custody of the Trust to the Trustee and give the Trustee all books of accounts, correspondence, documents and records relating to the Trust which the Investment Manager has in its possession. In the event of removal or resignation of the Investment Manager, the Investment Manager shall be entitled to receive Management Fees only up to the date of effectiveness of such removal or resignation.

(viii) Notwithstanding anything contained hereinabove, (a) in the event that the offer of Units does not occur within the time period stipulated in the InvIT Regulations or such other date as may be mutually agreed to between the Investment Manager and the Trustee, or (b) in the event of cancellation of registration of the Trust by SEBI, or (c) winding up of the Trust, then the Agreement shall automatically terminate without any liability on any Party.

**The Project Manager – TVS Industrial & Logistics Parks Private Limited ("Project Manager")**

***History and Certain Corporate Matters***

TVS Industrial & Logistics Parks Private Limited is the Sponsor and Project Manager of the Trust. For details in relation to the corporate history of the Sponsor and Project Manager, please see the section entitled "*Parties to the Trust – The Sponsor – TVS Industrial & Logistics Parks Private* Limited" on page 178.

***Background of the Project Manager***

For details in relation to the background of the Sponsor and Project Manager, please see the section entitled "*Parties to the Trust – The Sponsor – TVS Industrial & Logistics Parks Private* Limited" on page 178.

The Project Manager is engaged in business of constructing and maintenance of warehouses in India. It is proposed that the Project Manager will oversee the operations and maintenance of the entire portfolio of the warehouses proposed to be held by the Trust.

***Confirmations***

Neither the Project Manager nor any of the promoters or directors of the Project Manager (i) is debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; or (iii) is in the list of wilful defaulters published by the RBI.

***Other confirmations***

As on the date of this Draft Placement Memorandum, the Project Manager is in compliance with the eligibility criteria provided under Regulation 4 of the InvIT Regulations and is a "fit and proper person" based on the criteria as specified under Schedule II of the SEBI Intermediaries Regulations. No disciplinary action has been taken by SEBI or any regulatory authority against the Project Manager or its directors.

***Key terms of the Project Implementation and Management Agreement***

The Trustee, the Project Manager, the Investment Manager and the Project SPVs/ Holdco will be entering into a project implementation and management agreement ("**PIMA**"), which shall set out obligations of the Project Manager with respect to operations and management of the assets owned by the Trust, whether directly or through SPVs or Holdco, and shall include all rights, interests and benefits arising from and incidental to ownership of such assets, in accordance with the InvIT Regulation ("**InvIT Assets**"), the key terms of which, are provided below:

***1. Scope of Services***

The Project Manager shall undertake project implementation, execution, operations, maintenance and management as

per the terms and conditions of the Project Agreement and Applicable Law, either directly or through the appointment and supervision of service providers or agents, including as follows:

I. Business Plan and Objectives

(i). Prepare or assist the Investment Manager in preparing a draft business plan (with respect to operations and maintenance of the InvIT Assets or for such heads as may be required) on an annual basis and obtain the approval and instructions of the Project SPV one month prior to closure of previous financial year or such other period as may be agreed.

(ii). Refer to the Project SPV for approval of any material changes to any approved business plan.

(iii). Recommend or undertake steps which in the opinion of the Project Manager are necessary to enable the Project SPV to achieve their objectives.

II. Project implementation and execution

(i). Undertaking or Supervision (as the case may be) of the engineering, procurement and construction works in relation to the InvIT Assets ("**for under-development assets**"), if any, as may be required, including completion of all outstanding capital works in respect of the InvIT Assets, to the extent applicable, and in procuring the relevant approvals and certificates in relation to such constructions, where applicable.

(ii). Review engineering and design documents prepared by a third party consultants.

(iii). Represent the Project SPVs/ Holdco in respect of commercial correspondence and the InvIT Assets and ordinary management towards Agents.

(iv). Coordination and undertaking of any and all activities required to be performed by the Project SPVs/ Holdco pursuant to any communication from the relevant authorities or any other Governmental Authorities.

(v). Provide assistance, wherever sought by the Project SPVs/ Holdco or considered expedient by the Project Manager, in relation to the following:

(vi). liaising with Governmental Authorities in connection with the InvIT Assets;

a) sending appropriate responses to notices from the Governmental Authorities and coordinating with them to obtain appropriate approvals, if any, for the InvIT Assets;
b) supporting the Project SPVs/ Holdco in resolving any new right-of-way or local issues in order to enable unhindered operations; and
c) submitting appropriate reports on interactions with Governmental Authorities in relation to the InvIT Assets.

(vii). Provide technical assistance, as may be required.

(viii). Provide ESG and related services, as may be required;

(ix). Provide construction / other activities schedule, including but not limited to GNATT charts, and periodic update with respect to actual progress against estimated schedule provided.

III. Estate Operations & Maintenance

(i). Undertake the operations and maintenance for the InvIT Assets which shall include performance optimization through central monitoring, procurement, invoicing and all commercial matters and

supervising any operations and maintenance works undertaken by the Project SPVs/ Holdco and the agents as per as local site conditions and site requirements;

(ii). Undertake routine and preventive maintenance of the InvIT Assets on a scheduled basis to ensure the continued safety and integrity of assets and to compile information for subsequent analysis and planning. Preventive maintenance comprises the following activities:

a) visual inspections, line patrols and testing to confirm the safety and integrity of assets and identify follow up work.

b) activities performed to monitor asset condition and provide systematic input to asset health analysis.

c) routine tasks performed on the asset to ensure condition is maintained at an acceptable level.

(iii). Undertake corrective maintenance to restore an asset to service, make it safe or secure, prevent imminent failure or address defects. Corrective work includes:

a) urgent repairs to equipment required to address risks to safety, the environment or operations.

b) unforeseen work necessary to repair damage, or prevent failure or rapid degradation of equipment.

c) patrols or inspections following a failure to assess public safety risk and asset condition related to the fault.

d) performing root cause analysis of faults, outages and unforeseen events in order to ensure minimum downtime of the project and provide the Project SPVs/ Holdco with any data, information and results of such analysis.

(iv). Undertake emergency maintenance to restore an asset to service in case of disruption at the shortest possible time.

(v). Refer and make recommendations concerning any opportunities for enhancement or improvement or repairs of the InvIT Assets.

(vi). Refer and make recommendations concerning the appointment of any consultants, professional teams or contractors including the terms of such appointments or contracts and the basis of any fees, costs or expenses that are proposed relating to any proposed enhancement or improvement or repairs as may be needed.

(vii). Undertake a common area maintenance audit in relation to the Project within one month of each subsequent year from the term of this Agreement.

(viii). Obtain insurance policies, in consultation with the Investment Manager, from time to time and carry out the duties relating to insurance of the project and make claims if required with the approval of the Project SPV.

(ix). Assisting SPVs in managing the payment of property tax and other taxes as may be required for the operation of the asset.

(x). Assisting in adhering to environment, social and governance norms, safety norms and implementation of best practices in relation to InvIT Assets.

IV. Review and Reporting

(i). Prepare or assist the Investment Manager in preparing an annual forecasted expense operating budget (with respect to operations and maintenance of the InvIT assets or for such heads as may be required).

(ii). Assist the Investment Manager in performing accurate and timely accounting services for all expenditures in relation to the Services which shall include, but shall not be limited to, monthly and quarterly operating reports.

(iii). Prepare and submit to the Project SPV not later than the 30th working day of each quarter an account of all income received and expenditure incurred in the preceding month.

(iv). Within 1 (one) month after the end of each financial year during the term of this Agreement, arrange or assist the Investment Manager in arranging for an annual audit of all books, accounts, and records kept in respect of the Project, to the Project SPV's satisfaction.

(v). Keep the Investment Manager informed and implement quarterly and annual reporting framework as may be required under the InvIT Regulations.

(vi). Provide the Trustee such information as may be required for stock exchange filings and to ensure compliance with the SEBI InvIT Regulations and the guidelines and circulars issued pursuant thereto.

(vii). Provide copies of any summons, subpoena or other like legal process including any notices letters or other communications relating to the Project or the Project SPV received from any judicial, administrative or government or statutory authorities.

V. Defining policies and procedures

(i). Project Manager will implement policies with an objective to ensure that any tenant's installations or alterations are carried out in accordance with the terms of their leases and documented fit out guidelines.

(ii). Define and implement policies around occupational, health and safety.

(iii). Implement systems for maintenance and reporting of up to date register of all tenants.

(iv). Implement the reports, budgets and recommendations in accordance with the approved business plan.

VI. Business Development and Leasing

(i). Negotiate the terms of the grant of any lease or any part thereof or any re-acquisition of existing tenants' interests or any reconfiguration of space within the Project and report to the Project SPV with recommendations concerning the same, procuring, leases and registration.

(ii). Act as single point of contact for occupier/lessee representatives in relation to lease negotiations.

(iii). Supervise, control and use reasonable endeavours to procure the observance by the tenants of the conditions of their tenancies and advise the Project SPV in writing of any default on the part of any tenants

(iv). In the event of any Premises within the project being or becoming vacant, use reasonable endeavours to obtain a tenant for such premises with the least possible delay on terms and conditions in line with the business plan.

(v). Assist the making/processing of any applications for consent required from any local or other authority relating to the granting of any tenancies.

(vi). Review and report on current portfolio status on a quarterly basis, identifying future expiries, renewals, prospects and recommended strategy on a rolling quarterly basis and in accordance with the business plan.

(vii). Make recommendations concerning a promotion and marketing strategy for the project.

(viii). Identifying potential clients/ tenants as well as maintaining relationships with them and International & local property consultants, etc.

VII. Accounts Payable and Receivables

(i). Arrange for the invoicing and collection and payment of all revenue and expenditure due to or payable by the Project SPV whether under leases or otherwise in accordance with the terms and conditions of the lease.

(ii). Issue rental accounts to tenants, including details of all charges due, in accordance with the terms and conditions of the respective leases.

(iii). Regularly review any arrears of rental and any other charges due under the leases. Attend to payment of all rates, taxes and statutory assessments relating to the project.

(iv). Pursue all monies due to the Project SPV by way of rent, common area maintenance fee or otherwise in respect of the Project are paid to the Project SPV.

VIII. Statutory, Legal, Risk and Policies

(i). Review all statutory assessments in respect of the project and make recommendations to the Project SPV where it believes a challenge or an appeal of any assessments is appropriate.

(ii). Make recommendations to the Project SPV (which the Project SPV may accept or reject in its absolute discretion) about necessary and reasonable action, (excluding legal proceedings), to enforce (i) all leases and maintenance and service contracts in respect of the project (excluding legal proceedings), (ii) the performance of all Laws applicable to tenants, contractors or consultants concerning their behaviour in the project.

IX. Business Support and Other services

(i). Provide business support services including but not limited to the following activities to be undertaken by the Project SPVs/ Holdco:

a) hire, train and retain such personnel as may be required to manage and perform the services as defined in the Agreement and notify the Project SPVs/ Holdco of such appointment;

b) Do all such acts and things as are necessary for the effective management, operation, conduct and promotion of the Project including performing its obligations under the agreement properly, with due diligence and compliance with applicable laws; and

c) Take reasonable endeavors to promote the business interests of the Project SPV and maintain and enhance the reputation of the Project SPV and the Project at all times.

**2. *Duties of the Project Manager***

The duties of the Project Manager in terms of the Project Implementation and Management Agreement, *inter alia*, includes the following:

(i) The Project Manager shall, either directly or through the appointment and supervision of appropriate

Service Providers or agents, provide services in relation to the InvIT Assets as may be necessary for the discharge of its duties and obligations under the terms of the PIMA, InvIT documents and under the InvIT Regulations.

(ii) The Project Manager shall, either directly or through agents, oversee the progress of development, approval status and other aspects of the InvIT Assets that may be under development or is to be established until its completion and discharge all obligations in respect of execution of the projects, wherever applicable, including the supervision of agents appointed for such purpose.

(iii) The Project Manager shall, either directly or through agents, discharge all obligations in respect of the maintenance, operation and management of the infrastructure projects which have commenced operations in accordance with the scope of work set out in the PIMA and as may be specified in the relevant agreements and applicable law.

(iv) The Project Manager acknowledges that the Trustee and the Investment Manager will oversee the activities undertaken by the Project Manager in accordance with the InvIT Regulations and the InvIT Documents accordingly, the Project Manager shall extend complete co-ordination to enable the Trustee and the Investment Manager to perform such obligations in accordance with the InvIT Regulations and the InvIT Documents. The Project Manager shall provide compliance certificate(s), as may be specified, to the Investment Manager and the Trustee in accordance with the InvIT Regulations, in the form prescribed by SEBI, if any.

(v) The Project Manager shall at all times ensure that the transactions or arrangements entered into by the Project Manager with a related party, in so far as such transactions or arrangements pertain to the InvIT, the InvIT Assets or this Agreement, are on an arm's-length basis and shall provide the Investment Manager with details of transactions carried out between itself and its associates and disclose any conflict of interest in such cases to the Investment Manager, in the form specified under the InvIT Regulations.

(vi) The Project Manager shall, either by itself or through its agents provide to the Trustee and the Investment Manager or to such other person as the Trustee and/or the Investment Manager may direct, all information that may be necessary for each of them to maintain the records of the InvIT Assets and as may be required for making submissions to SEBI or any other Governmental Authority, including with respect to relevant approvals, consents and other documents required in relation to the InvIT Assets and the reporting requirements under the InvIT Regulations, in a proper and timely manner, and in the format prescribed (if any), as required by the Trustee and /or the Investment Manager. Further, the Project Manager shall, either by itself or through its agents provide reasonable assistance to the Project SPVs/ Holdco to apply for, obtain and maintain all necessary approvals (and renewals of the same) that each of the Project SPVs/ Holdco is required to obtain from or file relevant applications for approvals with any Governmental Authority in connection with InvIT Assets or as may be required under any third party agreement entered into by the Project SPVs/ Holdco.

(vii) The Project Manager may appoint one of its qualified employees, reasonably acceptable to the Investment Manager and the Project SPVs/ Holdco, with adequate and appropriate experience as a principal contact for the board of directors of the Project SPVs/ Holdco, the Trustee and the Investment Manager in relation to the services. The Project Manager shall have full authority to receive directions and instructions from each of the Project SPVs/ Holdco and to take actions in relation to and ensure compliance with such directions and instructions and report back to each Project SPV, the Trustee and the Investment Manager.

(viii) The Project Manager shall promptly inform the parties in writing, of any act, occurrence or event, which the Project Manager believes is reasonably likely to increase the cost of or the time for implementation taken in relation to any InvIT Asset, or materially change the financial viability, quality or function of any InvIT Asset.

(ix) If any defects are found in the maintenance, materials and workmanship of the services provided under the PIMA by the Project Manager and/or by the employees, contractors, consultants, agents, professionals and workmen (including contract labour), and such defects are established to be attributable to the Project Manager for the respective the employees, contractors, consultants, agents, professionals and workmen (including contract labour), the Project Manager shall promptly, in consultation and agreement with the other Parties, regarding appropriate remedying of the defects including through its Agents, repair, replace or otherwise make good such defects.

(x) The Project Manager shall be liable to the other parties for any direct loss or damage attributable to the breach of the obligations of the Project Manager including those of the employees, contractors, consultants, agents, professionals and workmen (including contract labour), under the PIMA. The Trustee and the Investment Manager acknowledge and agree that the aggregate maximum liability of the Project Manager in each financial year shall be limited to an amount equivalent to the fee payable to the Project Manager in such financial year in accordance with the terms of this Agreement, as applicable, unless the loss or damage caused is due to gross negligence, fraud or wilful default of the Project Manager.

(xi) The Project Manager shall also be liable for leasing and client management and facility management responsibilities of the SPVs.

(xii) The Project Manager shall not be held liable for any failure to perform its obligations hereunder, or for any delay in the performance thereof, due to reasons beyond its control, including, but not limited to, acts of God, public enemy, expropriation or acts of government or any changes in the applicable law or regulation including changes in market rules, currency restrictions, devaluations or fluctuations, market conditions affecting the execution or settlement of transactions or the value of assets and breakdown, natural disaster, epidemic, pandemic, lockdowns, riots, civil commotion or unrest, strikes or lockouts, fire, floods, war, explosions or earthquakes, acts of terrorism, systems failure, power outages or communication failures or malfunction of any telecommunication and information technology systems.

(xiii) The duties of Project Manager shall also, *inter alia*, include the following:

a) supervision of revenue streams from the InvIT Assets and providing the necessary certification as may be required under the applicable law and the InvIT Regulations;

b) execution and timely completion of activities in relation to the InvIT Assets under development or to be developed in accordance with and in the manner contemplated in any agreement entered into by the relevant Project SPV with the Project Manager in this regard;

c) complying with the InvIT Regulations and take all actions as may be required to be taken in accordance with the InvIT Regulations as applicable to the Project Manager;

d) exercising diligence and vigilance in carrying out its duties and protecting the InvIT Assets, in accordance with the Applicable Law and InvIT Regulations;

e) keeping the Investment Manager informed on all matters which have a material bearing on the operations of the InvIT Assets;

f) liaising with governmental authorities in respect of its obligations under this Agreement as may be required;

g) taking appropriate measures to mitigate the risks which may be encountered by the InvIT in respect of the InvIT Assets;

h) keeping proper records for actions taken by itself in respect of the InvIT Assets; and

i) complying with the instructions of the Investment Manager and the Trustee for the performance of its obligations as a project manager, in terms of the InvIT Regulations and other applicable law.

(xiv) The Parties may, from time to time, agree to provisions for additional services to be rendered by the Project Manager. If, in the assessment of the Project Manager, additional services are required for the purposes of carrying out its duties and obligations under the PIMA and applicable law, the Project Manager shall notify the parties in writing of such requirement and obtain prior written approval of the Parties in this regard.

**3.** ***Indemnity***

(i) The Trustee, the Investment Manager, the Project SPVs/Holdco and their respective directors, employees, officers and the InvIT ("**Indemnified Parties**") shall be indemnified by the Project Manager against any Losses incurred or suffered by the Indemnified Parties, arising out, resulting of or relating to: (i) any misrepresentation or any breach of the warranties made by the Project Manager or the terms or covenants or obligations under the PIMA by the Project Manager; (ii) any

failure in furnishing information required by SEBI or any regulatory authority with respect to the InvIT, or furnishing wrong information by the Project Manager under the InvIT Regulations or related to the InvIT, including in any offer documents, or arising out of gross negligence, wilful default or fraud on part of the Project Manager, in carrying out its obligations under this Agreement, the other InvIT Documents any information memorandum / offer documents and applicable law (to the extent that such failure is not attributable to provision of information or wrong information to the Project Manager by the Indemnified Parties).

(ii) The Trustee, the Investment Manager and the Project SPVs/Holdco acknowledge and agree that the aggregate maximum liability of the Project Manager in each financial year shall be limited to an amount equivalent to the fee payable to the Project Manager in such financial year in accordance with the terms of the PIMA, provided that such aggregate maximum liability shall not be applicable in the event such liability of the Project Manager arises out of any gross negligence, wilful default or wilful misconduct or fraud of the Project Manager.

**4.** ***Termination***

(i) This Agreement shall remain valid and effective, from the Effective Date, unless terminated by the Parties in accordance with the provisions hereto.

(ii) This Agreement may be terminated:

a) by the Investment Manager after consultation with the Trustee, by delivery of a prior written notice of the period mentioned in the PIMA to the Project Manager, subject to appointment of new project manager in accordance with PIMA and the InvIT Regulations; or

b) by the Investment Manager after consultation with the Trustee, by delivery of a written notice to the Project Manager at any time, upon breach of any of the terms, covenants, conditions or provisions of this Agreement by the Project Manager and a failure of the Project Manager to remedy the said breach within such period as indicated in the PIMA or such other period as may be mutually agreed to cure such breach; or

c) by any party by delivery of a written notice to the other party upon the bankruptcy of such other party or if winding up or liquidation proceedings whether voluntary or involuntary are commenced or admitted against such other party (and such proceedings persist for a period of more than three months); or

d) on mutual agreement, in writing, between the parties.

(iii) Notwithstanding anything contained hereinabove, the Trustee, in consultation with the Investment Manager, shall appoint a new project manager and execute a new PIMA within three months from the termination of the earlier PIMA in accordance with applicable law. The Trustee and Investment Manager shall also ensure that the new project manager stands substituted as a party in all documents to which the Project Manager was a party. The Project Manager shall remain in office until the appointment of a new project manager. The Project Manager shall continue to be liable for all its acts, omissions and commissions committed prior to the termination of PIMA, notwithstanding its termination.

(iv) The termination of the PIMA shall not affect the rights and obligations of the Parties accrued prior to such termination.

(v) In case of termination the Project Manager shall be entitled to and the Trustee shall be liable to pay to the Project Manager, the fee accrued up to the date of termination of services. The fee shall be paid to the Project Manager within such period as indicated in the PIMA, from the date of receipt of demand in this regard from the Project Manager failing which the fee, or any part thereof, which remains outstanding shall attract interest at the rate mentioned in the PIMA.

(vi) Notwithstanding anything contained hereinabove, (a) in the event that the private placement of the Units does not occur within the time period stipulated in the InvIT Regulations or such other date as may be mutually agreed to between the parties, or (b) in the event of cancellation of registration of the InvIT by SEBI, or (c) winding up of the InvIT, then the PIMA shall automatically terminate without any liability to any party.

## OTHER PARTIES INVOLVED IN THE TRUST

### The Auditor

***Background and terms of appointment***

The Investment Manager, in consultation with the Trustee, pursuant to a resolution passed by its Board dated January 27, 2025 has appointed PKF Sridhar & Santhanam LLP, Chartered Accountants (Firm Registration No. 003990S/S200018) as the auditor of the Trust to hold office up till the conclusion of 1st annual meeting of the Unitholders. The Auditor has audited the Special Purpose Combined Financial Statements and has examined the Projections of Revenue from Operations and Cash Flow from Operating Activities, and its report in relation to such Special Purpose Combined Financial Statements dated January 27, 2025 and Projections of Revenue from Operations and Cash Flow from Operating Activities dated January 27, 2025 have been included in this Draft Placement Memorandum.

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

The functions, duties and responsibilities of the Auditor will be in accordance with the InvIT Regulations. As per Regulation 10(22) of the InvIT Regulations, the Investment Manager shall ensure that the Auditor audits the accounts of the Trust not less than once in a year and such report is submitted to the Stock Exchange within 60 days of the end of the financial year. Further, such report shall be submitted to the Unitholders and the Trustee, either electronically or through physical copies. Presently, in terms of the InvIT Regulations, in addition to the functions of the Auditor, the Auditor is required to comply with the following conditions at all times:

1. the Auditor shall conduct audit of the accounts of the Trust in accordance with the manner as specified in the InvIT Regulations and draft the audit report based on the accounts examined after taking into account the relevant accounting and auditing standards, as may be specified by SEBI;

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

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

4. the Auditor shall have a right to require such information and explanation pertaining to activities of the Trust as he may consider necessary for the performance of his duties as auditor from the employees of the Trust or any Holding Company or parties to the Trust or the Project SPVs or any Holding Company and/or the SPVs or any other person in possession of such information; and

5. the Auditor shall undertake a limited review of the audit of all the entities or companies whose accounts are to be consolidated with the accounts of the Trust as per applicable Ind AS, in such manner as specified by SEBI.

### The Valuer

***Background and terms of appointment***

The Investment Manager, in consultation with the Trustee, pursuant to a resolution passed by its Board dated January 27, 2025 has appointed iVAS Partners, represented by its partner, Shubhendu Saha (Valuer Registration Number IBBI/RV-E/02/2020/112) as the valuer of the Trust, in relation to the Offer. In accordance with the InvIT Regulations, the Valuer has undertaken a full valuation of the Initial Portfolio Assets, and their report dated January 27, 2025 in relation to such valuation as on September 30, 2024, has been included in this Draft Placement Memorandum.

***Functions of the Valuer***

The functions, duties and responsibilities of the Valuer will be in accordance with the InvIT Regulations. The Valuer shall conduct the valuation of all assets of the Trust not less than once a year and such report shall be submitted to the Stock Exchange within 15 days of the receipt of such valuation report. Presently, in terms of the InvIT Regulations, the Valuer is required to comply with the following conditions at all times:

1. the Valuer shall ensure that the valuation of the InvIT Assets is impartial, true and fair and is in accordance with Regulation 21 of the InvIT Regulations;

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

3. the Valuer shall ensure that it has sufficient key personnel with adequate experience and qualification to perform valuations;

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

5. the Valuer and any of its employees involved in valuing of the assets of the Trust, shall not, (i) invest in Units or in the assets being valued; and (ii) sell the assets or Units held prior to being appointed as the valuer, until the time the Valuer is designated as the valuer of the Trust and not less than six months after ceasing to be valuer of the Trust;

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

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

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

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

10. the Valuer shall before accepting any assignment from any related party of the Trust, disclose to the Trust any direct or indirect consideration which the valuer may have in respect of such assignment;

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

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

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

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

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

**Policy on Appointment of Auditor and Valuer**

The Investment Manager has adopted a policy on the appointment of auditor and valuer of the Trust, details of which are provided below:

1. ***Appointment of the auditor of the Trust***

   (i) The Investment Manager, in consultation with the Trustee to the Trust, shall appoint the auditor of the Trust (the "**Auditor**"), in a timely manner and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder (the "**InvIT Regulations**").

   (ii) The Investment Manager shall ensure that the appointment of the Auditor and the fees payable to the Auditor is approved by the unitholders of the Trust (the "**Unitholders**") in accordance with the InvIT Regulations.

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

(iv) The Investment Manager shall ensure that if the removal of the Auditor and appointment of another auditor to the Trust is taken up at a meeting of the Unitholders at the request of the Unitholders, such removal of the Auditor shall be approved by the Unitholders in accordance with the InvIT Regulations.

(v) The Investment Manager shall appoint an individual or a firm as the Auditor, who shall hold office from the date of conclusion of the annual meeting in which the Auditor has been appointed till the date of conclusion of the sixth annual meeting of the Unitholders in accordance with the procedure for selection of auditors, as may be specified by SEBI.

(vi) The Investment Manager shall not appoint or re-appoint:

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

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

(vii) The Investment Manager shall ensure that the audit of accounts of the Trust by the Auditor is done not less than once in a year and such report is submitted to the stock exchange within the timelines prescribed under the InvIT Regulations.

(viii) The Auditor shall conduct the audit of the accounts of the Trust and draft the audit report based on the accounts examined by it after taking into account the relevant accounting and auditing standards under applicable law, including the InvIT Regulations and any guidelines, circulars, notifications and clarifications framed or issued by the Securities and Exchange Board of India, as may be specified from time to time.

(ix) The Auditor shall undertake a limited review of the audit of all the entities or companies whose accounts are to be consolidated with the accounts of the Trust as per the relevant auditing standards under applicable law and in accordance with the InvIT Regulations or such other manner as may be specified by SEBI.

(x) The Auditor shall comply with the conditions prescribed under the InvIT Regulations at all times, including the following:

(a) the accounts of the Trust shall be subjected to audit by the Auditors and shall be accompanied by a report of the Auditors in such manner and at such intervals as may be prescribed under applicable law, including the InvIT Regulations;

(b) the Auditor shall, to the best of his information and knowledge, ensure that the accounts and financial statements give a true and fair view of the state of the affairs of the Trust, including profit or loss and cash flow for the period and such other matters as may be specified by SEBI;

(c) the Auditor shall have a right of access at all times to the books of accounts and vouchers pertaining to activities of the Trust; and

(d) the Auditor shall have a right to require such information and explanation pertaining to activities of the Trust as he may consider necessary for the performance of his duties as auditor from the employees of Trust or any holding company or parties to the Trust or any holding company or the special purpose vehicle(s) or any other person in possession of such information.

(xi) The Investment Manager, in consultation with the Trustee, shall have the right to take all necessary steps to remove the Auditor who ceases to comply with the eligibility criteria required under the InvIT Regulations and applicable law. In case of removal of the auditor and appointment of another auditor to the Trust, approval from the Unitholders shall be required in accordance with the InvIT Regulations.

2. ***Appointment of the valuer of the Trust***

(i) The Investment Manager, in consultation with Trustee, shall appoint the valuer of the Trust ("**Valuer**"), in a timely manner and shall determine the remuneration of such Valuer, in accordance with the InvIT Regulations. A 'Valuer' shall have the meaning provided under the InvIT Regulations.

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

(iii) The Valuer shall not be an associate of any of the Sponsor or the Investment Manager or Trustee. The Valuer shall have the minimum number of years of experience in valuation of infrastructure assets as may be required under the InvIT Regulations.

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

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

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

(vii) In terms of the policy, the Valuer shall comply with the following conditions at all times:

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

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

(c) the Valuer shall ensure that it has sufficient key personnel with adequate experience and qualification to perform valuations;

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

(e) the Valuer and any of its employees involved in valuing of the assets of the Trust, shall not:

- invest in units of the Trust or in the assets being valued; and
- sell the assets or units of the Trust held prior to being appointed as the Valuer,

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

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

(g) the Valuer shall act with independence, objectivity and impartiality in performing the valuation;

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

(i) the Valuer shall not accept remuneration, in any form, for performing a valuation of the InvIT Assets from any person other than the Trust or its authorized representative;

(j) the Valuer shall before accepting any assignment, from any related party of the Trust, disclose to the Trust, through the Investment Manager or the Trustee, any direct or indirect consideration which the Valuer may have in respect of such assignment;

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

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

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

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

(o) the valuer shall, prior to performing a valuation, acquaint itself with all laws or regulations relevant to such valuation.

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

## CORPORATE GOVERNANCE

*The section below is a summary of the corporate governance framework in relation to the Trust, implemented by or to be implemented by the Investment Manager and the Project SPVs*/ Holdco*, as applicable and as specified in this section.*

### 1. Investment Manager

TVS Infrastructure Investment Manager Private Limited is the investment manager of the Trust. For further details on the background of the Investment Manager, please see the section entitled "*Parties to the Trust – The Investment Manager - TVS Infrastructure Investment Manager Private Limited*" on page 192.

**Board *of Directors***

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

The Board of Directors (the "**Board**") of the Investment Manager shall adhere to the following:

(a) the Board shall comprise not less than six directors and have not less than one woman independent director;

(b) not less than 50% of the Board shall comprise independent directors and such directors shall not be directors or members of the governing board of the investment manager of another infrastructure investment trust registered under the InvIT Regulations;

(c) the independence of directors shall be determined in accordance with the Companies Act, InvIT Regulations and other applicable law; and such other requirements as may be specified in the articles of association of the Investment Manager;

(d) the appointment of directors to the Board shall be conducted in accordance with the Companies Act, InvIT Regulations and the SEBI Listing Regulations, as applicable;

(e) the Board shall satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management;

(f) the Board shall lay down a code of conduct for all members of the Board and senior management;

(g) the Board shall lay down procedures to inform the members of the board of directors about risk assessment and minimization procedures;

(h) the Board shall be responsible for framing, implementing and monitoring the risk management plan for the Trust;

(i) the chairman of the Board, if any, may be an executive or a non-executive director; and

(j) collective experience of the directors on the Board should cover a broad range of commercial experience, particularly experience in infrastructure sector (including the applicable sub-sector), including development, investment/fund management or advisory and financial matters.

For details of the current composition of the Board, please see the section entitled "*Parties to the Trust – Investment Manager*" on page 192.

*Quorum*

The quorum of every meeting of the Board shall be at least one-third of the number of directors on the board of directors or three directors, whichever is higher, including at least one independent director.

*Frequency of meetings*

The Board shall meet at least four times every year, with a maximum gap of 120 days between any two successive meetings. Additionally, the Board of directors of the Investment Manager shall meet prior to any meeting of the Unitholders and approve the agenda for Unitholders' meetings, which shall include items as required under the InvIT Regulations.

*Sitting fee*

The directors of the Investment Manager will receive sitting fee for attending board meetings and meetings of the committees, in accordance with the provision of the Companies Act and other applicable laws.

**Committees of the Board of Directors**

| Name of the committee | Composition | Present Members | Quorum | Frequency of meetings |
|---|---|---|---|---|
| InvIT Committee | The InvIT Committee shall consist of at least two members of the board of directors. | (a) P S Jayakumar; and<br><br>(b) S Ravichandran | The quorum for a meeting of the committee shall be both two members attending the meeting. | The Committee shall meet at least once in a year. |
| Investment Committee | The Investment Committee shall consist of at least three members with majority of them being members of the board of directors, including at least one independent director. | (a)Uma Shanmukhi Sistla;<br>(b) P.S. Jayakumar; and<br>(c)Anand Raghavan | The quorum for a meeting of the committee shall be either two members or one third of the members of the committee, whichever is higher. | The Committee shall meet at least once in a year. |
| Risk Management Committee | The Risk Management Committee shall consist of at least three members with majority of them being members of the board of directors, including at least one independent director.<br>The chairperson shall be a member of the Board. The senior executives of the Investment Manager may be members of the RMC. | (a) P.S. Jayakumar;<br>(b) Uma Shanmukhi Sistla; and<br>(c) Ramnath Subramaniam | The quorum for a meeting of the committee shall be either two members or one third of the members of the committee, whichever is higher, including at least one member of the board of directors in attendance. | The Risk Management Committee shall meet at least twice in a year. The meetings shall be conducted in such a manner that on a continuous basis not more than 180 days shall elapse between any two consecutive meetings. |
| Audit Committee | The Audit Committee shall consist of at least three directors. At least two-thirds of the members of the committee shall be independent directors. All members of the Audit Committee should be financially literate, having the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows. and at least one member should have accounting or related financial management expertise, wherein he shall be considered to have accounting or related financial management expertise if he or she possesses experience in finance or accounting, or requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.<br>The Audit Committee at its discretion shall invite the finance director or head of the finance function, head of internal audit and a representative of the statutory auditor and any other such executives to be present at the meetings of the committee. Provided that occasionally the Audit Committee may meet without the presence of any executives of the Investment Manager of the Trust | (a) Anand Raghavan;<br>(b) Uma Shanmukhi Sistla; and<br>(c) Aditi Kumar | The quorum shall be either two members or one third of the members of the committee, whichever is greater, with at least two independent directors. | The Audit Committee shall meet at least four times every year, with a maximum gap of 120 days between any two meetings. The Audit Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. |

| Name of the committee | Composition | Present Members | Quorum | Frequency of meetings |
|---|---|---|---|---|
| Nomination and Remuneration Committee | The Nomination and Remuneration committee shall consist of at least three directors. All the directors should be non-executive directors and at least two-thirds of the directors shall be independent directors. The chairperson of the committee should be an independent director. | (a) Mahalingam Seturaman;<br>(b) Anand Raghavan; and<br>(c) Sargunaraj Ravichandran | The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. | The Nomination and Remuneration Committee shall meet at least once a year. |
| Stakeholders' Relationship Committee | The Stakeholders' Relationship Committee shall consist of at least three directors, including at least one independent director. The chairperson shall be a non-executive director. | (a) Sargunaraj Ravichandran;<br>(b) Aditi Kumar, and<br>(c) Anand Raghavan | - | The Stakeholders' Relationship Committee shall meet at least once in a year. |

1. **InvIT Committee**

The Board has constituted the InvIT Committee pursuant to a resolution dated January 27, 2025, for the purpose of managing, operating and supervising the functioning of the Trust. The InvIT Committee consists of the following members:

(i) P S Jayakumar; and

(ii) Sargunaraj Ravichandran.

Amongst others, the Board has delegated to the InvIT Committee the authority and responsibility of performing all activities in relation to the proposed offer by the Trust and any future issues that may be undertaken by the Trust. The InvIT Committee shall perform and discharge (under the overall supervision of the Board) the authority and responsibility so granted to it, in the manner it may deem fit and proper, in the best interest of the Trust, and in accordance with the policies adopted by the Investment Manager from time to time. The key terms of reference of the InvIT Committee are set out below:

(i) to prepare, finalize and approve the offer documents for the Offer and filing (and if deemed necessary, withdrawing) the same with any authority or persons as may be required;

(ii) to arrange the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the Offer;

(iii) to negotiate, enter into, terminate and execute, agreements in relation to the Trust and the Offer, including agreements with investors, merchant bankers, lead managers, legal advisors, depository, custodian, registrar, escrow agent and any other intermediaries or parties in connection with the Offer, including any amendments or supplements thereto, as necessary or appropriate;

(iv) to authorise and approve the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;

(v) to open such bank accounts and demat accounts as may be required for the Offer;

(vi) issuing all documents and authorising one or more officers of the Company to sign all or any of the aforementioned documents;

(vii) to appoint the intermediaries, agents or service providers as may be required for the purposes of the Offer; and

(viii) to do all such acts, deeds, matters and things and execute all such other documents, etc. as may be deemed necessary or desirable for the Offer.

2. **Investment Committee**

The Board has constituted the Investment Committee pursuant to a resolution dated January 27, 2025, for the purpose of formulating the strategic investments plan, to review every investment and divestment decision of the Trust and the Project SPVs/ Holdco, to evaluate, analyse and execute various mergers and acquisitions. The Investment Committee consists of the following members:

(i) Uma Shanmukhi Sistla;

(ii) P S Jayakumar; and

(iii) Anand Raghavan.

The Investment Committee shall perform and discharge (under the supervision of the Board) the authority and responsibility so granted to it, in the manner it may deem fit and proper, in the best interest of the Trust, and in accordance with the policies adopted by the Investment Manager from time to time. The key terms of reference of the Investment Committee are set out below:

(i) to formulate strategic investment decisions and the expenditures to be involved;

(ii) to review every investment and divestment transaction, including the terms of such transaction, with respect to the underlying assets or projects of the Trust and the Project SPVs/ Holdco including any further investment or divestment;

(iii) to review any transactions that are proposed to be entered into by the Trust that have a potential for a conflict of interest in the assessment by the members of the Investment Committee or Board or Sponsor and refer to the Board for a final resolution thereof;

(iv) to evaluate, review and recommend to the Board the various mergers and amalgamations or takeover or acquisitions opportunities;

(v) to review periodically the portfolio investments and monitor the assets of the Project SPVs/ Holdco;

(vi) to receive reports from the valuers with respect to valuation of any assets or projects of the Trust;

(vii) to identify insurance agencies and enter into contract to secure the underlying assets and projects from any financial losses; and

(viii) to consider any other additional matters, as may be delegated by the Board.

3. **Risk Management Committee**

The Board has constituted the Risk Management Committee pursuant to a resolution dated January 27, 2025, for the purpose of assisting the Board in fulfilling its fiduciary responsibilities towards the Investment Manager in the best interest of all stakeholders of the Trust and the Project SPVs/ Holdco. The Risk Management Committee is in compliance with Section 177 and other applicable provisions of the Companies Act, 2013, the InvIT Regulations and Regulation 18 and 21 of the SEBI Listing Regulations. The Risk Management Committee consists of the following members:

(i) P.S. Jayakumar;

(ii) Sistla Uma Shanmukhi; and

(iii) Ramnath Subramaniam.

The Risk Management Committee shall perform and discharge (under the overall supervision of the Board) the authority and responsibility so granted to it, in the manner it may deem fit and proper, in the best interest of the Trust, and in accordance with the policies adopted by the Investment Manager from time to time. The key terms of reference of the Risk Management Committee are set out below:

(i) A framework for identification of internal and external risks specifically faced by the Trust, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks;

(iii) Business continuity plan;

(iv) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Trust

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

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

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

(viii) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors;

(ix) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committees.

4. **Audit Committee**

The Board has constituted the Audit Committee pursuant to a resolution dated January 27, 2025, for the purpose of assisting the Board in fulfilling its fiduciary responsibilities towards the Investment Manager in the best interest of all stakeholders of the Trust and the Project SPVs/ Holdco. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act, 2013, the InvIT Regulations and Regulation 18 and 21 of the SEBI Listing Regulations. The Audit Committee consists of the following members:

(i) Anand Raghavan;

(ii) Uma Shanmukhi Sistla; and

(iii) Aditi Kumar.

The Audit Committee shall perform and discharge (under the overall supervision of the Board) the authority and responsibility so granted to it, in the manner it may deem fit and proper, in the best interest of the Trust, and in accordance with the policies adopted by the Investment Manager from time to time. The key terms of reference of the Audit Committee are set out below:

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

(ii) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditors of the Trust and the audit fee, subject to the approval of the unitholders;

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

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

a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of Clause C of Sub-Section (3) of Section 134 of the Companies Act, 2013

b) changes, if any, in accounting policies and practices and reasons for such change;

c) major accounting entries involving estimates based on the exercise of judgment by management;

d) significant adjustments made in the financial statements arising out of audit findings;

e) compliance with listing and other legal requirements relating to financial statements;

f) disclosure of any related party transactions; and

g) qualifications/ modified opinions in the draft audit report;

(v) recommending such related party transactions to the IM Board or the unitholders, as may be required under the InvIT Regulations

(vi) reviewing, with the management, the periodic financial statements, including but not limited to quarterly, half-yearly and annual financial statements of the Trust whether standalone or consolidated or in any other form before submission to the Board for approval;

(vii) reviewing, with the management, the statement of uses/application of funds raised through an issue of units by the Trust (public issue, rights issue, preferential issue, private placement, etc.), and any issue of debt securities and the statement of funds utilized for purposes other than those stated in the offer documents /notice and making appropriate recommendations to the IM Board for follow-up action;

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

(ix) approval or any subsequent modification of transactions of the Trust with related parties;

(x) scrutiny of loans and investments of the Trust;

(xi) reviewing valuation reports of the Trust required to be prepared under applicable law, periodically, and as required, under applicable law;

(xii) valuation of undertakings or assets of the Trust, wherever it is necessary;

(xiii) evaluation of internal financial controls and risk management systems of the Trust;

(xiv) reviewing, with the management, performance of statutory auditors of the Trust, adequacy of the internal control systems as necessary;

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

(xvi) discussion with internal auditors, if any, of any significant findings relating to the Trust and follow up there on;

(xvii) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(xviii) reviewing and monitoring the independence and performance of the valuer of the Trust;

(xix) discussion with statutory auditors and valuers of the Trust before the audit or valuation commences, respectively, about the nature and scope of audit as well as post-audit/valuation discussion to ascertain any area of concern;

(xx) Monitoring the end use of funds raised pursuant to an offer of the units of the Trust in accordance with the InvIT Regulations;

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

(xxii) giving recommendations to the Board regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the valuer of the Trust;

(xxiii) evaluating any defaults or delay in payment of distributions to the unitholders or dividends by the SPVs to the Trust and payments to any creditors of the Trust or the SPVs, and recommending remedial measures;

(xxiv) Reviewing management's discussion and analysis of financial condition and results of operations of the Trust;

(xxv) Reviewing the statement of significant related party transactions, submitted by the management;

(xxvi) Granting omnibus approval for related party transactions (which approvals shall be valid for a period not exceeding one year from the date of each such approval, and related party transactions undertaken after the expiry of such period shall require fresh approval of the Audit Committee);

(xxvii) Review, on a quarterly basis, of the details of related party transactions entered into by the Trust pursuant to the omnibus approval

(xxviii) Reviewing the management letters/internal audit reports and letters of internal control weaknesses issued by the statutory auditors or internal auditors of the Trust;

(xxix) to review the functioning of the whistle blower mechanism;

(xxx) approval of appointment of chief financial officer/ finance head after assessing the qualifications, experience and background, etc. of the candidate;

(xxxi) reviewing the utilization of loans and/or advances from/investment by the Trust in the SPV exceeding ₹1,000 million or 10% of the asset size of the SPV, whichever is lower including existing loans/advances/ investments;

(xxxii) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Trust and its unitholders;

(xxxiii) Approving any management information systems or interim financial statements to be submitted by the Trust to any unitholder or regulatory or statutory authority;

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

(xxxv) Reviewing the statement of deviations for Trust:

a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations; and

b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

(xxxvi) Formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above; and

(xxxvii) Performing such other activities as may be delegated by the IM Board and/ or are statutorily prescribed under any law to be attended to by the Audit Committee.

5. **Nomination and Remuneration Committee**

The Board has constituted the Nomination and Remuneration Committee pursuant to a resolution dated January 27, 2025, for the purpose of assisting the Board with the appointment and removal, qualifications, performance evaluation, nomination and remuneration of directors on the Board of the Investment Manager. The Nomination and Remuneration Committee consists of the following members:

(i) Mahalingam Seturaman;

(ii) Anand Raghavan; and

(iii) Sargunaraj Ravichandran.

The Nomination and Remuneration Committee shall perform and discharge (under the supervision of the Board) the authority and responsibility so granted to it, in the manner it may deem fit and proper, in the best interest of the Trust, and in accordance with the policies adopted by the Investment Manager from time to time. The Nomination and Remuneration Committee is in compliance with Section 178 and other applicable provisions of the Companies Act, 2013, the InvIT Regulations and Regulation 19 of the SEBI Listing Regulations. The key terms of reference of the Nomination and Remuneration Committee are set out below:

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

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

(a) use the services of an external agencies, if required;

(b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(c) consider the time commitments of the candidates

(iii) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(iv) devising a policy on diversity of Board of Directors;

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

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

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

6. **Stakeholders' Relationship Committee**

The Board has constituted the Stakeholders' Relationship Committee pursuant to a resolution dated January 27, 2025,, for the purpose of assisting the Board with resolving the grievances of the security holders of the Investment Manager including, *inter alia*, complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates and general meetings. The Stakeholders' Relationship Committee is in compliance with Section 178 and other applicable provisions of the Companies Act, 2013, the InvIT Regulations and Regulation 20 of the SEBI Listing Regulations. The Nomination and Remuneration Committee consists of the following members:

(i) Sargunaraj Ravichandran;

(ii) Aditi Kumar; and

(iii) Anand Raghavan.

The Stakeholders' Relationship Committee shall perform and discharge (under the supervision of the Board) the authority and responsibility so granted to it, in the manner it may deem fit and proper, in the best interest of the Trust, and in accordance with the policies adopted by the Investment Manager from time to time. The key terms of reference of the Stakeholders' Relationship Committee are set out below:

(i) Resolving the grievances of the security holders of the Trust and/or the Investment Manager including complaints related to transfer/transmission of units, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(ii) Review of measures taken for effective exercise of voting rights by unitholders of the Trust and/or shareholders of the Investment Manager;

(iii) Review of adherence to the service standards adopted by the Trust and/or the Investment Manager in respect of various services being rendered by the Registrar; and

(iv) Review of the various measures and initiatives taken by the Trust and/or the Investment Manager for reducing the quantum of unclaimed distributions as applicable and ensuring timely receipt of annual reports/statutory notices by the unitholders of the Trust.

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

The Board will adopt policies for corporate governance as may be required from time to time in accordance with applicable law and the InvIT Regulations. The Board has adopted the following policies under the corporate governance framework of the Trust, however all these policies will be effective from the Completion Date:

**A. Distribution Policy**

The Investment Manager has adopted a distribution policy in relation to the Trust ("**Distribution Policy**") pursuant to a resolution of its board of directors dated January 27, 2025. For details of the Distribution Policy, please see the section entitled "*Distributions*" on page 470.

**B. Policy on Appointment of Auditor and Valuer**

The Investment Manager has adopted a policy on appointment of auditor and valuer ("**Appointment Policy**") pursuant to a resolution of its board of directors dated January 27, 2025. For details, please see the section entitled "*Other Parties involved in the Trust*" on page 214.

**C. Borrowing Policy**

The Investment Manager has adopted a borrowing policy in relation to the Trust ("**Borrowing Policy**") pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Borrowing Policy are set out below:

(i) The Trust may raise debt and avail borrowings and deferred payments from time to time, including through (i) issuance of debt securities, in the manner specified by SEBI, and in accordance with applicable law, and (ii) availing loans (funds and non-funds based both) from banks and financial institutions in accordance with applicable law (including the InvIT Regulations). The Trust shall be permitted to borrow monies through any permitted means, by any instrument, in Indian or foreign currency, as permitted by applicable law, including as prescribed by the Reserve Bank of India;

(ii) The Investment Manager and the Trustee (on behalf of the Trust) shall be permitted to borrow monies in relation to the Trust, subject to the approval of its board of directors or such other committee of the board of directors of the Investment Manager as may be constituted in this regard. The Investment Manager may engage such intermediaries (include any other group companies of the Investment Manager) as may be necessary to facilitate the borrowings in relation to the Trust, holding companies or Project SPVs at such remuneration as may be reasonable and at arm's length;

(iii) Subject to the Regulation 20 of InvIT Regulations and the InvIT documents, the aggregate consolidated borrowings and deferred payments of the Trust, and the Portfolio Assets, net of cash and cash equivalents shall not exceed 70.00% of the value of the InvIT assets. It is to be noted that the investments by the Trust in overnight mutual funds, characterized by their investments in overnight securities, having maturity of one day shall be considered as cash and cash equivalent and such amount of cash and cash equivalent shall be excluded from the value of the assets of the Trust;

(iv) The Investment Manager shall ensure that if the value of funds borrowed from related parties in a financial year, exceeds 5% of the total consolidated borrowings of the Trust, any holding company and the Project SPVs or any other thresholds prescribed under the InvIT Regulations, approval from the Unitholders shall be obtained prior to entering into any such subsequent transaction with any related party, in accordance with Regulation 22 of the InvIT Regulations;

(v) The Trust also has the power to create mortgage or secure any of its assets or provide guarantees in order to borrow funds. However, the Investment Manager shall not be allowed to create any obligation which would allow the liabilities to extend beyond the assets held by the Trust;

(vi) Except with prior approval of the Unitholders and obtaining any other approvals required under applicable law (including the InvIT Regulations), any such obligation will not allow the Investment Manager to make the liabilities of the Trust or its Unitholders unlimited. In addition to the above, any borrowing by the holding companies or the Project SPVs, incorporated under the Companies Act, 1956 or the Companies Act, 2013, will be in accordance with the conditions prescribed therein.

**D. Policy on Related Party Transactions**

The Investment Manager has adopted the related party transactions policy pursuant to a resolution of its board of directors on January 27, 2025. For details of the RPT Policy, please see the section entitled "*Related Party Transactions*" on page 487.

**E. Policy on unpublished price-sensitive information and dealing in units by the parties to the Trust (the "UPSI Policy")**

The Investment Manager has adopted the UPSI Policy pursuant to a resolution of its board of directors on January 27, 2025. The purpose of the policy is to ensure that the Trust and the Investment Manager comply with applicable law, including the InvIT Regulations, as amended or supplemented or such other laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information ("**UPSI**"). The key principles of the UPSI Policy are set out below:

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

(ii) the Investment Manager shall follow uniform and universal dissemination of UPSI to avoid selective disclosure;

(iii) the Compliance Officer shall be responsible for deciding whether public announcement is necessary for verifying or denying rumours and then making the disclosure, in accordance with the procedure specified in the Policy for Determining Materiality of Information for Periodic Disclosures;

(iv) the Compliance Officer shall also make an appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities, in accordance with the procedure specified in the Materiality of Information Policy. Further, no employee or representative of the Investment Manager who is in receipt of any inquiries relating to the Trust, including from any investors, shall respond to such inquiries. Such employee or representative of the Investment Manager shall refer the inquirer to the Compliance Officer or any person authorised by the Board to deal with inquiries;

(v) while dealing with analysts or research persons or large investors like institutions, the Investment Manager shall provide only public information. Alternatively, the information given to analysts or research persons shall be simultaneously made public at the earliest; and

(vi) the Investment Manager shall handle all UPSI on a "need-to-know" basis, provided that UPSI may be disclosed to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Trust.

**F. Policy for Determining Materiality of Information for Periodic Disclosures (the "Materiality of Information Policy")**

The Investment Manager has adopted the Materiality of Information Policy pursuant to a resolution of its board of directors on January 27, 2025 . The Materiality of Information Policy aims to outline process and procedures for determining materiality of information in relation to periodic disclosures on the Trust's website, to the Trustee, stock exchanges and to all stakeholders at large, in relation to the Trust. The key principles of the Materiality of Information Policy are set out below:

(i) any information concerning the Trust is considered material to the business and affairs of a Trust if (i) it results in, or would reasonably be expected to result in a significant change in the market price or value of units of the Trust; or (ii) if there is a substantial likelihood that a reasonable Unitholder would consider it important in determining whether to buy, sell or hold, or engage in other transactions concerning the Trust's units; or (iii) the investor would consider important in making an investment decision;

(ii) the Investment Manager or the Trustee shall provide to SEBI and to the Stock Exchange, wherever applicable, such information as may be sought by SEBI or by the Stock Exchange pertaining to the activity of the Trust;

(iii) certain events or information concerning the business and affairs of the Trust if (i) it results in, or would reasonably be expected to result in a significant change in the market price or value of Units of the Trust; or (ii) if there is a substantial likelihood that a reasonable Unitholder would consider it important in determining whether to buy, sell or hold, or engage in other transactions concerning the Trust's Units; or (iii) the investor would consider important in making an investment decision shall be deemed to be material information and against which Trust shall not be required to apply the criteria for determining materiality of information;

(iv) the Trust shall also submit such information to the Stock Exchange(s) and Unitholders on a periodical basis as may be required under the listing agreement. Further, the trust shall disclose all such information as may be specified by SEBI to the Stock Exchange(s), Unitholders and SEBI in the manner as may be specified by SEBI; and

(v) the Materiality of Information for Periodic Disclosures Policy also provides for the approval process for disclosure or dissemination of any material or unpublished price sensitive information on behalf of the Trust and authorises the compliance officer and other authorised persons to make the disclosures, as may be required.

**G. Nomination and Remuneration Policy**

The Investment Manager has adopted the Nomination and Remuneration Policy pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Nomination and Remuneration Policy are set out as below:

(i) The Nomination and Remuneration Committee is authorised by the board of directors of the Investment Manager to determine the compensation/remuneration/commission paid to non-executive and independent Directors. The commission to be paid annually will be restricted to a fixed sum, as determined by the Nomination and Remuneration Committee, on the basis of their tenor in office during the financial year;

(ii) The Nomination and Remuneration Committee will determine the annual variable pay compensation in the form of annual incentive and annual increment for the executive director based on the Investment Manager's, the Trust's and individual's performance as against the pre-agreed objectives for the year. The remuneration payable by the Investment Manager as to the executive directors shall be subject to the conditions specified in the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements;

(iii) The Nomination and Remuneration Committee is authorised by the board of directors of the Investment Manager to determine the remuneration paid to key managerial personnel and other employees.

**H. Document Archival Policy**

The Investment Manager has adopted the Archival Policy pursuant to a resolution of its board of directors on January 27, 2025. The Archival Policy aims to provide a comprehensive policy on the preservation and conservation of the records and documents of the Trust. Please see below a summary of the Archival Policy:

(i) Type of Documents: The Trust's records and documents can be classified as physical and electronic records. Documents can also be categorized into documents to be preserved for limited life span and those to be preserved permanently. Documents preserved for a limited period shall be preserved for a period as required under the InvIT Regulations and applicable law.

(ii) Physical records would consist of all the hand written or printed and signed books and record maintained by the Investment Manager in physical form. Electronic records would comprise of all such documents which are digitally or virtually maintained in the electronic forms. Electronic record shall be authenticated by digital signatures.

(iii) Place of preservation of documents and records: All records and documents, along with all the supportive documents which are physically available shall be maintained at the principal place of business of the Trust, presently being 9$^{th}$ Floor (Part), Iconic Building, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai 400 013, Maharashtra, India. All the documents required to be maintained in terms of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, and SEBI Listing Regulations, as amended or supplemented by, including any guidelines, circulars, notifications and clarifications framed or issued thereunder, secretarial standards, listing agreements, and any applicable law, shall be preserved under the custody of the compliance officer of the Trust.

(iv) All financial records required to be maintained in terms of the InvIT Regulations, prescribed accounting standards, Income-tax Act, 1961 and other applicable law, shall be maintained under the custody of the relevant official of the Investment Manager.

(v) For paucity of space at the principal place of business of the Trust, data may be kept at an external storage facility, provided that the data so preserved is capable of being easily accessed and retrieved when need be.

(vi) Method and tenor of preservation: All the statutory documents shall be preserved for a minimum period of eight financial years, after completion of the relevant transactions, and since creation of the Trust, when the Trust has been created for a period of less than eight years; or such longer duration if prescribed under applicable law. Documents shall be preserved in a chronological manner for each financial year. The person in charge of custody of the documents shall be responsible for proper maintenance and safe keeping of

documents under his custody. The Trust shall maintain back-up of all documents preserved in the electronic form.

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

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

(ix) Documents hosted on the Trust website: Documents which are statutorily or regulatorily required to be hosted on the Trust website shall be hosted within the prescribed timeline from the occurrence of the event. All statutory data shall be hosted on the Trust website for a prescribed period under the applicable law, after which it shall be preserved in the archival folder of the Trust maintained offline, until it is destroyed upon the expiry of the statutory period for the preservation suchdocuments.

Register of documents destroyed to be maintained: Documents and records may be destroyed after the expiry of the statutory period for the preservation the documents, after keeping a suitable record of documents destroyed.

**I. Code of Conduct of the Trust (the "Code")**

The Board has adopted the Code pursuant to a resolution dated January 27, 2025, in relation to the Trust. The Code shall be complied with at all times, in accordance with the InvIT Regulations. The key principles of the Code are set out below:

(i) the Trust and the Parties to the Trust shall conduct all affairs of the Trust in the interest of all the Unitholders of the Trust;

(ii) the Trust and the Parties to the Trust shall make adequate, accurate, explicit and timely disclosure of relevant material information to all Unitholders, the stock exchanges and the SEBI in accordance with the InvIT Regulations and as may be specified by the stock exchanges from time to time;

(iii) the Trust and the Parties to the Trust shall try to avoid conflicts of interest, as far as possible, in managing the affairs of the Trust and keep the interest of all Unitholders paramount in all matters. In case such events cannot be avoided, it shall be ensured that appropriate disclosures are made to the Unitholders and they are fairly treated;

(iv) the Trust and the Parties to the Trust shall ensure that fees charged by them with respect to activities of the Trust shall be fair and reasonable;

(v) the Investment Manager shall carry out the business of the Trust and invest in accordance with the investment objectives (as disclosed in the offer document/ placement memorandum) and take investment decisions solely in the interest of Unitholders;

(vi) the Trust, the Parties to the Trust and any third party appointed by the Investment Manager shall not use any unethical and unlawful means to sell, market or induce any person to buy units of the Trust and where a third party appointed by the Investment Manager fails to comply with this condition, the Investment Manager shall be held liable for the same;

(vii) the Trust and the Parties to the Trust shall maintain high standards of integrity and fairness in all their dealings and in the conduct of their business;

(viii) the Trust and the Parties to the Trust shall render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment; and

(ix) the Trust and the Parties to the Trust shall not make any exaggerated statement, whether oral or written, either about their qualifications or capabilities or experience.

**J. Policy on Code of Conduct for Board of Directors and Senior Management Personnel of Investment Manager (the "CoC")**

The Board has adopted the CoC pursuant to a resolution dated January 27, 2025, for all the members of the Board and senior management personnel of the Investment Manager. The senior management personnel of the Investment Manager shall include officers and personnel of the Investment Manager who are members of its core management team, excluding the Board, and shall also comprise all members of management one level below the chief executive officer or managing director or whole time director or manager (including chief executive officer or manager, in case they are not part of the Board) and shall specifically include the compliance officer and chief financial officer/ financial controller, as applicable ("**Senior Management Personnel**").

The key terms of the CoC are set out below:

(i) The CoC enables the Investment Manager to publicly state to the external stakeholders of the Trust (suppliers, customers, consumers, Unitholders, etc.), the way in which they intend to carry out their business and their business in relation to the Trust;

(ii) In accordance with the CoC, the Board and the Senior Management Personnel should:

(a) demonstrate the highest standards of integrity, business ethics, and corporate governance, and act in accordance with the Memorandum and Article of Association of the Investment Manager;

(b) perform their roles with competence, diligence, in good faith and in the best interests of the Investment Manager, the Trust and the Unitholders of the Trust;

(c) act in good faith in order to promote the objects of the Investment Manager and provide expertise and experience in their areas of specialization and share learnings at the meetings of the Board with best interests of the Investment Manager, the Trust and its stakeholders along with the Unitholders in mind. They should point the Investment Manager's management in the 'right' direction based on their experience and judgement;

(d) give careful and independent consideration to the affairs of the Investment Manager and the Trust and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the management. They should call for additional information, where necessary, for making such judgements;

(e) not engage in any business, relationship or any activity which detrimentally conflicts with the interest of the Trust or bring discredit to the Investment Manager or the Trust. Any situation that creates a conflict of interest between personal interests and the interest of the Trust or its Unitholders must be avoided at all costs;

(f) follow all the guidelines put forth in the policy for prevention of insider trading;

(g) not disclose any confidential / privileged information of the Investment Manager or the Trust and should direct any media queries or approaches to the appropriate spokesperson within the Investment Manager;

(h) not assign his/her office and any assignment so made shall be void; and

(i) not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates

(iii) The CoC also sets out the duties of the independent directors on the Board, including, amongst others, (a) undertaking appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Investment Manager and the Trust; (b) seeking appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Trust; and (c) striving to attend all meetings of the IM Board and of the committees of the IM Board, of which the independent director(s) is a member

**K. Vigil Mechanism and Whistle Blower Policy**

The Board has adopted the Vigil Mechanism and Whistle Blower Policy pursuant to a resolution of its board of directors dated January 27, 2025, in relation to the Trust. Trust and the parties to the Trust shall comply with the Vigil Mechanism and Whistle Blower Policy at all times, in accordance with the InvIT Regulations.

The key principles of the Code are set out below:

(i) formulate a vigil mechanism for directors and employees to report genuine concerns;

(ii) provide adequate safeguards against victimization of directors or employees or any other person who avail such mechanism;

(iii) provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases;

(iv) An independent service provider may be engaged by the Investment Manager for providing or operating the vigil mechanism who shall report to the Audit Committee; and

(v) The Audit Committee shall review the functioning of the vigil mechanism.

**L. Risk Management Policy**

The Investment Manager has adopted the Risk Management Policy pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Risk Management Policy are set out below:

(i) The Risk Management Committee shall formulate the policies for effective identification, monitoring, mitigation of the risks. The secretary of the Risk Management Committee shall maintain the proper documentation of risks. The Risk Management Committee shall also keep the Board informed about the nature and content of the Risk Management Committee's discussions, recommendations and actions to be taken;

(ii) Audit Committee shall review the documents capturing risk ,once a year and add any new material risk identified to the existing list. These will be taken up with respective functional head for its mitigation.

(iii) Existing process of risk assessment of identified risks and its mitigation plan will be appraised by the Risk Management Committee to the Board on an annual basis.

(iv) The Risk Management shall provide reasonable assurance in protection of business value of the Trust from uncertainties and consequent losses.

**M. Policy on Familiarisation Programmes for Independent Directors of Investment Manager**

The Investment Manager has adopted the Policy on Familiarisation of Independent Directors pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Policy on Familiarisation of Independent Directors are set out below:

(i) The Investment Manager shall conduct orientation programmes/presentations/training sessions, periodically at regular intervals, to familiarize the independent directors with the strategy, operations and functions of the Trust.

(ii) Such orientation programmes/presentations/training sessions will provide an opportunity to the independent directors to interact with the senior leadership team of the Investment Manager and help them understand the Investment Manager's and Trust's strategy, business model, structure, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities, risk management strategy, governance policies, designated channels for flow of information and such other areas as deemed necessary.

(iii) The programmes/presentations shall also familiarize the independent directors with their roles, rights and responsibilities.

(iv) The Investment Manager may include such other details and information, as required, during the introductory familiarization programme/presentation, when a new independent director comes on the board of directors of the Investment Manager.

(v) Regular updates on relevant statutory and regulatory changes are regularly circulated to the directors of the Investment Manager.

**N. Succession Policy**

The Investment Manager has adopted the Succession Policy pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Succession Policy are set out below:

(i) To identify and nominate suitable candidates for the Board's approval to fill vacancies which may arise in the Board from time to time;

(ii) To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives;

(iii) To identify the key job incumbents in senior management positions and recommend whether the concerned individual be granted an extension in term/service or be replaced with an identified internal or external candidate or recruit other suitable candidate(s); and

(iv) To ensure the systematic and long-term establishment of individuals in the senior management level to replace as and when the need arises due to resignations, retirements, disabilities, deaths and other unexpected occurrence.

**O. Policy for Evaluation of the Performance of the Board of Directors**

The Investment Manager has adopted the Policy for Evaluation of the Performance of the Board of Directors pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Policy for Evaluation of the Performance of the Board of Directors are set out below:

(i) The Committee shall evaluate the performance of each Director as per the Nomination and Remuneration Policy of the Investment Manager and based on their functions as mentioned in the Code of Conduct of the Directors and Senior Management Personnel and the criteria for the evaluation of the performance;

(ii) Evaluation of Independent Director shall be carried on by the entire Board which shall include;

(a) performance of the Directors; and

(b) fulfilment of the independence criteria as specified in the InvIT Regulations and the SEBI Listing Regulations as to their independence from the management. The Directors who are subject to evaluation shall not be allowed to participate.

Based on the performance evaluation of each and every Director and the chairman of the Investment Manager, the Committee shall provide feedback for each Director on an annual basis.

(iii) Based on the ratings given by the Committee to each Director, the overall effectiveness of the Board shall be measured and accordingly, the Board shall decide the appointments, re-appointments and removal of the non-performing Directors of the Investment Manager.

(iv) Evaluation of the non-independent Directors shall be carried out by entire Board except the non-independent Director being evaluated. The meeting for the purpose of evaluation of performance of non-independent Directors as well as Board as a whole shall be held at least once in a year and the Investment Manager shall disclose the criteria laid down by the Committee for performance evaluation on the web site of the Trust for the reference and also in the annual report of the Trust and the Investment Manager, as may be applicable.

**P. Policy to Promote Diversity on the Board of Directors;**

The Investment Manager has adopted the Policy to Promoter Diversity on the Board of Directors pursuant to a resolution of its board of directors on January 27, 2025. The key principles of the Policy to Promoter Diversity on the Board of Directors are set out below:

(i) The Nomination and Remuneration Committee shall ensure that the Board shall have an optimum combination of non-independent, independent and woman Directors in accordance with requirements of the InvIT Regulations, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Investment Manager and the Trust. The Board shall have at least minimum number of woman independent director(s) as per the InvIT Regulations and applicable law;

(ii) The Committee shall review the profile of the prospective candidates for appointment as Director on the Board taking in consideration knowledge, experience, financial literacy/expertise, global market awareness

and other relevant factors as may be considered appropriate and the Board shall be so formulated with mix of members to maintain high level of ethical standards. The Committee shall also take into consideration the provisions of the InvIT Regulations, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Investment Manager;

(iii) The Committee is responsible for reviewing and assessing the size, composition, and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

**Q. Policy on Qualifications and Criteria for Appointment of Unitholders' Nominee Directors on the Board of Investment Manager**

The Board has adopted the Qualifications and Criteria for Appointment of Unitholders' Nominee Directors Policy pursuant to a resolution dated January 27, 2025. This Policy aims to prescribe requisite procedures and guidelines for, *inter alia*, the appointment of Unitholder Nominee Directors and the criteria for evaluation of the individuals nominated as Unitholder Nominee Directors. This Policy applies to the Eligible Unitholders of the Trust and Unitholder Nominee Directors of the Investment Manager.

(i) *Qualifications and Eligibility Criteria for the Unitholder Nominee Director:* Eligible Unitholder(s) may nominate only one Unitholder Nominee Director, barring entities with nomination rights. Aggregated Unitholders cannot be eligible to participate in any other group of Eligible Unitholder(s). Nominees must meet eligibility criteria including "fit and proper" status, should not be identified as a wilful defaulter or fraudulent borrower, does not appear under any list of disqualified directors issued by the Ministry of Corporate Affairs and is not debarred from acting as a director or member of management by any court, regulatory or supervisory authority, and not being debarred from capital markets by SEBI or any other regulatory authority. Additional criteria may be determined by the Investment Manager, from time to time.

The Nominated Director shall abstain from voting on transactions involving the nominating Unitholder or its associates.

(ii) **Nomination Process:** The nomination process shall involve the Investment Manager who shall send a written intimation to all the Unitholders to nominate a Unitholder Nominee Director, who must meet specific criteria and submit details within 10 (ten) days. If multiple Unitholders are aggregating their unitholding for the purpose of nomination right, then such notice shall also identify up to two Unitholders as authorized representatives of the group of Eligible Unitholder(s). The Investment Manager shall confirm eligibility within 10 (ten) days and appoint the director within 30 (thirty) days. If the candidate proposed is deemed ineligible, the reasons shall be recorded in writing and shall be communicated by the Investment Manager to the Eligible Unitholder(s) within 10 (ten) days of receipt of notice from Eligible Unitholder(s). In such cases, the Eligible Unitholder(s) can submit another nomination within 10 (ten) days from the receipt of such communication from the Investment Manager. Annual nominations follow a similar process, with eligibility based on the Trust's unitholding pattern. Unitholders acquiring a 10% (ten per cent) or more holding shall nominate in the following financial year.

(iii) **Evaluation Parameters:** The Committee or Board shall evaluate the performance of every Unitholder Nominee Director annually, considering parameters like attendance, time commitment, contribution to strategic decision-making, effective deployment of knowledge and expertise, review of risk assessment and risk mitigation, review of financial statements, business performance, integrity and maintaining confidentiality, independence of behaviour and judgment, teamwork, adherence to responsibilities and such other parameters as may be deemed appropriate. The evaluation outcome shall be presented to the NRC/Board. Additionally, formal annual evaluations shall be conducted by the NRC, Board, or independent directors, as per regulatory requirements.

(iv) **Reporting and Monitoring:** The Investment Manager shall review monthly if Eligible Unitholders continue to have/hold the required number of units of the Trust, and make a report of the same which shall be submitted to the trustee of the Trust.

(v) **Grounds for Discontinuation of Unitholder Nominee Director:** A Unitholder Nominee Director shall remain on the Board unless: (i) the nomination is withdrawn, (ii) a change is requested, (iii) unitholding falls below the threshold, (iv) the director resigns, is unable to serve, or is removed, (v) fails to meet eligibility criteria, or (vi) is disqualified under regulatory provisions. Withdrawal or changes in nomination

require notification to the Investment Manager. If unitholding falls below 10% (ten percent), then the Eligible Unitholder(s) shall immediately inform the Investment Manager within two (2) working days from such change and the Unitholder Nominee Director shall resign/step down from the Board of Directors of the IM within two (2) working days from such change. In the event of death or disability, a replacement can be proposed. The Investment Manager can remove a director for various reasons, including failure to meet criteria or unsatisfactory performance.

(vi) **Remuneration of Unitholder Nominee Director:** Director's remuneration, sitting fees, etc., shall be subject to Board approval and legal requirements, excluding stock options or share-based payment schemes.

**2. Project SPVs/ Holdco**

***Representatives on the Board of Directors of the Project SPVs/ Holdco***

The Investment Manager, in consultation with the Trustee, shall appoint the majority of the members of the board of directors or governing boards as applicable, of each of the Project SPVs/ Holdco, in accordance with the requirements prescribed under the InvIT Regulations, upon acquisition of the Project SPVs/ Holdco by the Trust.

## INDUSTRY OVERVIEW

# 1. Macroeconomic Overview

## 1.1 Section Overview

- Economy: India will continue to lead the global economy in terms of growth, despite a few downside risks including the possibility of inflationary pressures.

- Growth: Despite global factors including escalating international commodity prices and risk of recession, and instability in the global financial market, India is anticipated to experience 7% growth in 2024. On the contrary, it is anticipated that the government's emphasis on capital expenditure and exports will bolster aggregate demand and increase production capacity, thereby exerting a positive influence on the GDP.

- Investments: An anticipated 20-21% increase in industrial and logistics investment activity, driven primarily by institutional and foreign direct investments.

- Consumption: India, which is home to approximately 1.4 billion people and has one of the largest consumption markets globally, has surpassed China in terms of population in April 2023 according to United Nation's DESC Policy Brief No. 153. The substantial youth demographic in India, in conjunction with a literacy rate of 74%, guarantees the accessibility of a knowledgeable and proficient labour force. This cohort of workers is anticipated to furnish the nation's manufacturing sector with cost-effective and enduring resources in the future. Moreover, it is critical to acknowledge that the middle-class populace surpasses the complete populations of the majority of developed countries globally, thereby endowing India with a notable advantage.

- Focused Government Intervention: The Indian government intends to foster the expansion of the manufacturing sector over the next six to seven years by targeting a 21% contribution from this sector to the nation's gross domestic product. In light of this, the government has recognized the importance of implementing targeted measures in the logistics industry to promote the efficient transportation of manufactured products and establish itself as a prominent transhipment center for the South Asian region.

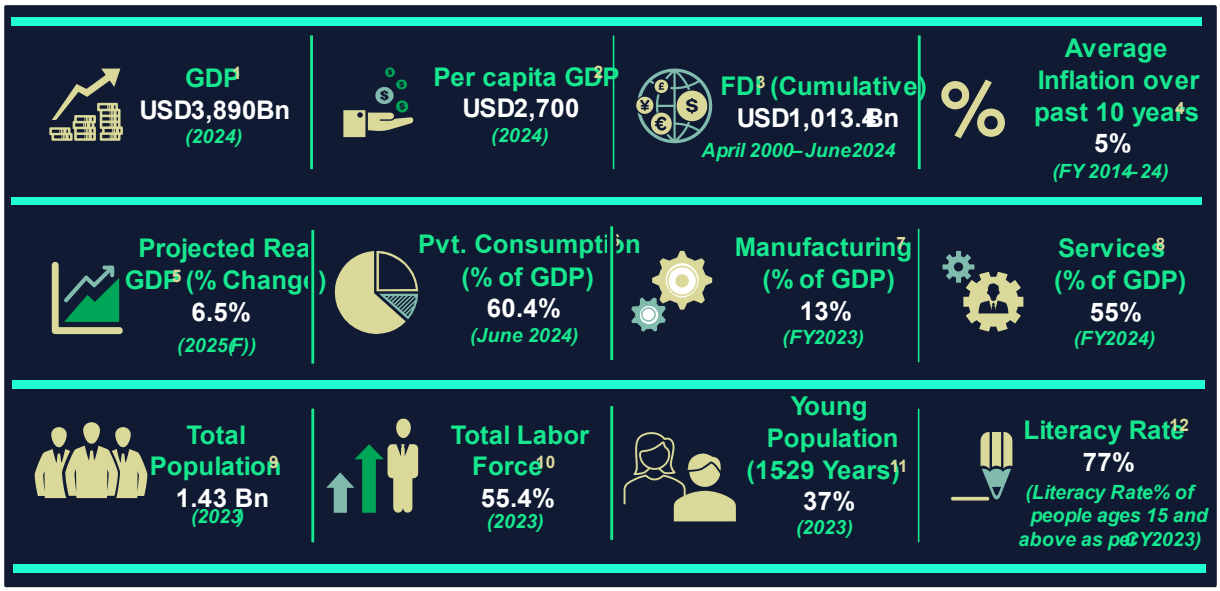
## 1.2 Economic Landscape

India has emerged as one of the fastest–growing, major economies around the world and is expected to become one of the top three economic powerhouses by the year 2030. Economic as well as demographic factors such as India's growing young population, an expanding middle class, and an educated, English–speaking, trained workforce supported by several initiatives by the Government of India (GoI) have led to significant changes in its economic landscape.

India has a strong consumption market, which protects its economy from global market fluctuations. India's share of consumption as a percentage of its Gross Domestic Product (GDP) was approx. 70.8%[16] (as of 2023). With a population of over a billion, India provides the global economy with one of its largest consumer markets.

***Figure 1: Key Statistics – Indian Economic Landscape***

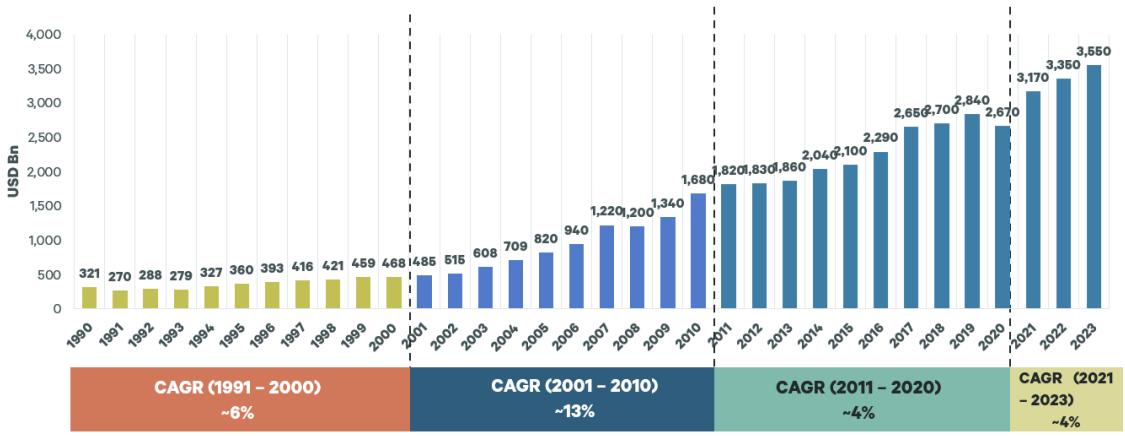
[16] World Bank national accounts data, and OECD National Accounts data files




**Source:** CBRE Research; (1) IMF, (2) IMF, (3) Invest India, (4) White Paper on Indian Economy, (5) IMF, (6) Ceicdata, (7) World Bank, (8) IBEF, (9) Worldometers, (10) Worldbank, (11) MOSPI, (12) NFHS-5

The Government of India (GoI) accelerated financial liberalization after the economic reforms of the 1990s. Consistently high national growth rates have been the outcome of India's economy's rapid expansion in the previous two to three decades, thanks to the country's booming service and manufacturing sectors. India has become as a go-to outsourcing location for developed economies because to its large pool of young, educated, English-speaking workers. Because of this, it has been luring FDI in the IT industry from well-established economies like Singapore, the United States, and others. According to these tendencies, the computer software and research and development industry is thriving, which bodes well for economic expansion since it will spur innovation and boost productivity.

***Figure 2: Economic Evolution of India Over Past 3 Decades***



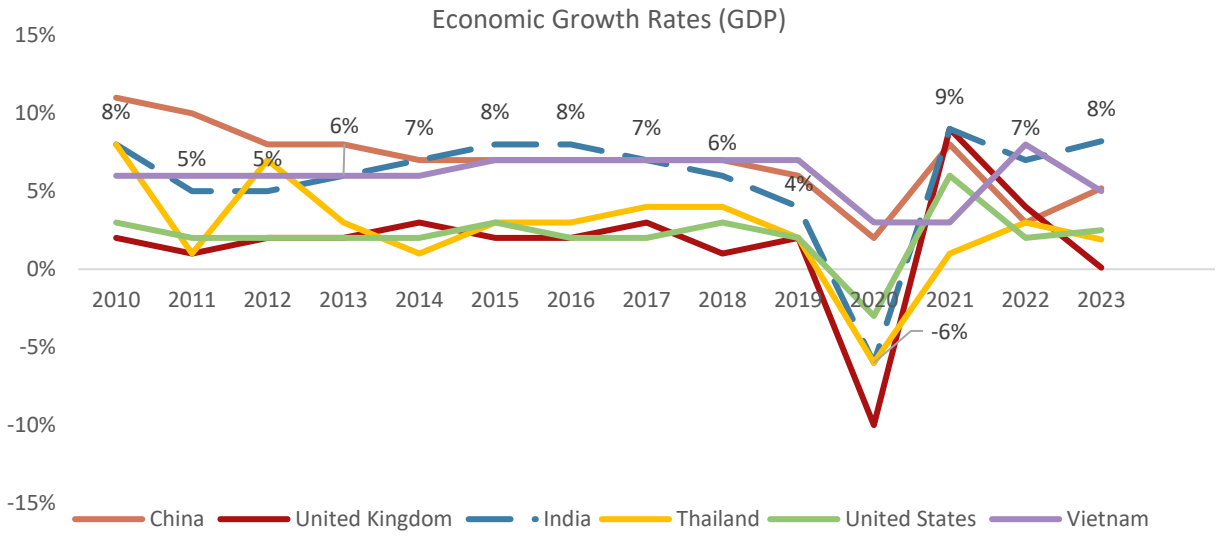

**Source:** World Bank, CBRE Research

In the pre–1990s, the Indian economy grew at an annual average rate of 4% (1970–1989). As presented in *Figure 2*, following liberalization, the Indian economy grew at a rate of approximately 6% (1990–2000). During 2001–2010, the Indian market saw an economic boom with strong FDI inflow and export contributions from the services sector, viz., IT/ITeS, and grew at a CAGR of 13% thereafter.

The Indian economy has demonstrated remarkable resilience in its post-pandemic recovery. Following the lifting of pandemic restrictions, pent-up demand for services and a surge in industrial production have fueled robust economic growth. India has endured the challenges of the pandemic, including market shutdowns and economic uncertainties, emerging as a stronger and more resilient economy. While pre-pandemic growth between 2017-2019 averaged around 2%, post-pandemic growth between 2021-2023 has accelerated to 4%, indicating a significant rebound.

*Figure 3* depicts the growth of India's GDP vis–à–vis other economies:

***Figure 3: Economic Growth Rates (GDP)***



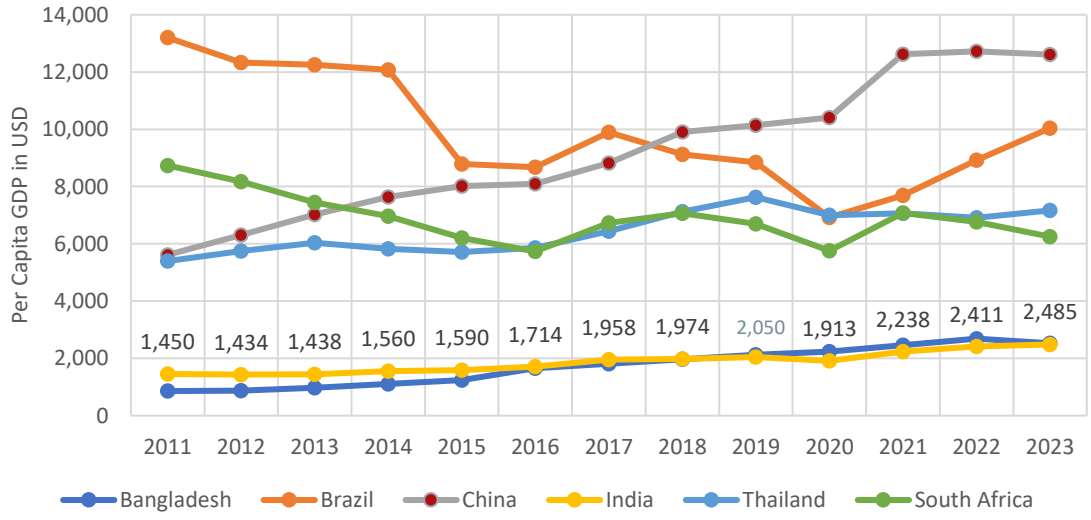

**Source:** World Bank, CBRE Research

*Note: The above growth comparison has been undertaken to highlight the economic growth rate of India vis–à–vis developed economies such as the UK, the US, China, Vietnam and Thailand. Vietnam and Thailand have been compared as these markets are expected to benefit from China Plus One strategy.*

As depicted in *Figure 3*, India has witnessed an organic growth over the last 7–8 years due to its strong economic fundamentals as a strong production as well as consumption hub, in line with the Chinese economic dynamics.

*Figure 4* illustrates the per capita GDP trend of India and other comparable economies at the current USD rate:

***Figure 4: Per Capita GDP Trend***




**Source:** World Bank, CBRE Research

India crossed the inflection point of USD 2,000 GDP per capita in 2019. After crossing a similar milestone unit of GDP per capita in 2006, the Chinese economy had grown by six times.[17] India is expected to follow

[17] World Bank

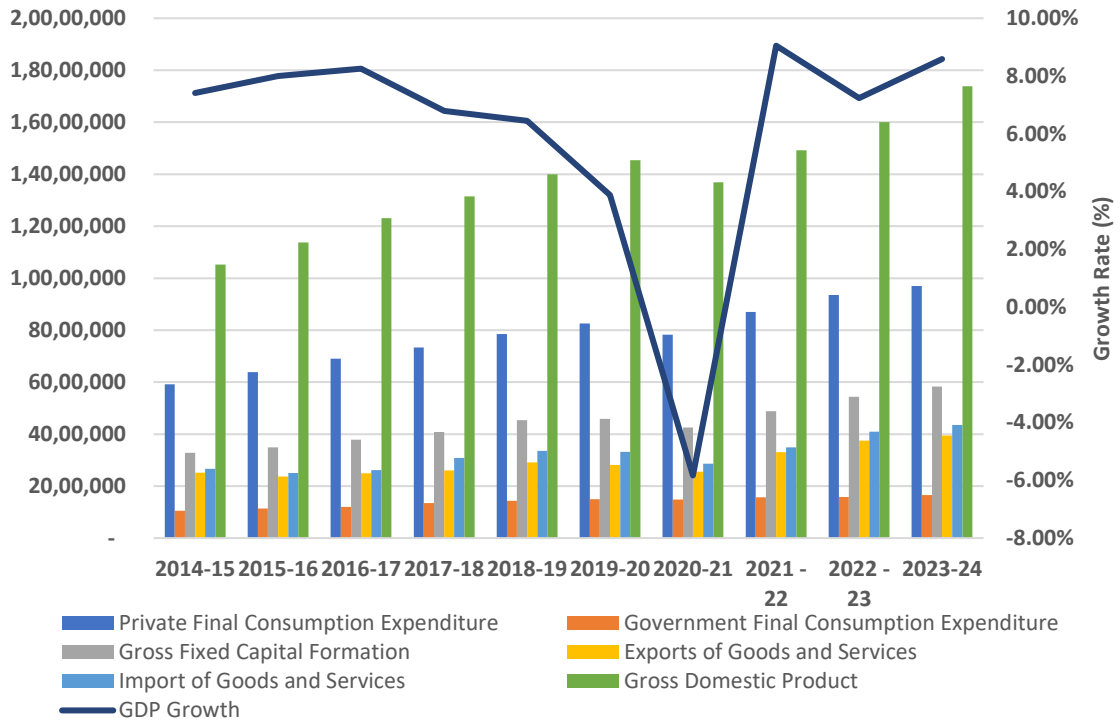
similar growth trajectory as its neighbour; and with favourable demographics, it is expected to witness the similar robust consumption trend.

Moreover, India's rapid urbanization has played a pivotal role in driving poverty reduction and economic growth. With the urban population projected to surge from 530 million in 2023 to a staggering 600 million by 2030, this trend will continue to shape the nation's trajectory. Furthermore, FDI inflows, coupled with a skilled and educated workforce, have fueled economic growth and job creation. However, the latest SDG Report by the UN reveals that India's employment rate stands at 4.1%, which is lower than the global average of 5% and significantly below rates in regions like Europe and North America (4.9%).

### 1.2.1 India's Economic Structure

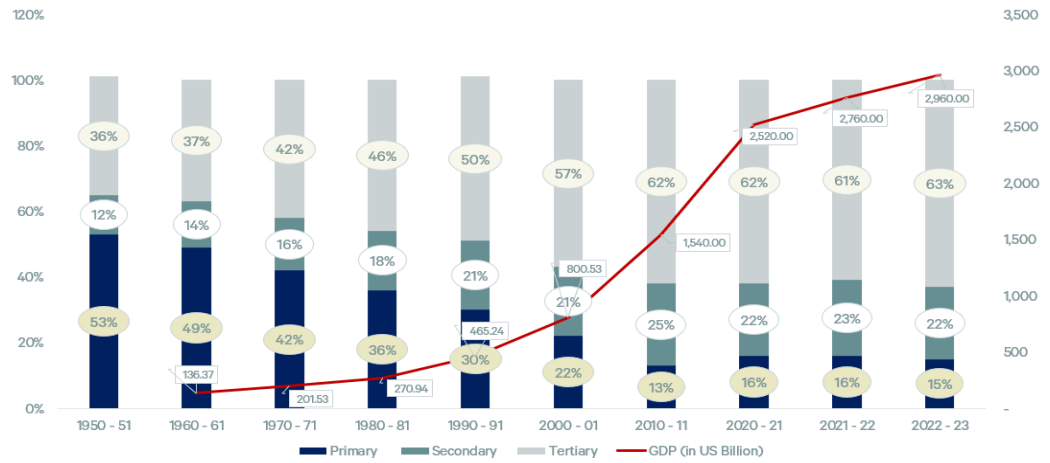
Being a traditionally agrarian economy, India has achieved growth on the back of strong contributions from the primary sector. However, the country's economy has undergone a major transformation over the years, leading to the economy being driven by a fair mix of primary, secondary, and tertiary sector activities.

***Figure 5: Components of GDP & GDP Growth Rate***




**Source:** Handbook of Statistics on Indian Economy, Reserve Bank of India; CBRE Research
*Note: Time Period – Accounting Year (April–March)*
*Figure 6* below depicts the sectoral split of India's GDP for the period 1951–2023:

***Figure 6: India's Sectoral Split Trend (1951–2021, 2022 & 2023)***

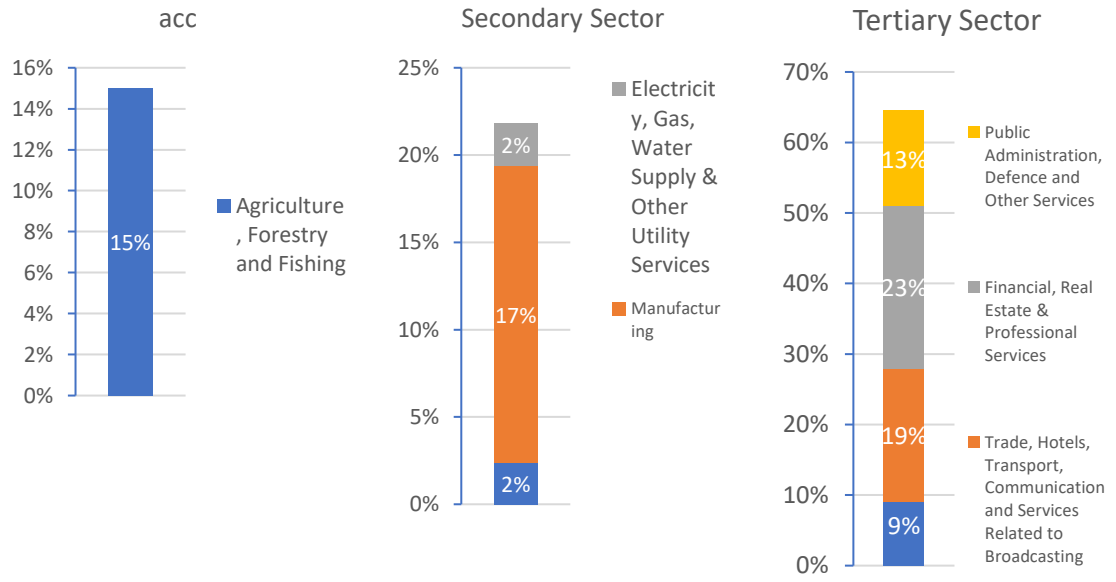



**Source:** Handbook of Statistics on Indian Economy, Reserve Bank of India; CBRE Research
*Note: Time Period – Accounting Year (April–March)*

The growth of India's tertiary sector initially occurred on the basis of inter–sectoral linkages in the economy, mainly due to the primary sector's strong base. However, down the years, with the influx of other sectors such as manufacturing, banking and other financial services and insurance (BFSI) sector, telecommunications, transportation, and the IT/ITEs boom, the focus shifted towards higher value–added sectors, as evident from *Figure 6*.

Further break–up of the activities of the primary, secondary, and tertiary sectors of the Indian economy is shown in *Figure 7*

***Figure 7: Break–Up of Primary, Secondary & Tertiary Sectors of Indian GVA (Constant Price) – 2023 - 2024***



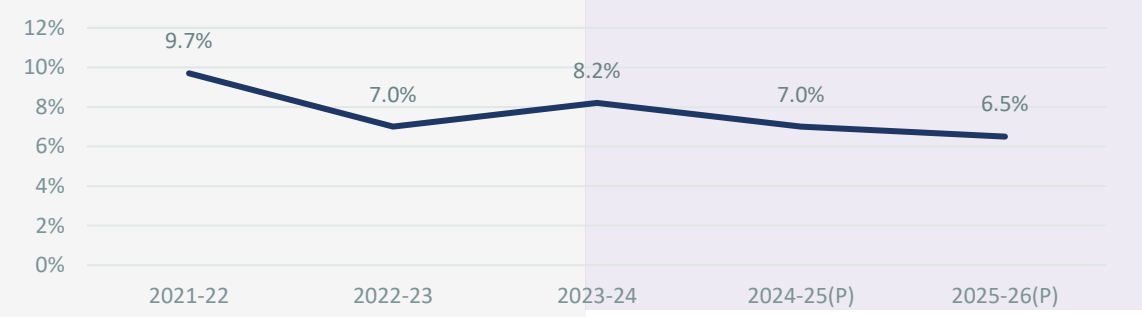

**Source:** Handbook of Statistics on Indian Economy, Reserve Bank of India; CBRE Research.
*Note: Time Period – Accounting Year (April – March)*

### 1.2.2 GDP Forecast & Future Trend

India is the 5th largest economy in the world, and according to the latest Government estimated, India is expected to become a US $5 trillion economy by 2025. India reportedly experienced stronger-than-anticipated economic growth in the latter half of 2023. To further accelerate the estimated growth, the Government of India has undertaken significant investments in social and physical infrastructure, including initiatives such as PLI (Production Linked Incentive), the Smart City Mission, Make in India, Aatmanirbhar Bharat, Local Goes Global, and Digital India. These initiatives have ensured that India remains an attractive market for international investors. The government's focus on capital expenditure (capex) and exports is expected to

enhance production capacity and further strengthen demand. Growth in India is projected to remain strong at 7% in FY 2024-25.

*Figure 8: Real GDP Growth Projections – India*

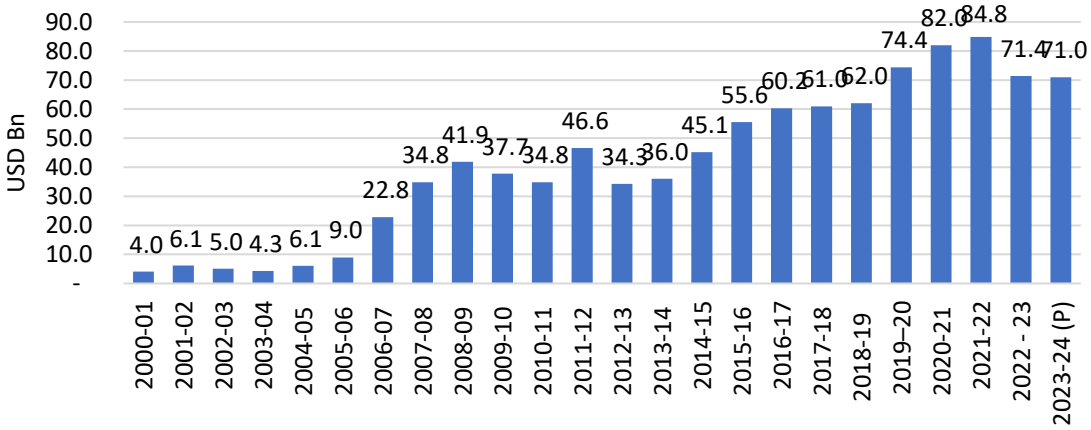



**Source:** International Monetary Fund (2021-22; 2022-23; 2023-24), RBI (2024-25; 2025-26)
**Note:** *E – Estimation; P – Projections*

### 1.2.3 FDI & Historical Trends for India

An increase in FDI inflows into India reflected the impact of its economic liberalization since the early 1990s as well as the gradual opening up of the capital account. Foreign direct investment (FDI) flows were strong and consistent, which contributed to the widening current account deficit during the time. Consistent with its strong domestic economic performance, India has attracted substantial foreign direct investment. India has rapidly emerged as a preferred investment destination, further, FDI inflows have increased 20-fold in last 20 years.

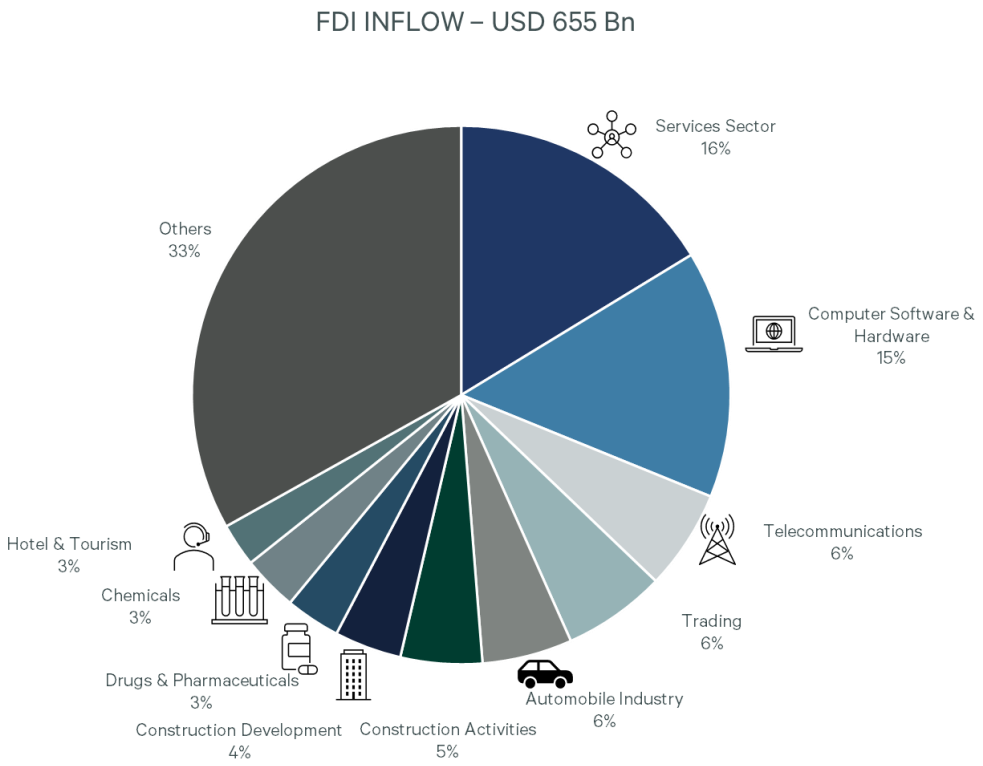
*Figure 9: FDI Equity Inflow Trend From 2000–01 To 2023–24*




**Source**: DPIIT, Ministry of Commerce and Industry, Government of India, (P) – Provisional

***Figure 10*** summarizes the sectoral split of FDI inflow into the country from April 2000–September 2023:

***Figure 10: Sector–Wise FDI Inflow – Top 10 Investment Sectors***



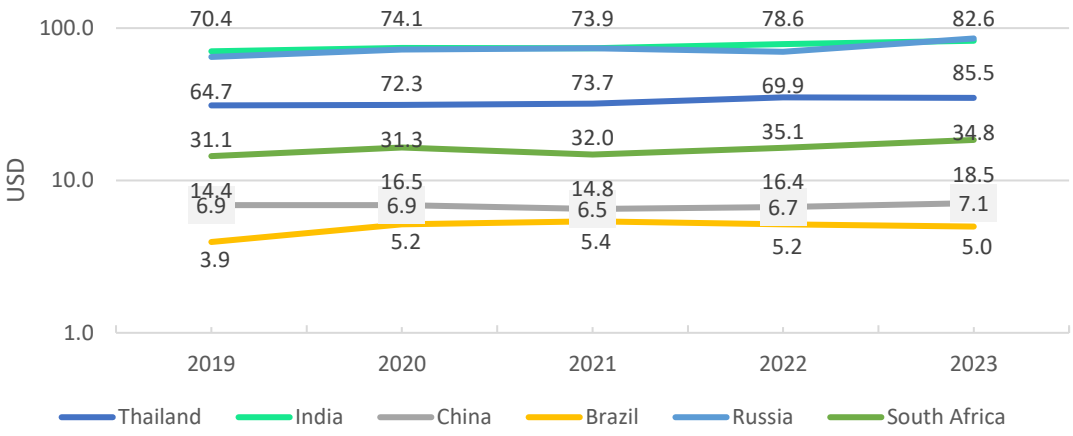

**Source:** DPIIT, Ministry of Commerce and Industry, Government of India; CBRE Research

Government initiatives for modifications to the FDI policy, which would facilitate investment and ease of business have resulted in increased FDI inflows into the country. Recent Government reforms such as lowering of corporate tax rates, improving the ease of doing business and streamlining labour laws have made India a preferred investment destination. Furthermore, the logistics sector is expected to witness increased domestic and overseas investment, supported by the recent grant of infrastructure status to the sector, coupled with 100% FDI through the automatic route.

### 1.2.4 Indian Currency and Future Outlook

The Indian rupee (INR) has shown resilience in the face of the global economic crisis, mainly due to the high foreign exchange reserve maintained by the Reserve Bank of India (RBI) and a reasonable level of Current Account Deficit (CAD). Since 2022, the INR has consistently hovered around 80 per US Dollar (USD); this pressure on the domestic currencies of numerous emergent economies, including India, has resulted from the outflow of foreign capital. Although compared to other major currencies like the Euro, British Pound, and Japanese Yen, the observed depreciation has been relatively modest.

***Figure 11: Currency Exchange rate Against USD in the last 5 years***



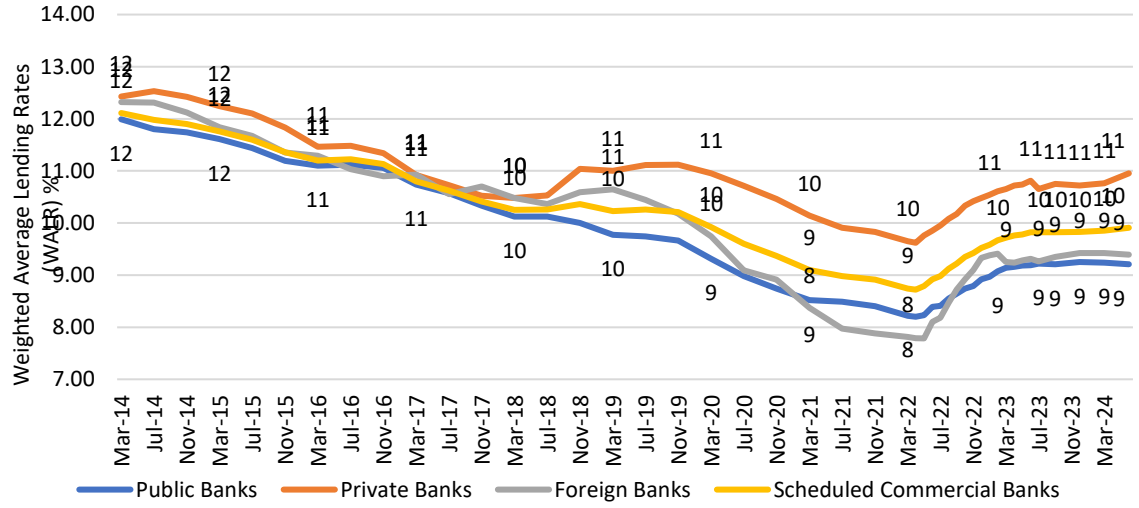

**Source:** World Bank; CBRE Research

### 1.2.5 Interest Rate Movements over the Last Five Years

In the era of globalization, one of the macroeconomic parameters that has come into greater focus is that of interest rates. The importance of interest rates is consequent to the integration of the domestic financial sector with external sectors as well as with the consumption, savings and investments dynamics of an economy. Thus, interest rate fluctuations are of paramount importance in any economy as it influences its credit cycle and, thus, its business cycle.

In response to rising inflation, the Reserve Bank of India (RBI) implemented a series of aggressive interest rate hikes throughout 2022. However, in late 2023 and throughout 2024, the RBI maintained a hold on further rate increases and ultimately reduced the cash reserve ratio (CRR) by 50 basis points to 4%. Furthermore, certain economic forecasts suggest the possibility of interest rate cuts in the latter part of 2025 as inflationary pressures subside. With the anticipated decrease in repo rate, real estate lending rates are expected to lower, positively impacting the developers' and end-users' sentiment. The logistics sector has been awarded infrastructure status giving developers access to preferential interest rates. The following figure shows interest rate movements in India over the last 10 years:

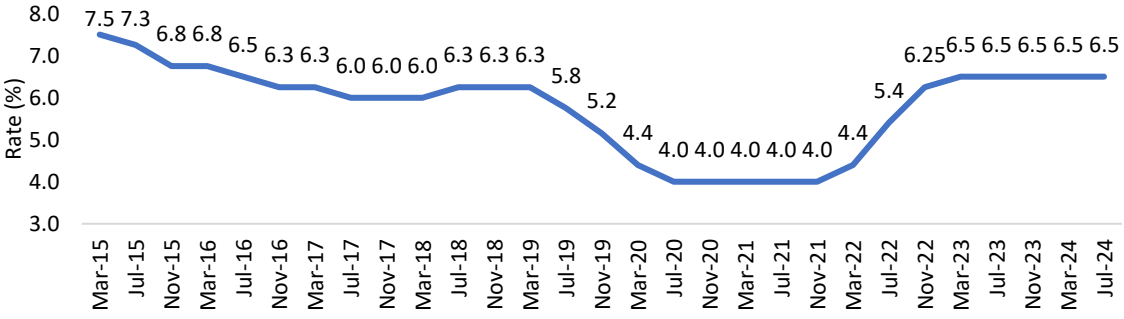
*Figure 12: Interest Rates Movement in India in the last 10 years*




**Source:** Reserve Bank of India

The following figure illustrates the repo rate movement trend over the period 2015–2023:

*Figure 13: Repo Rate Movement – India*




**Source:** Reserve Bank of India (DBIE)

## 1.3 Demographic Landscape

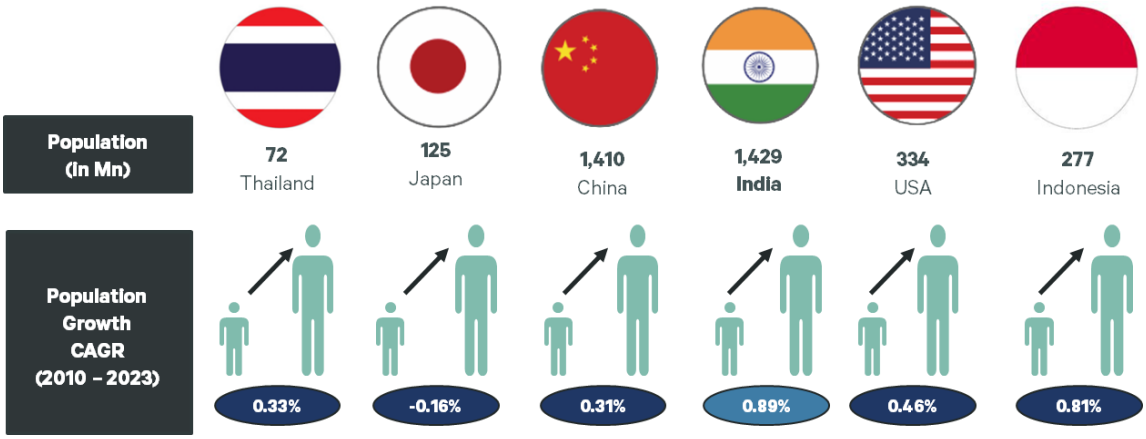
### 1.3.1 Key Demographic Trends

India currently houses approximately 18% of the global population. The country boasts of the largest population at nearly 1,429 million in 2023.[18] The country has historically been one of the largest consumption

[18] World Bank 2023

markets in the world. On an overall basis, India's current projected population growth rate has overtaken China.[19]

***Figure 14: Global Population Comparisons***




**Source:** World Bank; CBRE Research
**Note:** Population in Mn; Population Year: 2023

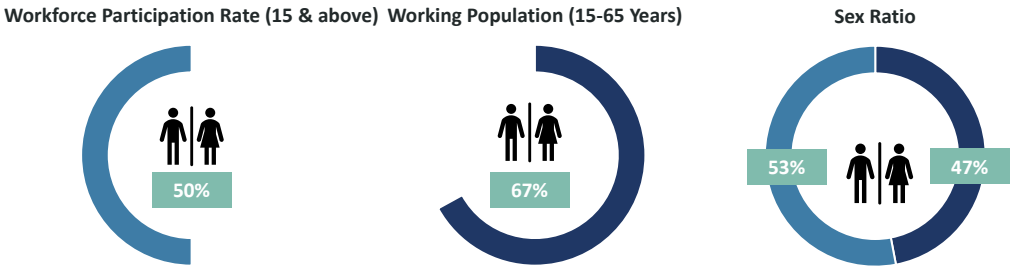
To assess the demographic dividend of a nation, three major factors are typically taken into account, viz., the working age trend, gender distribution of the workforce, and their location trend (urban/rural population mix).

### 1.3.2 Current Demographic Landscape

The decadal growth for India is one of the highest among the major economies of China, USA, Japan, the UK, or even among competing manufacturing regions such as Vietnam and Thailand. Further, to understand the break–up of India's population in detail, *Figure 15* summarizes the key statistics of India's demographic scenario.

The significant base of India's youth population coupled with a 74% literacy rate ensures the availability of an educated and skilled workforce, which is expected to provide the manufacturing base of the country with a low–cost and sustainable labour pool, going forward.

***Figure 15: Key Statistics – Indian Demographic Landscape***




**Source:** World Bank; Census Data; CBRE Research

As per Worldometers India's population grew approximately 9% between 2015 and 2024. Over 34.5% of India's population is urban, which is expected to grow at CAGR of 3–5% by 2030, owing to workforce migration and the rapid urbanization of Tier II and III cities. Tier II and III cities are also acting as feeder towns for smaller towns and villages. According to the National Commission on Population, approximately 38.6% of the population is expected to reside in urban India. Currently, urban India accounts for approximately two–thirds of the national economic output.[20] Urbanization has a substantial positive impact on the economy as it leads to organized demand and organic growth in several sectors, such as an organized housing market, e–commerce, fast moving consumer goods (FMCG), fast moving consumer durables (FMCD), organized retail, hospitality, automotive, transportation, and infrastructure development and among

[19] United Nations; *https://population.un.org/wpp/publications/files/wpp2019_highlights.pdf.*
[20] World Bank

others.

## 1.4 Government Initiatives & Impetus on Logistics Sector

With the unveiling of the 'Make in India' programme in September 2014, and the Government's inspiring call for an 'Aatmanirbhar Bharat' (Self–reliant India) more recently, a robust logistics sector is required to facilitate the movement of goods, services, and people globally. Thus, the GoI has formulated a logistic vision: "To develop an integrated cost–effective, reliable, sustainable and digitally–enabled logistics ecosystem in the country for accelerated and inclusive economic growth".

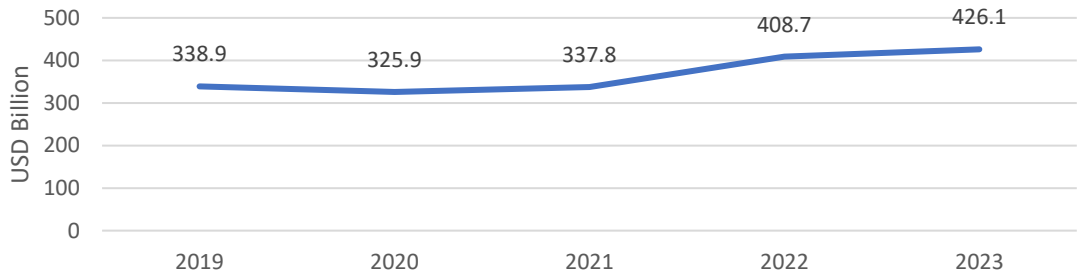
To support its vision, the Government has provided the logistics sector with an initial impetus by granting it an 'infrastructure status', allowing developers to finance projects through international funding and reduced interest rates.

### 1.4.1 Focus on Manufacturing

Following the liberalization of India's economy in the early 1990s, the country has witnessed sustained growth in the manufacturing sector. Despite the stable growth and availability of skilled, low–cost labour, India lags behind major industrialized economies in terms of manufacturing contribution to the economy. The GoI envisages growing the manufacturing sector by ensuring a 21% contribution from the same towards the country's GDP. According to Government's estimates, India is expected to achieve US $1 Tn from manufacturing sector by 2025. Based upon the same, the Government has also realized the necessity of focused intervention.

Further, the Gross Value Added (US $ Bn on Basic Price) of India's manufacturing sector over last 5 years is as per the following graphical representation:

**Figure 16: GVA by Manufacturing Sector (Basic price in USD Billion)**



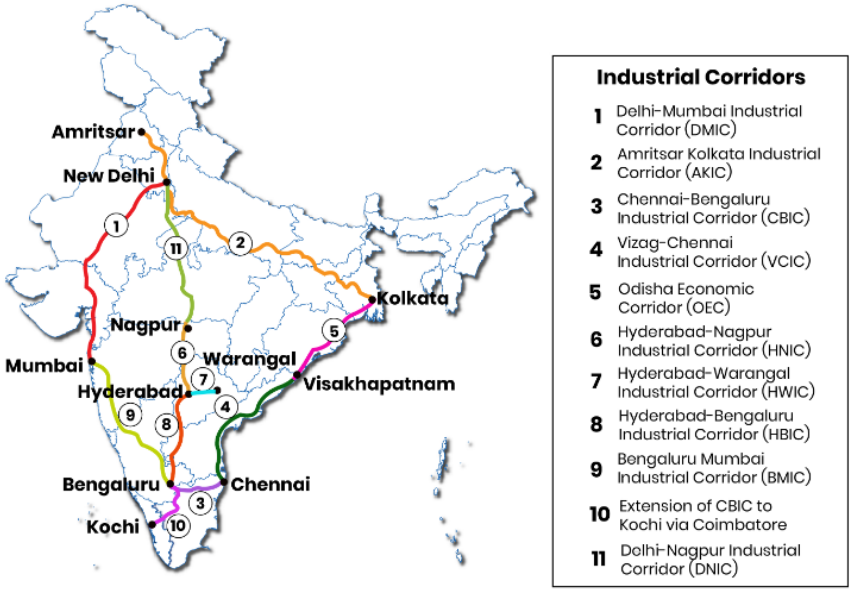

**Source:** PIB; CBRE Research

Some of key initiatives by Government of India to bolster the sector are elucidated below:

1. **Make in India:** This initiative was launched under the aegis of the Ministry of Commerce and Industry's Department of Industrial Policy and Promotion (DIPP) in September 2014. The policy aims to create a conducive environment for investments, develop modern and efficient infrastructure, and open up new sectors for foreign capital. Under Make in India initiative, GOI formed a collaboration with Germany, aiming on investments from small and medium sized German Companies, resulting in total investments exceeding €1.4 Bn. The automotive, electrical, consumer goods, construction and waste-water management industries accounted for the majority of these investments. The Defence Ministry offered USD 6.7 billion tender to build six conventional submarines in the aim to promote Make In India.

2. **National Industrial Corridor Development Programme:** National Industrial Corridor Development Programme is aiming to develop new industrial cities as "Smart Cities" and converging next generation technologies across infrastructure sectors. Government of India is developing various industrial corridor projects as part of the National Industrial Corridor Programme which is aimed at development of futuristic industrial cities in India which can compete with the best manufacturing and investment destinations in the world. The same will create employment opportunities and economic growth leading to overall socio-economic development. Some of the major corridors includes, Delhi Mumbai Industrial Corridor, Amritsar Kolkata Industrial Corridor, Chennai Bengaluru Industrial Corridor and Bengaluru Mumbai Industrial Corridor.

***Figure 17: Proposed Corridors under NICDP***




**Source:** PIB; CBRE Research

3. **Aatmanirbhar Bharat:** Aatmanirbhar Bharat, or Self-Reliant India, is a comprehensive initiative launched by the Indian government to make the country economically self-sufficient and globally competitive. It aims to reduce reliance on imports, boost domestic manufacturing, and create jobs. Key components of this initiative include reforms in various sectors like agriculture, manufacturing, healthcare, and education. The government has also implemented various schemes and policies to incentivize domestic production and attract foreign investment. Under this initiative, the Government of India has announced a special economic package of USD 235 billion for making the country independent against competition in the global supply chain and empowering its economically weak sections.

4. **Skilled India:** It is aided in these initiatives by its functional arms – Directorate General of Training (DGT), National Council for Vocational Education and Training (NCVET), National Skill Development Corporation (NSDC), National Skill Development Fund (NSDF), 37 Sector Skill Councils (SSCs), 33 National Skill Training Institutes (NSTIs/NSTI(w)), about 15000 Industrial Training Institutes (ITIs) under DGT and 187 training partners registered with NSDC. The Ministry is also willing to work with the existing network of Skill Development centres, universities and other alliances in the field.

5. **Start–Up India:** This is a flagship initiative of the GoI, intended to build a strong eco–system for nurturing innovation and start–ups in the country, which will drive sustainable economic growth and generate large–scale employment opportunities. Globally, India ranks 3rd in terms of total Unicorns created, India sits behind China (249 Unicorns) at 2nd rank and US (993 Unicorns) at 1st rank.

6. **National Manufacturing Policy:** In 2011, the GoI had announced a 'National Manufacturing Policy' for enhancing the share of manufacturing in GDP to 25% (currently at 17%), within a decade and creating 100 million jobs by 2025.

7. **Sagarmala Pariyojana:** This is an integrated development expected to reduce cost and time for transforming goods, benefiting industries and export/import trade. The programme will also involve the development of port–proximate industrial and logistics capacities near coastal cities.

Further, Indian government has implemented several other initiatives to boost economic growth and development. These include the National IPR Policy to streamline intellectual property rights, the National Policy on Electronics to establish India as a global electronics manufacturing hub, and the Production Linked Incentive (PLI) scheme to encourage large-scale industrial manufacturing across various sectors. The IoT Policy aims to leverage the Internet of Things for economic and social development. Furthermore, initiatives like Mega Textile Parks (MITRA) and the promotion of Medical Device Parks aim to enhance manufacturing capabilities in key sectors, attract investments, and improve India's global competitiveness. Notably, the recent introduction of the Employee Linked Incentive (ELI) scheme in the Union Budget 2024-25 aims to facilitate employment opportunities and provide incentives to both employees and employers in the manufacturing sector, supporting 4.1 crore youth by 2030. These policies collectively demonstrate the

government's commitment to driving industrial growth, fostering innovation, and creating a conducive environment for economic development in India.

### 1.4.2 Concessional Tax Rates

To further promote new manufacturing start–ups in the country, Government of India in 2019 introduced a new corporate tax regime for manufacturing sector. The Taxation Laws (Amendment) Ordinance, 2019 added Section 115BAB offering a low tax rate of 15% (plus surcharge and cess) to new manufacturing establishments. Furthermore, as part of Budget 2022–23, the government extended the concessional corporate tax benefit till March 2024 for newly incorporated manufacturing companies.

### 1.4.3 Impact of GST on sector consolidation

1. **Minimization of transportation time:** GST has reduced transportation time in the logistics sector by cutting down compliance time at inter-state check posts. This leads to lower delivery costs and potentially reduces the final price of goods.

2. **Trouble-free supply of goods:** GST has combined taxes like VAT, Octroi, and CST into a single tax, simplifying the supply of goods. E-way bills under GST have made it easier to transport goods.

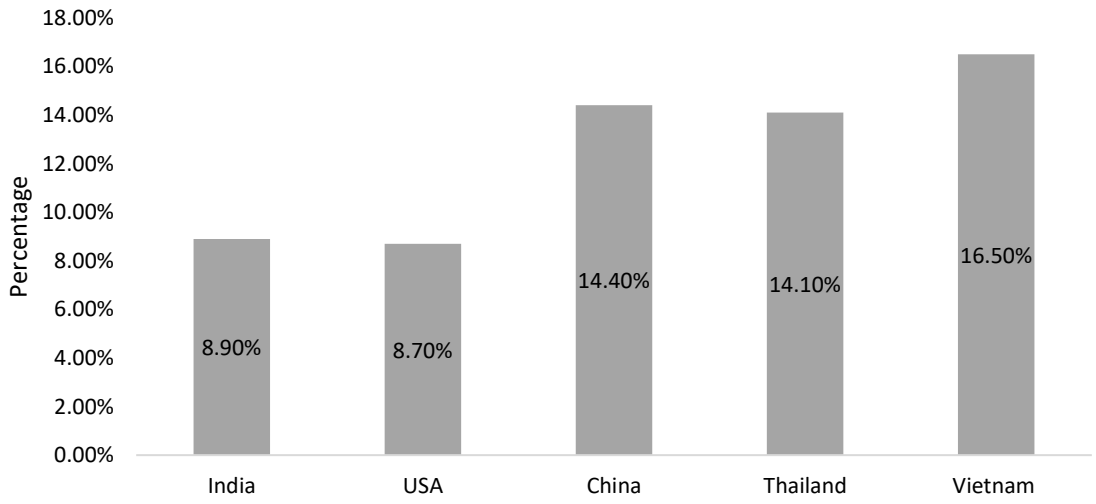
3. **Paperwork reduction:** GST has reduced paperwork by introducing e-way bills, replacing multiple documents previously required for transport vehicles.

4. **Improvement in warehouse system:** Under the previous tax regime, businesses had to set up separate warehouses in each operational state due to the specific tax structure. With the implementation of GST, this requirement has been eliminated, allowing for easier and more effective inventory management.

### 1.4.4 Sectoral Reforms

According to quick estimates by the National Council of Applied Economic Research (NCAER), logistics costs in India ranged from 7.8% to 8.9% of GDP in 2021-22. Recognizing the significant impact of these costs on the economy, the Government has undertaken extensive initiatives at both the Central and State levels to streamline logistics operations and reduce costs to single-digit percentages of GDP. These efforts aim to enhance supply chain efficiency, boost competitiveness, and create new job opportunities within the logistics sector.

***Figure 18: Country-wise Logistics Cost (% on GDP)***




**Source:** National Council of Applied Economic Research (NCAER); CBRE Research

1. **Logistics Division:** In September 2022, India's government released the long-awaited National Logistics Policy (NLP), a comprehensive, cross-sectoral framework to upgrade the logistics infrastructure and create an integrated logistics ecosystem in the country.

2. **National Rail Plan:** Indian Railways have prepared a National Rail Plan (NRP) for India – 2030. The Plan is to create a 'future ready' Railway system by 2030. The NRP is aimed to formulate

strategies based on both operational capacities and commercial policy initiatives to increase modal share of the Railways in freight to 45%. The objective of the Plan is to create capacity ahead of demand, which in turn would also cater to future growth in demand right up to 2050 and also increase the modal share of Railways to 45% in freight traffic and to continue to sustain it. Approximately 58 Super critical Projects of a total length of 3,750 kms costing USD 460 Crore and 68 Critical Projects of a total length of 6,913 kms costing USD 890 Crore, have been identified for completion by 2024.

3. **PM Gati Shakti:** The policy aims to serve as a digital platform to bring together 16 ministries for integrated planning and coordinated implementation of infrastructure connectivity projects across the country. The said infrastructure initiatives aim to provide integrated multi–modal connectivity for the movement of people, goods, and services, while providing last–mile connectivity infrastructure and reducing travel time.

4. **Secured Logistics Document Exchange (SLDE):** The SLDE plans to replace the present manual process of generation, exchange, and compliance of logistics documents with a digitized, secure, and seamless document exchange system through the Aadhar and Block Chain technologies.

5. **Freight Smart Cities (proposed):** The Freight Smart Cities mission envisions to improve urban freight efficiencies by identifying 10 cities in the first phase of the project. The project is further likely to expand to 75 cities across India. Thus, state governments will focus on initiatives such as developing peri–urban freight centres, night–time deliveries, mapping truck routes, using intelligent transport systems and modern technologies, promoting electrification of urban freight, and development of parcel delivery terminals, among other efforts.

6. **Bharatmala Pariyojana:** This is a centrally sponsored and funded road and highway development project of the Ministry of Road Transport and Highways (MoRTH), Government of India. The project envisages the development of about 26,000–km of Economic Corridors, which along with the Golden Quadrilateral (GQ) and the North–South and East–West (NS–EW) Corridors are expected to carry most of the country's freight traffic.

7. **Multi–Modal Logistics Parks:** As a part of the Bharatmala Pariyojana, the Cabinet Committee on Economic Affairs (CCEA) mandated MoRTH to develop 35 Multi–Modal Logistics Parks (MMLPs) across the country.

8. **Dedicated Freight Corridor (DFC) Project:** The DFC project is an initiative of the Ministry of Railways, Government of India, for the planning, development, and mobilization of financial resources and construction, maintenance, and operations of six DFCs across India. The project aims to provide safe and efficient cargo movement through an interconnected freight transport system.

9. **National Infrastructure Pipeline (NIP):** The NIP for FY 2019–25 is a whole–of–government exercise to improve project preparation and attract investments, thereby providing world class infrastructure. Transportation and logistics are two of the key opportunity sectors identified as part of the NIP. There are a total of approx. 9,628 proposed projects with a total project cost of approx. USD 23.7 Bn. Currently approx. 2,008 projects are under-development.

10. **Warehousing Act, 2007**: The main objectives of the Warehousing (Development and Regulation) Act, 2007 were to make provisions for the development and regulation of warehouses, negotiability of warehouse receipts, establishment of a Warehousing Development and Regulatory Authority (WDRA) and related matters. The Negotiable Warehouse Receipts (NWRs) issued by the warehouses registered under this Act would help the farmers to seek loans from banks against NWRs and avoid distress sale of agricultural produce.

11. **Free Trade and Warehousing Zone (FTWZ) Policy:** In India, Free Trade and Warehousing Zone was introduced in the Exim Policy with the objective to facilitate the import and export of goods and services. Each Zone was considered to have USD 1.2 crores outlay and 5 lakh sqm of built–up area. The government of India introduced the FTWZ Policy as a part of Foreign Trade Policy (FTP) 2004–2009 governed by the SEZ ACT, 2005 and SEZ Rules, 2006 to leverage India's strategic geographical location and cost and skill arbitrage.

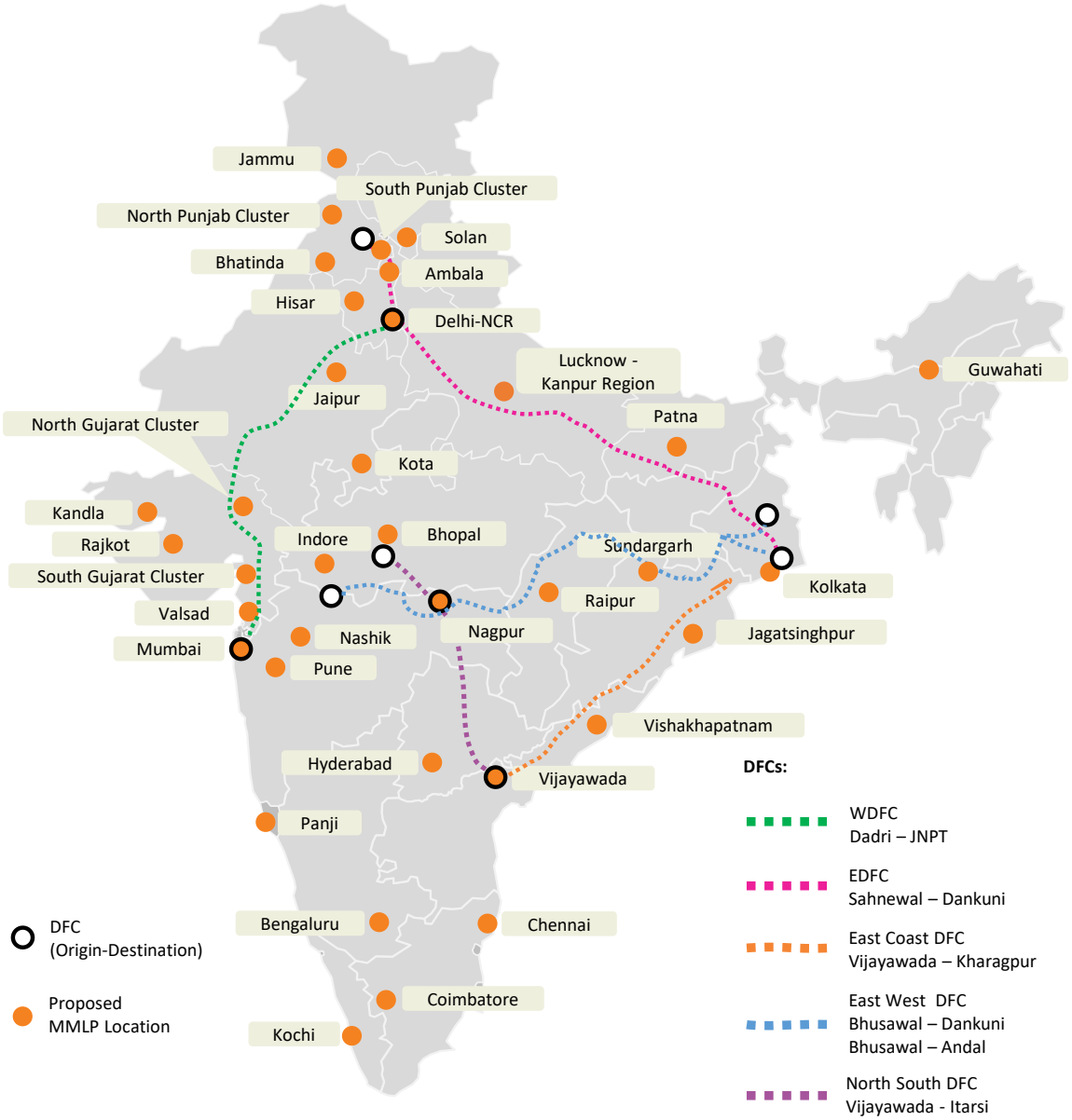
12. **Pradhan Mantri Kisan SAMPADA Yojana (PMKSY):** An umbrella scheme incorporating ongoing schemes of the Ministry of Food Processing Industries (MoFPI). PM Kisan SAMPADA Yojana is a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. Government has identified cold

storage as a thrust area for development and has recommended for the creation of cold–chain Infrastructure. The objective of the Scheme of Cold Chain, Value Addition and Preservation Infrastructure is to provide integrated cold chain and preservation infrastructure facilities, without any break, from the farm gate to the consumer.

13. **Coastal Economic Zones (CEZ):** The government intends to encourage port-led industrial growth in the nation through the Sagarmala initiative. To this end, 14 coastal economic zones have been assigned for development, and there are strategies for leveraging investment for approximately USD 123 billion in 415 projects nationwide.

Additionally, finalization of draft policies, including the National Logistics Policy and Logistics Master Plan will further boost logistics activity nationally.

*Figure 19: Logistics – Key Infrastructure Developments*




**Source:** Ministry of Road Transport and Highways

## 1.5 Interdependencies of Manufacturing & Logistics

Manufacturing and logistics industries are inextricably linked, with producers relying on robust and efficient supply chains to receive raw materials and ship finished products to customers. Though the manufacturing industry is expected to grow, India's low logistics efficiency has historically played a significant role in reducing its industrial competitiveness. Over the last few years, the Government of India has implemented a

number of policies and infrastructural measures to boost the growth of the manufacturing sector and improve the efficiency of the logistics industry, including the recently released Union Budget. Furthermore, the government has taken the required steps to detect these inefficiencies, including actively monitoring India's Global Logistics Performance Index and conducting statewide studies to evaluate logistics performance and competitiveness among Indian states. Recognizing the importance of instilling a logistics and supply chain mindset across states and Union Territories (UTs) and enabling constructive competition among states, the Ministry of Commerce and Industry (MoCI) launched the "Logistics Ease Across Different States (LEADS)" study in 2018, which ranked states and UTs based on the efficiency of their logistics ecosystems. The goal of the LEADS survey, which used the World Bank Logistics Performance Index (LPI) as a reference point, to give a diagnostic of logistics-related barriers and challenges which can be used in in better policymaking.

Further, The LEADS 2023 report provides valuable insights into the logistics performance improvement at the State/UT level. The report highlights the positive impact of various reforms across States and UTs on overall stakeholder perception. This indicates an encouraging shift in the performance of States across the key pillars of Logistics Infrastructure, Logistics Services, and Operating and Regulatory Environment. The report empowers the State/UT Governments by providing region-specific insights for informed decision-making and comprehensive growth.

This report presents findings from a primary survey conducted across India between May and July 2023. The survey received over 7,300 responses from 36 States/Union Territories. In addition, over 750 stakeholder consultations facilitated by National, Regional, and State Associations were conducted to contribute to this comprehensive evaluation.

### 1.6 Fiscal budget announcements (As per Union Budget)

1. **Multi-Modal Logistics Park:** The Indian government is developing 35 MMLPs, with 15 prioritized for the next three years. The bid processing for four MMLPs in Chennai, Bangalore, Nagpur, and Indore is completed. MMLPs can solve many inefficiencies in the system, but they aren't a one-stop solution for all problems. *(2022 – 2023)*

2. **PM Gati Shakti:** The Gati Shakti Master Plan aims to develop modern and world-class infrastructure across seven categories, including Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics. The plan will also include state government infrastructure projects that follow the master plan. The goal is to promote synergy between different modes of transportation for both people and goods. *(2022 – 2023)*

3. **Budget Allocation for Logistics Sector:** The Union Budget prioritizes formation of jobs with the budget of USD 23.5 billion and infrastructure development with USD 130 billion. Additionally, the budget promotes economic inclusivity of women through plans for working women hostel and creches. *(2022 – 2023)*

4. **Dedicated Freight Corridors:** The Indian government puts emphasis on providing more money for authorizing of the eastern and western dedicated freight corridors (DFCs), with the allocation of USD 13 billion in the project. *(2022 – 2023)*

5. **Transport Projects:** One hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified. They will be taken up on priority with an investment of ₹75,000 crore, including ₹15,000 crore from private sources *(2023 – 2024)*

6. **E-Commerce Export Hubs:** E-Commerce Export Hubs will be established through public-private partnerships (PPPs) to empower MSMEs and traditional artisans to access international markets. These hubs will operate within a streamlined regulatory and logistical framework, providing a one-stop solution for trade and export-related services. *(2024-2025)*

7. **Industrial Parks:** The government will facilitate the development of investment-ready “plug and play” industrial parks with complete infrastructure in or near 100 cities, in partnership with the states and private sector, by better utilizing town planning schemes. Twelve industrial parks under the National Industrial Corridor Development Programme will also be sanctioned. *(2024-2025)*

### 1.7 Road Ahead

To make India a prominent manufacturing and logistics hub and promote sectoral growth, the GoI has taken a step in the right direction. Based upon the same insights, India’s push towards development of the logistics

sector presents various advantages as outlined below:

1. **Regional Development:** The various infrastructure development initiatives of the GoI along with Central and State policy level interventions will assist in developing certain regions in the country as prominent logistics hubs.

2. **Activity Consolidation:** The envisaged MMLP developments across the country will assist the logistics sector by consolidating various activities and transport modes into a singular development, providing ease of doing business to importers and exporters.

3. **Benchmarking and Competitive Analysis:** Localized studies to comprehend existing logistics dynamics and assess logistics competition among various states will highlight regions needing focused development. Thus, the planned initiatives and continued investments and budgetary allocations towards infrastructure development in the logistics sector will improve it and assist in lowering logistics costs in the country.

4. **Technology Integration:** The major technology integration includes:

    - Integration of Digital System (IDS): There will be digital integration of different systems of seven various departments (like road transport, railways, aviation, commerce ministries and foreign trade)

    - Unified Logistics Interface Platform (ULIP): This ensures shorter and smoother cargo movement and enables the exchange of information confidentially on a real-time basis. This National Industrial Corridor Development Corporation (NICDC) Logistics Data Bank Project has been leveraged.

    - Ease of Logistics (ELOG): will enable and ensure the ease of logistics business through transparency and accessibility

## 2. Overview of Indian Logistics & Warehousing Sector

### 2.1 Section Overview

- Logistic Maturity: India's demand for logistics infrastructure is increasing due to structural changes. The Indian logistics sector is rapidly expanding, owing to ongoing regulatory interventions, strong development in manufacturing, and the rise of e-commerce and third-party logistics firms.

- Key Growth Driver: The demand for Grade A warehousing space is significantly driven by the growth of e-commerce, the rise of third-party logistics (3PL) operations, and the increasing prominence of manufacturing activities. E-commerce and 3PL operations inherently require larger warehousing spaces compared to traditional retail channels. Furthermore, the expansion of manufacturing sectors, coupled with evolving supply chain strategies like just-in-time manufacturing and lean principles, necessitates efficient warehousing and distribution networks.

- Manufacturing Diversification: Demand is expected to benefit from the implementation of China Plus One strategies with manufacturers seeking to relocate production out of mainland China and into multiple bases in nearby markets, with India set to be the clear winner.

- Real Estate and Warehouse: Warehouses as a real estate asset, have a typical development cycle of 6 to 1.5 years. Asset monetization is in the form of lease rentals varying between 3–9 years depending upon lessee requirements. Compared to traditional rental based assets including commercial offices and retail malls, warehousing provides faster stabilization rates.

- Warehousing per Capital: In contrast to markets that have fully developed logistically, the warehousing sector in India is still in its early stages. Consequently, there is a limited warehousing stock per capita in comparison to nations such as the United States. While India has a per capita warehousing stock of approximately 4.5 square feet per person, the United States boasts a significantly higher per capita stock of 24 square feet per person. It is expected that India will follow a similar trajectory of growth to China due to the rise of 3PL, E-commerce, and Modern retail, both of which contribute to an increase in warehousing stock per capita. As these industries continue to expand and mature in India, there will likely be a corresponding increase in demand for modern warehousing facilities. This growth in warehousing infrastructure will not only improve supply chain efficiency but also attract more investment in the sector.

- Upcoming Trends: Shift from Single Channel Distribution to Omni–Channel Distribution has led to improvement of last mile–warehousing connectivity, prompting development of multi–storey warehousing and last–mile fulfilment centres in Tier I cities. E–commerce and 3PL coupled with gradual saturation of Tier I warehousing markets will drive a shift in demand to Tier II cities.

## 2.2 Logistics and Warehousing Overview at India Level

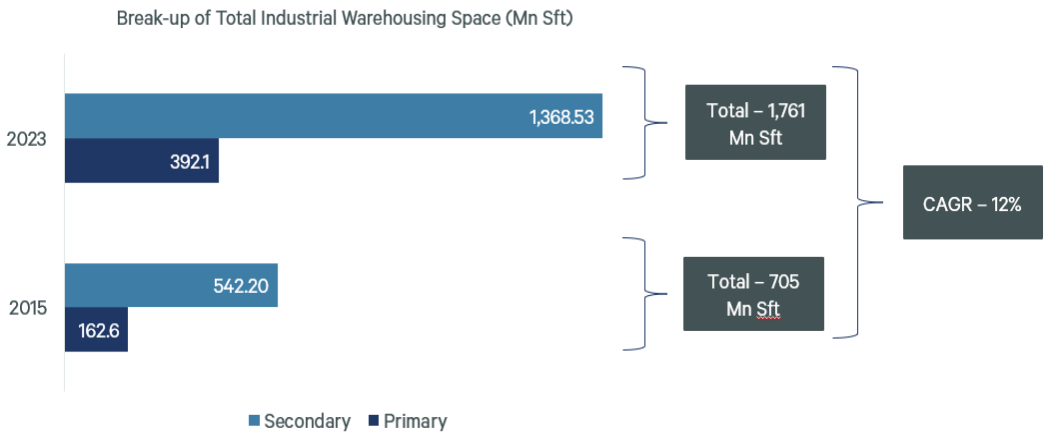
India's logistics and freight industry is valued at an estimated USD 317.26 billion in 2024, driven by a burgeoning economy and a consumer base of nearly 1.4 billion. The warehousing sector has emerged as an attractive investment destination, fueled by the exponential growth of e-commerce, 3PL, and modern retail. Since the implementation of GST in FY 2015, the Indian warehousing industry has witnessed robust growth, expanding at a CAGR of approximately 12% through FY 2023. This momentum is expected to continue, with a projected CAGR of 12-13% over the next five years.

While Tier 1 cities will continue to experience growth in grade A warehouse development (15-20% CAGR), Tier 2 cities are poised for even higher growth. Driven by increasing internet penetration, rising disposable incomes, and the rapid expansion of e-commerce and quick commerce, demand for warehousing in Tier 2 & 3 cities is set to surge. This growth is expected to range from 14% to 18% annually over the next four to five years, making these regions key drivers of the warehousing sector in the near future.

Further, Manufacturing and logistics industries are inextricably linked, with producers relying on robust and efficient supply chains to receive raw materials and ship finished products to customers. Though the manufacturing industry is expected to grow, India's low logistics efficiency has historically played a significant role in reducing its industrial competitiveness. Over the last few years, the Government of India has implemented a number of policies and infrastructural measures to boost the growth of the manufacturing sector and improve the efficiency of the logistics industry.

The following section discusses the quantification of overall warehousing demand at a pan India level, including the major sectors contributing to the demand, grade–wise space break–up and the contribution of the top eight Indian cities to this overall demand. A detailed approach and methodology[21] have been applied to arrive at the overall warehousing stock.

***Figure 20: Breakup of total industrial warehousing space in Mn sf***




**Source:** CBRE Research

As of 2023, the total industrial warehousing supply across India is almost 1,761 million sft. Of this, primary warehousing stock[22] makes up about 22% of the total industrial warehousing supply, with secondary

[22] ***Approach & Methodology for assessment of pan India warehousing Supply***

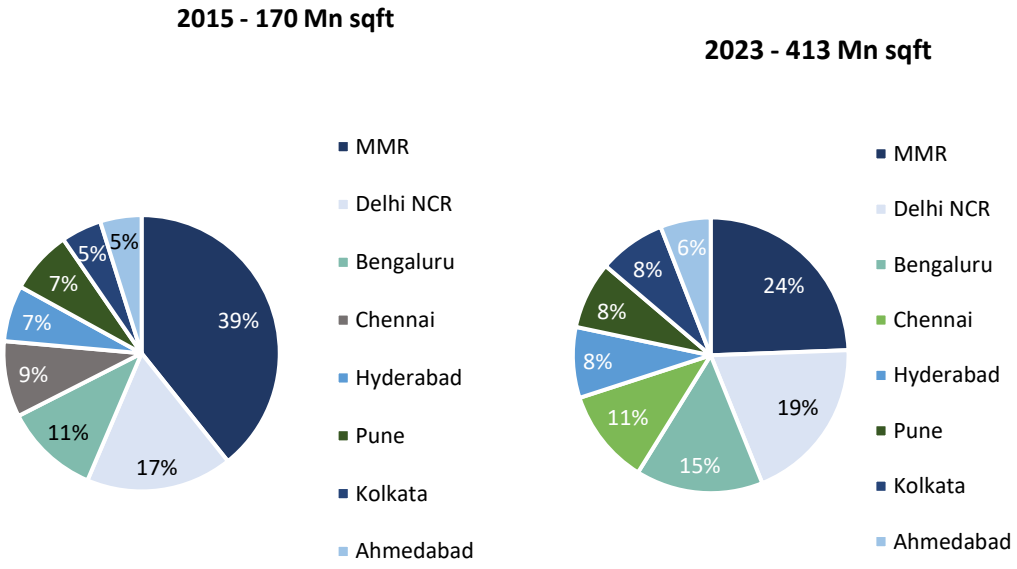
*(i) Conducting an analysis of the distribution of market share of significant occupiers in various industries by mapping their warehouse footprint using primary and secondary sources of information. The consolidated data is obtained from primary and secondary research sources, with some reliance on third parties for data points, which has been used to approximate the present market size.*

*(ii) Forecasting the market share of the industry sector in the aggregate warehousing market size in India through a comparison of the mapped warehousing space occupied by significant occupants with the total available space. The present analysis provides preliminary insights into the competitive environment and prospective avenues for expansion in the Indian logistics sector. This*

warehousing space making up the rest (78%).

The top eight cities in India account for 22–24% of the total industrial warehousing supply, whereas the top twenty-four cities account for approximately 32–33% of the total warehousing supply in India.

*Figure 21: Warehousing Stock of top 8 cities in 2015 Vs 2023*




**Source:** CBRE Research

The warehousing sector in Tier 1 cities has also grown annually by 12–13%. The quality of warehouse with the most significant expansion has been Grade A warehousing, which has increased by around 27% across the top eight cities. The fact that the top eight cities exhibit an aggregate growth rate of 25%–27% suggests that end users are increasingly inclined towards modern warehouses. This shift towards Grade A warehousing in major cities indicates a growing preference for efficient and modern storage facilities. This trend towards Grade A warehouses is also observed in Tier II and III cities. In Tier II cities, demand is further driven by the entry of global industries, improved connectivity, rising disposable incomes, and limited availability of ready-to-move-in space in Tier 1 locations. Occupiers are adopting diverse strategies, including self-build, partnerships, and build-to-suit solutions, to enter and expand in these markets. Furthermore, optimizing the logistics supply chain across all stages is crucial. The emergence of last-mile facilities like micro-fulfillment centers and dark stores will support rapid deliveries within Tier II cities, is significantly enhancing demand for warehousing spaces.

***Figure 22: Grade A Warehousing Stock of top 8 cities in 2015 Vs 2023***

*has been done to provide stakeholders with an understanding of market conditions, growth potential, and associated risks; actual figures may vary.*

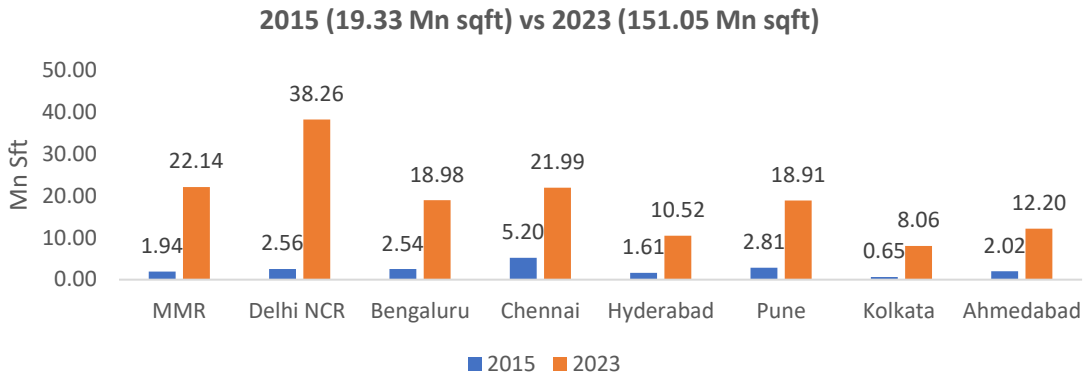
***Key Caveats to the Approach and Methodology***

- *Our analysis of the industrial sectors involved a two-pronged approach. First, we used secondary research*

*to determine the current size and historical growth patterns of key industries, incorporating* macroeconomic and microeconomic data *to project future trends. Second, we conducted a thorough mapping of the existing warehousing landscape through primary research methods, including on -ground market surveys and direct interaction*

*with industry stakeholders. This sampling approach allowed us to gain a representative understanding of the current warehousing needs and trends. While our market sizing projections are based on robust research, it's important to acknowledge that the future growth of the warehousing sector is inherently linked to macroeconomic conditions. Any significant changes in these conditions could influence the sector's trajectory and, consequently, the accuracy of our projections.*

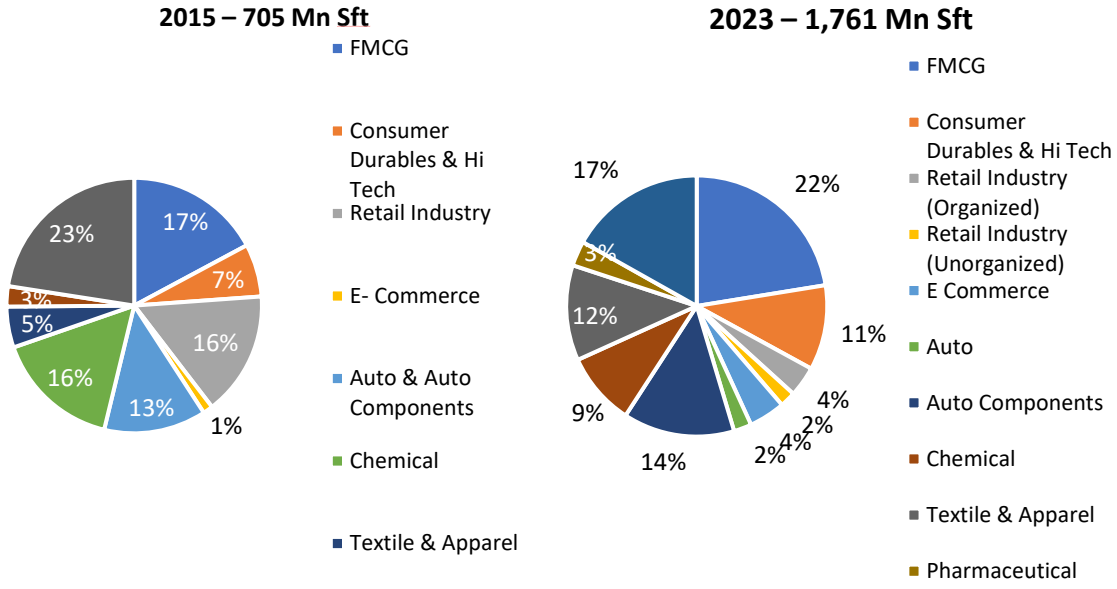
-




**Source:** CBRE Research

As the demand for industrial storage grows, developers are expected to focus on building Grade A facilities in Tier I, II, and III regions to suit end customers' demands. This tendency suggests that urban storage solutions will become more efficient and technologically advanced. The demand for Grade A storage is expected to rise further as end users pursue efficient logistics and supply chain operations. The warehouse industry is forecasted to grow at a rate of 12-13% per year for the next four to five years, with Tier II and Tier III cities accounting for the majority of the expansion.

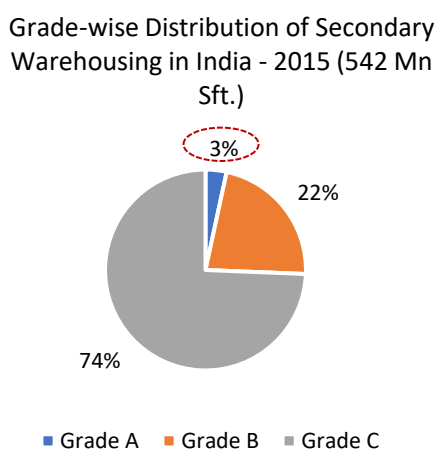
*Figure 23: Sector Wise Distribution of Total Warehousing Supply – 2015 Vs 2023*

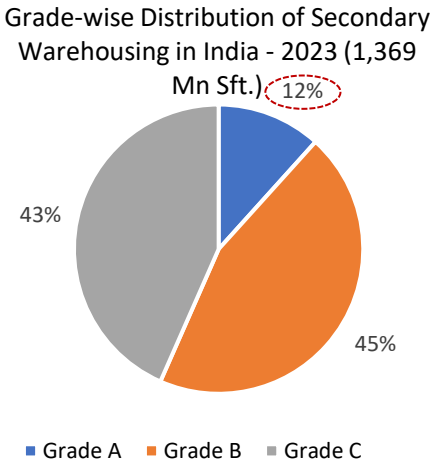



**Source:** CBRE Research; Note: *Others – wood, paper, metal products, electrical equipment, machinery & equipment

With respect to the sector–wise split in the secondary warehousing space, the e–commerce and retail (unorganized and organized) industries have shown exponential growth during 2015–2023. Further, FMCG, FMCD and textile and Apparels account for the maximum share in terms of requirement of warehousing.

*Figure 24: Grade–Wise Distribution of Total Warehousing Supply – 2015 Vs 2023*




**Source:** CBRE Research; * Secondary warehousing is the transportation of goods from a warehouse to a distributor.

India's warehousing segment has seen a surge in Grade A and B space over the last 6–7 years. Grade A space has increased from 18 million sft to 160 million sft during 2015–2023. Of the completed Grade A supply, approximately 84% (~135 million sft) is located in the top eight cities. Grade A space is expected to grow further in the next 3–4 years owing to the emergence of e–commerce, 3PL and modern retail sectors, as discussed earlier, coupled with focus from international and national funds on Grade A warehousing development.

Apart from the push from funds and institutional players towards developing Grade A warehousing stock, there is an increasing preference of end–users for warehouses developed by institutional/ organized players with a pan India presence. As per CBRE's market assessment, Grade A players have a planned supply of nearly 50 million sft across the top eight Indian cities and is expected to be developed over the next 3–4 years. However, an **additional demand of 160–170 million**[23] **sft is expected in top 8 Indian cities** in the next 3–4 years, **indicating a significant opportunity in this sector in the country**.

### 2.2.1 Evolution of Warehouse Quality

Warehouses play a strategic role in the supply chain by enabling inventory distribution, sorting, or cross–docking processes that strive to meet the growing demand of the market. Efficient warehousing provides an important economic benefit to the business as well as the customer. The warehousing industry in India has transformed over the last decade, with the demand for Grade A quality warehouse increasing from traditional Grade B and C developments. *Table 1* depicts the evolution of the quality of warehouses in India:

*Table 1: Evolution of Warehousing Qualities in India*

| Pre–2005 | 2005–2016 | 2017 onwards |
|---|---|---|
| C Grade | B Grade | A Grade |
| Structure Type: RCC Sheds | Structure Type: PEB/RCC | Structure Type: PEB |
| Centre Height: 5–6 m | Center Height: 6–9 m | Center Height: 9–12 m |
| Floor Capacity: 3–4 tonnes/$m^2$ | Floor Capacity: 4–5 tonnes/$m^2$ | Floor Capacity: 5–10 tonnes/$m^2$ |
| Canopy Length: No Provision | Canopy Length: 1–2 m. | Canopy Length: 3–5 m |
| Average Floor Plate: 10,000–50,000 sft | Average Floor Plate: 50,000–100,000 sft | Average Floor Plate: 100,000 sft & above |
| These developments have a poor ventilation system, congested truck | Other facilities: Water harvesting facility, basic fire–fighting facilities, | Other facilities: Water harvesting, fire–fighting facilities, ESFR/K115- |

[23] *Including supply from Non- Institutional Grade A Player & Grade B Player)*

| Pre–2005 | 2005–2016 | 2017 onwards |
|---|---|---|
| C Grade | B Grade | A Grade |
| maneuvering areas, no parking facilities, poor floor strength, minimal lighting, etc. | manual gate rollers, etc. | 160 sprinkler system, automated gate rollers, automated dock levelers, forklifts, optimized column spacing, flat, high dock door ratios, extensive concrete truck courts, solar powered lighting and ventilation systems, dedicated truck parking, etc. |
| | | |

**Source:** CBRE Research

Over time, warehouse buildings have evolved, from RCC structures to modern warehouses. Driven by the need for large floor plates and higher capacity utilization, the warehousing industry in India has scaled up and upgraded its existing capacities to meet the rising requirements of the sector. Surge in demand from manufacturing industries coupled with the surge of e–commerce companies have brought in a best–in–class supply chain ecosystem to the country. This has led to the initiation of quality–grade, modern warehouses with efficiency, quality, amenities, and safety as priorities.

A transformation in the development of warehouses has, therefore, been witnessed over the years, especially in terms of construction and technology, which is also a testament to the fact that the Indian warehousing industry is evolving and competing with international standard warehousing developments. To further strengthen this argument, a comparison of typical warehousing specifications across the top global economies has been considered. *Table 2* lists a comparison of warehousing specifications and standards followed across major global markets:

*Table 2: Comparison of Grade A Warehousing Specifications*

| Specifications | China | USA | Australia | Europe | India |
|---|---|---|---|---|---|
| Structure | PEB steel frame structure and pre–cast walls with insulation | PEB steel frame structure and pre–cast walls with insulation | PEB steel frame structure and pre–cast walls with insulation | PEB steel frame structure and pre–cast walls with insulation | PEB, pre–cast concrete walls up to 3.64 m, metal panels up to roof |
| Column Spacing | 11–12 x 24–25 m | 11–12 x 24–25 m | 11–12 x 24–25 m | 11–12 x 24–25 m | 11–12 x 24–25 m |
| Clear Height | 9–12 m | 9–15 m | 9–15 m | 9–15 m | 12 Mm |
| Skylight | 2–4% natural light | 2–4% natural light | 2–4% natural light | 4–15% natural light | Energy efficient lighting and skylights |
| Flooring | 3–5 tonnes/$m^2$ with hardened floor/ Emery wear–resistant floor | 5–6 tonnes/$m^2$ with anti–dust floor finishing | 5–7 tonnes/$m^2$ with anti–dust floor finishing | 5–7 tonnes/$m^2$ with anti–dust floor finishing, FM compliant | 5 tonnes/$m^2$ flat/ super flat floors, FM2–compliant |
| Canopy Width | 7–8 m wide awning | Canopy dock door seal or dock | 7–15 m wide awning | Canopy dock, door seal or dock | 3 – 4.5 m wide awning |

| Specifications | China | USA | Australia | Europe | India |
|---|---|---|---|---|---|
| | | shelter | | shelter | |
| Firefighting Systems | ESFR, fire hydrant system, air sampling alarm system, and hose reel | ESFR, fire hydrant system, air sampling alarm system, and hose reel | ESFR, fire hydrant system, air sampling alarm system, and hose reel | Global NFPA/FM standard firefighting and suppression systems | Global NFPA/FM/NBC standard firefighting and suppression systems |
| Office | Over 2 floors: ground and mezzanine | Over 2 floors: ground and mezzanine | Over 2 floors: ground and mezzanine | Over 2 floors: ground and mezzanine | Over 2 floors: ground and mezzanine |
| Roof | Standing seam premium roof system and capability of taking solar panel load | Standing seam premium roof system and capability of taking solar panel load | Standing seam premium roof system and capability of taking solar panel load | FM–approved high–grade insulation and PVC roof membrane and capability of taking solar panel load | Standing seam premium roof system and capability of taking solar panel load |
| Lighting | Metal halide lamp, LED, T5 energy saving lamp, 150–200 Lux | LED fixtures 150–200 Lux | LED fixtures 150–200 Lux | LED fixtures 150–300 Lux | LED fixtures to provide 150 Lux illumination |
| Ventilation | 2–3 air changes per hour | 3–6 air changes per hour | 3–6 air changes per hour | 3–6 air changes per hour | 3–6 air changes per hour |
| Docking System | Automatic/ Manually operated rolling shutters and mechanically operated dock, levelers | Automatic/ Manually operated rolling shutters and mechanically operated dock, levelers | Automatic/ Manually operated rolling shutters and mechanically operated dock, levelers | Automatic/ Manually operated rolling shutters and mechanically operated dock, levelers | Manually/Automatic operated rolling shutters and mechanically operated dock levelers |

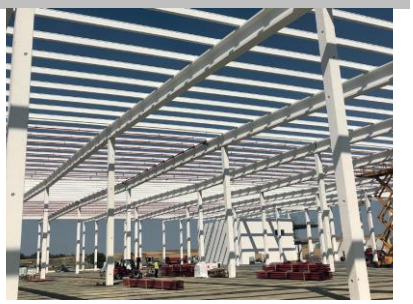
**Source:** CBRE Research; Property Brochures: China (ESR & Prologis), USA (Prologis & Hillwood), Australia (ESR & Goodman), Europe (Prologis & Panattoni)

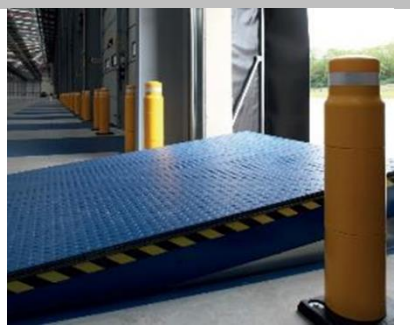
**As per the above matrix, Grade A specifications in India are in line with that of prominent global Grade A developers in terms of building structure, height, flooring capacity, facilities and amenities.**

The technology used for constructing warehouse structures in India is aligned with standard global practices, such as the use of pre–engineered building (PEB) structures that are light weight, high strength, and provide a larger span, while reducing time and cost over conventional RCC structures. *Table 3* summarizes the typical build quality and value–added features of a Grade A warehouse

*Table 3: General Specifications – Grade A Warehouses*

| Specification/ Feature | Details | Reference Image |
|---|---|---|
| Pre–Engineered Building (PEB) | Technology used for constructing warehouse structure aligned with global best practices to ensure light weight, high strength and larger span, while reducing cost and time. | |

| Specification/ Feature | Details | Reference Image |
|---|---|---|
| Column Spacing | Typically observed to be between 16–18 x 24–25 m for modern–grade warehouses. Provides occupant with clear movement and storage space options. |  |
| Clear Height | Typically, in the range of 9–15 m across USA, Europe and Australia and 9–12 m in India and China. Leads to higher stacking and greater vertical storage. Directly proportionate to floor strength. | |
| Floor Strength | In the range of 5–6 tonnes/$m^2$ for modern grade warehouses. These include anti–dust FM compliant flooring. Improves overall efficiency, allows smooth and free operations of trucks and allows for greater vertical storage. | |
| Lighting Facilities | Alternative lighting options including skylights, LED systems, and solar power systems are utilized to reduce carbon footprint. Improves overall illumination without significant energy consumption. | |
| Canopy/ Awning | Canopy/ awning protects loading/unloading goods during extreme weather. Concept of 'Dock Shelter' is more popular in the US and Europe. Average canopy length is in the range of 3 – 4.5 m for Grade A developments across India. | |

| Specification/ Feature | Details | Reference Image |
|---|---|---|
| Docking System | Dock levelers were introduced for allowing adjustment on the basis of different trailers and overcoming challenges of fixed concrete docking platforms. Mix of automatic and manual docking systems witnessed across Indian warehouses. |  |
| Firefighting Systems | Installation of modern firefighting systems plays a critical role in ensuring safety of goods stored. Fire firefighting systems include fire alarm systems, Early Suppression Fast Response (ESFR) water sprinklers, and fire hydrants, etc. | |

**Source:** CBRE Research

### 2.2.2 Warehousing Sanitation and Hygiene

Hygiene has become a more prominent issue than ever before across all customer–facing industries in light of the ongoing pandemic. In warehouses, this is particularly crucial, due to the sheer volume of products that travel into and out of these environments on a daily basis.

## 2.3 Demand Drivers for Indian Logistics & Warehousing Sector

Structural changes continue to drive demand for logistics facilities in India. The Indian logistics sector is evolving quickly, driven by continued policy interventions, robust growth in manufacturing along with the rise of e–commerce and third–party logistics (3PL) players. The logistics sector is seeing expansion due to increased demand from conventional occupier sectors as well as faster demand from e-commerce and 3PL sectors. The warehousing sector in India, therefore, is poised at the threshold with multiple demand divers facilitating its growth, as presented in *Figure 25*

*Figure 25: Demand Drivers for Warehousing in India*

**Goods & Services Tax (GST)**

- Catalyst for aggregation of storage locations and transportation system, low inventory holding costs, better clarity and control on supply chain

**Increasing Demand In Tier II & Tier III Cities:**

- Cities like Jaipur, Lucknow, Coimbatore, Hosur, Ghaziabad, Guwahati, Patna, Nagpur, Bhubaneshwar, Goa, etc, are witnessing increasing warehousing investments, given their strategic location, lower land prices, and road and railway accessibility. Most of these emerging Tier II and Tier III warehousing clusters are aligned with the industrial and freight corridors being developed in the country and offer good connectivity to major cities in the region

**Investment from Capital Funds:**

- Global investors & developers continue to expand their footprint in proximity to high consumption areas across Tier I and II cities

**Third Party Logistics:**

- The new trend in the 3PL market is to focus more on customer experience & product upgradation, creating a domino effect for additional warehousing space requirement

**Indian Manufacturing:**

- Global supply chain disruptions & break down of global trade relations have provided a much-needed thrust to the Indian manufacturing sector

**Growth of E-Commerce:**

- Retailers are enhancing their geographical reach as online retail is gaining increased traction

**Automation of Operations:**

- Automation of warehouses has created demand for taller structures, optimization by utilizing every cubic volume of a warehousing structure

**Maturity of Logistics Sector:**

- Maturity of the sector has led to the entry of global 3PL operators, enhancing overall service quality & leading to the introduction of global best practices

**FDI Inflows:**

- Transport & logistics sector gained infrastructure status in 2017. Investors looking to dilute their holdings in China, creating a potential market for manufacturing in India

**Government Policies:**

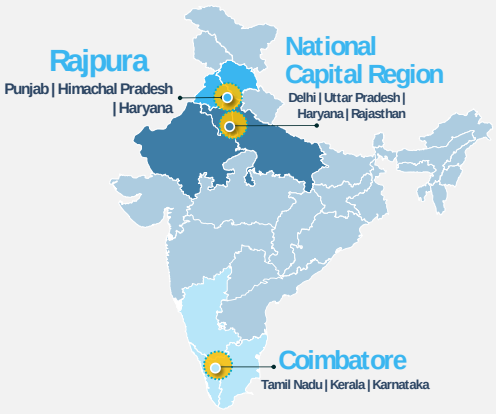
- Many factors such as macroeconomic conditions and government policies will help fuel development across the warehousing & logistics industry. The government's new warehousing policy is projected to lay the groundwork for the construction of exclusive warehouse zones through a public-private partnership (PPP) model, easing transit and lowering costs in the country

**Source:** CBRE Research

### 2.3.1 GST and the Emergence of Omnichannel Retail

The introduction of GST led to a synchronized tax structure, common rules, and procedures across India. It had a profound impact on Indian companies, who started planning respective supply chains to bring inefficiencies rather than focusing on reaping financial benefits from tax savings.

**Case in Point:** Post implementation of GST, consolidation of the warehouse market was observed in NCR (National Capital Region) and Coimbatore, Rajpura and Guwahati emerged as new locations for warehouses.




The supply chain networks in the GST era are being planned with more customer focus, taking into consideration the geographical location of customers. It is obvious that post–implementation of GST, there is a need for redesigning the distribution and procurement network to transition from state–centric supply chains to a geographic and demographic–centric supply chain.

The implementation of GST acted as a catalyst for aggregating storage locations and transportation systems

to bring in advantages of economies of scale, less deviation in forecasting, low inventory holding costs, better clarity and control over the supply chain. As result, small to mid–scale, Grade B and C warehouses close to urban peripheral zones of leading cities were replaced by modern warehouses with larger floor plates.

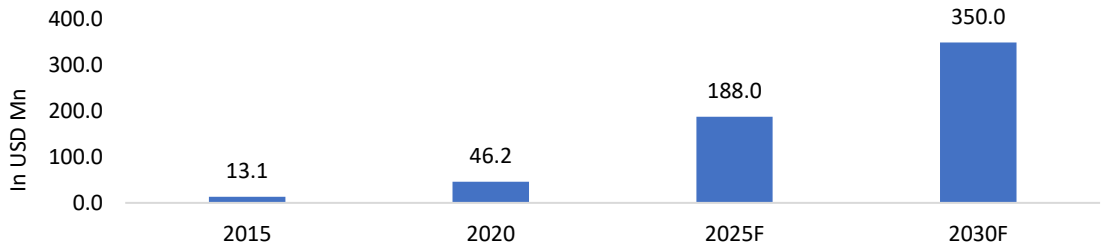
### 2.3.2 Growth of E–Commerce

With the boom in the e–commerce industry and changes in consumer behaviour, the logistics sector too has significantly benefitted. E–commerce growth has been one of the key factors influencing the increase in demand for Grade A warehouses. This end–user industry has, in fact, accounted for approximately 12% of total warehousing absorption across India's top eight cities in the year 2023.

### 2.3.3 E–Commerce Boom and Its Impact on Retail

After China and the US, India has the third–largest online consumer base of 230 - 250 million as per FY 2023. India's online retail industry is expected to grow at a CAGR of 22.45% and become a USD 350–billion market by 2030.[24] Furthermore, the Government has played a pivotal role in the overall growth of this industry. Policies, including the allowance of 100% FDI in the Business–to–Business (B2B) channel have strengthened this evolving market.

*Figure 26: India E–Commerce Market Size*




**Source:** IBEF, December 2023

With a population of approximately 1.4 billion and rising disposable incomes, India has gradually become one of the most lucrative smartphone markets. Online retail penetration is expected to reach 16% of total retail sales by 2025 over 8% in 2020.[25] The key enablers supporting India's e–commerce growth are as follows:

- **Increasing Urban Population:** India's total urban population has seen an increase of nearly 37% in 2024, over about 31% in 2011.[26] Increasing consumer outreach into Tier II and III cities has led to a subsequent increase in online retailing.

- **Growth of Internet Users:** As of March 2024[27], the number of internet connections in India significantly increased to 954.40 million. Smartphones have expanded the reach of online market to multiple users by offering 24/7 access, personalized experience and seamless payment methods. The demand for e–commerce is, thus, expected to grow in tandem with increasing internet usage and digital penetration.

- **Growth of Mobile Users:** As of March 2024, as per TRAI, India had a total of 1.199 billion mobile subscribers, of whom almost 65% were smartphone users. Moreover, an increasing number of purchases are being made through personal mobile devices, phones and tablets with greater smartphone mobilization.

- **Increased Digital Socialization (Social Networking Services or SNS):** Social networks are the worldwide environment for establishing e–commerce by offering advantages such as coverage to wider user bases as well as specific outreach to target audiences. India has observed 395 million social commerce shoppers as of May 2023, shopping through apps such as WhatsApp, Facebook, YouTube and Instagram.

- **Rise of Digital Payments:** Additionally, digital payments have been a key enabler of the e–

[24] IBEF, December 2023
[25] CBRE Research, *Global E-Commerce Outlook*, June 2021
[26] World Bank
[27] TRAI (Telecom Regulatory Authority of India)

commerce boom in the country. “Faceless, Paperless, Cashless” is one of the professed roles of Digital India. As part of promoting cashless transactions and converting India into a society that lessens cash usage, various modes of digital payments are available today. Following this digitalization drive, the digital payment space in India has seen tremendous growth over the past few years with the volume of digital transactions increasing at a CAGR of 45% from FY 2018 – FY 2023.

The e–commerce supply chain needs an efficient logistics space that facilitates the quick movement of goods to consumers. With more and more major omnichannel retailers offering two or even one–day shipping, goods need to be moved as quickly as possible. To this end, new warehouses are larger not only in footprint but in height as well. Distribution markets that serve major urban centres and have land for new warehouses, such as the Delhi National Capital Region (NCR), Bengaluru, Chennai, Hyderabad and Mumbai, have seen building sizes increase the most with developments by organized developers.

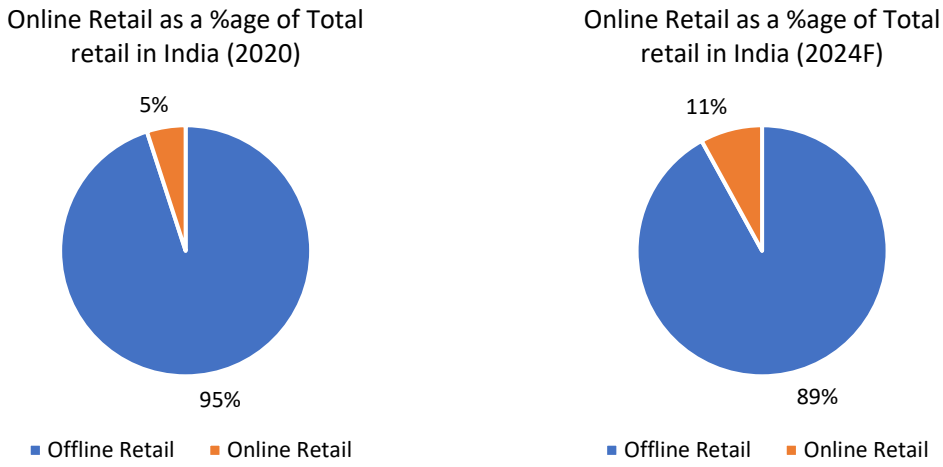
Quick commerce is a notable trend in India's e-commerce industry that is transforming the country's retail and last-mile delivery scene by utilizing the broad availability of mobile internet and the growth of e-commerce. With an emphasis on speedy delivery, quick commerce is upending conventional retail ideas. Beyond traditional ready-made meals, the idea of fast deliveries has spread to cover a variety of goods like groceries, medications, cosmetics, and gadgets, fusing the ease of home shopping with the quickness of instant market purchases.

As per RedSeer report, Quick commerce industry is projected to touch US$ 5.5 billion by 2025. Notably, delivery services of 10–20 minutes are now possible thanks to the establishment of 20–30 micro-fulfilment centers in major cities by platforms like Dunzo, Swiggy, Instamart, and Blinkit. With revenues rising by more than 280% over the past two years, India's rapid commerce sector has experienced tremendous expansion. The Gross Merchandise Value increased from USD 0.5 billion in FY22 to $3.3 billion in FY24.

### 2.3.4 Sustainability of E–Commerce Growth

The exponential growth of the e–commerce industry in India over the past decade has been revolutionary. The industry has emerged as one of India’s key segments, aiding the country’s overall economic growth. Focusing on the growing need of reaching out to a larger target consumer base, retailers are enhancing their geographical reach as online retail gains traction.

*Figure 27: Online Retail Vs Offline Retail in India (2020 Vs 2024 Forecasted)*

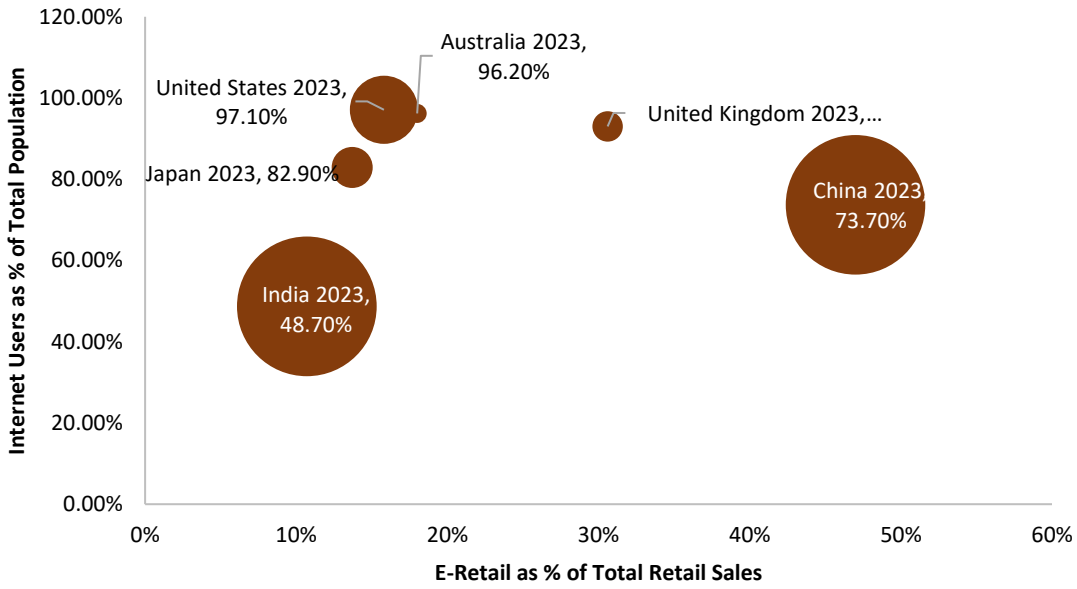



**Source:** IBEF, December 2023

### 2.3.5 Comparison with Global e–commerce Markets

Mature logistics markets have seen an accelerated transition to e–commerce from traditional retail sales, facilitated by a robust logistics sector and deeper digital penetration. In India, this transition has been slower. Although the infrastructure supporting e–commerce is yet to mature in India, the demand for quality–grade logistics space is gradually increasing. Coupled with increasing internet usage, this will supplement the growth of the e–commerce sector in India. *Figure 28* compares the e–commerce penetration in India to digital penetration across various global economies:

*Figure 28: E–Retail Penetration Vs Internet Penetration in India*




**Source:** World Bank; CBRE Research

Comparing India to major global economies, there is significant catch–up potential in terms of E–retail penetration which shall be supplemented by increasing internet user base in the country.

### 2.3.6 Gradual Maturity of the Logistics Sector

The maturity of the logistics and warehousing sector has led to global 3PL operators making inroads into India, thus, enhancing the overall service quality and leading to the introduction of global best practices. Some of the key factors for this development are highlighted as follows:

- **Thrust from headquarters** to adopt global best practices in the warehousing industry.
- **Increasing use of IT systems** has given users better visibility into the supply chain, with end–users now being able to consolidate cargo at a location while managing the supply chain efficiently.
- The previously witnessed economic downturn coupled with competition has pushed players to **focus on reducing fixed costs** such as warehousing. Today companies are consolidating their warehousing space and opting for vertical storage to keep costs under control.
- **Footprint expansion of global 3PL players in India** (DHL, Linfoflex, Kuehne Nagel, etc.) have created awareness for global best practices, contributing to the maturity of Indian companies.
- **Managing inventory more efficiently** can help save time to market for end–user sectors. Tenants dealing with inventories that rely on rapid stockturns and quick transitions from supplier to customer need a warehouse that enables efficient processes and operations. Efficient warehousing enables waste minimization, lowers warehouse costs, and reduces overstocks.
- **Optimized space and lower operating expenses** for end–customers. Ensuring optimization of storage capability appears obvious on the surface, but it is an often–overlooked area that is far more complex than it looks. Grade A warehouses not only allow more storage volume but also more efficient space.

### 2.3.7 Reduction in Overall Logistics Cost at GDP Level

India's logistics sector witnessed a remarkable improvement in 2021-2022. Logistics costs as a percentage of GDP significantly decreased, falling to a range between 7.8% and 8.9%[28]. This marks a substantial improvement compared to 2016, when logistics costs were much higher at 13%. This positive trend can be

[28] Source: National Council of Applied Economic Research, Dec 2023 Report

attributed to several factors, including reduced expenses in areas like inventory holding, packing, stevedoring, transportation, information management, and administration during the 2021-2022 period.

### 2.3.8 Growth of 3PL

The term "third-party logistics" encompasses various types of businesses, including those engaged in outsourced logistics operations, "less than truckload (LTL)" logistics, and "Courier, Express and Parcel" (CEP) services. Contemporary consumers exhibit a preference for flexible delivery alternatives. In order to accommodate the diverse needs of their clientele, 3PLs frequently maintain partnerships with a multitude of carriers, thereby granting e-commerce businesses access to a wider array of delivery alternatives (including express, same-day, and other alternatives). Third-party logistics providers facilitate the streamlining of supply chains and the enhancement of operational efficiency, which can be of great benefit to a wide variety of business types. By engaging in service outsourcing, organisations can enhance their overall functioning while concurrently reducing costs. Additionally, it is not uncommon for complex logistical challenges to be met with the expertise and resources at the disposal of third-party logistics providers. Thus, organisations seeking to broaden their market presence find these providers to be appealing collaborators.

Further, because of the expansion of omnichannel and quick channel, there has been an increase in the need for these particular services, which has led to an increase in the demand for leasing Grade A warehouse projects. Strong demand for storage is generated in most nations throughout the world as a result of the fast expansion of LTL and CEP services. In developed markets, CEP operations account for a significant portion of the total business volume. LTL and CEP service providers are both dipping into each other's operations, which is a result of the fast rise of third-party logistics (3PL) companies, which is continually generating extra demand. It is anticipated that this pattern will continue as the demand driven by consumption continues to increase. Additionally, the requirement for a complicated supply chain is pushing the demand for efficiently designed logistics solutions. In order for businesses to maintain their competitive edge in the market, they will need to be able to innovate and adapt as the level of competition grows.

### 2.3.9 Thrust towards Indian Manufacturing

The Indian economy has traditionally been agrarian in nature, with the manufacturing and services sectors lacking in comparison to developed economies. Government initiates in the sector and a breakdown of global trade relations have provided a much–needed thrust to the Indian manufacturing sector, with some of the critical factors being:

**US–China Trade War:** Following imposition of trade tariffs, there have been global concerns regarding erosion of global GDP and a decline in trade. Though the global economic outlook looks grim, India has an opportunity to replace Chinese exports globally. These potential opportunities for increasing manufacturing capacities will facilitate the demand for logistic services across the country.

**Chinese Supply Chain Disruptions:** Supply chains reliant on China have been disrupted by two major events: the imposition of US trade tariffs and the pandemic. Other factors, such as rising labor costs and intellectual property concerns, may also be driving companies to consider alternatives to China within Asia.

**Aatmanirbhar Bharat Abhiyan:** With the pandemic and a growing resistance to Chinese imports, there has been a strong focus on developing a self–reliant economy and fostering indigenous production. Aatmanirbhar Bharat Abhiyan is the mission started by the Government of India on 13th May 2020, an economic package of USD 23.8 Billion as aid to support the country in the times of pandemic. Primarily focused on 5 components – Economy, Infrastructure, Systems, Vibrant Demography and Demand.

**Impact of PLI Scheme:** The Central Government introduced the PLI scheme in March 2020 to make India a competitive player in global markets and boost domestic manufacturing and exports through incremental sales of products manufactured in domestic units which provides the sector–wise, planned investment outlay as per the PLI scheme.

The PLI scheme does not cover the land required for factories and related constructions. Due to the challenges in land acquisition and regulatory approvals, manufacturers need ready, cost–effective, and world–class industrial facilities. This is an opportunity for the industrial–warehousing sector to play a complementary role and provide plug–and–play facilities in India.

### 2.3.10 Repurposing Warehouses for CKD Assembly

**Strategic Advantage in Pune, Chennai, and Bangalore**

Certain micro- markets of Bangalore, Pune, and Chennai, offer feasible alternatives for manufacturers seeking to reduce capital investment in specialised assembly facilities, particularly in the initial stages of operation or for low-volume production lines, through the establishment of warehouse infrastructure. In the context of initial segments or low-volume production lines, it is cost-effective and time-efficient to utilise warehouses located in Pune and Chennai for CKD assembly. Of the overall warehousing stock in Pune, Chennai and Bangalore approximately 34%, 22% and 10% in these cities are occupied by value added services or CKD assembly units. Manufacturers achieve a competitive edge and expedite time to market by utilizing warehousing assets. Implementing value-added services, or CKD assembly units, within Grade A warehousing blocks offers a multitude of advantages in comparison to captive units. These benefits are as follows: **Lower upfront investment**: Repurposing existing warehouses for CKD assembly requires less upfront investment compared to building a new assembly plant. Additionally, warehousing in these locations provides manufacturers with the flexibility to scale production up or down based on demand fluctuations, reducing the risk of overcapacity. This can result in cost savings and improved efficiency for manufacturers.

- **Flexibility and Scalability**: Warehouses provide the flexibility to adjust assembly operations based on demand fluctuations. You can scale up assembly lines or even disassemble them when volumes no longer justify the setup. This adaptability allows manufacturers to optimise their resources and minimise waste, ultimately improving their bottom line. Additionally, utilising warehouses for CKD assembly can also lead to quicker response times to market changes, giving companies a competitive edge in the industry.

- **Shared Resources:** CKD assembly within the warehouse can leverage existing infrastructure like utilities, security, and some existing staff, reducing additional costs.

  Facilitating manufacturers' interest in utilising their space for value-added services or CKD assembly units is additionally advantageous from the standpoint of developers. The following are the benefits:

  - **Increased Demand:** This trend creates a new target market for warehouse developers. By offering features suitable for CKD assembly, they can attract a wider range of clients beyond traditional storage needs.

  - **Long-Term Leases:** CKD assembly often requires dedicated space within the warehouse for an extended period. This can lead to longer lease agreements for developers compared to standard storage contracts.

  - **Premium Rates:** Warehouses specifically designed or modified for CKD assembly might command premium rental rates compared to basic storage facilities.

  - **Value-Added Services:** Developers can offer additional value-added services to CKD assembly clients, such as partnerships with security providers or equipment suppliers, generating further revenue streams.

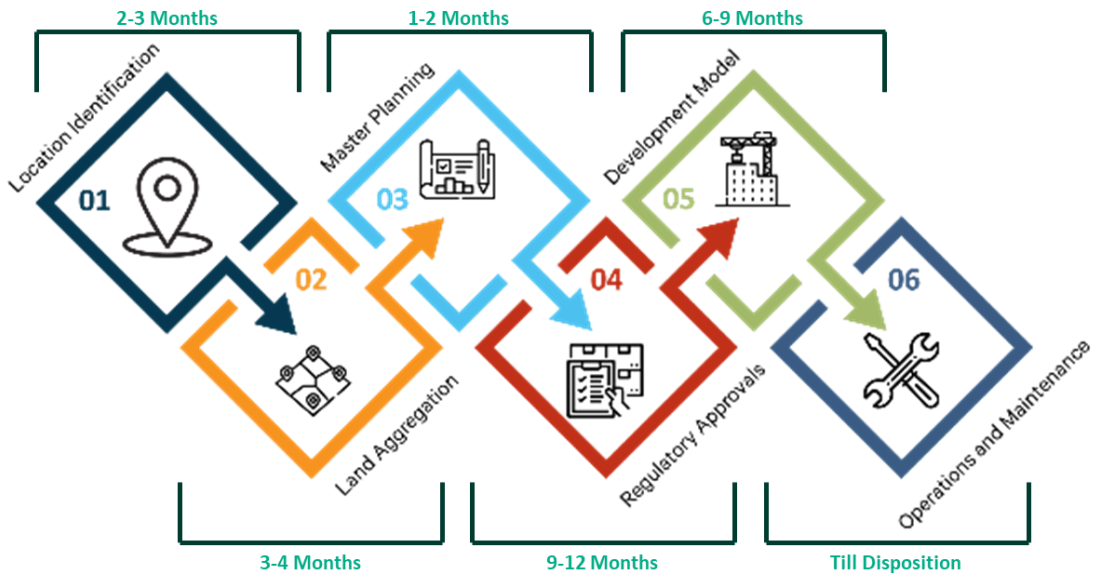
  - **Stronger Tenant Relationships:** Working collaboratively with manufacturers to design CKD-friendly warehouses can foster stronger tenant relationships and encourage lease renewals.

## 2.4 Overview of Logistics Real Estate Fundamentals

### 2.4.1 Development Cycle for a Warehousing Development

With the pivotal role that warehousing plays in the logistics sector, its development process involves a detailed methodology to ensure smooth operations of the supply chain. Through innovation in development technologies and a booming e–commerce industry, the warehousing industry has become a sunrise sector in India. *Figure 29* provides a summary of the overall development cycle of urban warehousing facilities:

***Figure 29: Development Cycle – Warehousing***




**Source:** CBRE Research

The successful development and operations of a warehousing facility require a close partnership between the various stakeholders, in order to deliver the best results and long–term growth of the industry.

#### 2.4.1.1 Location Selection

Warehouses are developed after running detailed demand projections for a location, based on its connectivity with key production and consumption hubs. Numerous factors are analysed before finalizing a land parcel such as its size, support facilities, area for manoeuvring and an efficient layout. The location is further broken down into specific sites, based on transportation time and total cost of running operations from the shortlisted location/s.

The warehouse location determines the efficiency and speed of a supply chain network. Since the logistics sector is at a nascent stage in India, there are no pre–defined logistic zones even in Tier I cities. Warehouses are usually located in proximity to transport facilities, with multiple modal choices. Similarly, a nearby market for the products aggregated at the warehouse is generally important for the successful operation of the facility and its long–term commercial viability. The relative importance of certain other factors or parameters differ according to the type of end–user industries and customer base. *Table 4* provides an indicative matrix for deciding the location of warehousing facilities:

*Table 4: Indicative Parameter Matrix for Warehouse Site Selection*

| CRITICAL SUCCESS FACTOR | EVALUATION PARAMETER |
|---|---|
| Land Status | • Availability<br>• Clean and clear title<br>• Land price<br>• Acquisition challenges<br>• Development cost |
| Connectivity | • Distance of identified site from nearest commercially relevant transport hub<br>• Distance from major population and distribution centres offering both markets and potential labour pools<br>• Proximity to major service providers |
| Physical Features | • Plot size and shape<br>• Topography, including gradient and drainage conditions<br>• Soil conditions<br>• On–site/ above–ground and/or underground water resources<br>• Accessibility |
| Infrastructure | • Power<br>• Communication network |
| Development Regulations | • Site–specific environment rules and guidelines<br>• Site–specific construction rules and development regulations<br>• Adjacency regarding proximate land<br>• Workforce availability |

| CRITICAL SUCCESS FACTOR | EVALUATION PARAMETER |
|---|---|
| Business Considerations | • Existing business presence in the area<br>• Presence of complementary and competing facilities<br>• Operational and utility delivery costs<br>• Supporting business environment |

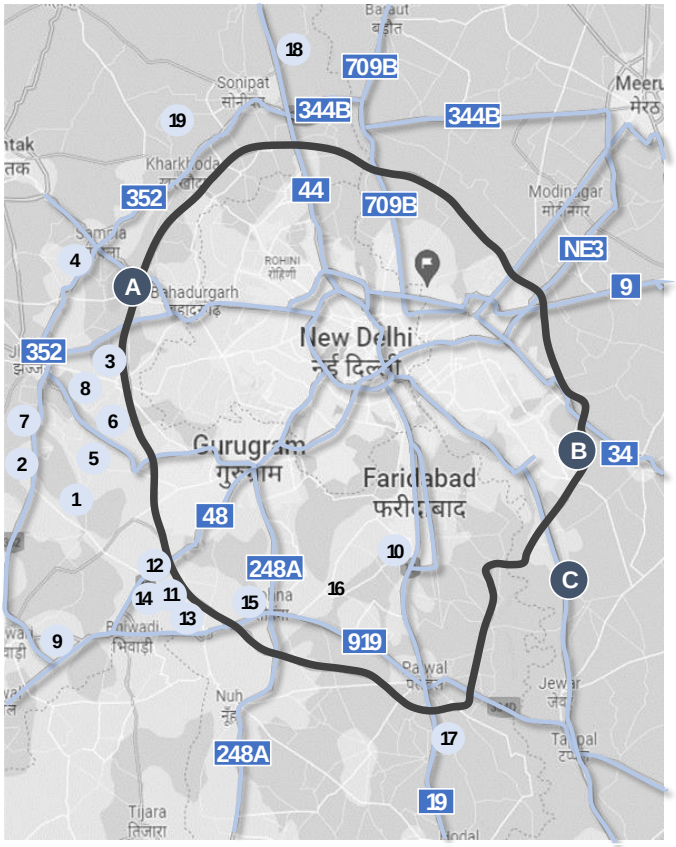
**Source:** CBRE Research

**Case in Point:** In Delhi NCR, an area south of Gurgaon emerged as a logical location for developing warehousing hubs. It is evident from the following map that most of the institutional backed warehouses are near key national highways (NH).

**Case-in-Point: Spread of Warehousing in the NCR**

In the Delhi NCR, an area south of Gurgaon emerged as a logical location for developing warehousing hubs. It is evident from the following figure that most of the institutional backed warehouses are near key national highways.

*Figure 30: NCR – Institutional Warehousing Development*




| S. No. | PROJECT NAME | MICRO-MARKET |
|---|---|---|
| 1 | Indospace | Luhari |
| 2 | RJ Logistics | Luhari |
| 3 | Indospace | Badli |
| 4 | Indospace | Bhaproda |
| 5 | Embassy | Farukhnagar |
| 6 | All Cargo | Farukhnagar |
| 7 | ESR | Farukhnagar |
| 8 | Ascendas | Farukhnagar |
| 9 | Pragati One | Khijuri |
| 10 | Apeejay | Faridabad |
| 11 | Ashiyana | Tauru |
| 12 | Sugal | Tauru |
| 13 | CCI | Tauru |
| 14 | Embassy | Tauru |
| 15 | Indospace | Tauru |
| 16 | ESR | Sohna |
| 17 | Ascendas | Palwal |
| 18 | Agson | Kundli |
| 19 | Flowtech | Kundli |

**Note:** *The expected upcoming supply is subjected to change based on the phasing strategies of the developer, the information provided is on best effort basis.*
**Source:** CBRE Research

### 2.4.1.2 Land Aggregation

Following location identification, acquiring suitable land for warehouses and fulfilment centres is a cumbersome process due to the extensive stakeholder and legalities involved in the process. Access to land is the most challenging entry barrier to the sector. Although, it is evident that the Central Government has been supportive of building a nationwide, modern logistics system, but there is no support available when it comes to provisioning for aggregated land parcels.

The average land holding in India is 2.67 acres[29] compared to 16.9 acres in the USA, making aggregation and

[29] Department of Agriculture; Government of India; Agriculture Census

acquisition of land among the biggest challenges of developing any project in the country.

Land aggregation remains a prominent challenge for developing warehousing too, as developers require a land parcel that is strategically located with a clear and marketable title, in the right zone, in the correct shape and contour, while being easily accessible. As per statistics shared by the Infrastructure and Project Monitoring Division[30], Government of India, of the 1,821 Government projects monitored, 51 were found to be ahead of schedule, 617 were on schedule, 780 were delayed, 431 were reported to have overrun their budgeted costs, and 255 reported to have overrun both their timelines and costs. Delay in land aggregation has been found to be one of the key reasons for the delay in executing projects.

To counteract the same, organized developers/ investors consistently either look for Indian joint venture (JV) partners or invest in Indian companies with an established land portfolio. Some of the approaches followed by developers for aggregating land parcels are:

1. Forming joint ventures
2. Long–term leasing/ purchasing of industrial land from state industrial bodies.
3. Consolidating and purchasing agricultural land

#### 2.4.1.3 Master Planning

The master planning exercise has a lasting impact on how a warehousing facility is developed, operated, and subsequently integrated into its target market. It defines the connection between the topography, land use, infrastructure, public right–of–way, buildings, social settings, and their surrounding environments. Master plans should be prepared on the basis of existing development regulations, as well as new site–specific surveys, investigations, and analyses. *Table 5* provides a checklist of components required for preparing a master plan of a warehousing facility.

*Table 5A: Checklist for Masterplan Components*

| COMPONENTS | DESCRIPTION |
|---|---|
| Warehousing and Storage Area | • Warehouses |
| | • Open yard/ container yard |
| Internal Roads and Circulation | • Distribution network for movement of goods vehicles across the warehousing facility |
| Drainage and Water Supply | • Separate distribution networks for potable and non–potable water |
| | • Water pumping station and treatment plant |
| | • Drainage lines on all roads and gravity–based rainwater harvesting system |
| Power Supply | • 24*7 electricity supply with strategically located distribution substations |
| | • Renewable energy sources (e.g., solar panels) |
| | • Energy efficient lighting across the facility |
| IT Connectivity and Telecommunications | • Internet facility |
| | • Internal communication within the facility |
| Land Scaping and Open Area | • Open spaces such as parks, plazas (as per specified development control regulations) |
| | • Green buffers (If necessary) |
| Commercial Space | • Dedicated office space |
| | • Retail area including cafeteria or restaurants |

[30] Project Monitoring Division; Government of India

| COMPONENTS | DESCRIPTION |
|---|---|
| Safety and Security Provisions | • 24*7 CCTV surveillance systems<br>• Emergency response centres<br>• Manned gatehouse and guard rooms<br>• Medical facilities and healthcare centres |

**Source:** CBRE Research

#### 2.4.1.4 Regulatory Approvals

A critical process in developing warehousing hubs is getting the requisite approvals from key authorities. Depending on the location of the warehouse, key regulatory approvals are required to ensure the development of the warehousing facility. The required approvals include environmental clearances, approvals from pollution control board/s, approvals from the Directorate of Fire and Safety, forest approval/s, and ground water clearance.

#### 2.4.1.5 Development Model

The construction of a warehousing facility involves the scheduled hiring of contractors and project managers for activities ranging from bulk earthworks, the construction of roads and other transportation networks, and the installation of infrastructure services such as power, water, telecommunications, both for the facility as well as for any required "last–mile" connection spurs. Construction activities potentially impact the environment and local communities. Construction management strategies must, therefore, minimize the adverse impacts of the development process on the natural and social landscape. The construction should additionally follow the development control regulations for the jurisdiction.

The key components of the warehouse facility are generally assembled as a pre–engineered building (PEB) structure at the subject site. Thus, modern warehouses are fungible in nature, wherein defective or damaged components, such as walls, ceilings and floorings, can be easily replaced. Modern Grade A warehouses are generally constructed along the following development models:

- **Standard Box Warehouse:** The developer constructs the warehouse space as per existing specifications and assembly requirements of the PEB structure.
- **Built–to–Suit (BTS) Warehouse:** The developer constructs a warehousing space as per client requirements, allowing for dynamism and flexibility that businesses require to handle contemporary logistical challenges.

#### 2.4.1.6 Operations and Maintenance of Warehousing Facilities

At the most basic level, warehousing facilities are meant to provide an integrated real estate solution for gaps in the market for serviced warehousing options. In this context, Grade A developers provide more than built–up area and utilities. As integrated real estate solutions, a warehousing facility's primary indicator of success is its occupancy level. It is, thus, essential for such facilities to attract tenants and retain them. The main management functions required during the operation of a warehouse include infrastructure management and operations, along with the provision of administrative, business, and social services, as illustrated in *Table 6* below:

*Table 6: Warehousing Facility – Management Functions*

| MANAGEMENT FUNCTION | COMPONENTS | DESCRIPTION |
|---|---|---|
| Plot and shell facilities allocation | Real estate management | Plot and facilities leasing or sales |
| Infrastructure, superstructure, and facilities management | Landscaping, infrastructure and utility provision, operations, and maintenance, along with collection of maintenance charges | Guaranteeing regular operation and supply of utilities and other infrastructure management services |
| Administrative services | Registration and licensing, if these functions are delegated by respective | Ensuring quick and easy entry of tenants into the facility, providing adequate protection |

| MANAGEMENT FUNCTION | COMPONENTS | DESCRIPTION |
|---|---|---|
| | government agencies, overseeing regulatory compliance, ensuring facility safety and security, and providing overall financial management for the facility | against damage to stored goods, property, and the environment, and ensuring safe movement within the facility |
| Business development and innovation management | Providing information on facility services, attracting new tenants, business incubation and supporting innovation | Attracting business into the facility, and providing a platform to encourage R&D and knowledge sharing |
| Performance management | Compiling reports, surveying occupiers, performance assessment | Economic, social, and environmental performance monitoring |

**Source:** CBRE Research

#### 2.4.1.7 Assessment of Development Costs

**Developing an Industrial–grade Warehousing Asset:** When companies outgrow their current warehousing spaces, they look to lease new warehouses to expand and streamline their distribution and delivery processes. Further, with rising e–commerce and modern retail demands, industrial warehouses have become the most resilient assets in the real estate industry.

The development of infrastructure projects is a complex and resource–intensive process. Factors influencing warehousing development costs include land costs, construction costs, financing costs, etc. These factors have been discussed in detail below.

**Land costs:** Factors influencing the price of land for a real estate development are:

- Physical attributes of the subject land such as topography, location, availability of water, etc.
- Proximity to economic activities/ consumption hubs
- Demand and supply dynamics are other cost factors. With significant demographic changes over time, the need for land also increases. With the increase in population, there is an increase in economic activity, which in turn increases the demand for land components and, hence, the cost of land.

The cost of land for an envisaged warehousing development is typically in the range of INR 10–25 million/acre, depending on the demand–supply dynamics, market conditions, the status of the lands, etc.

**Warehousing construction cost:** There are various cost elements involved in the construction of an industrial–grade warehouse. These include soft costs, hard costs, financing costs, etc., which have been elaborated below:

- Soft costs are not directly linked to the construction activity. Soft costs include permits, taxes, insurance, engineering, architectural design, etc.
- Hard costs are all cumulative expenses directly linked to the physical construction. They are actual construction costs, inclusive of labour and material.

The table below elaborates on the construction costs for a warehousing development:

*Table 7: Typical Warehouse Cost of Construction*

| Typical Cost of Construction (Grade A warehouse) | Cost (INR/sft) |
|---|---|
| Infrastructure (including amenities) | 600 – 650 |
| Civil Costs | 450 – 500 |
| PEB* | 650 – 750 |
| MEP** | 100 – 150 |
| **Total** | **1,800 – 2050** |

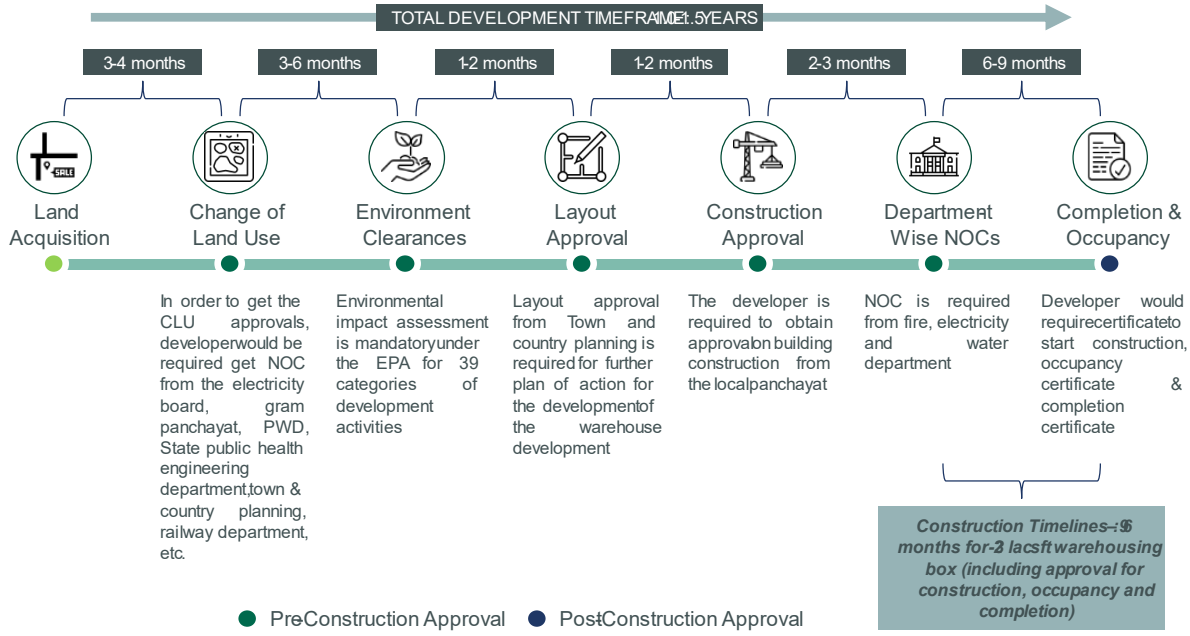
**Source:** CBRE Research

*Note: *Pre–Engineered Building; **Mechanical, Electrical and Plumbing,*

**Construction finance and LRD for warehousing asset:** Construction finance is required to meet the developer's liquidity mismatch concerning the construction of the warehousing facility. To warehouse developers, construction finance is offered at the rate of approx. 9 – 9.5% from various private/public banks and Lease Rental Discounting (LRD) is offered at 7.75 – 8.5%.

**Typical lead time:** Typically, it takes around 1.0 years – 1.5 years to build a warehouse, right from the land acquisition phase to the development of the facility (considering a box size of ~2.5–3.0 lakh sft). The various processes in the entire development cycle. The typical lead times have been elaborated below with tentative timelines for each of the required approvals.

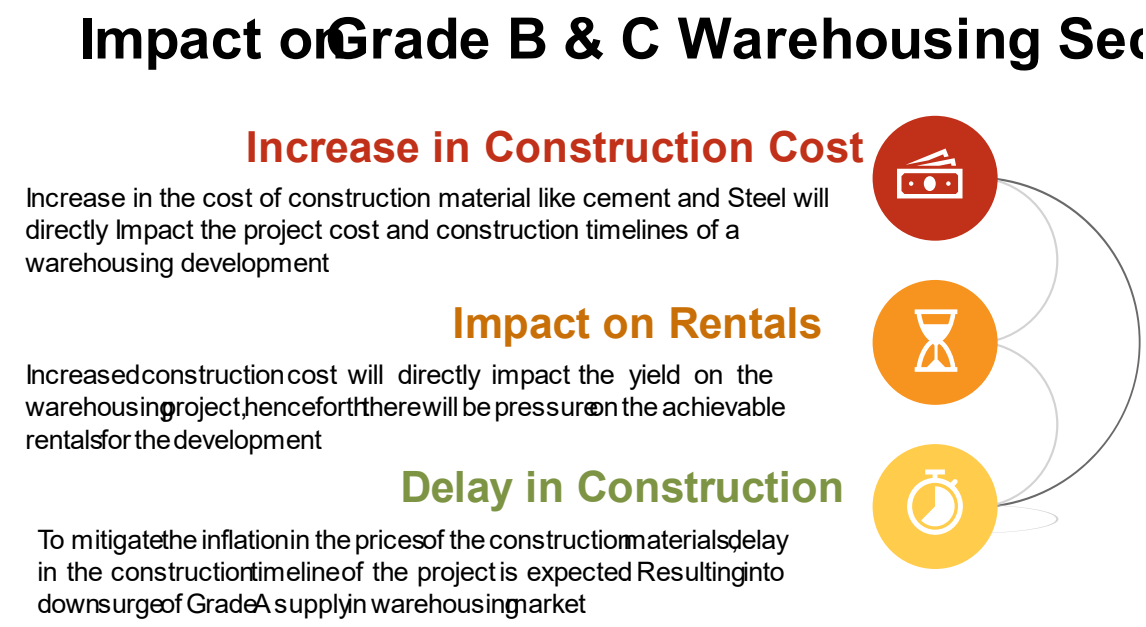
***Figure 31: Warehouse Development Approvals & Timeline***




**Source:** CBRE Research

With the ever–increasing demand for Grade A warehouses, it can be anticipated that unless commodity prices for steel and cement decline, there would be an increase in rentals. Thus, to offset the increasing construction costs, developers may pass on a proportion of the same onto potential tenants in the form of escalated rentals. This trend may particularly be witnessed in Tier I cities, where vacancy in Grade A facilities is less than 5%, thus witnessing rentals escalations before the end of the current development cycle.

*Figure 32: Construction Cost – Impact on Grade B & C Warehousing Sector*




**Source:** CBRE Research

#### 2.4.1.8 Market Practice of Lease Contract

In India, warehousing lease contracts are standardized, baring specific property related exceptions. *Table 8* presents the standard lease terms of warehousing contracts in detail:

*Table 8: Standard Lease Terms in India*

| Key Parameters (Lease Contract) | Description |
|---|---|
| Terms of Lease | Typically lease terms are between 3–9 years depending on the requirement from the lessee |
| Lock–in Period | The lock–in period is typically for 2 years. However, for BTS developments, this varies between 6–9 years. |
| Rental Escalations | Rentals are escalated by ~4–5% every year or by 12-15% every 3 years, depending on the mutual agreement by the lessee and the lessor. |
| Common Area Maintenance (CAM) | Apart from rentals, CAM is charged separately by the lessor. They are escalated by 4–5% every year. Typically, CAM charges range from INR 0.5–1.0/sft/month. |
| Interest Free Refundable Security Deposits (IFRSD) | Security deposits are typically for 4–6 months, and are paid upfront before signing the lease deed. This is an interest–free, refundable security deposit that is refunded to the lessee after the termination of the lease deed and successful handover of the warehousing unit. |
| Taxes | All applicable Government taxes are to be added to the total charges paid by the lessee to the lessor |
| Delays & Defaults | The lessee undertakes to make all payments to the lessor in a timely manner. However, if the lessee delays in making the payments to the lessor as per the lease agreement/contract, then the lessee shall be liable to pay the lessor a delay interest per annum on the payment unpaid by the lessee. The interest shall be fixed between both parties prior to the agreement. Typically, the delay interest is fixed between 15–18% per annum. |
| Rent Free Period | In some of the contracts, rent free period is provided by the lessor to the lessee for fit–outs and other necessary adjustments before starting operations. Typically, the rent–free period, if provided is anywhere between 2–4 months, depending on the tenure of the fit–outs. |

**Source:** CBRE Research

Apart from these standard lease terms, there are also other aspects that vary regionally and/or depend on the type of tenant/lessee, based on additional facilities provided to the lessee. These parameters are discussed below in detail:

- **Loading:** In a typical Grade A warehousing development, the loading varies by 5–10% over and above the carpet area. Loading is charged owing to the construction of canopies, covered areas, guard room/s, firefighting equipment room/s, etc. The rentals paid by the lessee on the chargeable area include the loading component. Further, typically Grade B and C developers do not charge loading, as such developments do not have such added facilities and amenities.

- **Tenant Improvements:** For making renovations or additional construction on the premises, which may be required for the tenant's business, a 'tenant improvement' is charged by the developer/ lessor from the lessee. There are various types of tenant improvements, viz., high efficiency lighting, heating ventilating and air conditioning (HVAC) facilities, additional civil works, internal works, etc.

- **Mezzanine:** This is typically witnessed in Grade A warehousing spaces. It is an elevated section of the flooring or platform that is installed between the floor and the ceiling. Mezzanines are excellent options for increasing storage/ workspace within a warehouse. Typically, as witnessed in Grade A spaces, differential rentals are charged for mezzanine structures in warehouse development. The rentals for mezzanines are in the range of INR 10–12/sft/month.

### 2.4.2 Preference for Logistics Sector

#### 2.4.2.1 Investor Preference for India's Logistics Sector

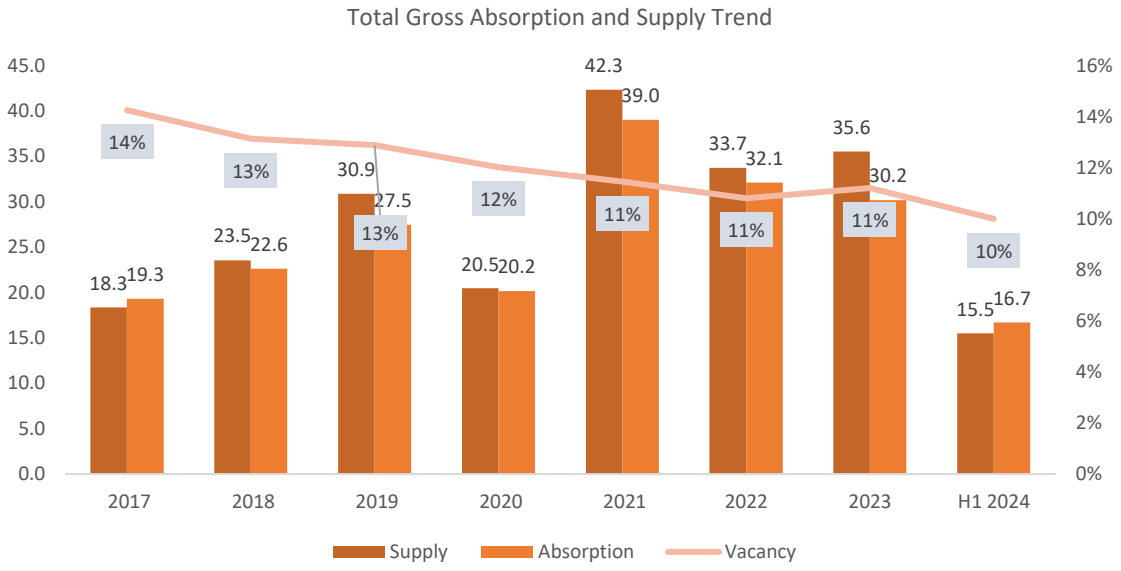
India's logistics and warehousing sector has witnessed a sharp recovery in H1 2024, primarily supported by pro–active Government interventions along with increased investments by private investors/ developers. This momentum in leasing is likely to continue into H2 2024, driving rental growth across cities. The continued space take–up would be led by the continued expansion of 3PL and e–commerce firms against a macroeconomic recovery and rising online penetration.

Demand is expected to increase further due to the continued expansion of e–commerce, 3PL firms, and the economic recovery. Due to demand for next–gen logistics facilities, such as fulfilment centres, the inherent requirement of being proximate to urban populations will drive competition among developers. The robust growth in the e–grocery, food manufacturing, and delivery sectors is expected to continue to fuel the need for warehouses, particularly cold storage facilities and last–mile fulfilment centres pan India. These facilities are likely to be concentrated in strategic locations within city limits along with peripheral locations to provide access to both urban and rural markets. With delivery time expectations lowering for customers, urban fulfilment centres will have to compete with commercial assets to stay competitive. According to CBRE research as of H1 2024, the overall vacancy rate in top 8 cities of India was approx. 10%.

The below figure depicts the gross grade wise absorption and supply trends across India's top eight cities:[31]

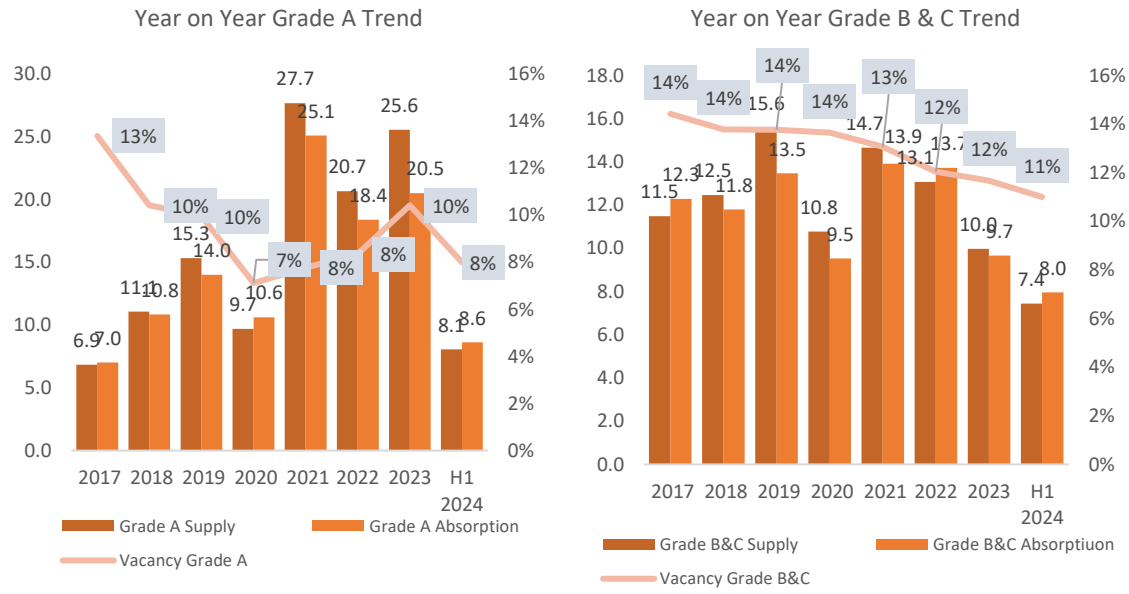
*Figure 33: Warehousing Sector – Grade Wise Gross Absorption Vs Supply Trends (Million Sft)*

[31] Delhi NCR, Mumbai Metropolitan Region, Bengaluru, Hyderabad, Kolkata, Chennai, Pune and Ahmedabad




**Source:** CBRE Research

*Figure 34: Warehousing Sector –Gross Absorption Vs Supply Trends across Grade A & B (Million sft)*



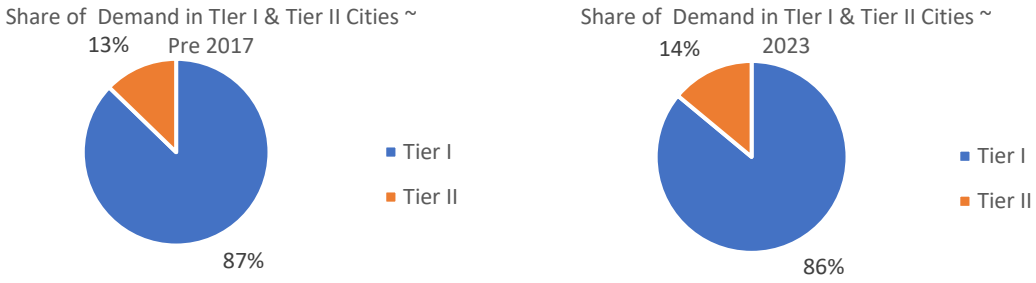

**Source:** CBRE Research

### 2.4.2.2 Surge in Warehousing Demand from Tier II Cities

Tier 2 cities are home to a vibrant consumer segment that is experiencing significant growth in income, purchasing power, and product awareness. These consumers are increasingly participating in e-commerce, driving the demand for warehousing facilities in these cities. As a result, many e-commerce companies are expanding their operations to Tier 2 cities to better serve this growing market. By establishing a presence in Tier 2 cities, e-commerce companies are trying to reduce delivery times and costs, leading to increased customer satisfaction and loyalty.

Tier 2 cities represent a vast, growing consumer base with rising disposable incomes. This fuels demand for FMCG (fast-moving consumer goods) products, pharmaceuticals, and other goods, necessitating storage and distribution centres closer to these markets. The graph below demonstrates that Tier 2 cities previously constituted a comparatively small proportion of the Indian warehousing market.

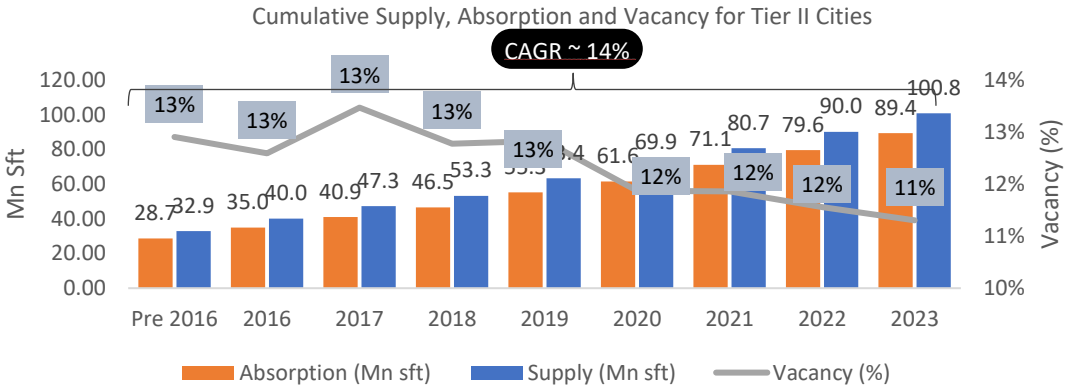
*Figure 35: Warehousing Sector – Tier II cities Absorption Vs Supply Trends*




**Source:** CBRE Research: List of Tier I cities: NCR, Mumbai, Chennai, Pune, Bengaluru, Kolkata, Hyderabad, Ahmedabad; List of Tier II Cities: Indore, Lucknow, Guwahati, Jaipur, Rajpura, Nagpur, Patna, Bhubaneshwar & Cuttack

However, historical growth trajectory of warehousing demand in Tier 2 is comparable to that of Tier 1 cities. As infrastructure and connectivity in these cities improve, businesses seeking to tap into this emerging consumer base are likely to continue to establish warehouses within the Tier 2 cities.

*Figure 36: Warehousing Sector – Tier II cities Absorption Vs Supply Trends*



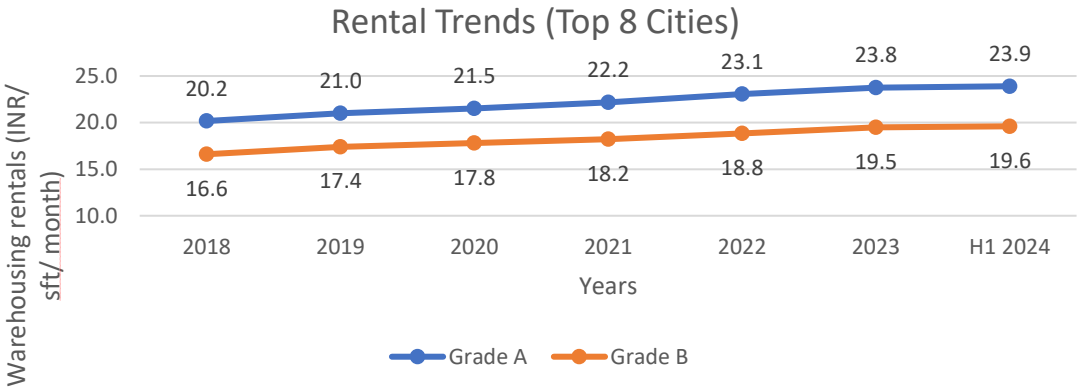

**Source:** CBRE Research: Cumulative Supply and Absorption Trend for 19 cities including: Indore, Ludhiana, Nagpur, Patna, Rajpura, Ranchi, Surat, Vijayawada, Coimbatore, Raipur, Sri city, Guwahati, Lucknow, Kanpur, Jaipur, Kochi, Bhubaneshwar, Cuttack, Anantapur, Vishakhapatnam.

From developers perspective, the competition in Tier 2 cities is less intense compared to Tier 1 cities, providing businesses with opportunities for growth and market expansion. The demand in Tier 2 cities is poised to increase, and it is anticipated that demand will increase by 14% to 18% annually over the next four to five years as demand drivers intensify. Therefore, it is more advantageous to capture a larger market share through Tier II warehousing in order to achieve a first-mover advantage.

#### 2.4.2.3 Rental Outlook

With a steady expansion observed, the warehouse rental market in India is particularly robust in its top eight cities. There has been an observed compound annual growth rate (CAGR) in the rental market for Grade A properties of 4-5% since 2018. Gradual annual increases of 3–4% are observed in Grade B rentals, which cater to a broader spectrum of financial constraints. Notwithstanding this, we anticipate a substantial influx of new supply in certain micro markets. The potential rise in available lease space could potentially affect achievable rents. To sustain market competitiveness, it may be imperative for developers to adapt their pricing strategies. Tenants may have increased bargaining power and the ability to secure more favourable rental terms in certain markets.

*Figure 37: Rental Trends in Top 8 Cities*

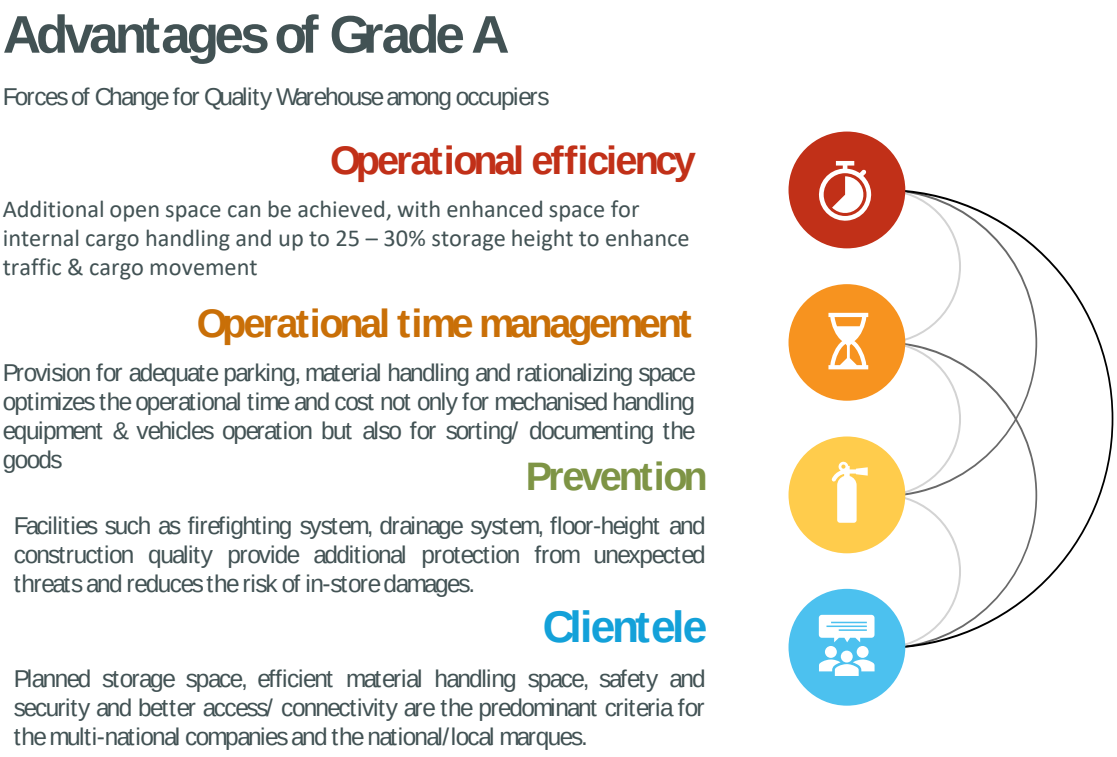



**Source:** CBRE Research

#### 2.4.2.4 Value Proposition of Grade A Warehouse

With the supply chain becoming complex with changing consumption patterns, end–users are looking for modern warehouses closer to consumption hubs with the potential to store more cargo per square foot. As a result, the clear height of a warehouse has gone up from 6 m to more than 12 m. As we go vertically higher, mechanized handling (forklift/ reach truck) is required for storage of cargo; and for mechanized operations, it is essential to have a super–flat floor with adequate floor strength. Further, since high volumes are stored in a warehouse owing to high clear height, the fire load for the facility is relatively high, hence the warehouse requires adequate fire prevention techniques such as automatic fire alarms and detection systems. The preference for Grade A warehousing space in the country, therefore, is increasing.

*Figure 38: Grade A Warehouse Efficiency Enablers*




**Source:** CBRE Research

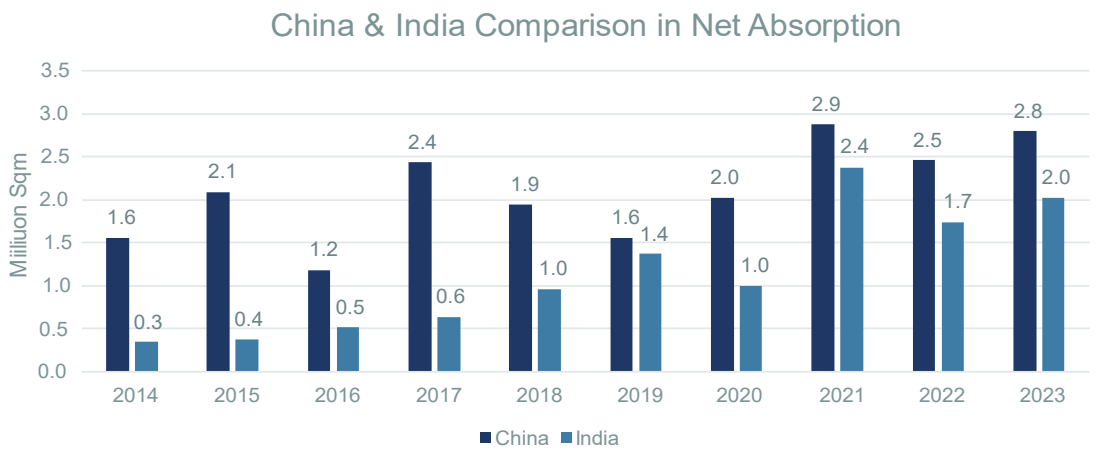
### 2.4.3 India's Warehousing Sector Primed for Expansion

At present, the Indian warehousing market is in its nascent phase of growth and has not yet achieved its full potential. The Grade A warehousing supply in India is currently lagging behind, but its swift expansion suggests a bright future. Rapid expansion suggests a bright future for India's Grade A warehousing assets, despite the fact that it is currently catching up. The increasing demand from various sectors and government

initiatives are propelling this expansion.

The graph reveals a compelling trend, Grade A warehousing supply in India's top 8 cities is rapidly catching up to China's[32] leading metropolises. This head-to-head comparison underscores the immense potential for further growth and investment in India's warehousing sector. As infrastructure strengthens and demand continues to surge, the market is primed for significant development in the coming years. This data paints a clear picture: India's warehousing sector is brimming with potential, ready for a major upswing.

*Figure 39: Per Capita Warehousing – Top 8 India Vs China Cities*




**Source:** CBRE Research:

However, for India to compete globally, it needs to bridge the gap in per capita stock and potentially invest more in automation. The best way to understand the scale and opportunities of the Indian warehousing market is to compare India's per capita industrial warehousing off-take with that of global economies.

India has a per capita warehousing stock of 4.5 sft. Even in terms of transactions volumes, in 2023, approximately 195.2 million sft[33] of warehousing space was transacted across 10 key US cities, whereas approximately 30 million sft[34] was transacted across 8 key Indian cities. The growth of the warehousing market is directly correlated to the consumption base of an economy.

**Case-in-Point: Lack of Per Capita Warehousing**

Warehousing stock in India is severely lacking compared to logistically developed economies in the world. The following graph compares the total warehousing supply of the cities with the maximum floor plate across North America with the top 7 Indian. On the basis of existing population trends, the average per capita warehousing stock across the North American cities is 24 sft per person, compared to the 4.5 sft per person in India.

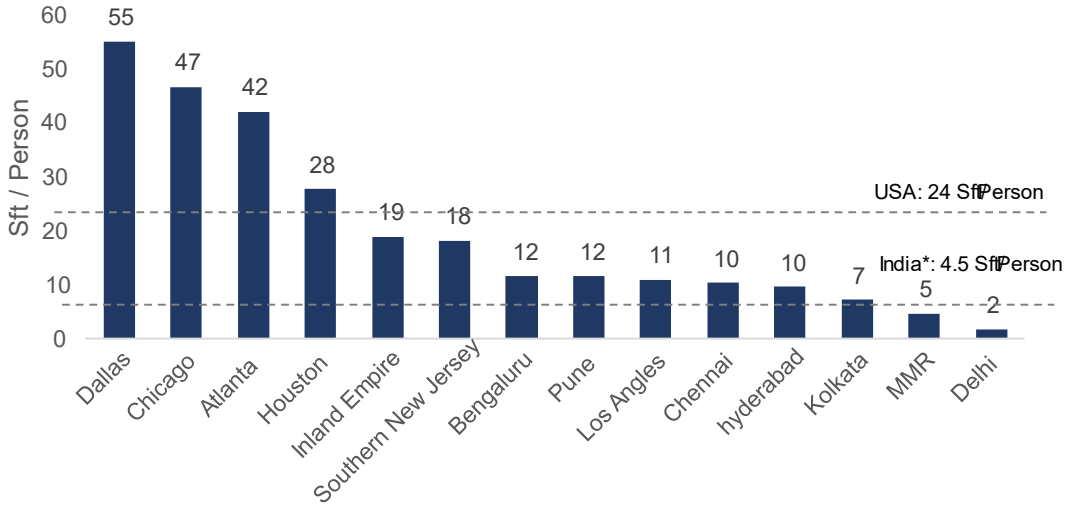
Warehousing stock in India is severely lacking compared to logistically developed economies in the world. The following graph compares the total warehousing stock of the cities with the maximum floor plate across North America with the top 8 Indian. On the basis of existing population trends, the average per capita warehousing stock across the North American cities is 24 sft per person, compared to the 4.5 sft per person in India.

*Figure 40: Per Capita Warehousing – Top 7 India Vs North American Cities*

[32] The information presented in the graph is based on data obtained from CBRE reports and other secondary sources. While these sources are recognized within the industry, it's important to acknowledge that the data may contain inherent biases or limitations due to the methodologies used in their collection and estimation.
For a more comprehensive understanding of the Indian warehousing market, it's recommended to conduct primary research, such as surveys or interviews with industry experts. This primary research would provide independent verification and potentially uncover nuances not captured in the secondary data.

[33] Cities including Dallas, Chicago, Atlanta, Houston, Inland Empire, Southern New Jersey, Los Angles

[34] Cities including NCR, Bengaluru, Chennai, Pune, Mumbai, Hyderabad, Kolkata, Ahmedabad




**Source:** CBRE Research: * Top 7 Cities (Bengaluru, Chennai, Kolkata, MMR, NCR, Hyderabad, Pune)

The warehousing industry in India is positioned for substantial expansion. Although the initial surge of growth has been observed in Tier 1 cities, a subsequent wave of growth is anticipated in Tier 2 cities. India can potentially establish its warehousing sector as a major participant on the international stage by addressing the per capita stock gap, adopting automation, and leveraging its expanding consumption base.

### 2.4.4 Competition Assessment

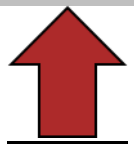
#### 2.4.4.1 Barriers to Entry

There are substantial barriers to entry in the warehousing sector, though compared with other commercial and industrial real estate asset classes they are significantly low. In the warehouse segment, access to land at the right location is one of the biggest barriers to entry. In addition, tenants with a preference for Grade A choose developers with consistent quality and pan India presence, which ensures supply chain operations being seamless and efficient. Having a pan India presence requires capital and access to a large team, which makes it difficult for smaller operators to capitalize on the opportunity in the same way as institutionalized developers.

#### 2.4.4.2 Unorganized Competition

As of 2023, the warehousing market in India is largely fragmented and dominated by unorganized developers, who serve approximately 85% of the country's warehousing supply. This unorganized market stock is characterized by limited mechanization. The presence of unorganized developers lends India's warehousing market considerable inefficiencies in terms of high handling costs owing to higher average inventory holding, limited mechanization, and limited technology–driven innovations, among other factors. Given the above, *Table 9* exemplifies the comprehensive assessment of threats/barriers to organized developers from the unorganized market.

***Table 9: Competitive Barriers to Organized Developers***

| Competition from Unorganized Players | Level of Threat |
|---|---|
| **Availability of Historic Land**<br><br>Local/ regional players that own historic/ ancestral land can consider developing warehouse facilities, specifically in cases wherein demand for the same exist in surrounding regions. For organized developers, land aggregation is a considerable challenge. |  <br>**HIGH** |
| **Project Delivery**<br><br>For unorganized developers, the risk of project completion delay is high due to limited access to qualified personnel, and construction expertise. For organized developers, however, owing to their specific development expertise and | |

| Competition from Unorganized Players | Level of Threat |
|---|---|
| organized team structure, they can mitigate/minimize such risks. | **LOW** |
| **Ability to Attract Clients**<br><br>Unorganized players have limited ability to attract clientele seeking quality warehousing space primarily owing to the lack of marketing and leasing expertise. On the contrary, organized players invest in developing their marketing and leasing teams, and also use technology to limit the cost of storage for their clientele by leveraging analytics. | <br>**LOW** |
| **Funding**<br><br>Unorganized players have limited access to financing sources and, hence, have limits in terms of investing in large–scale warehousing projects. Organized players, on the other hand, have strong funding sources backed by funds, hence capital rationing for attractive investment opportunities is not perceived as an issue. | <br>**MODERATE** |

**Source:** CBRE Research

### 2.4.4.3 Competition among Organized Developers

Observing the potential growth opportunities in the Grade A space, organized players including global developers such as TVS ILP, LOGOS, Ascendas, Indospace, Pragati, Welspun, Greenbase, Horizon and Hiranandani have identified the segment for investments. Private equity investors have also collectively invested approximately USD 1.03 billion in the year 2023 in the Industrial & logistics sector. Further as of H1 2024 approximately USD 126 million has been invested in the same.

*Figure 41: Evolution of Institutional Players in The Indian Warehousing Market*

**Source**: CBRE Research

Various development models have been adopted by organized players for the expansion of their warehousing portfolio in the country. Due to the paucity of investment–grade warehousing assets, organized developers such as ESR, Ascendas Firstspace, and Indospace, have adopted a self–development model for their growth.

Typically, the preference is to acquire aggregated land of more than 100 acres in established micro–markets and about 50–100 acres in evolving micro–markets. The size of the project is also dependent on the cost, availability of land, and the demand–supply dynamics.

## 2.4.5 Upcoming Logistics Trends

### 2.4.5.1 Evolving Distribution Channels

Distribution channels determine how goods are made available to consumers. Customer preferences have evolved the world over, supported by technology and expectations of high product quality, service delivery and responsiveness. Manufacturers do not necessarily have the accessibility or capability to engage in various channels of distribution and, thus, need to make certain decisions on the basis of customer requirements for accessibility, consistency and a level of service expatiations to remain competitive. The following list elucidates the prominent distribution channels that manufacturers have adopted over time:

- **Single Channel Distribution:** This is a traditional model through which sellers attempt to reach customers only through one distribution option, thereby reducing marketing investments and

operational complexity. These may include one of online, catalogue, mail–order, direct selling or traditional retail.

- **Omni–Channel Distribution:** This seeks to integrate the needs, communications, interactions and transactions between customers and retailers, irrespective of whether the purchase is made from a desktop, mobile device, a telephonic order or a brick–and–mortar store.

Traditionally, sellers have relied on single channel distribution, and the large number of intermediaries involved in the process, including manufacturers, distributors, wholesalers, retailers, agents and customers. These supply chains required a Clearing and Forwarding (C&F) agent to target distribution of stocks in specific areas. The C&F agent primarily procured and maintained a large stock of goods for further distribution. Obtaining stocks from the manufacturer, the agent made them available for the company's distributors, and the eventual customer, thus bridging the gap between manufacturers, distributors, and customers.

Online and offline retailing channels are no longer seen as competitors or substitutes, but rather as complementary pieces for brand building, customer convenience and engagement. Thus, to strengthen supply chains, ensure encumbrance free operations and reduce intermediaries in the overall distribution channels, a paradigm shift from single channel distribution towards multi and omni–channel distribution has been witnessed.

Omni–channel distribution has emerged as the most resilient of the above channels, due to the seamless integration between contact channels, thereby providing flexibility to consumers during the pandemic. With e–commerce continuing to challenge traditional supply chains, distributors have augmented urban logistics systems to serve consumer hotspots. With retailers comprehending the significance of customer proximity and strategic locales, the following trends are envisaged to emerge in the logistics and warehousing space:

- Last–mile facilitation
- Gradual shift in warehousing demand to smaller cities

The following sections attempts to provide a global overview of these trends and contextualizes them as per the evolution of the Indian logistics and warehousing industry.

#### 2.4.5.2 Last–Mile Fulfilment

Retailers and distributors are under increasing pressure to deliver consumer products and perishables to customers, often within narrow timeframes. This has created a need for adequate delivery sites in and around dense urban areas to accommodate the growing consumer demand.

Warehouse occupiers have begun implementing the next phase of their supply chain development, incorporating smaller regional and local distribution centres that can get their products to the end user quicker and more efficiently. Commodity prices are no longer the decision parameter driving retail purchases. With price standardization across retailing platforms, businesses have to stay competitive through faster delivery timings.

Thus, the larger urban logistics space and supply can be envisaged as a funnel, with the wide end representing the larger fulfilment facilities located farther from population cores, and the narrow end representing the smaller, infill properties that are located as near to densely populated areas as possible. If a retailer is going to achieve same–day or same–hour delivery, the funnel's narrow bottom—the last mile—is a critical component of the network.

To address last–mile delivery challenges, numerous physical innovations have seen incremental adoption the world over. With the concept of 10–minute grocery delivery gaining traction in India, fulfilment centre space take–up has been increasing across Tier I cities. With these assets being located in core city areas, they often have to compete with the likes of commercial and retail assets. Thus, to cater to the increasing demand, warehousing developers will have to adopt innovative warehousing solutions to ensure competitiveness across India's urban real estate markets.

#### 2.4.5.3 Shift in Demand to Tier II Cities and Tier III Cities

Increasing consumption and a shift in the manner in which consumer acquire and consume goods have contributed to the recent expansion of warehouses in Tier I Indian cities. The rise of omni-channel platforms and the increasing demand for faster delivery services have further driven this growth. As companies

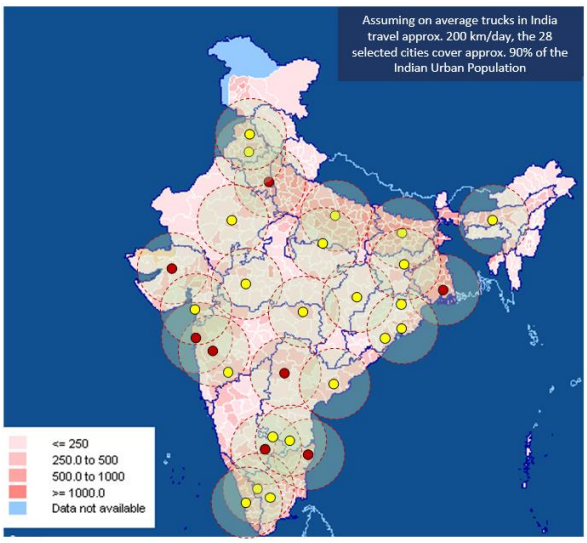
increasingly prioritize supply chain streamlining and efficiency, demand for larger warehouse spaces is rising, particularly in urban areas. This trend is expected to extend to Tier II and III cities, as companies expand their operations and embrace omnichannel strategies, the demand for warehouses in these regions will significantly increase. This increased demand is likely to drive further expansion of warehousing facilities. The recent surge in Grade A warehousing space in Tier II and III cities reflects the evolving dynamics of the Indian logistics sector. These cities offer a compelling combination of growing demand, cost advantages, and improved infrastructure, making them attractive investment destinations for warehousing development. Additionally, the increasing focus on last-mile delivery and efficient supply chain management is driving the need for strategically located warehouses in Tier II and III cities. We anticipate that this shift toward decentralized distribution centers will help to sustain the growth of Grade A warehousing space in these areas. We anticipate the emergence of regional distribution hubs in Tier II cities. We have already noticed the trend in cities such as Coimbatore, Jaipur, Lucknow, Vijayawada, Jammu, Cuttack, etc. These Tier II and III cities offer lower land costs, better infrastructure, and proximity to major highways and ports, making them attractive options for warehousing development. We expect the demand for Grade A warehousing space in these emerging markets to only increase as omnichannel logistics continues to expand. With greater internet penetration, Tier II and III cities will help small towns, peri-urban areas, and rural areas sell online.

We expect India's supply chain network to be hub-and-spoke, with pivotal warehouse hubs supporting smaller regional spokes and creating a trickle-down effect. India urgently needs a strong supply chain to support 1.44 billion people in 2024.

In order to optimise last-mile logistics and ensure nationwide coverage, various cities have been selected as sites for extensive warehousing. We selected the cities based on factors such as warehousing activity, consumer potential, industrial foundation, and infrastructure. Understanding the delivery dynamics of these storage centres requires knowledge of the catchment areas for the twenty-four locations on the population density map of India.

CBRE anticipates that eight Tier I communities will continue to serve as the nation's logistics and storage nodes, assisting the majority of the population. We selected the 28 spokes based on their strategic location and proximity to Tier I core areas. India's 24 cities and their environs accommodate 30% of the country's total population and 90% of its urban inhabitants.

*Figure 42: India – Logistic Network*




**Hubs**

29. NCR
30. Mumbai
31. Pune
32. Chennai
33. Bengaluru
34. Hyderabad
35. Kolkata
36. Ahmedabad

**Spoke:**

37. Coimbatore
38. Anantapur
39. Bhubaneshwar
40. Rajpura
41. Jaipur
47. Raipur
48. Ludhiana
49. Kochi
50. Surat
51. Patna
52. Ranchi

42. Indore
43. Vijayawada
44. Nagpur
45. Guwahati
46. Lucknow Kanpur
53. Vishakhapatnam
54. Sullurupet
55. Madurai
56. Cuttack

**Source:** Census 2001; CBRE Research

## 3. Understanding India' s Key Warehousing Markets

- Positive demand side momentum is expected, anticipated pickup in long-term decision-making by occupiers.
- Leasing activity to remain strong in the coming years with next-generation logistics facilities to dominate the overall supply pipeline.
- 3PL, e-commerce, manufacturing, and retail are the key drivers of warehousing demand, with 3PL and E-commerce firms accounting for over 50% of leasing activity upto Q3 2024.
- NCR and Bangalore remains a significant contributor to the overall warehousing demand in the eight key cities, accounting for 40% of the total demand. This trend is expected to persist due to the strong demand from 3PL and e-commerce sectors.
- Tier 2 cities' economic growth, manufacturing, e-commerce, cold chain needs, and government initiatives are driving warehousing demand; Coimbatore, Vijayawada, and Siliguri, among the top 9 tier 2 cities, show high growth potential due to their strategic location and existing industrial ecosystem.

*Table 10: Pan India Warehousing Market*

| CITY | COMPLETED SUPPLY (Mn sft) | TOTAL ABSORPTION (%) | COMPLTED GRADE A SUPPLY (Mn sft) | GRADE A ABSOPRTION (%) |
|---|---|---|---|---|
| Bengaluru | 66.5 | 93% | 21.3 | 99% |
| Bhubaneshwar | 3.1 | 87% | 1.1 | 97% |
| Chennai | 46.1 | 89% | 23.4 | 89% |
| Coimbatore | 5.1 | 87% | 1.9 | 95% |
| Cuttack | 1.8 | 89% | 0.6 | 97% |
| Madurai | 1.3 | 72% | - | - |
| Pune | 37.7 | 89% | 20.4 | 89% |
| Siliguri | 3.1 | 86% | 0.8 | 80% |
| Sullurpet | 0.5 | 100% | 0.4 | 100% |
| Vijayawada | 5.5 | 96% | 1.6 | 100% |
| Vishakhapatnam | 2.5 | 72% | 1.2 | 88% |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.1 Bengaluru

#### 3.1.1 City Overview

*Table 11: Demographic Snapshot of the City*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GSDP (USD) | GSDP GROWTH | PER CAPITA INCOME (USD) |
|---|---|---|---|---|---|
| Karnataka/Bengaluru | 9.62 Mn [35] | 4,380/ $Km^2$ | 270.2 Bn[36] | 14.2% | 7,490[37] |

**Source:** Census 2011, Karnataka Economic Survey 2022-23

The Bengaluru Metropolitan Region (BMR) is constituted by three districts namely Bengaluru Urban, Bengaluru Rural and Ramanagara, and is spread across a total area of approx. 8,010 Sq Km. BMRDA is a

[35] Population for Bengaluru Urban District as per Census 2011
[36] For Karnataka State as per Karnataka Economic Survey 2022-23
[37] For Bengaluru Rural District as per Karnataka Economic Survey 2022-23

regional authority which consists of multiple planning authorities such as Bengaluru International Airport Area Planning Authority (BIAPPA) and Bengaluru Mysore Infrastructure Corridor Area Planning Authority (BMICAPA), Nelamangala Planning Authority, Anekal Planning Authority, Satellite Town Ring Road (STRR) Authority, etc.

During 1950s and 60s, the Central Government established large public-sector units such as Hindustan Machine Tools (HMT), Bharat Electronics Ltd. (BEL), etc. Prominent private sector companies such as Motor Industries Company (MICO) commenced their operations in the city in 1954. This enabled the city to emerge as a prominent hub for Research & Development in India, with reputed institutes like the Indian Institute of Science and Indian Space Research Organization having set their base in the city.

With the advent of IT/ ITeS industry in 1990s, Bengaluru attracted large scale IT investments on account of its conducive weather conditions, pro-active government policies, and ample availability of suitable human resources. As a result, Bengaluru is currently India's third most populated city in 2024 *(as per World Population Review)*. In the context of economic advancement, Bengaluru is one of the fastest growing cities in India. A major part of this growth can be attributed to the information technology boom, which has reflected strongly in the real estate industry. Apart from the significant IT/ ITeS activity, the city is also witnessing enhanced activity levels across diverse sectors such as aerospace research, biotechnology & textile sector. Currently, Bengaluru alone accounts for approx. 38% of software exports from India and 60% of biotechnology companies in India have a base in Bengaluru.

The city has high per capita income after Delhi with strong IT employee base, increasing disposable income and high retail consumption, which indicate that the city has a consumption led demand for warehouses. Major industry sectors driving demand for institutional Grade warehousing space in the city include Logistics/3PL, E-Commerce, Modern Retail, FMCD, Apparel & Manufacturing. Key occupiers present in the city include Amazon, Flipkart, Delhivery, Future Supply Chain, TVS Supply Chain, DHL, Gati KWE, DB Schenker, Decathlon, Aditya Birla, etc. Indospace, All cargo Logistics, TVSILP, Avigna Industrial & Warehousing Parks, Horizon Industrial Parks, Ascendas, Logos, NDR Warehousing, RKV Developers, Gokaldas Warehousing and Anjaneya Developers are the major institutional players in the warehousing market.

### 3.1.2 Existing Infrastructure Initiatives

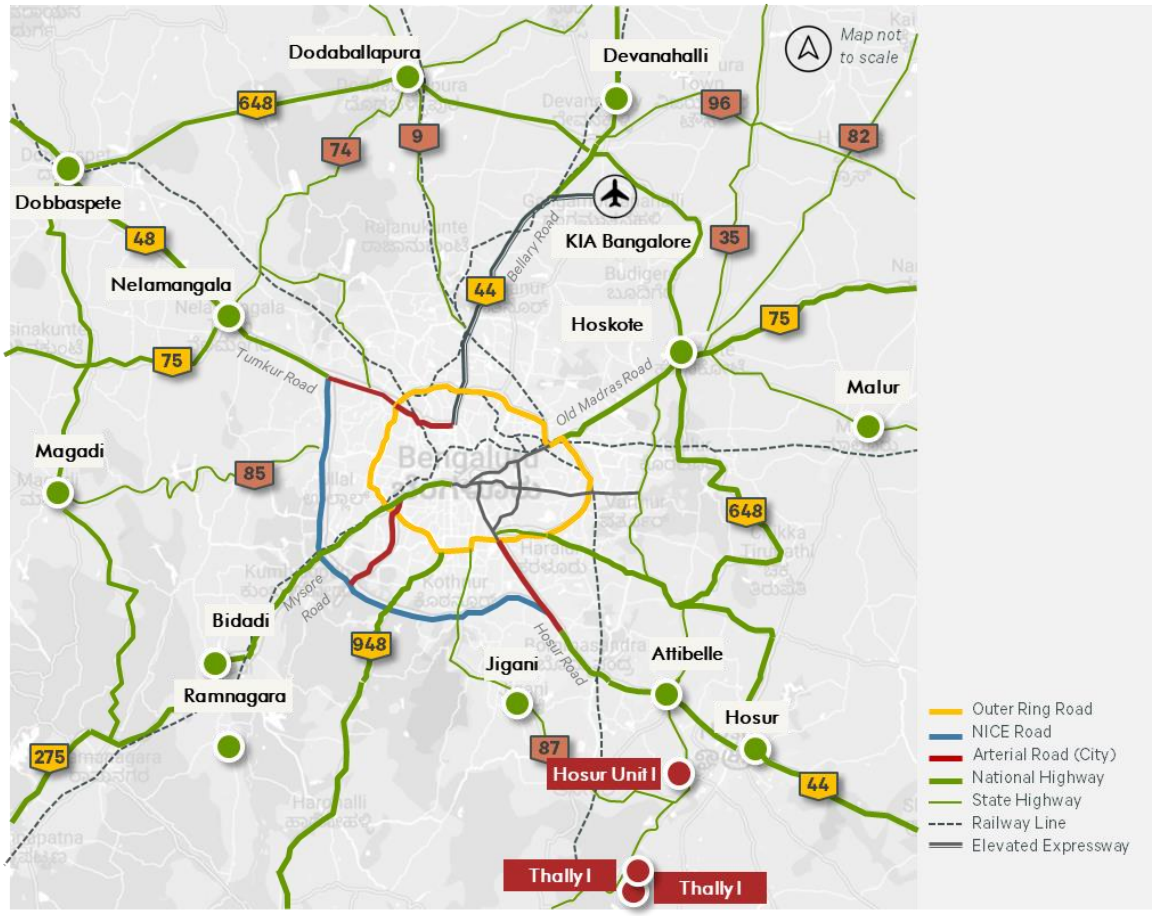
The city has a road network consisting of 3 National Highways and 4 State Highways. The arterial roads branching out from the centre and the concentric ring roads are the main corridors driving the real estate activity in the city. The city has three ring roads i.e., Inner Ring Road, Outer Ring Road and the Nice Expressway that were commissioned to enable urban sprawl and develop the outskirts of the city.

Below is a broad level outline of the existing infrastructure initiatives in the city:

| INFRASTRUCTURE INITIATIVE | PARTICULARS |
|---|---|
| NICE Road | Half circle from Hosur Road to Tumkur Road with access points at Electronic City, Bannerghata Road, Kanakapura Road, Mysore Road, Magadi Road and Tumkur Road |
| Tumkur Road Expressway | 19.5 km long six lane elevated expressway connecting Yeswanthpur to Nelamangala<br><br>Improved connectivity to the Western Quadrant of the city |
| Kempegowda international Airport | Kempegowda International Airport Terminal 1 became operational in 2008 and Terminal 2 became operational in 2022 and is currently the third busiest airport in the country with over 32 Mn passengers handled in CY 2022 and is a key driver for growth of North Bengaluru region. The Airport enables faster and seamless cargo processing through its renowned high level of service quality and operational efficiency. |
| Outer Ring Road | Connects all major highways around the city and passes through Hebbal, KR Puram, Marathahalli, HSR Layout, BTM Layout, Banashankari, Kengeri, etc. |

**Source:** CBRE Research, Bengaluru Development Authority

*Figure 43: Map of Key Existing Infrastructure Initiatives*




**Source:** CBRE Research

### 3.1.3 Proposed Infrastructure Initiatives

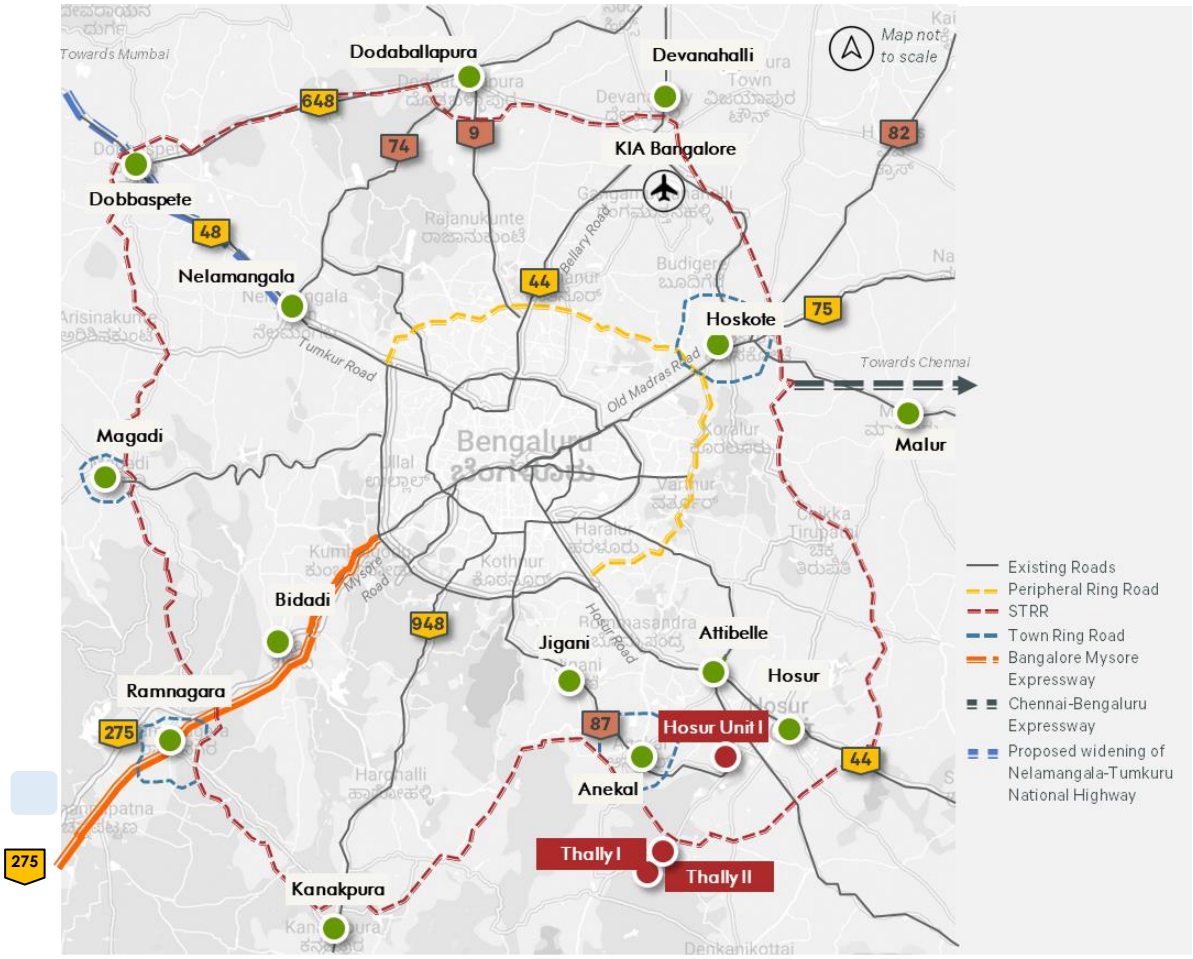
Below is a broad level outline of the proposed infrastructure initiatives in the city:

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Satellite Town Ring Road (STRR) | Ongoing 280 km long, 6-lane bi-directional carriageway which connects major towns such as Hoskote, Devanahalli, Doddaballapur, Dobbaspete, Magadi, Ramanagara, Kanakpura, Anekal, Hosur & Sarjapura<br><br>The project intends to ensure hassle-free inter-city connectivity preventing the vehicles from entering the busy routes of Bengaluru | 2025E |
| Peripheral Ring Road (PRR) | 74 km long and 100-meter-wide with 6-lane bi-directional carriageway (3 lanes on either side). The project is expected to circumnavigate the city linking the major highways such as Tumkur Road (Northwest), Bellary Road (North) and Old Madras Road (East) and Hosur Road (South). | 2027E |
| Widening of Nelamangala – Tumkur Highway | The existing 44 km stretch of Nelamangala – Tumkur Highway (NH 48) is proposed to be widened from 4-lane to 10-lane as part of the Bengaluru-Tumkur Expressway Project | 2025E |
| Bangalore-Mumbai Industrial | 1000 km proposed economic corridor aimed at boosting manufacturing activity and easy freight | Project in Pre- |

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Corridor | movement between Bengaluru and Mumbai<br><br>Consists of proposal for Mumbai-Bengaluru High Speed Rail Dedicated Freight Corridor and Road and rail upgradation | Feasibility Study |
| Chennai-Bengaluru Expressway (Part of the Chennai Bangalore Industrial Corridor) | Bangalore - Chennai Expressway is a 260 km in length) and 4-lane (expandable to 8) access route connecting Hoskote near Bangalore with Sriperumbudur near Chennai.<br><br>It is part of the 500 km long Chennai-Bengaluru Industrial Corridor | 2025E |

**Source:** CBRE Research; Updatedd as of Q3 2024

*Figure 44: Map of Key Proposed Infrastructure Initiatives*




**Source:** CBRE Research

### 3.1.4 Overview of the Warehousing Market in Bengaluru

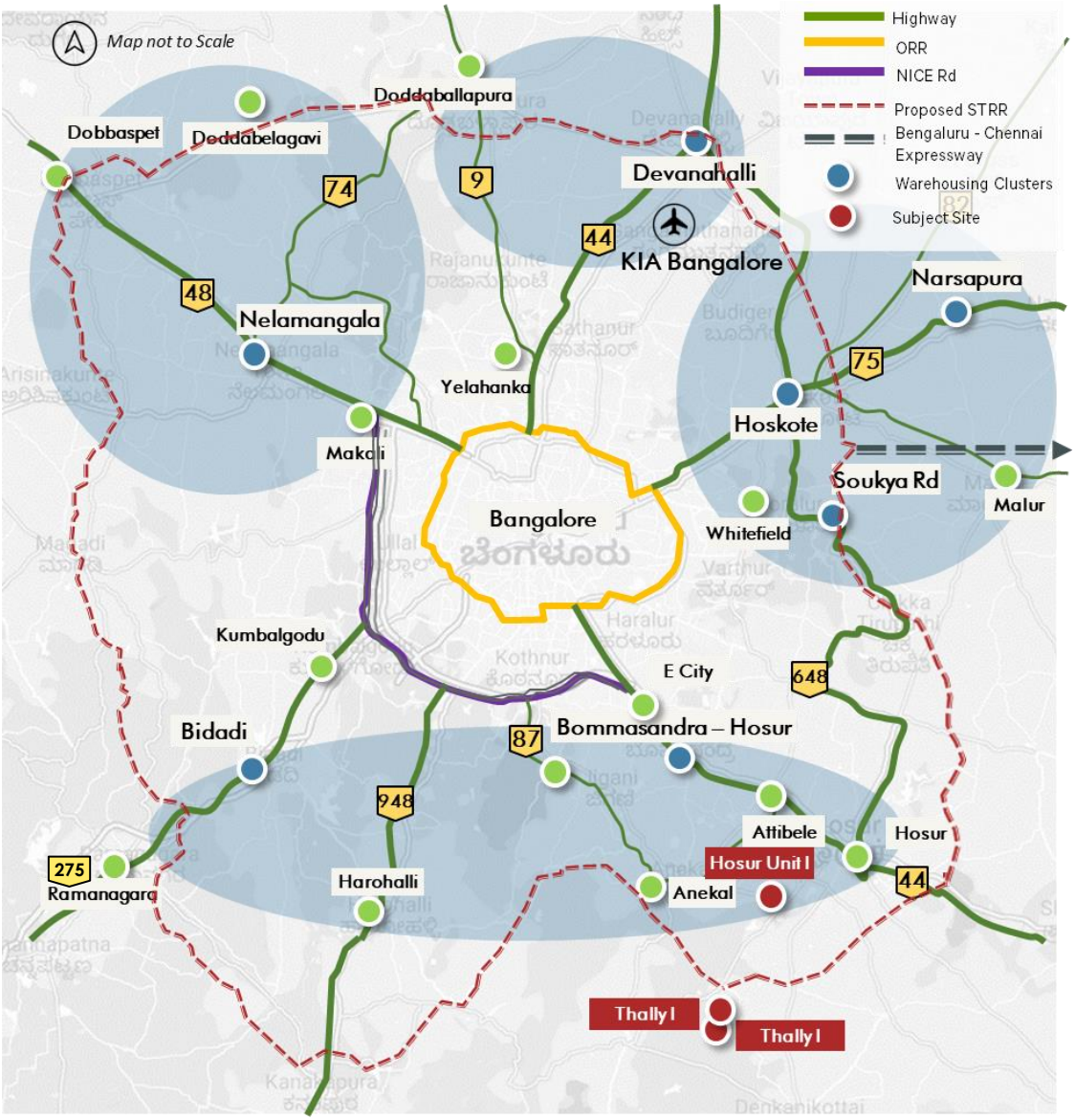
| QUADRANT Classification | Western Quadrant | Southern Quadrant | Eastern Quadrant | Northern Quadrant |
|---|---|---|---|---|
| Micro-markets | Nelamangala - Dobbaspete | Bommasandra Hosur & Bidadi | Soukya Road, Hoskote & Narasapura | Devanahalli |

| QUADRANT Classification | Western Quadrant | Southern Quadrant | Eastern Quadrant | Northern Quadrant |
|---|---|---|---|---|
| Share of Completed Supply | 36% | 27% | 33% | 4% |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Bengaluru region is primarily spread across four major quadrants as shown in the above table i.e. Western quadrant along NH-48 belt (towards Mumbai & Bengaluru); Southern quadrant along NH-44 (towards Chennai) and NH-275 (towards Mysuru); Eastern quadrant along NH-75 & NH-648 belt; Northern quadrant along NH-44 (Bellary Road).

***Figure 45: Map of Warehousing Clusters In Bengaluru***




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.1.4.1 Bengaluru – Completed Supply and Absorption Dynamics

Bengaluru has approx. 66.5 Mn sft of operational warehouse supply, of which approx. 62.1 Mn sft is occupied. Prior to 2014 the supply was majorly by Grade B & C developments; however, the share of Grade C supply has reduced drastically since 2014 due to increased demand for quality warehousing spaces from occupiers such as E-commerce, 3PL, Modern Retail, etc. This has resulted an increased supply from Grade A developments in the recent years. Nelamangala - Dobbaspete, Bommasandra - Hosur, and Soukya Road are the predominant warehousing micro markets, accounting for roughly 75% of the city's total warehouse supply. This is due to a well-established warehousing ecosystem, facilitated by proximity to industrial zones,

strong connectivity to major consumption hubs, and the availability of land. Prominent industry sectors taking up space include 3PL Operators, E-commerce, Consumer Durables, Modern Retail, FMCD, FMCG, Manufacturing, etc. The average space offtake in the market for Grade B is in the range of 60,000 – 70,000 sft whereas anchor space offtake (Grade A) by large players is in the range of 150,000 – 300,000 sft.

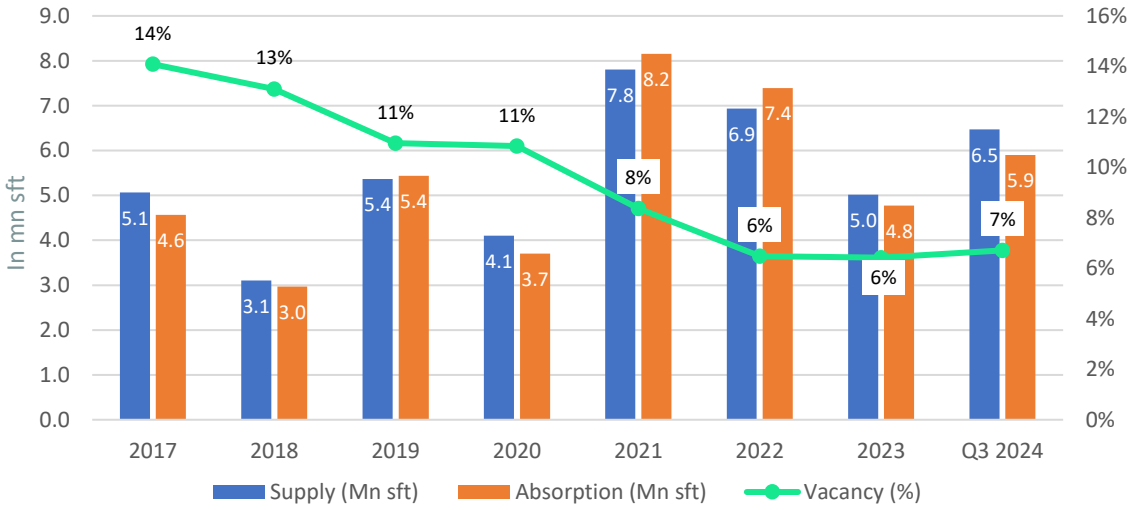
*Table 12: Overview of Warehousing Market In Bengaluru*

| Completed Supply (Mn sft) | Absorption Mn Sft | Share of Completed Grade A Supply (%) | Share of Completed Grade B Supply (%) | Share of Completed Grade C Supply (%) |
|---|---|---|---|---|
| 66.5 | 62.1 | 32% | 59% | 9% |

**Source:** CBRE Research; Updatedd as of Q3 2024

Grade A supply makes up 32% of the completed supply, equating to 21.4 Mn sft, and has a low vacancy of 0.21 Mn sft, indicating absorption rates of 98 - 99%. Grade B supply, on the other hand, accounts for 59% of the completed supply and has occupancy levels of 91 - 92%.

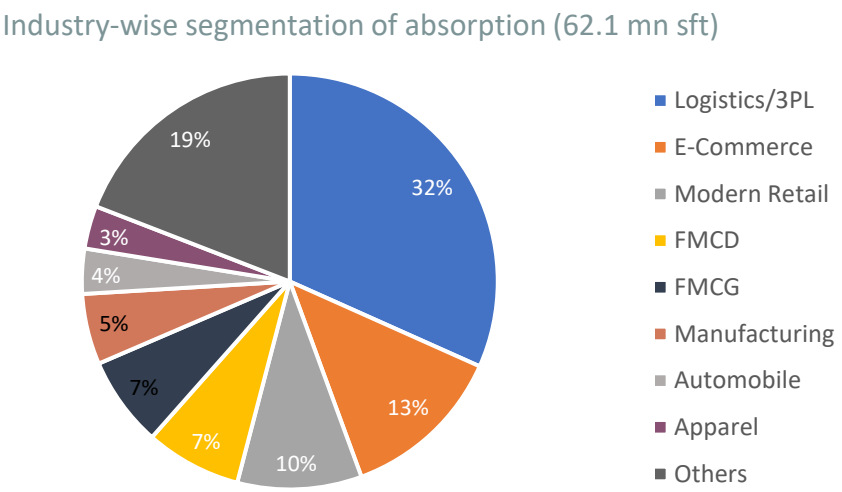
*Figure 46: Y-O-Y Completed Supply & Gross Absorption Levels in Bengaluru*




**Source:** CBRE Research; Updatedd as of Q3 2024

Grade A developments are primarily concentrated in Bommasandra – Hosur, Soukya Road and Hoskote, nearly 75% of completed Grade A supply of Bengaluru is concentrated in these micro markets catering primarily to E-commerce, 3PL, Modern Retail & Manufacturing sectors. A steady increase in supply witnessed over the last 7 - 8 years (2017 – Q3 2024) with an average annual supply of 5.6 – 5.7 Mn sft (2017 – Q3 2024), where 2017 witnessed large influx of supply owing to impact of GST and entry of developers & corporates into the warehousing sector. Year 2020 observed slight slump in supply and demand owing to worldwide pandemic scenario causing construction delays coupled with deferment in absorption of warehouse space which was already pre-committed in the market. 2021 witnessed the largest supply influx owing to increased demand from E-commerce, 3PL & retail tenant sectors due to the pandemic and spillover demand from 2020. From 2017 to Q3 2024, the average annual absorption rate was 5.5 – 5.6 Mn sft, keeping supply and demand balanced. As of Q3 2024, the completed supply across all grades had a vacancy rate of 7%. As of Q3 2024, out of completed supply in Bengaluru, Grade A totals to nearly 21.4 Mn sft (32% share); Grade B – 39.5 Mn sft (59%) and Grade C – 5.7 Mn sft (9%).

*Figure 47: Segmentation of Absorption by Industry in Bengaluru*




**Note**: Others primarily consist of Electrical and Electronics, Pharmaceuticals, Building Materials, Furniture, Plastics, etc.
**Source**: CBRE Research; Updatedd as of Q3 2024

### 3.1.4.2 Bengaluru– Upcoming Supply Dynamics

*Table 13: Bifurcation of Upcoming Supply in Bengaluru*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 14.6 Mn sft | 16.9 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The total upcoming supply of 31.5 Mn sft comprises approximately 14.6 Mn sft currently under construction and about 16.9 Mn sft planned for development, expected to enter the market by 2030. This upcoming supply is primarily driven by the growing demand for warehousing in the region, fuelled by rapid population growth, increased disposable incomes, and higher retail consumption, alongside industrial demand stemming from a surge in manufacturing activities. Furthermore, institutional players are expanding their presence in the region. Despite a strong upcoming supply, the market is projected to absorb 36 - 40 million square feet by 2030, given the average annual absorption of 5 - 6 million square feet in recent years. Most of the upcoming supply is witnessed in micro markets such as Nelamangala -Dobbaspet (11.9 Mn sft), Hoskote (6.7 Mn sft), and Narsapura (5.4 Mn sft) and Bommasandra- Hosur (4.40 Mn sft). Upcoming supply mainly focused on Grade A developments by institutional players (Horizon Industrial Parks, Ascendas, Indospace, Assetz, Avigna, Sumadhura Logistics Park, etc.)

*Table 14: Upcoming supply by micro-market*

| Location | 2024 – 2025 (Mn sft) | 2026 – 2028 (Mn sft) | 2029 – 2030 (Mn sft) |
|---|---|---|---|
| Bidadi | 0.09 – 0.10 | - | - |
| Bommasandra - Hosur | 2.7 – 2.8 | 1.5 – 1.6 | - |
| Devanahalli | 1.5 – 1.6 | - | - |
| Hoskote | 2.5 – 2.6 | 4.1 – 4.2 | - |
| Narsapura | 1.3 – 1.4 | 4.1 – 4.2 | - |
| Nelamangala - Dobbaspete | 2.8 – 2.9 | 6.2 – 6.3 | 2.7 – 2.8 |
| Soukya Road | 1.3 – 1.4 | | |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.1.4.3 Bengaluru – Asking Rental Dynamics

The average base rental witnessed in the market is approx. between INR 22 – 24/ Sft / month for a Grade A development and between INR 18 – 20 / Sft / month for a Grade B development. CAGR (2017 – Q3 2024) for Grade A and Grade B developments are to the tune of approx. 5.2% & 5.0% respectively. Micro Market Wise Grade A Average Asking Rentals are enumerated below in the table:

*Table 15: Details of Micro-Market Wise Grade A Asking Rentals*

| Micro-Market | Grade | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Bidadi | A | 19 – 20 | 21 – 22 | 21 – 22 | 21 – 22 | 22 – 23 | 22- 23 | 23 – 24 | 24 – 25 |
| | B | 17 – 18 | 18 – 19 | 19 – 20 | 19 – 20 | 20 – 21 | 20 - 21 | 21 - 22 | 21 - 22 |
| Bommasandra - | A | 19 – 20 | 19 –20 | 20 – 21 | 20 – 21 | 21 – 22 | 21 - 22 | 22 – 23 | 23 – 24 |

| Micro-Market | Grade | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|---|---|
| Hosur | B | 17 – 18 | 18 – 19 | 18 – 19 | 18 – 19 | 19 – 20 | 19 - 20 | 20 – 21 | 21 – 22 |
| Devanahalli | A | 19 – 20 | 20 – 21 | 20 – 21 | 20 – 21 | 21 – 22 | 22 - 23 | 23 – 24 | 25 – 26 |
| | B | 17 – 18 | 18 – 19 | 18 – 19 | 18 – 19 | 19 – 20 | 20 - 21 | 20 – 21 | 21 – 22 |
| Hoskote | A | 17 – 18 | 18 – 19 | 19 – 20 | 20 – 21 | 20 – 21 | 21 - 22 | 22 – 23 | 23 – 24 |
| | B | 15 – 16 | 16 – 17 | 17 – 18 | 17 – 18 | 18 – 19 | 19 - 20 | 19 – 20 | 20 – 21 |
| Narsapura | A | 15 – 16 | 16 – 17 | 17 – 18 | 17 – 18 | 18 – 19 | 20 - 21 | 21 – 22 | 23 – 24 |
| | B | 11 – 12 | 12 – 13 | 13 – 14 | 14 – 15 | 15 – 16 | 16 - 17 | 17 – 18 | 18 – 19 |
| Nelamangala - | A | 17 – 18 | 17 – 18 | 18 – 19 | 18 – 19 | 19 – 20 | 20 - 21 | 21 – 22 | 22 – 23 |
| Dobbaspete | B | 13 – 14 | 14 – 15 | 15 – 1 6 | 15 – 16 | 15 – 16 | 16 - 17 | 17 – 18 | 18 – 19 |
| Soukya Road | A | 19 – 20 | 20 – 21 | 21 – 22 | 21 – 22 | 22 – 23 | 22 - 23 | 23 – 24 | 23 – 24 |
| | B | 18 – 19 | 19 –20 | 19 – 20 | 19 – 20 | 20 – 21 | 20 - 21 | 20 – 21 | 21 – 22 |

**Source:** CBRE Research; Updatedd as of Q3 2024; Unit – INR/sft/Month

### 3.1.4.4 Bengaluru – Key Lease Transactions

The following table enumerate the key lease transaction in Bengaluru:

*Table 16: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Malur Hosur Road | Logistics | A | 180,000 | 22 – 23 | Q3 2024 |
| Nelamangala - Dobbaspet | Pharmaceutical | B | 80,000 | 20 - 21 | Q3 2024 |
| Nelamangala - Dobbaspet | Electronics | A | 150,000 | 22 – 23 | Q3 2024 |
| Hoskote | Manufacturing | B | 54,000 | 22 – 23 | Q3 2024 |
| Hoskote | Logistics/3PL | A | 160,000 | 23 - 24 | Q2 2024 |
| Narsapura | Logistics/3PL | B | 50.000 | 18 - 19 | Q2 2024 |
| Hosur | Manufacturing | A | 100,000 | 22 – 23 | Q2 2024 |
| Hosur | Automobile | A | 200,000 | 22 – 23 | Q2 2024 |
| Nelamangala - Dobbaspet | Logistics/3PL | A | 130,000 | 22 – 23 | Q2 2024 |
| Hoskote | E-commerce | A | 300,000 | 23 - 24 | Q1 2024 |
| Anekal – Hosur | Logistics/3PL | A | 150,000 | 23 - 24 | Q1 2024 |
| Hosur | Automobile | A | 280,000 | 21 – 22 | Q1 2024 |
| Bidadi | Furniture | A | 60,000 | 23 - 24 | Q1 2024 |
| Hoskote | Manufacturing | A | 180,000 | 25.0 | Q4 2023 |
| Hosur | Manufacturing | B | 50,000 | 19.0 | Q4 2023 |
| Hoskote | Logistics/3PL | A | 150,000 | 19.0 | Q4 2023 |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.1.4.5 Western Quadrant Overview

Western quadrant comprises of Nelamangala – Dobbaspete micro-market and is located towards west side of Bengaluru. Warehousing developments are concentrated in and around NH 48, a prominent transport corridor passing through Bengaluru and connects to the major cities - Bengaluru and Mumbai in the Northwest and Chennai in the south. The region comprises of prominent industrial areas such as Peenya, Sompura and Dobbaspete, which have been developed by KIADB over the years. The subject site is located within this Micro-market and is greatly influenced by the logistics activity in this region.

The quadrant comprises of approximately 36% of the completed supply in the Bengaluru Region. Further, details of micro markets within the quadrant are elaborated in the following paragraph.

**Nelamangala-Dobbaspete Micro Market**

*Table 17: Snapshot of Nelamangala-Dobbaspete Warehousing Market*

| Completed Supply | Vacancy | Grade A Completed Supply | Grade A Vacancy | Share of Grade A Completed Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 23.9 Mn sft | 10% - 11% | 1.25 Mn sft | 1% - 2% | 5% | 11.5 – 12 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The region is an established and most prominent warehousing vector in Bangalore and serves mainly the

Bangalore - Mumbai trade route. With the extensive development of industrial activity, warehousing activity has also increased significantly, particularly in Nelamangala and Dobbaspete. Almost 95% of the warehousing supply in the subject Micro-market falls in the Grade B (18.3 Mn sft) and Grade C (4.4 Mn sft) categories. There is limited supply of Grade A warehousing (1.25 Mn sft). Due to limited supply, vacancy in Grade A is less than 2%.

### 3.1.4.6 South Quadrant Overview

Southern warehousing quadrant comprises of micro markets such as Bommasandra – Hosur and Bidadi. Warehousing developments in this quadrant are primarily concentrated in and around NH 44 (Bengaluru – Chennai Highway) and NH-275 (Mysore Highway). Proximity to manufacturing hubs such as Bommasandra – Jigani, Attibele, Hosur & Bidadi coupled with superior connectivity to consumption hubs have led to the growth of warehousing industry in the region. The quadrant comprises of approximately 27% of the completed supply in the Bengaluru region. Out of the completed supply in southern quadrant, approximately 53% of the supply is Grade A developments. Further, details of micro markets within the quadrant are elaborated in the following paragraphs.

**Bommasandra-Hosur Micro Market**

*Table 18: Snapshot of Bommasandra-Hosur Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 15.18 Mn sft | 4 - 5 % | 8.69 Mn sft | 2 – 3 % | 41% | 4.3 – 4.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Bommasandra – Hosur micro-market is located along NH-44, which connects Bengaluru to Northern states and further to Tamil Nadu via Hosur. It has superior connectivity and easy accessibility to consumption hubs of Bengaluru via NH-44, NICE Road, and SH-87

This micro market constitutes a share of nearly 84% of the completed supply of southern Micro-market of Bengaluru. The region has a major share of Grade A warehousing supply, accounting for 57% of completed supply of micro market followed by Grade B warehouses at 37%. Prominent grade A developments from institutional players are Indospace, TVSILP, Avigna Group, Horizon Industrial Group, amongst others.

Third Party Logistics, E-Commerce, Manufacturing, FMCG, Consumer Durables, Automobile, Apparel & Retail are key industry sectors predominantly occupying grade A supply in the micro-market with tenants such as Flipkart, Amazon, DHL, TVS Supply Chain, Udaan, Aditya Birla, PUMA, Wakefit, Schaeffler, Ather, MPlastics, Yazaki, etc.

**Bidadi Micro Market**

*Table 19: Snapshot of Bidadi Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 2.85 Mn sft | 7 – 8 % | 0.75 Mn sft | <1 % | 4% | 0.09 – 0.1 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The Micro-market of Bidadi is primarily driven by the production hubs such as Bidadi, Kumbalgodu & Harohalli. Improved connectivity via NICE road allows for a greater reach of the micro-market to consuming centres in South and West Bengaluru.

This market constitutes a share of nearly 16% of the completed supply in southern Micro-market of Bengaluru. Micro market is primarily characterized by Grade B warehouse developments at 68% followed by Grade A developments at 26% from individual owners as well as from institutional players.

FMCG, Automobile, Logistics, & Furniture are key industry sectors in the micro-market with tenants such as Britannia, Coco Cola, Herman Miller, Urban Ladder, Toyota, etc. However, considering the current market scenario, Bidadi has witnessed subdued interest from occupiers owing to Inferior connectivity to key National Highways coupled with higher rentals & land values, resulting in limited upcoming supply.

### 3.1.4.7 East Quadrant Overview

Eastern warehousing quadrant comprises of micro markets such as Hoskote, Narsapura and Soukya Road. Warehousing developments in this quadrant are primarily concentrated in and around NH 75 (Bengaluru – Tirupati Highway), NH-648 (Hoskote – Chikka Tirupathi), SH-35 (Hoskote – Sidlaghatta) and SH-82 (Hoskote – Chinatamani). Its superior accessibility and connectivity to eastern consumption centres of city with proximity to manufacturing hubs such as Hoskote, Malur & Narsapura have led to the growth of warehousing industry in the region. Under construction Satellite Town Ring Road (STRR) and Chennai - Bengaluru Expressway would further boost the warehousing activity in the region. The quadrant comprises of approximately 33% of the completed supply in the Bengaluru Region. Out of this completed supply approximately 44% of the supply is Grade A developments. Further, details of micro markets within the quadrant are elaborated in the following paragraphs.

**Hoskote Micro-Market**

*Table 20: Snapshot of Hoskote Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 9.45 Mn sft | 3 - 4 % | 3.19 Mn sft | 0% | 15% | 6.7 – 6.8 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Emerging warehousing vector with superior road connectivity via NH-75, NH-648, SH-35 & SH-82, coupled with proximity to consumption hubs of eastern Bengaluru have been driving the demand for warehouses in this micro market.

This micro market constitutes a share of nearly 43% of the completed supply in eastern Micro-market of Bengaluru. Micro-market is largely dominated by Individual warehouse developers with primarily Grade B warehousing supply with a share of 65% of completed supply followed by Grade A developments at 34%. Currently, The Hoskote micro-market has experienced a rise in Grade A supply in recent quarters, with anticipated new developments over the next two to three years primarily centered on Grade A projects by institutional investors. Prominent upcoming Grade A developments in the region include Ascendas, Sumadhura Logistics Park, NDR Warehousing, etc.

Third Party Logistics, Modern Retail and E-Commerce are key industry sectors occupying a major share of supply in the micro-market with prominent tenants being Ecom Express, DHL, Yusen Logistics, FSC, DP World, Blinkit, Firstcry, Reliance, Pepperfry, Arvind, Tata Trent, FSC, Ficus pax, Coldman Logistics amongst others. With pre-commitments observed in under construction Grade A developments indicate robust demand for warehousing space in the region.

**Narsapura Micro-Market**

*Table 21: Snapshot of Narsapura Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 2.82 Mn sft | 5 – 6 % | 1.81 Mn sft | 0% | 8% | 5.4 – 5.5 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Emerging warehousing vector, primarily warehousing developments are concentred in and around NH-75 (Bengaluru - Tirupati Highway) and Narsapura industrial area. Warehousing activity in the micro market is largely driven by industrial activity in the region coupled with demand from Logistics and E-commerce tenants owing to superior road connectivity to city via NH 75.

This micro market constitutes a share of nearly 13% of the completed supply in eastern Micro-market of Bengaluru. It is characterized by the presence of Grade A & B developments established by local individual developers with limited supply by institutional players, however expected upcoming supply is largely dominated by institutional players (Indospace, Avigna, Ascendas, etc.).

E-Commerce, Logistics, Retail, Apparel & Automobile are key industries sectors in the micro market with tenants such as Flipkart, Safexpress, FM Logistics, D-Mart, Pantaloons, Arvind Mills, etc. Increase in interest levels from institutional players has been witnessed in recent past for establishing their warehousing facility in this micro-market as Grade A developers are scouting for larger land parcels in the region.

**Soukya Road Micro-Market**

*Table 22: Snapshot of Soukya Road Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 9.58 Mn sft | 3 – 4 % | 4.35 Mn sft | 0% | 20% | 1.3 – 1.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Established micro market, characterised by Grade A and B developments primarily by individual landlords. Proximity to consumption hubs and transshipment hubs (Container Corp. of India at Whitefield Satellite Good Terminal) with robust road connectivity via NH 648 has led to the growth of warehousing activity in the region. Additionally, the presence of major IT parks and industrial clusters in the vicinity has further boosted demand for warehousing space in the area. This strategic location has made it a preferred choice for 3PL companies looking to establish a warehousing hub closer to consumption hubs. This micromarkets makes up about 44% of the completed supply in Bengaluru's eastern micromarkets. Grade B warehouse supply accounts for 54% of the total supply in micro market, while Grade A supply makes up 45%. This micro-market has seen healthy absorption levels due to sustained occupier interest, which stems from its superior connectivity and proximity to major consumption hubs in Bengaluru. All Cargo (Now Horizon Industrial Parks) along with Prologis partnered with RMZ, are the major institutional player in the market with a development potential of 2.6 Mn sft, housing key tenants such as Flipkart, Decathlon, and ACCI. Third Party Logistics, E-Commerce, Retail and FMCG are key industry sectors occupying the major share of supply in the micro market with tenants such as Flipkart, Amazon, Decathlon, Delhivery, Future Supply Chain, etc.

### 3.1.4.8 North Quadrant Overview

The northern quadrant comprises the Devanahalli micro-market. In this quadrant, warehousing developments are concentrated in and around key transport corridors such as NH 44 (Bellary Road), NH-648 (Soluble-Devanahalli), and SH-9 (Doddaballapura Road). Bellary Road connects the city to an international airport and further northwards to Hyderabad. Located along the growth quadrant of the city, with large-scale residential and commercial developments currently under construction in the region, this would lead to a large consumption centre like Whitefield. The region comprises prominent industrial areas such as Aerospace Park at Devanahalli and Apparel Park at Doddaballapura, which have been developed by KIADB over the years. The quadrant comprises approximately 4% of the completed supply in the Bengaluru Region. High land values and limited land availability for warehousing development limit the growth of the micro-markets in the region. Further details of the micromarkets within the quadrant are elaborated in the following paragraph.

**Devanahalli Micro-Market**

*Table 23: Snapshot of Devanahalli Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 2.63 Mn sft | 13 - 14 % | 1.32 | 0% | 6% | 1.5 - 1.6 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Micro market is situated in proximity to international airport, predominantly characterised by standalone developments dispersed across different pockets within the micro-market. Proximity to transshipment hub of Kempegowda International Airport, Aerospace Park at Devanahalli, production hub at Doddaballapur (Apparel Park) with excellent road connectivity via NH 44, NH 648 & SH 9 have led to growth of warehousing industry in the region, however growth could be potentially constrained by relatively high land values in the region.

Micro market characterized by the presence of both Grade A (49%) and Grade B (51%) developments established by local individual developers and institutional players, further the region has recently witnessed surge in Grade A supply with recent completions from Mapletree Logistics Park and LOGOS.

E-Commerce, Manufacturing, Logistics and Retail are key industries sectors in the micro market with tenants such as Amazon, E-Com Express, Star Air, SCS Logistics, Gati KWE, DHL, Blue Dart, Royal Oak, etc. Sluggish absorption levels have been witnessed primarily in Grade B developments, as warehousing eco system is in the developing stage.

### 3.1.5 Bengaluru – Overall Market Outlook

The warehouse industry rebounded sharply in 2021 compared to 2020, driven by ongoing demand from the 3PL, e-commerce, retail and manufacturing sectors, as well as the completion of investment-grade initiatives. The COVID-19 pandemic's acceleration of e-commerce tendencies had a significant role in this rise, increasing the demand for effective storage and delivery facilities. As consumer behaviour shifts towards

online shopping, year on year absorption in the warehouse industry has been high in recent years. Warehousing demand in Bengaluru has remained resilient due to a significant reliance on e-commerce platforms, an increase in online shopping, the advent of the auto mobile sector, and the city's increased manufacturing base. As a result, the warehousing sector has emerged as a promising investment opportunity for organised Grade A players. The trend, which is currently ongoing owing to a robust consumer base, rising disposable income, and increased retail expenditure, is predominantly consumption driven.

Hoskote-Malur, Narsapura, and Hosur are rising micro-markets in the city because of increased land availability and improved road connection. Established micro markets such as Nelamangala and Dobbaspet have had high storage demand, and institutional companies have lately showed renewed interest in developing warehousing facilities in this micromarkets, indicating a robust market. The upcoming Satellite Town Ring Road (STRR) and Bengaluru-Chennai Expressway would further boost the warehousing activity in these markets. In the recent past with the influx of investment grade warehouses (with modern amenities), a shift in the preference of space off-takers towards Grade A warehouses has been witnessed.

The large-scale space off take of Grade A or Grade B developments are primarily due to the increased demand arising from Logistics, Modern Retail, Manufacturing, E-Commerce and FMCG. As per latest absorption trends at city level (last one year), the logistics/3PL players continue to be key space occupants, followed by modern retail and manufacturing firms. While there's been a decline in e-commerce leasing activity, sectors like manufacturing, modern retail, and third-party logistics have shown a considerable increase in demand for Grade A space.

The current prevalent asking rentals for Grade A warehouses in Bengaluru region is approx. INR 22.0 - 24.0 /sft/month, whereas few developments can command higher rentals than the market average owing to quality of warehousing space, proximity to consumption hubs and accessibility to ready supply in the desired micro markets. Strong demand levels coupled with investment grade supply creation by Grade A suppliers is expected to enhance rental values in the medium term. However, the Nelamangala- Dobbaspet area might experience short to medium-term rental pressures due to a large upcoming Grade A supply.

As per information available in public domain, approx. 28 Mn sft of development potential is under various stages of planning/construction. This supply is expected to be added in the next six to seven years.

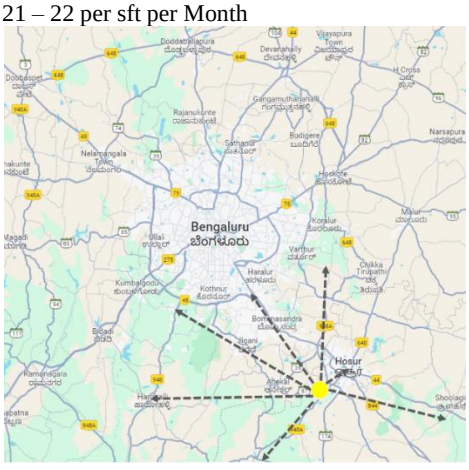
### 3.1.6 Micro Analysis - (Subject Property Location ~ Hosur)

#### 3.1.6.1 Subject Properties Snapshot

*Table 24 : Subject Property ~ Hosur I*

| | |
|---|---|
| Name of the Development | TVS Industrial and Logistics Park – Hosur I |
| Location | Hosur – Thally Road |
| Land Area (Acres) | 29.83 Acres |
| Development Status | Completed |
| Operational Built-up Area (Sft) | 693,444 Sft |
| Vacancy Levels | 0% |
| Under Construction/Upcoming Potential (Mn Sft) | NA |
| Year of Establishment | 2018 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | TVS SCS |
| Average Rentals (INR/sft/Month) | INR 21 – 22 per sft per Month |

Key Location Map of the Asset



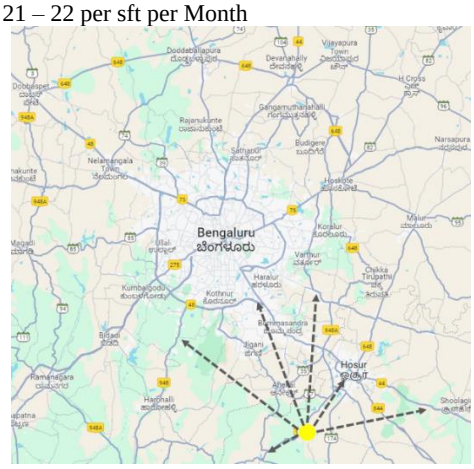

Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only

*Table 25 : Subject Property ~ Thally I*

| | |
|---|---|
| Name of the Development | TVS Industrial & Logistics Park – Thally I |
| Location | Mathagondapalli, Denkanikottai |
| Land Area (Acres) | 37.39 Acre |
| Development Status | Completed |
| Operational Built-up Area (Sft) | 957,112 sft |
| Vacancy Levels | 0% |
| Under Construction/Upcoming Potential (Mn Sft) | 95,889 sft |
| Year of Establishment | 2019 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Instakart & TVS SCS |
| Average Rentals (INR/sft/Month) | INR 21 – 22 per sft per Month |

Key Location Map of the Asset

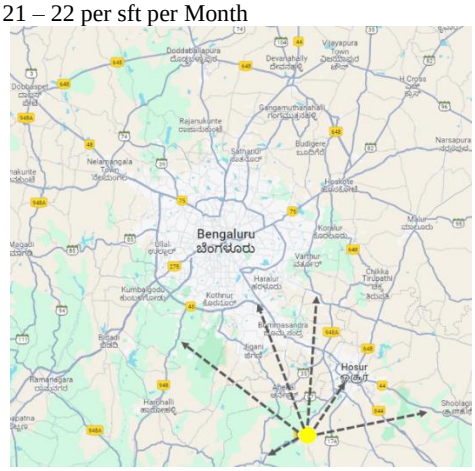



Macro Map of the Asset

*Table 26 : Subject Property ~ Thally II*

| | |
|---|---|
| Name of the Development | TVS Industrial & Logistics Park – Thally II |
| Location | Mathagondapalli, Denkanikottai |
| Land Area (Acres) | 10.83 |
| Development Status | Completed |
| Operational Built-up Area (Sft) | 199,126 sft |
| Vacancy Levels | 0% |
| Under Construction/Upcoming Potential (Mn Sft) | NA |
| Year of Establishment | 2021 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Ather |
| Average Rentals (INR/sft/Month) | INR 21 – 22 per sft per Month |

Key Location Map of the Asset




Macro Map of the Asset

### 3.1.6.2 Location Characteristics

**Hosur, Thally I & II**

Hosur, a satellite town of Bangalore, is strategically located in Tamil Nadu. Its position along National Highway 44 provides seamless connectivity to major cities such as Bangalore, Chennai, and Coimbatore, making it a prime distribution hub. Additionally, as part of the Chennai-Bangalore Industrial Corridor, Hosur offers convenient access to key markets, facilitating efficient goods transportation. Historically a manufacturing center, Hosur has attracted major industries like TVS Motors, Ashok Leyland, Toyota, and others. The upcoming Satellite Town Ring Road is expected to further enhance Hosur's prominence, making it an attractive location for e-commerce companies. Its strategic position near the Tamil Nadu-Karnataka border provides access to a large consumer base.

The warehouses are situated in Mathagondapalli village between Hosur and Thally, offering convenient access to the airport, located 87 kilometres away. Its prime location and accessibility to the main city have attracted major players in manufacturing, third-party logistics, and fast-moving consumer goods sectors.

#### 3.1.6.3 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Bommasandra-Hosur is a key warehousing vector in Bengaluru. Situated along NH-44 in the southern periphery of Bengaluru, it serves as a hub for commerce between Bengaluru and Hosur-Chennai. Accessible via NH-44, SH-87, and NICE Road, it provides exceptional connectivity and convenient proximity to the city's consumption and distribution centres. In addition, the region accounts for approximately 23% of Bengaluru's (2nd largest warehousing market) completed inventory. The region witnessed a supply of approx. 15.18 Mn sft, with 96% absorption. The region is primarily characterised by Grade A and Grade B developments, with a share of 57% and 37% of the Supply, respectively. Prominent Grade A developments encompass TVS Industrial & Logistics, RKV Logistics, Horizon Industrial Parks, Avigna Warehousing Parks, and more. The availability of large land parcels with moderate land values in comparison to other micro markets, as well as proximity to manufacturing and consumption hubs, are the primary drivers of warehousing activity in the region.

*Table 27: Snapshot Bommasandra-Hosur Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bengaluru | Upcoming Supply |
|---|---|---|---|---|---|
| 15.18 Mn sft | 4 - 5 % | 8.69 Mn sft | 2 – 3 % | 41% | 4.3 – 4.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The region witnessed an average annual absorption of approx. 1.38 to 1.40 Mn sft of warehousing space over the last 7–8 years, and the average annual supply is in the range of 1.41 to 1.43 Mn sft between 2017 and Q3 2024. Limited vacancies (2%) were witnessed in Grade A developments on account of growing demand for quality warehouse space with superior accessibility and connectivity to the city. The asking rentals for Grade A warehousing developments in this micro market have been observed to be in the range of INR 22 - 24 per sft. 3PL, E-commerce, Manufacturing, FMCG, FMCD, Automobile and Apparel are key industry sectors in this micro market. Key occupiers in this micro-market are Amazon, Flipkart, DHL, TVS Supply Chain, Stellar Value Chain, Aditya Birla, PUMA, Wakefit, Big Basket, Ather,Yazaki, Wabtec and MPlastics, amongst others.

#### 3.1.6.4 Building Characteristics

The key building specifications for the assets are enlisted in the below table:

*Table 28: Key Building Specifications of Hosur I*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) structured warehousing park |
| Flooring | Floor strength of 5 metric ton per sqm. |
| Height | 12 m to 15m |
| Lighting | 200 -300 lux |
| Fire Safety | Provided sprinkler system & fire hydrant system in the facility (250KL x 2) |
| Office | Mezzanine floor is provided (Block 3) |
| Amenities and Facilities | Truck yard and a parking lot, and basic amenities such as underground water tank, rainwater harvesting, common amenity space, facility management office, first aid room, etc. |

**Source:** TVSILP

*Table 29: Key Building Specifications of Thally I & II*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) structured warehousing park |

| Particular | Specifications |
|---|---|
| Flooring | Floor strength of 5 metric ton per sqm. |
| Height | 12 m to 15m |
| Roofing | Standing seam screwless roof systems (leak-proof) with roof insulation |
| Fire Safety | Provided sprinkler system & fire hydrant system in the facility (425 KL x 2 tanks) |
| Office | Mezzanine floor is provided |
| Amenities and Facilities | Truck yard and a parking lot, and basic specifications such as underground water tank, sewage treatment plant, rainwater harvesting, common amenity space, facility management office, first aid room, etc. |

**Source:** TVSILP

### 3.1.6.5 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

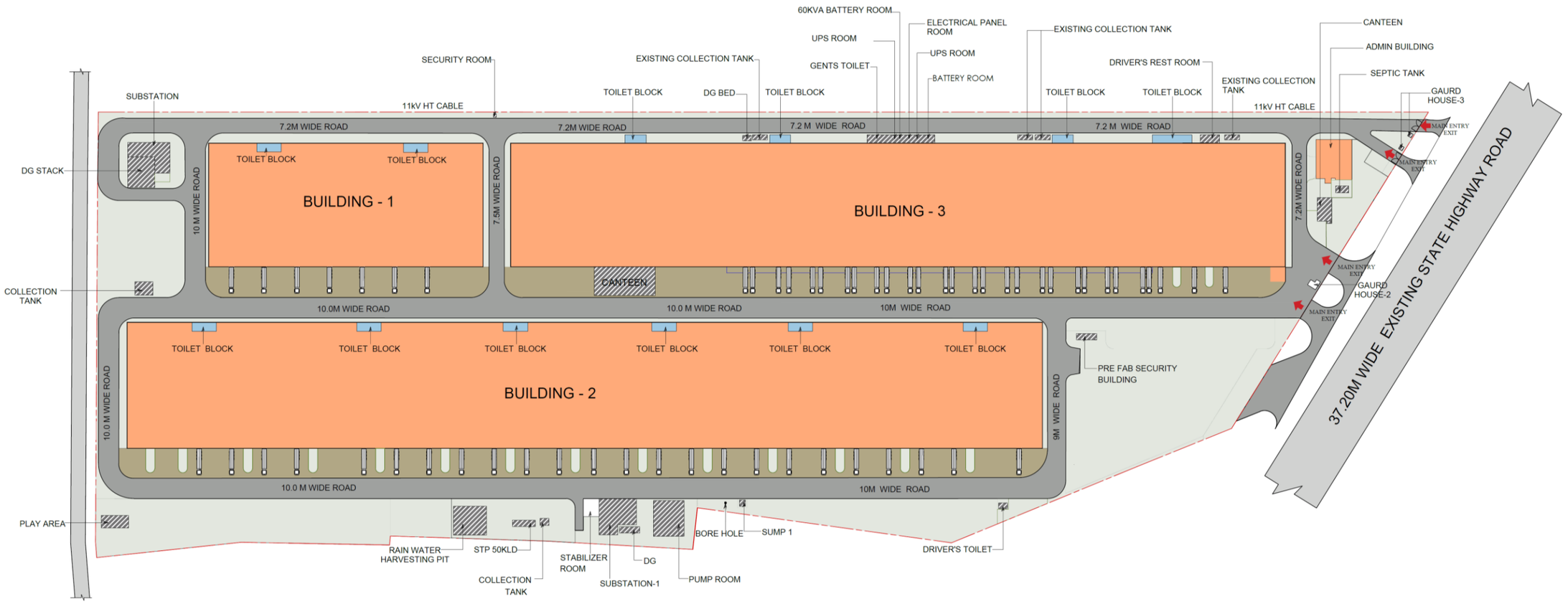
The micro market has Grade A competing facilities that regional and institutional players like Avigna Industrial Parks, Horizon Industrial Parks, RKV Logistics Park, etc. have recently developed. These facilities are in accordance with the building specifications for quality grade A development. The rentals commanded by quality-grade A developments in the market are in the range of INR 22 - 24 per sft per month. Rental rates vary depending on proximity to the city and space quality. Based on asking rents in the Hosur market, we estimate the achievable rent level for the subject property to be between INR 22 and 23 per square foot per month (excluding CAM). The Hosur market continues to attract industrial players due to its strategic location and availability of quality-grade A developments. The rental rates are competitive compared to other industrial hubs in the region, making it an attractive choice for businesses looking to establish a presence in South India.

### 3.1.6.6 Demand Forecast for the subject micro – market/vector.

The Bommasandra–Hosur micro market is anticipated to add around 4.3 - 4.4 Mn sft over the next three to four years. Most of the forthcoming supply is anticipated to have Grade A specifications and to be concentrated in places like Hosur-Shoolagiri, Hosur-Denkanikottai Road, Kelamangalam, etc.

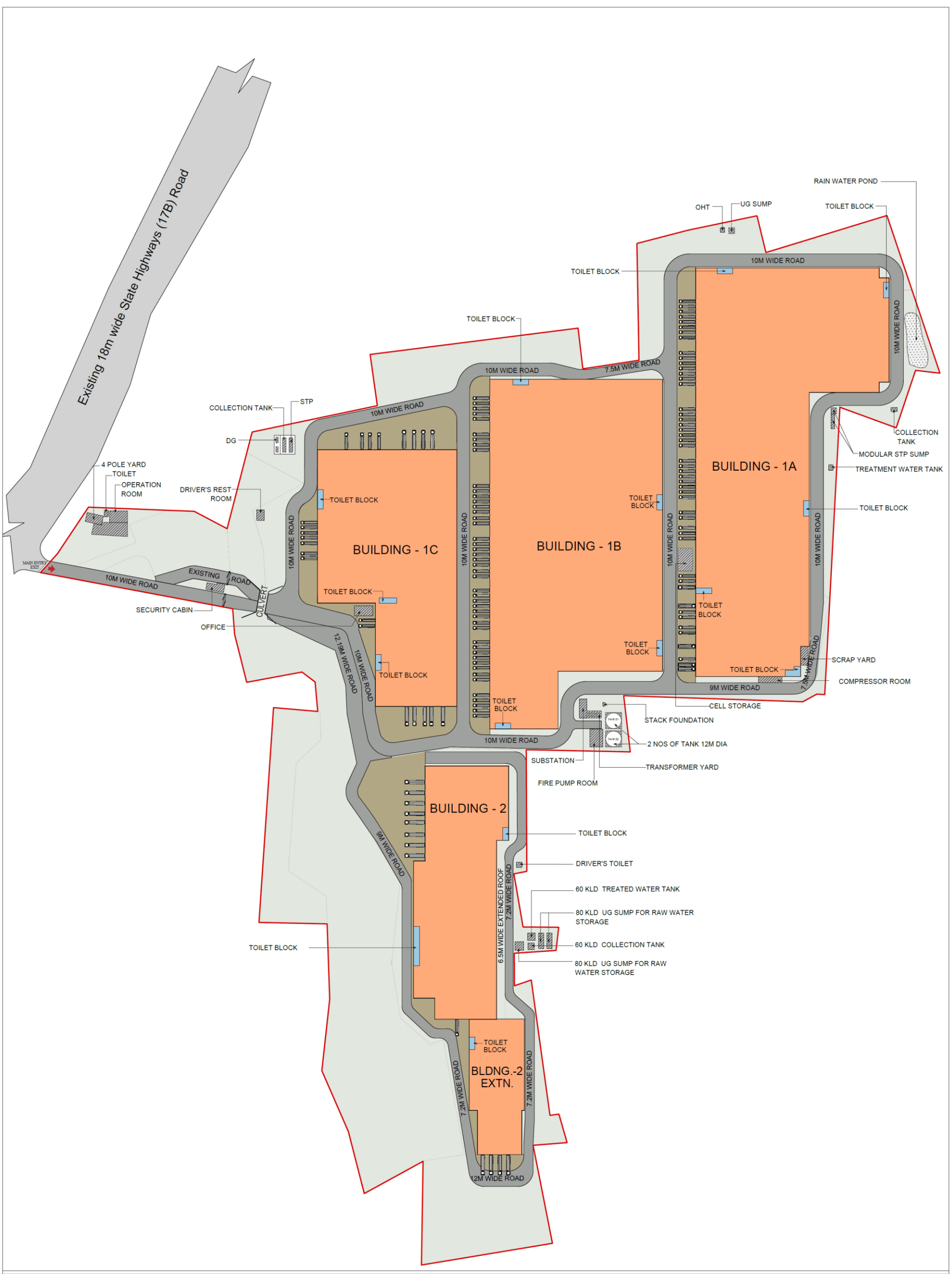
The primary factors driving demand for warehouse spaces in the region include the implications of GST, which encourages occupiers to set up regional warehouses across state borders. The competitive rental rates compared to warehouses near Bangalore city and the presence of key industries like manufacturing, automotive, and logistics also contribute to the demand. The region's improving infrastructure and connectivity are expected to draw more businesses seeking warehouse solutions. Also, the availability of land and strategic location are crucial factors driving the growth of supply to match the demand. Predictions based on the micro market's previous absorption indicate that there will be a demand for 3.5-5.0 million square feet of warehousing space over the next three to four years.

*Figure 48: Park Layout of Hosur I*




**Source:** TVSILP

*Figure 49: Park Layouts of Thally I & II*




**Source:** TVSILP

## 3.2 Bhubaneswar

### 3.2.1 City Overview

*Table 30: Demographic Snapshot of The City*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GSDP (USD) | GSDP GROWTH | PER CAPITA INCOME (USD) |
|---|---|---|---|---|---|
| Odhisa /Bhubaneswar | 0.89 Mn [38] | 6,558 $Km^2$ | 0.9 Mn [39] | 8.5% | 1,885 [40] |

**Source:** Census 2011; Odhisa Economic Survey (2023-24) Govt. of Odhisa

Bhubaneswar is the largest city in Odhisa and replaced Cuttack as the capital of the state on August 19, 1949. The city was designed mainly to be a residential city with few industries in its peripheral areas. Until 1990, the economy was predominantly dominated by retail and small-scale manufacturing players, with the limited presence of a few major manufacturing organisations. Following economic liberalization in 1990 the city started getting investments in the telecommunications, information technology (IT), and higher education sectors. Presently, the city is one of the fastest-growing hubs for IT and education institutes in east India, which in turn fuels strong consumption-led demand across warehousing.

Bhubaneswar Development Authority (BDA) is spread across an area of approximately 1110.26 km2, and it consists of Bhubaneswar Municipal Corporation (BMC), Khordha Municipality, Jatni Municipality, BDPA Rural, and Pipili (NAC).

The area falling within the Bhubaneswar Municipal Corporation is characterised by the presence of established residential and commercial activity, while Saheed Nagar is an old commercial hub and Patia is the upcoming hub for IT and educational institutes. Bhubaneswar Development Authority covers a larger area, including major industrial and warehouse hubs like Pahal, Khordha, Chandaka, etc., which accommodate large companies such as Reliance, Flipkart, Coca-Cola, Kurlon, Amazon, TATA consumers, and several logistics and automobile companies.

*Table 31: Key Infrastructure Initiatives*

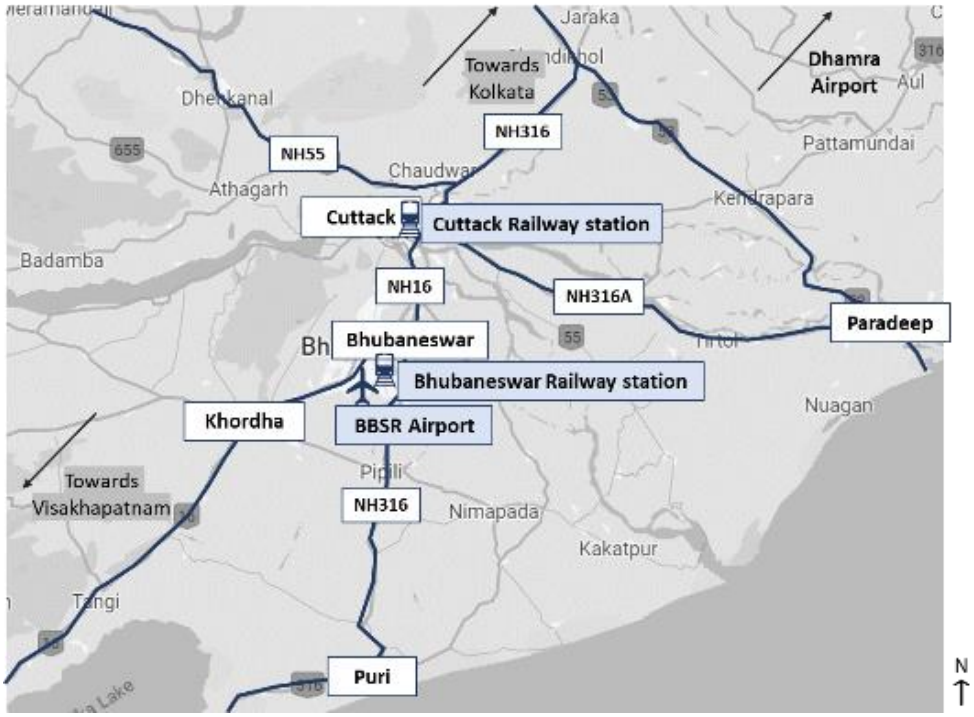
| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, the highway passes through key warehousing and industrial corridor of Kolkata, Bhubaneswar, Cuttack and Chennai. National Highway 316 – Connecting Puri and Bhubaneswar, the highway meets to key industrial areas in the region. National Highway 316A – Intersecting NH 16 near Pahal, Bhubaneswar, the highway connects Bhubaneswar to Konark, Raghunathpur, Nimapada etc. |
| Railway Network | Existing | Bhubaneswar is the headquarters of the East Coast Railway zone of the Indian Railways with rail connectivity to neighbouring states. City exports minerals, steel, handcrafts etc. via rail to other states. Bhubaneswar also exports cotton to Bangladesh through rail freight. |
| Biju Patnaik Airport (Bhubaneswar) | Existing | It is an international airport located in proximity to Bhubaneswar CBD area and only 5 km. away from Bhubaneswar Railway Station.<br><br>This Airport was dedicated to people of Odisha on 17th April 1962, becoming first ever commercial airport in Odisha state. As the demand grew, another terminal was built in 2013 with a capacity of 4 Mn passengers per annum. |
| Bus Connectivity | Existing | Newly constructed ISBT, Baramunda (previously existing bus stand) has been inaugurated in Q1 2024. This bus terminus can accommodate approx. 700 – 800 buses daily<br><br>BDA (Bhubaneswar Development Authority) has planned to develop another bus terminal building next to the present building in Baramunda. This will further enhance the bus service capacity |

[38] Municipal Corporation Area
[39] GSDP at constant price (2023-2024)
[40] Per Capital Gross GSDP (2023-2024)

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| Dhamra Airport | Upcoming | Dhamra Airport is to be built by Dhamra Port Company Limited (a subsidiary of Adani Group company), located approximately 20 km from Dharma port. It is planned to allocate 274 acres of land for the airstrip. |

**Source:** CBRE Research; Updatedd as of Q3 2024

*Figure 50: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.2.2 Overview of the Warehousing Market in Bhubaneswar

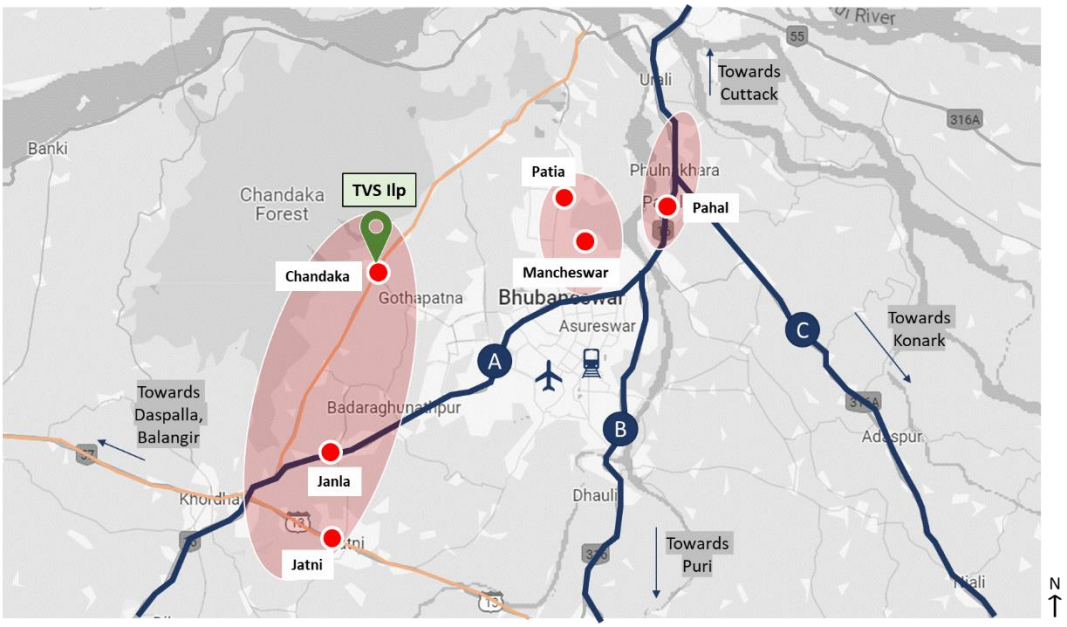
| Cluster Classification | WESTERN CLUSTER | Eastern Cluster | CENTRAL CLUSTER |
|---|---|---|---|
| Micro-markets | Chandaka, Janla, Jatni | Pahal | Patia, Mancheswar |
| Share of Supply in Bhubaneswar Region | 55% | 37% | 8% |

**Source:** CBRE Research; Updatedd as of Q3 2024

Warehousing activity in Bhubaneswar is spread across six major micromarkets, viz., Chandaka, Janla, Jatni, Pahal, Patia, and Mancheswar.

Chandaka and Pahal are the most prominent warehousing micro-markets, with the majority of the supply in the form of investment-grade warehousing space (Grade A), while markets such as Janla, Jatni, Patia, and Mancheswar primarily comprise of Grade B and C supply. Chandaka, Janla, and Jatni micromarkets contribute to a completed supply (1.69 Mn sft ~ 55%), followed by Pahal (1.14 Mn sft ~ 37%) and Patia, Mancheswar (0.24 Mn sft ~ 8%). In the last couple of years, Patia and Mancheswar micromarkets have not seen much traction, while Pahal and Chandaka are witnessing major demands from companies such as Flipkart, Amazon, Delhivery, LG, Samsung, etc. that have a strong presence in the region.

***Figure 51: Map of Warehousing Cluster In Bhubaneswar City***




A – NH16 (Kolkata-Chennai) B – NH316 (Puri-Bhubaneswar) C – NH316A (Konark-Chandaneswar)

**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.2.2.1 Bhubaneswar – Completed Supply and Absorption Dynamics

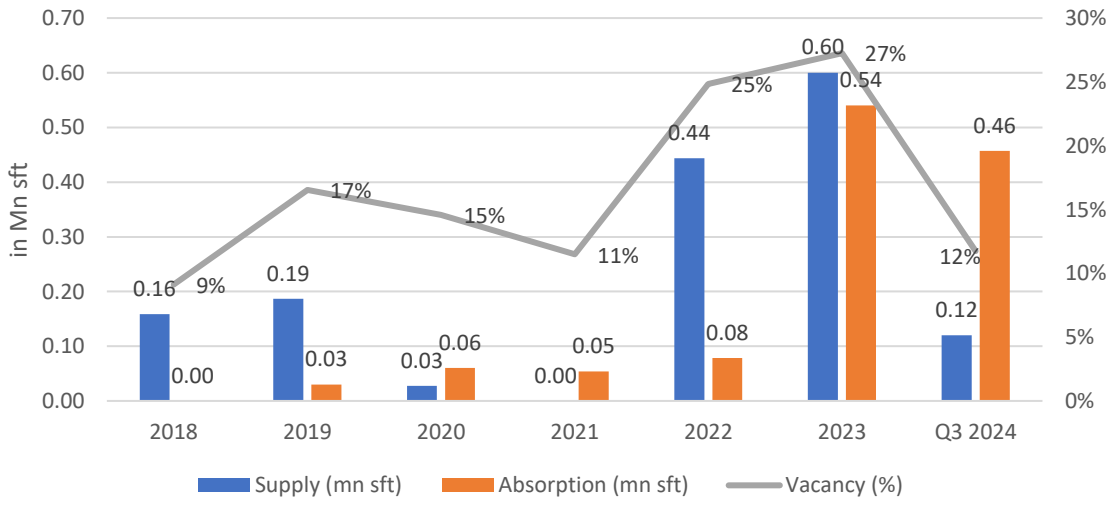
The region boasts an operational warehouse supply of approximately 3.1 Mn sft, with approximately 2.7 Mn sft currently occupied. Prior to 2018, the supply was mostly composed of Grade B and C developments. During the last 5–6 years, the share of Grade B and C supply has drastically reduced due to increased demand for quality warehousing spaces from occupiers such as manufacturing, e-commerce, logistics, electronic goods, etc. Hence, witnessing a significant supply of Grade 'A' supply

*Table 32: Overview of Warehousing Market In Bhubaneswar*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 3.1 | 2.7 | 37% (Absorption – 97%) | 33% (Absorption – 75%) | 30% (Absorption – 92%) |

**Source:** CBRE Research; Updatedd as of Q3 2024

*Figure 52: Y-O-Y Supply & Absorption Levels in Bhubaneswar*



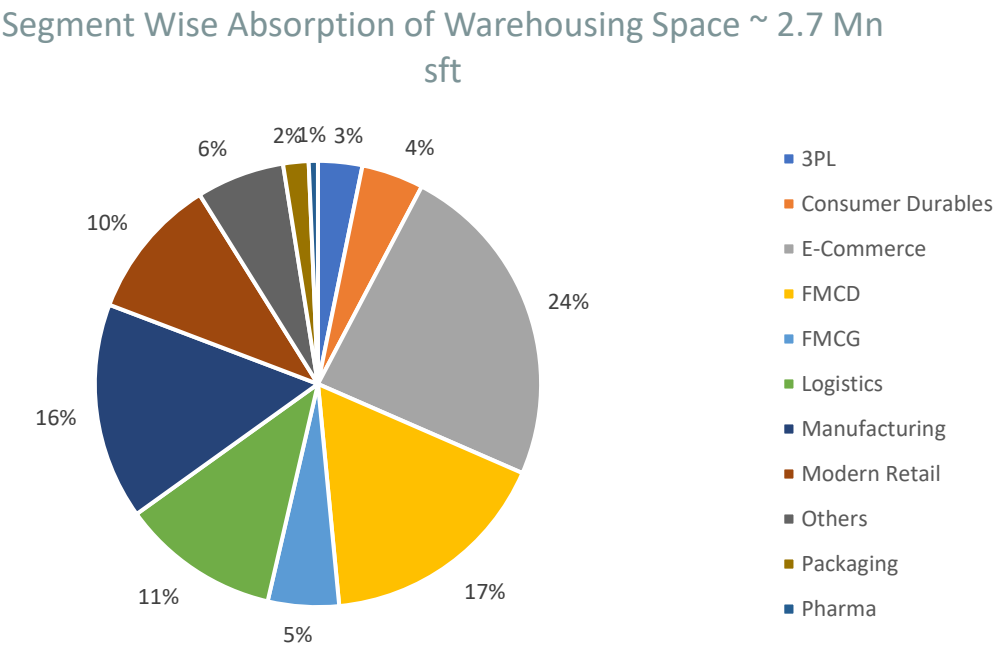

**Source:** CBRE Research; Updatedd as of Q3 2024

Grade A developments are primarily concentrated in Chandaka, Janla, Jatni, and Pahal micro-markets, catering primarily to e-commerce, electronic goods, food and packaging, and manufacturing sectors. A steady increase in supply has been witnessed over the last 6–7 years (2018–2024), with an average annual supply of

approx. 0.22 Mn sft. The demand for Grade A developments in these micro-markets is driven by their strategic location, proximity to key transportation hubs (such as Babasaheb Bhimrao Ambedkar Bus Terminal, Bhubaneswar railway station, etc.) and availability of skilled labour. Additionally, the presence of established industrial clusters and supportive government policies (such as Industrial Resolution Policy-2022, Odisha civil aviation policy-2022, etc.) further contribute to the growth of these sectors in the region.

Grade A accounts for almost 1.13 Mn sft (37% of completed supply in Bhubaneswar), Grade B accounts for 1.02 Mn sft (33% of total finished supply in Bhubaneswar), and Grade C accounts for 0.92 Mn sft (30% of completed supply in Bhubaneswar). Grade A's proportion of the city's market composition is likely to rise in the next few years, owing to increased supply and interest from national and international enterprises. The majority of warehousing activity in the region has been in the Grade A development category, with local individuals developing it. Manufacturing, e-commerce, electronics, logistics and distribution, machines and equipment, and space are the key tenant sectors occupying space in Grade A developments across Bhubaneswar. Some of the key tenants present are Flipkart, Delhivery, Coca-Cola, LG, Samsung, Asian Paints, Amazon, VRL Logistics, Dr. Reddy's, etc. 3PL and logistics players take 6,000–15,000 sft at small scale, 30,000–50,000 sft at mid-scale, and at large scale, this can go up to 1,80,000 sft. In the e-commerce segment, major players can take between 20,000 and 25,000 sft, while in the large segment, they can take between 1,00,000 and 3,00,000 sft.

*Figure 53: Segmentation of Absorption By Industry in Bhubaneswar*




**Source:** CBRE Research; Updatedd as of Q3 2024; Presently, Ecommerce, FMCG, FMCD and Modern retail combinedly hold more than 56% of the overall absorption.

### 3.2.2.2 Bhubaneswar – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 1.2 – 1.4 Mn sft, majorly across Grade A warehousing space and is expected to get introduced phase wise between 2024 to 2029 in the market.

*Table 33: Bifurcation of Upcoming Supply In Bhubaneswar*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.04 – 0.06 Mn sft | 1.2 – 1.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The majority of the upcoming supply is expected to be in the micromarkets of Chandaka, Jatni, and Pahal. Several individual landlords have vacant land parcels close to existing warehouse micromarkets, and they are willing to sign a build-to-suit contract with potential occupiers.

### 3.2.2.3 Bhubaneswar – Asking Rental Dynamics

The average quoted base rental witnessed in Bhubaneswar is in the range of INR 25- 27 sft / month for a

Grade A development and between INR 18-20sft / month for a Grade B development. Micro Market Wise Grade A and B Average Asking Rentals are enumerated below in the table:

*Table 34: Details of Micro-Market Wise Grade A & B Asking Rentals*

| Micro-Market | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B | A | B |
| Chandaka | 19–21 | 16–18 | 19–21 | 16–18 | 19–21 | 17– 19 | 20–22 | 18–20 | 21–23 | 18–20 | 22–24 | 19–21 | 23–25 | 20–22 |
| Janla | NA | 15–17 | NA | 15–17 | NA | 16–18 | NA | 17–19 | NA | 17–19 | NA | 18–20 | NA | 19–21 |
| Jatni | NA | 14–16 | NA | 14–16 | NA | 15–17 | NA | 15–17 | NA | 16–18 | NA | 17–19 | NA | 18–20 |
| Pahal | NA | 20–22 | NA | 20–22 | NA | 21–23 | NA | 22–24 | NA | 23–25 | 25–27 | 24–26 | 26-28 | 25–27 |
| Mancheswar | NA | 19–20 | NA | 19–20 | NA | 20–22 | NA | 21–23 | NA | 22-24 | NA | 23–25 | NA | 24–26 |
| Patia | NA | 18–20 | NA | 18–20 | NA | 19–21 | NA | 20–22 | NA | 21– 23 | NA | 22–24 | NA | 23–25 |

**Source:** CBRE Research; Updatedd as of Q3 2024; Unit – INR/sft/Month

### 3.2.2.4 Bhubaneswar – Key Lease Transactions

The following table enumerate the key lease transaction in the Bhubaneswar:

*Table 35: Details Of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Chandaka | Ecommerce | Grade A | 80,000 | 22 – 23 | Q2 2024 |
| Chandaka | FMCD | Grade A | 66,000 | 21 – 22 | Q4 2023 |
| Chandaka | Ecommerce | Grade A | 2,00,000 | 21 – 22 | Q2 2023 |
| Chandaka | FMCG | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |
| Chandaka | Others | Grade A | 50,000 | 19-20 | Q3 2022 |
| Chandaka | Logistics | Grade A | 18,000 | 20-21 | Q1 2022 |
| Chandaka | Logistics | Grade A | 17,000 | 20-21 | Q1 2022 |
| Pahal | Ecommerce | Grade A | 3,00,000 | 28 – 30 | Q4 2023 |
| Jatni | Packaging | Grade A | 40,000 | 16 – 17 | Q1 2024 |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.2.2.5 Western Cluster Overview

The Western Cluster comprises three micromarkets: Chandaka, Jatni, and Janla. The cluster is located on the western side of Bhubaneswar, alongside Khordha-Chandaka Road, NH16, and SH13. Umang Group is one of the city's dominant players, and Chandaka Micro Market has multiple warehouses. The market's proximity to Khordha Industrial Estate and excellent connectivity through Khordha-Chandaka Road have led to its emergence. The cluster comprises approximately 55% of the completed supply in the Bhubaneswar region. Out of the completed supply in this cluster, approximately 62% of the supply is Grade A.

**Chandaka Micro Market**

*Table 36: Snapshot of Chandaka Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 1.29 Mn sft | 7 – 9% | 1.05 Mn sft | 3 – 4% | 92 – 94% | 0.06 – 0.07 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Chandaka is considered to be an established warehouse micromarket where several e-commerce, logistics, electronics, and manufacturing companies have already taken space. Micro-markets gained prominence largely on account of their proximity to Khordha Industrial Estate (approximately . 10–15 km) and the availability of land parcels close to Khordha–Chandaka Road. E-commerce, FMCD, and logistics are key industries, occupying approx. 76% of the completed supply in the Chanddaka micro-market with tenants such as Flipkart, Amazon, Coca-Cola, LG, Philips, ITC, Safexpress, etc. The difference between Grade A and Grade B rentals is minimal due to the fact that there are no new additions to Grade B properties in the micromarkets. All the new additions are grade A properties, which are quoting aggressively to grab market share. As a result, occupiers are shifting from Grade B to Grade A properties within the same rental range.

**Janla Micro Market**

*Table 37: Snapshot of Janla Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 0.16 Mn sft | 28 – 30% | 0.00 Mn sft | NA | 0% | 0 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Janla market is located close to Khordha and has direct connectivity via NH 16. It has seamless connectivity to Bhubaneswar main city, Cuttack, and other nearby states via NH16. The market constitutes a share of nearly 10% of the completed supply in the Western cluster. Besides being home to many multinational and manufacturing companies, the market serves as a warehouse hub for giants such as Parle Agro, Hitachi, Star Tiles, etc. In recent times, few under construction structures have been completed. However, these recently completed projects have not got occupied yet, resulting high vacancy in this micro market.

**Jatni Micro Market**

*Table 38: Snapshot of Jatni Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 0.24 Mn sft | 32 – 34% | 0 Mn sft | NA | 0% | 1.2 – 1.3 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Like Janla Market, Jatni is located close to Khordha Industrial Estate and has direct connectivity via SH 13. The micromarket accommodates several warehousing establishments. It has seamless connectivity to Bhubaneswar, Cuttack, and other nearby states. The market constitutes a share of nearly 10% of the completed supply in the Western cluster. Besides being home to many multinational and manufacturing companies, the market serves as a warehouse hub for giants such as Amazon, Reliance, Oricon, etc. In recent times, few under construction structures have been completed. However, these recently completed projects have not got occupied yet, resulting high vacancy in this micro market.

### 3.2.2.6 Eastern Cluster Overview

Eastern Cluster comprises only 1 micromarket ~ Pahal. The cluster is located on the eastern side of Bhubaneswar, alongside NH 16. The micromarket is dominated by mainly local individual players. The market's proximity to the main city area and excellent connectivity through NH 16 have led to its emergence. The cluster comprises approximately 37% of the completed supply in the Bhubaneswar region. Out of the completed supply in the Pahal cluster, approximately 7% of the supply is Grade A.

**Pahal Micro Market**

*Table 39: Snapshot of Pahal Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 1.14 Mn sft | 8 – 10 % | 0.08 Mn sft | 0% | 6 – 8 % | 0.04 – 0.06 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Proximity to the National Highway and the main city area have resulted in the growth of Pahal as a micro-market. This micromarket is witnessing the highest rentals among all other warehousing hubs in the Bhubaneswar region. Low supply and high demand have resulted in the rental escalation of Grade B properties, along with Grade A. Several multinational and national companies, such as Samsung, MRF, Asian Paints, Delhivery, etc.

### 3.2.2.7 Central Cluster Overview

The Central Cluster of Bhubaneswar warehousing market comprises Patia and Mancheswar micromarkets, constituting nearly 8% of the overall completed supply until Q3 2024.

**Patia Micro Market**

*Table 40: Snapshot of Patia Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 0.11 Mn sft | 28-30% | 0 Mn sft | NA | NA | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

Patia lies in the north of Bhubaneswar and is less prominent as compared to other micromarkets in this region. Although a few warehouse establishments are present, most of them are on the verge closing and converting to other uses, like hotels. In this belt, very few warehouses are still operational. All the supply is in the form of Grade B and Grade C setups.

**Mancheswar Micro Market**

*Table 41: Snapshot of Mancheswar Warehousing Market*

| Completed Supply | Vacancy | Grade A Completed Supply | Grade A Vacancy | Share of Grade A Completed Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 0.14 Mn sft | 0-5% | 0 Mn sft | NA | NA | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

Mancheswar is considered a manufacturing hub, with the presence of multiple factories for many giant companies. The warehousing market of Mancheswar gained prominence largely on account of its proximity to the CBD of Bhubaneswar (approximately . 2–3 km). Manufacturing, auto-industry, and logistics are key industries, occupying the majority of the completed supply in the Mancheswar micro-market with tenants such as Haier, Greenply, Escorts, Nobel Plywood, etc.

### 3.2.3 Bhubaneswar – Overall Market Outlook

Bhubaneswar warehousing market is one of the most prominent warehousing markets across east India, mainly on account of its connectivity to the NH 16, multiple existing and upcoming ports, industrial areas of Odhisa, and robust road network. Prior to 2018, Bhubaneswar had the majority of the supply in the form of Grade B and Grade C developments. With the rise in the e-commerce, auto industry, and third-party logistics sectors, the market witnessed a higher influx of Grade A developments. With increased demand for warehouse space from multinational and national companies coupled with the improvised road infrastructure, demand for Grade A warehouses is expected to rise in the upcoming years. Further, increase in supply is expected in Chandaka and Pahal owing to availability of developable land parcels, excellent road connectivity, proximity to industrial areas.

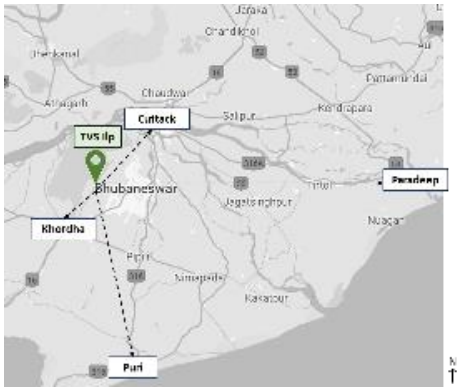
The current prevalent asking rent in Bhubaneswar is in the range of INR 22–30 sft/month for Grade A warehousing developments in the areas of Chandaka and Pahal. For Grade B warehouses, the asking rentals are witnessed to be in the range of INR 17–28 sft/month. The asking rentals in the market to remain range-bound in the short to medium term with market standard escalation of 4-5% annually. It is anticipated that around 0.1–0.15 Mn sft of known future supply will be operational by 2024 due to the supply plans of key developers.

### 3.2.4 Micro Analysis - (Subject Property Location ~ Chandaka)

Table 42: Subject Property ~ Chandaka

| | | | | | |
|---|---|---|---|---|---|
| Name of the Development | TVS Logistics Park | | | | |
| Location | Chandaka, Bhubaneswar, Odisha | | | | |
| Phasing | Chandaka Block II | Chandaka Block I | Chandaka Block III | Chandaka Block IV | Chandaka Block (Upcoming Potential) |
| Land Area (Acres) | 10.67 Acres | | | | |
| Development Status | Completed | Completed | Completed | Completed | - |
| Completed Gross Leasable Area (sft) | 1,21,872 | 71,696 | 22,531 (12,531 – Closed, 10,000 – Open) | 16,855 | - |
| Vacancy Levels | 0% | 0% | 0% | 0% | - |
| Upcoming Potential (Sft) | - | - | - | - | - |
| Year of Establishment | 2018 | | | | |
| Building Structure | Pre-Engineered Building Structure | | | | |
| Key Tenants | Godrej & Boyce, Iron Mountain, Rhenus, 23 North Log, Busybees | | | | |
| Average Rentals (INR/sft/Month) | INR 15 – 22 per sft per Month | | | | |

Key Location Map of the Asset




Macro Map of the Asset

**Source:** CBRE Research Q3 2024; Map not to Scale, for representation purpose only

### 3.2.4.1 Subject Property Snapshot

Bhubaneswar, the capital of Odisha, is a significant commercial centre in eastern India. The region's steel and aluminium industries have fostered the growth of supporting businesses throughout the state. Bhubaneswar benefits from its proximity to ports and major transportation routes, facilitating connectivity to nearby cities such as Cuttack. The city's strategic location and industrial activity have made it an attractive destination for warehousing and logistics operations. Bhubaneswar and Cuttack together form a major consumption market in eastern India, underscoring the region's importance for warehousing.

Areas such as Bhubaneswar-Cuttack Road, Tangi, Pitapalli, and Chandaka primarily concentrate the warehousing market in Bhubaneswar. While most warehouses in the region are locally developed and offer standard features, the park represents a higher-quality option with modern amenities.

Located in the Godi Bari area of Kantabada village, the park offers premium warehouse spaces within a thriving industrial environment. Its proximity to the airport and its position along the state highway connecting Bhubaneswar and Cuttack make it easily accessible for a variety of industries. The park consists of two warehouses designed to meet the needs of logistics, fast-moving consumer goods, and manufacturing companies.

### 3.2.4.2 Overall Warehousing Dynamics –Supply, Vacancy and Rentals

Chandaka is an upcoming warehouse in Bhubaneswar. The region comprises approximately 40% of the completed supply. The micro-market in Chandaka witnesses one of the highest numbers of quality Grade A warehousing developments by prominent institutional players. The following are the primary reasons for these investments in Chandaka:

- Availability of large land parcels
- Moderate land values compared to other micro markets
- Connectivity and accessibility to manufacturing and consumption hubs
- Accessibility of land for future expansion

*Table 43: Snapshot Chandaka Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Bhubaneswar | Upcoming Supply |
|---|---|---|---|---|---|
| 1.29 Mn sft | 7 – 9% | 1.05 Mn sft | 3 – 4% | 92 – 94% | 0.06 – 0.07 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Out of the completed supply of 1.29 Mn sft, Grade A comprises of 82%, and the rest being of Grade B & C. The region witnesses an absorption of approx. 0.13 to 0.15 Mn sft per annum of warehousing space over the last 4-5 years.

The asking rentals for Grade A warehousing development in this micro-market has been observed to be in the range of INR 20 – 24 per sft per month. Manufacturing, E-Commerce and Logistics are key industry sectors occupying warehousing spaces in the region, prominent tenants include LG, Amazon, Coca Cola,

Safexpress, Flipkart, etc.

#### 3.2.4.3 Building Characteristics

As highlighted above, subject property is developed in 2 tranches; Phases 1 and 2 are completed and operational, along with one additional phase in the planning stage. The key building specifications for the asset are listed in the following table:

*Table 44: Key Building Specifications of Chandaka Asset*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) with 3 m wall height. |
| Flooring | 5 ton per sqm. Flat/super (UDL) |
| Height | Ridge height of 13.94 m. and Eave's height of 12 m. |
| Lighting | Lux level – 150 lux @ 1.00 m from FFL. High bay fitting on the building profile, Common PCC panel & capacitor panel at the substation. |
| Fire Safety | K-160 sprinklers for roof area, Beam detector (Alarm), Fire hydrant system |
| Office | office space of over 2 floors (Ground & Mezzanine) |
| Amenities and Facilities | Truck yard and a parking lot, Driver rest room, and basic specifications such as, substation, UG sump fire tank, common amenity space, facility management office, first aid facility. |

**Source:** TVSILP

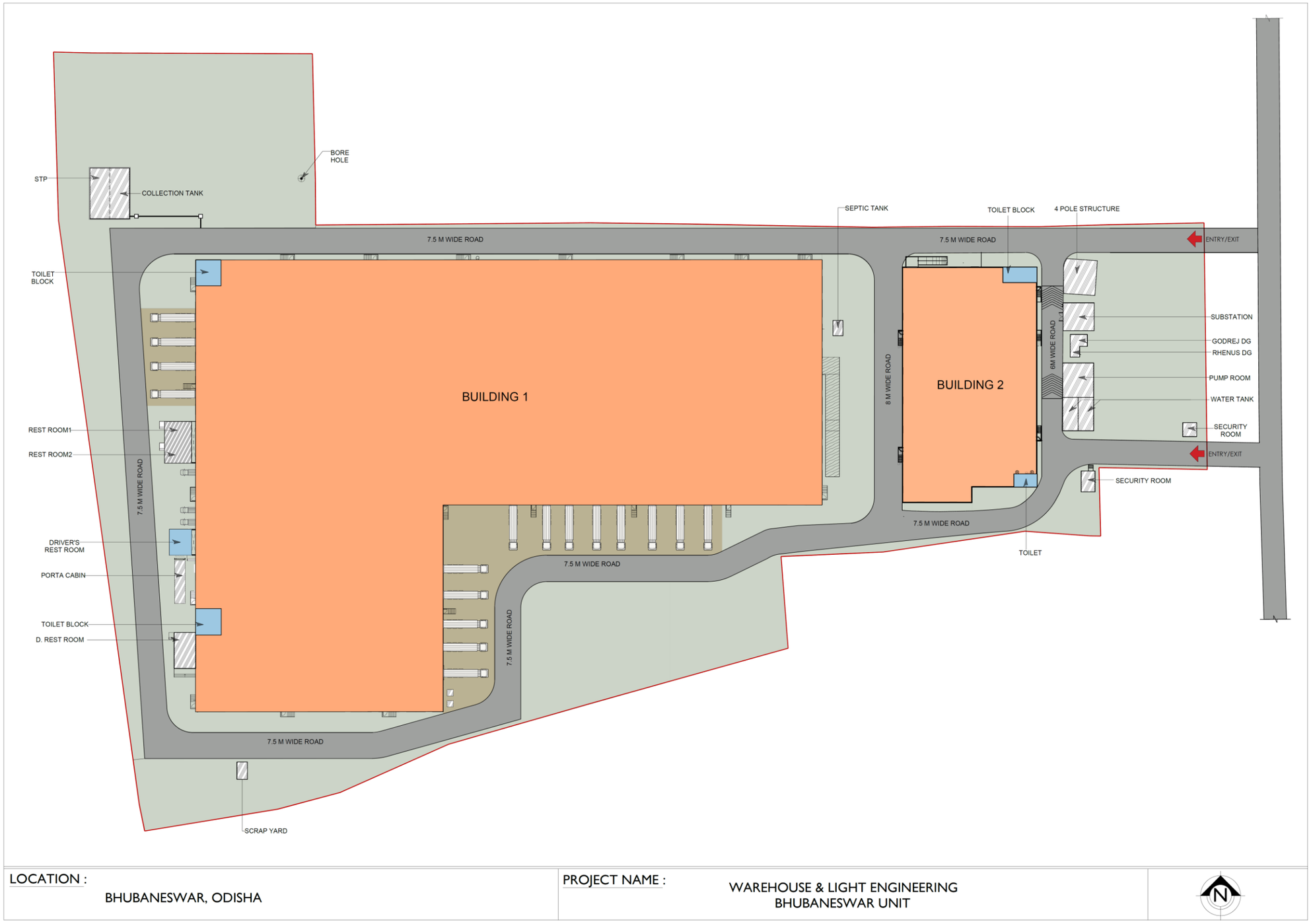
#### 3.2.4.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

Limited Grade A competing facilities, which were developed by individuals and Umang Group, are situated in close proximity to the subject property. These facilities conform to the building specifications in accordance with quality Grade A development standards. Rentals for quality grade A developments in the market range between INR 20 and INR 24 /sft per month. It is postulated that the achievable rent for the subject property is between INR 22 and INR 23 /sft per month (CAM included), based on an analysis of comparable rental rates in the Chandaka market.

#### 3.2.4.5 Demand Forecast for the subject micro – market/vector

The demand for warehousing space in Bhubaneswar is expected to continue to grow in the coming years. This is due to a combination of factors, including the growth of e-commerce, 3PL logistics, manufacturing, and government initiatives. The demand driver for this vector is primarily the availability of land and presence of warehousing ecosystem. Envisaged supply of approx. 1.1 – 1.4 Mn sft is planned in next 3-4 years in the nearby vectors. However, no such large-scale project is planned in coming years yet within Chandaka. Considering, historical absorption witnessed in Chandaka, approximately 0.4 – 0.5 Mn sft of demand can be expected in next 3-4 years. This suggests a potential supply-demand gap in Chandaka, which, combined with rising land capital values, could put upward pressure on rental and occupancy rates. This gap presents an opportunity for developers to explore potential projects in Chandaka to cater to the growing demand.

*Figure 54: Park Layout Of Chandaka Asset*




**Source:** TVSILP

## 3.3 Chennai

### 3.3.1 City Overview

*Table 45 Demographic Snapshot of The District*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GDDP (In Lakhs) | PER CAPITA INCOME (USD) |
|---|---|---|---|---|
| Tamil Nadu /Chennai | 4.68 Mn | 26,903 /sq. Km | 3,155,060 | 793.85 |

**Source:** Census 2011, CBRE Research, Department of Economics and Statistics, Government of Tamil Nadu, District HD report 2017

The Chennai Metropolitan Area is constituted by three districts of Tamil Nadu namely Chennai District, part of Tiruvallur District and part of Kancheepuram district. The Chennai Metropolitan Area (CMA) has an area of 1,189 sq.km spread over three districts, includes the whole of Chennai District, part of Tiruvallur District covering and part of Kanchipuram District covering. The development in the region is regulated by the Chennai Metropolitan Development Authority (CMDA). Further, CMDA has also planned for the expansion of the Chennai Metropolitan Planning Area to 8,878 sq. km covering the districts of Kancheepuram, Tiruvallur and few parts of Vellore.

The economic base of the city is primarily constituted by automobile manufacturing, IT/ITeS enabled services and Banking & Finance sectors. The city boasts a designated IT/ITeS corridor called the Rajiv Gandhi Salai, which is located in the south of the city. This was an initiative by the Government of Tamil Nadu to attract large scale IT investments into the city and also to create an eco-system for the IT sector. The city is well connected across the globe via air, rail, road and sea. Chennai city enjoys the strategic locational advantage of being well connected via all modes of transportation thereby positioning itself as an attractive investment destination.

The city is also known as the 'Detroit of India' owing to the presence of a robust automobile sector with the presence of prominent automobile companies such as Nissan, Hyundai, Ashok Leyland, TVS, Royal Enfield, etc accounting for a major share of India's automotive export. Considering the raw materials available including distinguished manpower capabilities and location advantage, Chennai is established as a unique city catering to the above mentioned varied economic sectors.

Chennai has a strong workforce across all the industries which is a reflection of the robust educational infrastructure present in the city coupled by the prevailing industry eco-system. Chennai is a key financial centre in South India, with strong presence of major Indian financial institutions & foreign banks.

Few notable colleges in the city are Indian Institute of Technology, Madras Institute of Technology, SRM University, etc. The excellent educational facilities available in the city create huge quality talent pool.

The major industry sectors continuing with high growth numbers in the region include Auto & Auto components, Chemicals & Petrochemicals, Agro and Food processing, IT & ITes, Pharma & Biotech, textile & Apparel. The state is also home to sunrise sectors with tremendous growth potentials including Aerospace & defence, Agro & food processing, Renewable energy components etc. Chennai city has grown significantly in the last few years. Education prospects and employment opportunities are the key drivers that has attracted people to the city. With Increasing population, the city's real estate landscape has grown and spread organically. The excellent educational facilities available in the city create huge quality talent pool.

Industrial market in Chennai is primarily driven by Automobile, Auto ancillaries, Pharma and apparels. These industries are catered by the Government and private owned industrial parks. Industrial space in Chennai are planned facilities typically in the form of Industrial parks, Industrial estates or SEZ's with well-developed common Infrastructure. Government Industrial parks are promoted by government bodies such as TIDCO, SIPCOT and SIDCO. The format of space offered in these parks are mostly Industrial plots. Private Industrial parks are promoted by private developers – Mahindra Group, Sri city and Ascendas. Private players usually offer Industrial plots and Built to suit facilities.

Major automobile players such as Ford, Hyundai, Mitsubishi, Ashok Leyland, TVS, BMW, Daimler, Renault-Nissan and Caterpillar are the few brands who are contributing to manufacturing industry of Chennai. With a burgeoning economy, good quality of living and enormous talent pool, global corporates have been flocking Chennai for setting up their businesses. The city's infrastructure is also gearing up to cater to the increasing inward migrating population attracted to Chennai for its education and employment opportunities.

### 3.3.2 Existing Infrastructure Initiative

**Road Infrastructure**

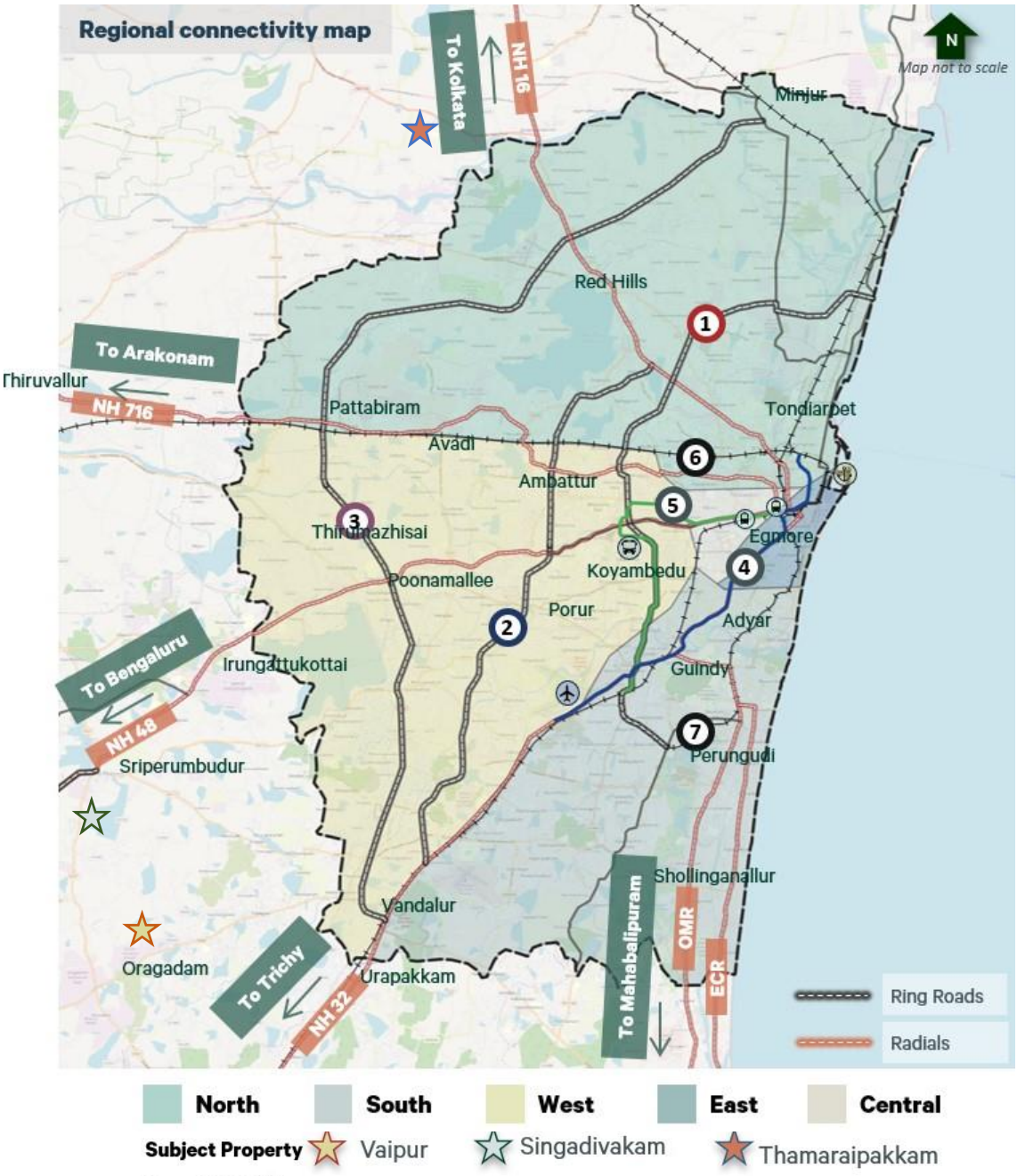
Chennai's road network includes key expressways and national highways (NH-16, NH-716, NH-48, NH-32), alongside essential ring roads enhancing city connectivity and reducing congestion.

*Table 46: Existing Infrastructure Initiative*

| INFRASTRUCTURE INITIATIVE | PARTICULARS |
|---|---|
| Inner Ring Road | Inner ring road acts as major arterial road within the city limits and plays a critical role in reducing traffic congestion. |
| Chennai Bypass Road | 32 km full-access controlled expressway that interconnects four radials covering from Perungalathur on NH-32 to Puzhal on NH-16 via Maduravoyal |
| Outer Ring Road | Corridor spanning approximately 62 Km that connects the outer sub-urbs of Chennai. ORR connects NH 45 at Vandalur, NH 4 at Nazarathpet, NH 205 at Nemilichery, NH 5 at Nallur and TPP road at Minjur. |
| Chennai Metro Rail (Phase I) | Two corridors with a total length of 45 km. Corridor I ~ connects Wimco Nagar to Chennai Airport central and eastern parts of the city. The corridor II ~ extends from Fort/ central railway station uptil St. Thomas Mount, central and western parts of the city |
| Sub-urban Train | Chennai is the headquarters of the Southern Railways. The city has two main railway terminals. Chennai central station is the city's largest railway station. The suburban rail network spans over 303 km covering 78 stations in Chennai city & periphery. |
| MRTS | Total length of approx. 25 Kms elevated railway line to decongest dense pockets of the city. Phase I ~ 8.55 Kms stretch starts at Chennai Beach and ends at Thirumayilai. Phase II A ~ 11.38 Kms stretch starts at Thirumayilai and extends till Velachery |

**Source:** CBRE Research; CMDA

***Figure 55: Map of Key Existing Infrastructure Initiatives***




1: inner Ring Road; 2: Chennai Bypass Road 3: Outer Ring Road 4: Sub-urban train 5: Chennai metro rail (phase II); Sub-urban Train 6: MRTS
**Source:** CBRE Research; Map not to scale only, for representation purpose only

**Key Government Policies:**

The Tamil Nadu Logistics Policy 2023 and Integrated Logistics Plan 2023 seeks to decrease logistics expenses, draw in private capital, and encourage the logistics industry's embrace of new technologies and skill sets. In order to establish Tamil Nadu as a major logistics hub, it provides financial incentives, streamlined rules, land distribution, and infrastructural development.

The goal of the Tamil Nadu Industrial Policy 2021 is to establish Tamil Nadu as a major center for manufacturing worldwide. The primary goals are to draw in investments, encourage innovation, and generate skilled employment. Over the course of the policy, the manufacturing sector is expected to increase at a rate of 15% annually, and investments of INR 10 lakh Cr. (US$ 135 billion) are anticipated between 2020 and 2025.

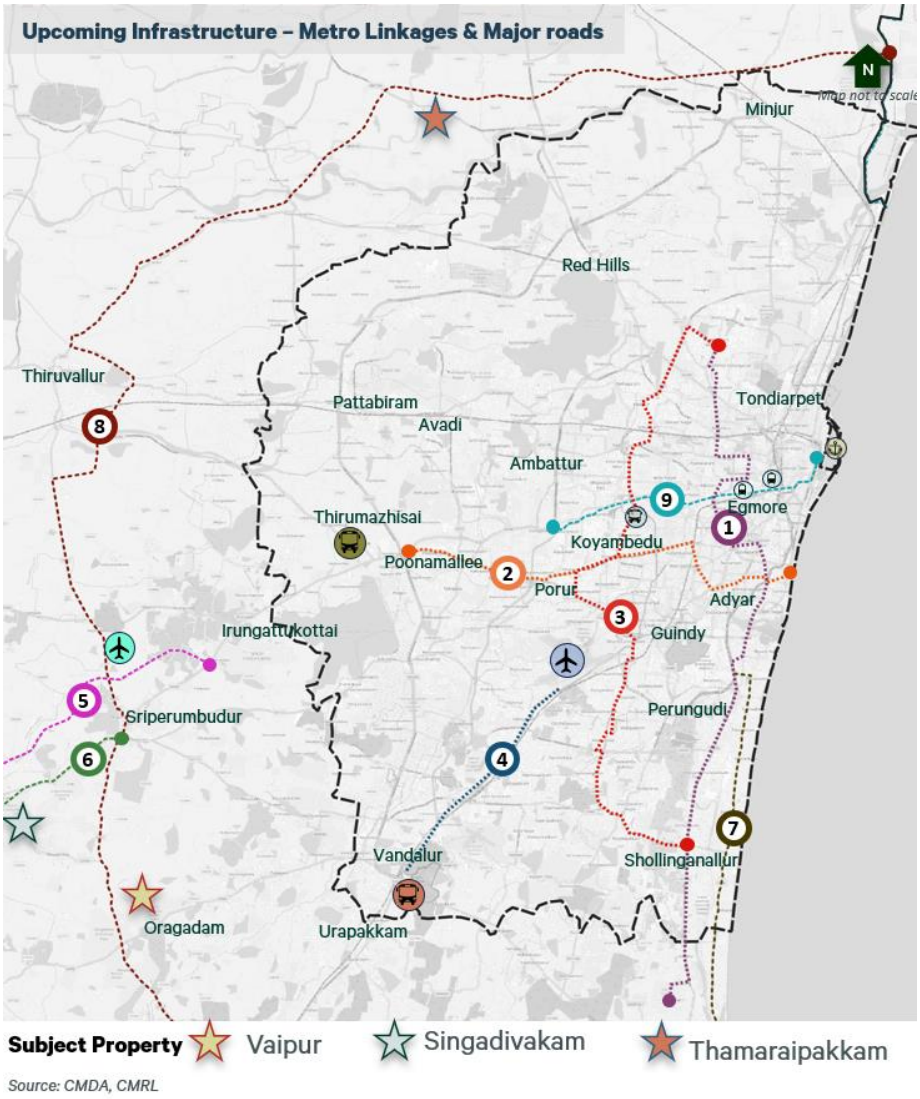
### 3.3.3 Proposed Infrastructure Initiatives

Below Is a Broad Level Outline of the Proposed Infrastructure Initiatives in the City:

| *INFRASTRUCTURE INITIATIVE* | *PARTICULARS* | *COMPLETION TIMELINE* |
|---|---|---|
| CMRL II CORRIDOR 3 (PURPLE LINE) | CMRL-II corridor-3 (purple line): * the purple line from Madhavaram to SIPCOT spans 45.8 km with 10% completion and is expected to be fully operational by 2026-27 | 2026 – 27 |
| CMRL II CORRIDOR 4 (ORANGE LINE) | The orange line running from lighthouse to Poonamallee bus depot covers 26.1 km, is 30% complete, and its expected completion is in 2025-26. | 2025 – 26 |
| CMRL II CORRIDOR 5 (RED LINE) | The red line extends from Madhavaram to Sholinganallur over 47 km, with a 10% completion rate, and is anticipated to be completed by 2027-28 | 2027 – 28 |
| CHENNAI AIRPORT-KILAMBAKKAM METRO | This planned metro line will connect Chennai airport to Kilambakkam over 15.3 km and is planned for completion in 2028-29. | 2028 – 29 |
| CHENNAI AIRPORT EXPANSION (PHASE II) | The expansion of the Chennai port is 50% complete and is expected to be finished by 2024. | 2024 – 25 |
| CHENNAI BANGALORE EXPRESSWAY | The expressway from Hoskote to Sriperumbudur, covering 260 km | 2024 – 25 |
| WIDENING OF CHENNAI-BANGALORE HIGHWAY | This project aims to widen the highway from Chennai to Ranipet by ~120 km, with 50% completed, and is expected to be completed in the next 2 years. | 2024 – 25 |
| EXPANSION OF ECR ROAD | The east coast road from Chennai to Pondicherry will be extended by ~151 km, is currently 20% complete, and is projected to be done by 2024 - 2025. | 2024 - 25 |
| CHENNAI PERIPHERAL RING ROAD | This project will connect the port to Mamallapuram over ~133 km | 2025 – 26 |
| MADURAVOYAL EXPRESSWAY | This expressway will run from Chennai port to Maduravoyal over 20.6 km | 2026 |
| CHENNAI'S 2ND AIRPORT PARANDUR | A planned second airport for Chennai at Parandur is on the cards, projected for completion in 2028-30. | 2028 – 30 |

**Source:** CBRE Research

***Figure 56: Map of Key Upcoming Infrastructure Initiatives***




1. CMRL II Corridor 3 (Purple Line); 2. CMRL II Corridor 4 (Orange Line) 3. CMRL II Corridor 5 (Red Line) 4. Chennai Airport-Kilambakkam Metro 5. Chennai Airport Expansion (Phase II) 6. Chennai- Bangalore Expressway 7. Widening of Chennai-Bangalore Highway 8. Chennai Peripheral Ring Road 9. Maduravoyal Expressway

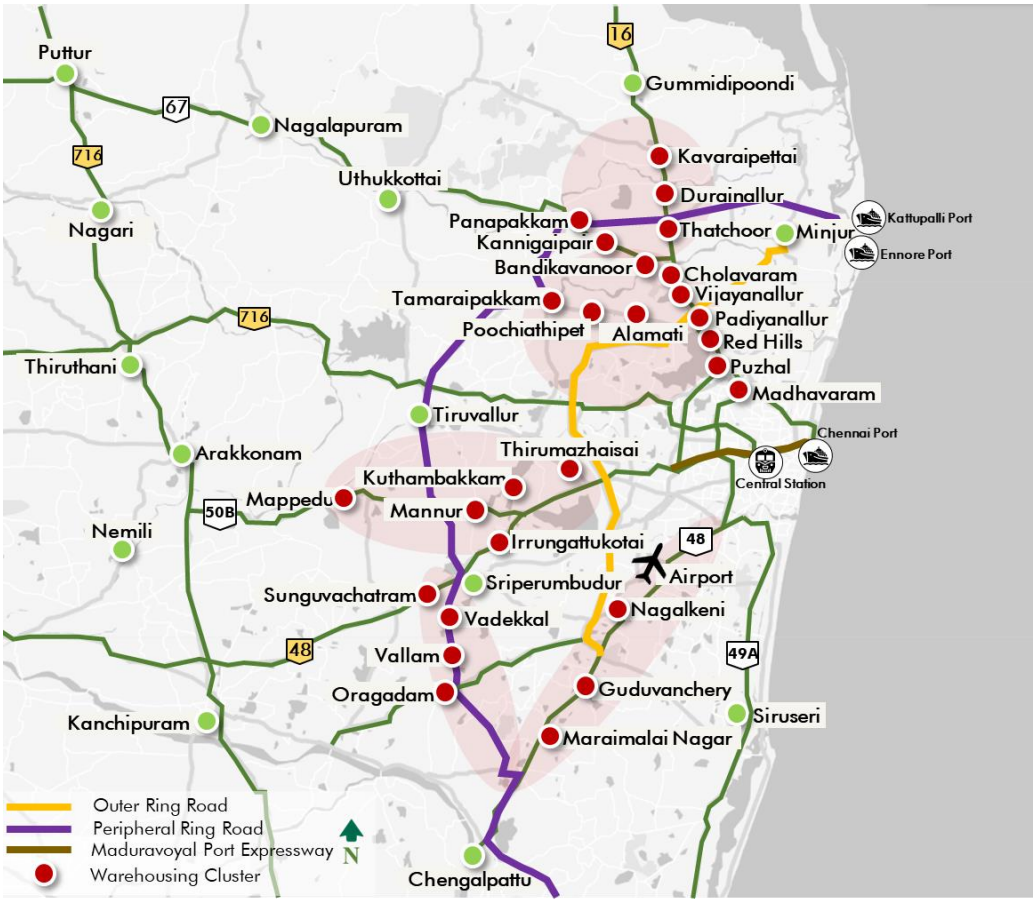
**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.3.4 Overview of the Warehousing Market in Chennai

| QUADRANT Classification | NORTHERN CLUSTER | WESTERN CLUSTER | SOUTHERN CLUSTER |
|---|---|---|---|
| Micro-markets | Gummidipoondi, Maduravoyal, Thatchoor, Bandikavanoor, Kaveripettai, Cholavaram, Ayilacherry, Red Hills, Puzhal, Madhavaram, Poochiathipet | Vallam, Oragadam, Mevalurkuppam, Sunguvarchatram, Mannur, Mappedu, Thirumazhisai, Velappanchavadi, Pollivakkam | Maraimalai Nagar, MWC, Nagalkeni, Padappai, Vandalur |
| Share of Supply | 44% | 54% | 1% |

**Source:** CBRE Research; Updated as of Q3 2024

***Figure 57: Map of Warehousing Clusters In Chennai***




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.3.4.1 Chennai - Completed Supply and Absorption Dynamics

Chennai has approx. 46.12 mn sft of operational warehouse supply out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 82% of the cities Completed supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 51%), Grade B developments (approx. 45%) & Grade C developments (approx. 4%). Because of its close proximity to industrial centers, first-rate infrastructure, government backing, plenty of land, and highly qualified labour, Chennai's Western Cluster is the ideal site for warehouse construction. As a result, this area now has a greater concentration of upcoming warehouse supply than the other Clusters.

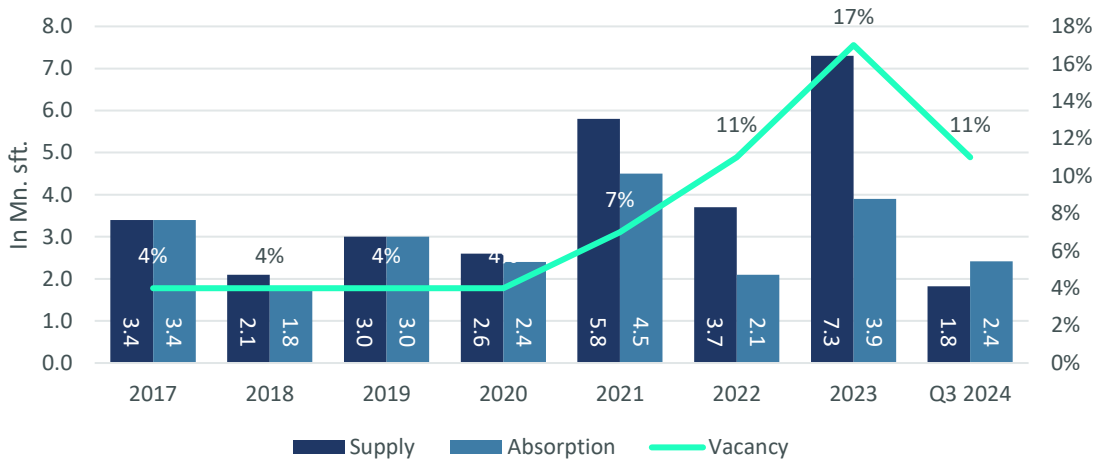
*Table 47: Overview of Warehousing Market in Chennai*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 46.12 | 41.07 | 50.81% | 44.94% | 4.26% |

**Source:** CBRE Research; Updatedd as of Q3 2024

The figure below highlights the y-o-y absorption & supply levels at the city level:

*Figure 58: Y-O-Y Supply & Absorption Levels in Chennai*



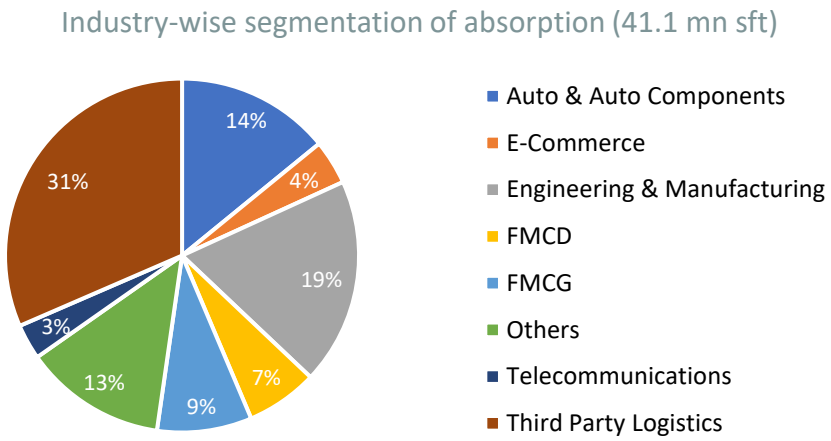

**Source:** CBRE Research. Updatedd as of Q3 2024

The year-on-year share of Grade-A warehouse supply has grown significantly since 2014, driven by the entry of large-scale organized players like Indospace, ESR, LOGOS, and Ascendas. From 2017 to 2023, supply addition in the overall Chennai warehousing market experienced a Compound Annual Growth Rate (CAGR) of 11-12% due to demand from the Manufacturing Sector. The Western cluster, encompassing Mannur and Oragadam, has been the primary driver due to its strong manufacturing base, particularly in the automotive and ancillary industries.

In the year 2020 there was a slight slump observed in supply and demand owing to worldwide pandemic scenario causing construction delays coupled with deferment in absorption of warehouse space which was already pre-committed in the market.

In year 2021, largest supply and absorption influx was witnessed owing spill over demand of 2020 which was impacted by COVID and coupled with demand from Automobile and 3PL tenant sectors.

*Figure 59: Segmentation of Absorption by Industry in Chennai*




**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.4.2 Chennai - Upcoming Supply Dynamics

The Completed supply in the pipeline is in the range of 6.0 – 7.0 Mn sft out of which approximately 1.0 – 1.5 mn sft of supply in under construction and approximately 5.0 – 6.0 Mn sft is planned which is expected to hit the market in the next two - three years.

*Table 48 : Bifurcation of Upcoming Supply in Chennai*[41]

[41] Upcoming supply – This includes the supply that is under construction and planned across Chennai

| Under Construction Supply | Planned Supply |
|---|---|
| 1.0 – 1.5 Mn sft | 5.0 – 6.0 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

The majority (approximately 76%) of the upcoming supply is concentrated in the Western Cluster, followed by the Northern Cluster (24%). This distribution is primarily due to the presence of the automotive and industrial sectors and the availability of readily developable land in the Western Cluster. The locations where the majority of the upcoming supply is envisaged are western micromarkets such as Sethupet, Ullavur, Vallam, Oragadam and Sriperumbudur. The following table enumerates the details of the upcoming Grade A Supply from key Players such as Indospace, ESR Group, ESR, Logos, Sugal and Damani, etc. These businesses mostly work in the real estate and logistics industries, specializing in the construction and rental of contemporary warehouse and logistics facilities.

*Table 49 : Details of Upcoming Supply in Chennai Market*

| Location | 2024 | 2025 | 2026 |
|---|---|---|---|
| Northern Cluster | 0.45 – 0.50 Mn Sft | 2.45 – 2.50 Mn sft | 2.40 – 2.5 Mn sft |
| Western Cluster | 0.05 – 0.1 Mn sft | 1.05 – 1.5 Mn Sft | 0.60 – 0.7 Mn sft |
| Southern Cluster | - | - | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.4.3 Chennai – Asking Rental Dynamics

The average base rental witnessed in Chennai is approx. between INR 24 – 27/ Sft / month for a Grade A development and between INR 18 – INR 22 / Sft / month for a Grade B development. Based on the above chart, it is understood that CAGR for Grade A and Grade B developments are to the tune of approx. 4% & 3% respectively. Micro Market Wise Grade A Average Asking Rentals are enumerated below in the table:

*Table 50 : Details of Micro-Market Wise Grade A & B Asking Rentals*

| Micro Market | Grade | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|
| NH 16 Stretch 1 | A | - | - | 20.5 - 21.5 | 21 - 22 | 21.5 - 22.5 | 22.5 – 23.5 |
| | B | 19 – 20 | 19 - 20 | 19.5 - 20.5 | 19.5 - 20.5 | 20 - 21 | 20.5 – 21.5 |
| NH 16 Stretch 2 | A | 17.5 - 18.5 | 19 - 20 | 19 - 20 | 19.5 - 20.5 | 20.5 - 21.5 | 21.5 – 22.5 |
| | B | 16 – 17 | 16.5 - 17.5 | 18 - 19 | 18 - 19 | 18.5 - 19.5 | 18.5 - 19.5 |
| South (GST Road) | A | 26 – 27 | 27 - 28 | 27.5 - 28.5 | 28 - 29 | 28 - 29 | 28 - 29 |
| | B | 24.5 - 25.5 | 25.5 - 26.5 | 25.5 - 26.5 | 25.5 - 26.5 | 25.5 - 26.5 | 25.7 - 26.9 |
| West (Oragadam Vector) | A | 22 - 23 | 23 - 24 | 24 - 26 | 25 - 27 | 25 - 28 | 25 – 28 |
| | B | 18 – 19 | 18 - 19 | 19 - 20 | 20 - 21 | 21 - 22 | 21.5 – 22.5 |
| West (Mannur Vector) | A | 20.5 - 21.5 | 21.5 - 22.5 | 21.5 - 22.5 | 22.5 - 23.5 | 23 - 24 | 23 - 24 |
| | B | 18 – 19 | 18 - 19 | 19 - 20 | 20 - 21 | 21 - 22 | 21.5 – 22.5 |

**Source:** CBRE Research; Unit – INR/sft/Month ; Updatedd as of Q3 2024

### 3.3.4.4 Chennai – Key Lease Transactions

The following table enumerate the key lease transaction in Chennai.

*Table 51 : Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Vallam | Engineering & manufacturing | A | 500,000 | 26 - 27 | 2023 |
| Sriperumbudur | 3PL | A | 500,000 | 22 – 23 | 2023 |
| Sri City | 3PL | A | 350,000 | 22 - 23 | 2023 |
| Angadu | 3PL | A | 300,000 | 21 – 22 | 2023 |
| Kattavakkam | Engineering & manufacturing | A | 300,000 | 20 – 21 | 2023 |
| Ullavur | Engineering & manufacturing | A | 250,000 | 22 - 23 | 2023 |
| Periyapalayam | Auto & ancillary | A | 218,000 | 20 – 21 | 2023 |
| Chinnambedu | 3PL | A | 200,000 | 22 – 23 | 2023 |
| Vallam | Others | B | 200,000 | 27 - 28 | 2023 |
| Oragadam | Engineering & Manufacturing | A | 220,000 | 27 – 28 | 2024 |
| Vallam | Engineering & Manufacturing | A | 106,906 | 24 – 25 | 2024 |
| Karanampettai | 3PL | A | 300,000 | 24 – 25 | 2024 |
| Chinnambedu | E-commerce | A | 200,000 | 23 – 24 | 2024 |

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.4.5 Northern vector Overview

Northern Cluster Micro Market comprises of locations along the NH 16 stretches such as Gummidipoondi,

Maduravayal, Thatchoor, Bandikavanoor, Kavaraipettai, Cholavaram, Ayilacherry, Red Hills, Puzhal, Madhavaram, Poochiathipet, Puduvoyal, Vishnuvakkam. The cluster is located on the northern side of Chennai and is situated in close proximity to the port ~ a hub of Multi modal logistics with presence of container freight stations, truck terminals etc. Its proximity to consumption hubs and excellent connectivity through NH 16 has led to its emergence as a warehousing corridor. The cluster comprises of approximately 43.9% of the completed supply in the Chennai Region. Out of the completed supply in Northern cluster approximately 31.4% of the supply is Grade A. Further, details of micro markets are elaborated in the following paragraphs.

*Table 52 Snapshot NH 16 Stretch I Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 12.7 Mn sft | 6 - 7% | 1.5 Mn sft | 8- 9% | 6 - 7% | - |

**Source:** CBRE Research Updatedd as of Q3 2024

The warehousing market of NH 16 Stretch 1 is one of the prominent hubs in the northern cluster of Chennai, predominantly established by organized warehousing parks such as NDR warehouse, Sugal and Damani Warehouse and other local/Home-grown developers present along the stretch. This market constitutes a share of nearly 62% of the completed supply in Northern cluster of Chennai.

NH 16 (Stretch 1) was the first vector to witness warehousing development in Chennai – this was due to the vectors proximity to Chennai port. Currently the vector is primarily characterized by the presence of Grade B & C developments and a very limited Grade A supply. Owing to proximity to city centre and port, 3PL/Logistics, FMCD , Automobile and E- commerce companies are the primary demand drivers in this location ~ contribute to approx. 61% of the demand.

*Table 53 Snapshot NH 16 Stretch II Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 7.8 Mn sft | 10 -11% | 4.8 Mn sft | 10- 11% | 19 - 20% | 0.9 – 1.0 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

This region is one of the most prominent warehousing markets in Chennai, characterized by presence of considerable quantum of Grade A developments in the Northern Chennai region. This market constitutes a share of nearly 38% of the completed supply in Northern cluster of Chennai.

Proximity to two major ports of Chennai (Kattupalli and Ennore port), boosting industrial and warehousing activities has led to growth of this vector. FMCG, Auto and Auto components, 3PL/Logistics, E-Commerce are key industries in the micro-market with tenants such as Unilever, ITC, Honda, DB Schenker, Pepsico, Amazon, Redington etc.

Market is primarily established by individual local developers and few major developers including Ascendas and Indospace. Developments in this region are predominantly Grade A and Grade B spaces with typical specifications. However, few unorganized small-scale developments are also present in this region. Industrial parks set up in the region such as SIPCOT Gummidipoondi, Thervoy Kandigai SIPCOT and Sri city has been the major demand drivers for warehouse development in North Chennai.

#### 3.3.4.6 Western vector Overview

Western Cluster comprises of locations such as Vallam, Oragadam, Mevalurkuppam, Sunguvachatram, Mannur, Mappedu, Thirumazhisai, Velappanchavadi, Pollivakkam. Presence of SIPCOT Industrial Park, connectivity via SH 57 (proposed Peripheral Ring Road) and proximity to National Highway 48 and availability of large tracts of developable land parcels have resulted this location in becoming a hub for warehousing activity. The cluster comprises of approximately 54% of the completed supply in Chennai. Out of the completed supply in western cluster approximately 67% of the supply is Grade A.

*Table 54 Snapshot of West Mannur Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai Region | Upcoming Supply |
|---|---|---|---|---|---|
| 6.5 Mn sft | 14 - 15 % | 6.5 Mn sft | 9 - 10% | 28% | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

3PL, Auto and Auto parts, Manufacturing are key industries in the micro-market with tenants such as Royal Enfield, Kerry Indev Logistics, DHL Logistics and Indutch Composites Technology, Mahindra Logistics,

Reliance. Prominent Grade A developers in the micro market includes AS Cargo, NDR, Indospace, Logos, JKS Infra and developments from local developers.

Proximity to key industrial hubs, reasonable land prices and good connectivity through national and state highways has led to growth of this vector. Market, conventionally developed as Godown of erstwhile textile industries present in the vector. Post which, Auto mobile Industries, established their presence in the vector.

The vector is expected to witness continuous demand in the short to medium term owing to the presence of major Grade A warehousing developers, increasing demand for warehousing space in western zone of Chennai and attractive pricing offered by developers etc.

Cheaper land rates and availability of land parcels have resulted in Industrial activity moving towards Mannur vector.

*Table 55 Snapshot of West Oragadam Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 12.2 Mn sft | 10– 11% | 10.3 Mn sft | 11 – 12% | 44% | 4.5 – 5.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

Presence of SIPCOT Industrial Park, connectivity via SH 57 (proposed Peripheral Ring Road) and proximity to National Highway 48 and availability of large tracts of developable land parcels have resulted in this location in becoming a hub for warehousing activity. Oragadam vector emerged as a spill over demand from NH-48 corridor that houses the prominent fortune 500 companies and major Global automotive companies.

The tenants in this market predominantly prefer quality Grade A warehousing space due to requirements of high roofing and load bearing capacity of floor. Demand for warehousing space in this region is predominantly driven by Auto and Auto ancillary industries located within and outside the SIPCOT industrial parks.

Automobile, Logistics and FMCG are key industries in the micro-market with tenants such as Nissan Motor, Royal Enfield, Reliance, SV Global Logistics, TPI Composites.

#### 3.3.4.7 Southern Vector Overview

Southern cluster (GST Road) is predominantly characterized by the presence of organized real estate assets viz. residential and commercial along the stretches of GST and noted for the presence of industrial units along the later stretches of the vector. Development of GST road picked up post the setting up of Madras Export Processing Zone (MEPZ) at Tambaram and SIDCO at Maraimalai nagar. Mahindra World City located in Maraimalai Nagar an approx. 1,500-acre mixed use township is the primary driver of economic activity in the region.

*Table 56 Snapshot of South Cluster Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 0.6 Mn sft | 2 -3% | 0.32 Mn sft | 0% | 1.4% | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

Prominent sectors driving the demand in the region include Paints & Chemical, Automobile, E commerce, Engineering and Manufacturing and have been witnessing consistent growth.

Market is primarily established by individual local developers and ILV Distripark (MWC) Private Limited having considerable land parcels on the GST road. This region is still in its nascent stages of development. The organized warehousing parks present in the zone are Casagrande Distripark and Mahindra world city. Amongst the private industrial parks, MWC presently quotes the highest lease rate purely due to occupancy levels of the park and the strategic location.

### 3.3.5 Chennai – Overall Market Outlook

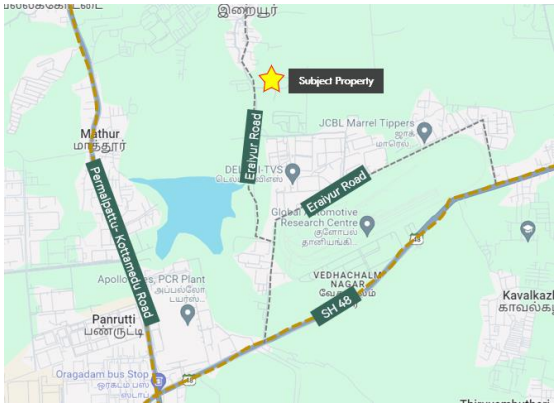
Chennai Warehousing Market is well connected to regions major consumption hubs of Tier II and Tier III locations of Tamil Nadu and parts of Andhra Pradesh through major national highways via NH 32, NH 48, NH 716 and NH 16, etc. Owing to robust road connectivity, Presence of ports and Industrial activity in the region – the city has emerged as a prominent warehousing hub in South of India. The development of key infrastructure projects such as the Chennai-Bengaluru Expressway, Chennai Peripheral Ring Road, and Maduravoyal Expressway is set to significantly boost Chennai's warehousing market. These projects will

enhance connectivity, reduce logistics costs, and attract more businesses to the region. Improved transportation infrastructure will facilitate the seamless movement of goods, reduce transit times, and lower inventory holding costs . Further Chennai has been a major consumption, production and distribution hub. Automobile, Auto ancillary, E -commerce, FMCG and Electricals segments are major contributors of warehouse space take up. Current prevailing rentals in Chennai region approx. INR 20.0 – 24.0 /sft/month, whereas prominent developers such as Indospace, Ascendas, Logos and few individual developers are able to command higher rentals than the market average owing to quality grade warehousing space in the range of INR 24.0 – 28.0 per sft per month. The asking rentals in the market to remain range bound in short to medium term with market standard escalation of 4-5% annually.

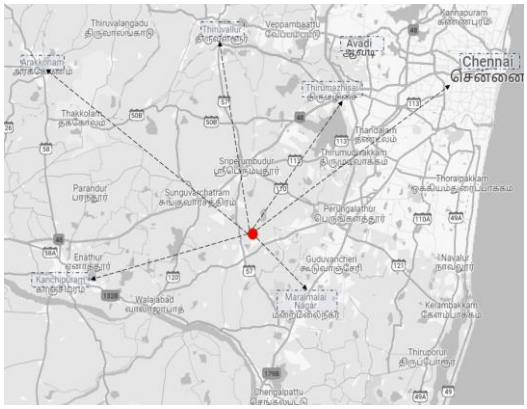
### 3.3.6 Micro Analysis - (Subject Property Location ~ Oragadam)

*Table 57 : Subject Property ~ Vaipoor - Oragadam*

| | |
|---|---|
| Name of the Development | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP |
| Location | No. 136, Vaipoor B Block, Sriperumbudur, Eraiyur Village, Kanchipuram - 602 105 |
| Land Area (Acres) | 10.23 |
| Development Status | Completed |
| Completed Gross Leasable Area (sft) | 212,424 |
| Vacancy Levels | 0% |
| Upcoming Potential (Sft) | - |
| Year of Establishment | Dec-2019 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Prospira; TVS-SCS |
| Average Rentals (INR/sft/Month) | INR 24– 25/sf/month for TVS SCS and INR - 44[42] per sft per Month for the space occupied by Prospira |




Key Location Map of the Asset




Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only

#### 3.3.6.1 Subject Property Snapshot

The Oragadam industrial corridor is a prominent manufacturing hub in Chennai, well-connected through State Highway 48, National Highway 48, and the Outer Ring Road. It is home to several major automotive and component manufacturers, including Renault, Nissan, Daimler, Royal Enfield, Delphi TVS, and Sundaram Clayton.

The TVSILP warehouse is located in Eraiyur village, near the Oragadam SIPCOT. This location offers convenient access for automotive, component, and other manufacturing companies operating in the Oragadam region. Furthermore, the state government is actively promoting this location as a hub for medical

[42] As per the rent roll shared by the TVSILP

equipment manufacturing. As per the information shared by TVSILP the facility can accommodate both warehousing and light manufacturing operations.

The facility has provision for amenities such as a first-aid centre, dedicated office space, and a cafeteria.

#### 3.3.6.2 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Oragadam is one of the established warehousing vectors in Chennai. Historically, the warehousing market in Oragadam was dominated by unorganized/local developers offering Grade B & C space. However, over the time location has witnessed substantial institutional investments, Indospace being the first institutionally funded development. Other players like Hiranandani, ESR, Ascendas First space, ASV etc. are present. The following are primary reason towards these investment in Oragadam.

- Availability of Large Land Parcel
- Lower Land values compared to other micro markets
- Connectivity and accessibility with manufacturing and consumption hubs
- Accessibility of land for future expansion

*Table 58 Snapshot of West Oragadam Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 12.2 Mn sft | 10– 11% | 10.3 Mn sft | 11 – 12% | 44% | 4.5 – 5.4 Mn sft |

**Source:** CBRE Research; Updatedd as of Q3 2024

#### 3.3.6.3 Building characteristics

It is a facility with efficiency for warehouse operation. The facility is currently witnessing absorption of approx. 100% with tenants namely Bridgestone and TVS-SCS.

*Table 59: Key Building Specifications of Vaipur*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) structured warehousing park |
| Flooring | Floor strength of 5 metric ton per sqm. |
| Height | 8 m to 10 m |
| Lighting | 200 -300 lux |
| Fire Safety | Provided sprinkler system & fire hydrant system in the facility (250KL x 2) |
| Office | NA |
| Amenities and Facilities | Truck yard and a parking lot, and basic amenities such as underground water tank, rainwater harvesting, common amenity space, facility management office, first aid room, etc. |

**Source:** TVSILP

#### 3.3.6.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

Greenbase Hiranandani Park, Ascendas First Space, ESR, and ASV are the leading facilities in the vicinity that will compete with the subject property. These accommodations are consistent with the building specifications for quality grade A development. The market rents for quality grade A developments are typically between INR 26 and 28 per sf per month.

Excellent connectivity, proximity to critical industrial centres, land availability, and the presence of a warehousing ecosystem are the primary demand drivers for this vector. There is a projected supply of approximately 5.0 to 6.0 mn sft in Oragadam over the next 3-5 years. Based on the historical absorption observed in the Oragadam market, it is reasonable to anticipate a demand of approximately 5 to 7 mn sft.

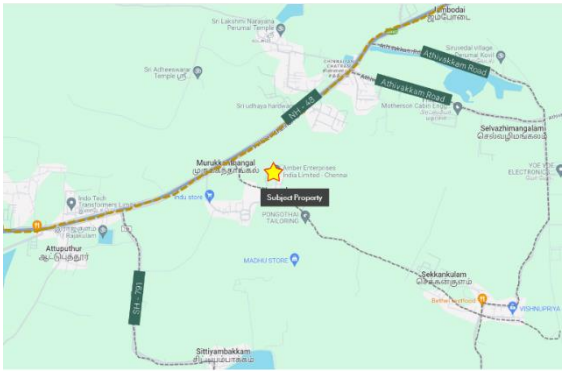
*Figure 60: Site Layout of Oragadam Asset*

**Source:** TVSILP Input

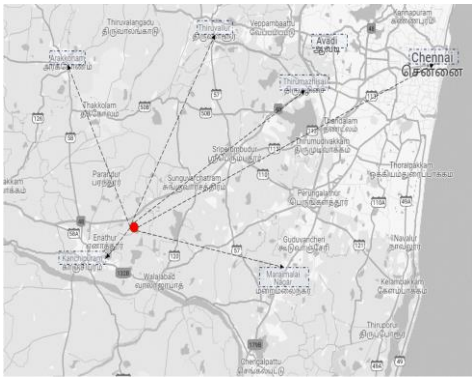
### 3.3.7 Micro Analysis - (Subject Property Location ~ Singadivakkam)

*Table 60 : Subject Property ~ Singadivakkam – Oragadam*

| | |
|---|---|
| Name of the Development | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP |
| Location | SF No. 583, Singadivakkam, Singadivakkam village, Kancheepuram district, 631561 |
| Land Area (Acres) | 10.73 |
| Development Status | Completed |
| Completed Gross Leasable Area (sft) | 440,712 |
| Vacancy Levels | 0% |
| Upcoming Potential (Sft) | - |
| Year of Establishment | Phase I - Dec-2017; Phase II – Feb 2022 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Amber Enterprises India ltd |
| Average Rentals (INR/sft/Month) | INR 16 - 17[43] per sft per Month |




**Key Location Map of the Asset**




Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only

#### 3.3.7.1 Subject Property Snapshot

Sunguvarchatram, situated in Kanchipuram district, is a prominent industrial centre along the Chennai-Bangalore Industrial Corridor (CBIC). The region hosts several large-scale manufacturing companies, including Samsung Flex India, Foxcon, L&T, and Dell. Sunguvarchatram enjoys excellent connectivity to other industrial hubs, such as Oragadam and Sriperumbudur, via National Highway 48.

The TVS logistics park is situated in Singadivakkam village, which is part of the Sunguvarchatram market. It comprises two warehouse facilities designed to accommodate the warehousing requirements of the manufacturing and electronics sectors. The park offers convenient access to both seaports and airports through National Highway 48 and State Highway 48. One of the warehouses is currently occupied by a major component manufacturer for a leading home appliance company.

*Table 61: Snapshot Singadivakkam Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 0.3 Mn sft | 0% | 0.3 Mn sft | 0% | 1% | - |

**Source:** CBRE Research; Updatedd as of Q3 2024

#### 3.3.7.2 Building characteristics

[43] As per the rent roll shared by TVSILP

It is a facility with efficiency for warehouse operation. The facility is currently witnessing absorption of approx. 100% with tenants namely Prospira and TVS-SCS.

#### 3.3.7.3 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

ESR, ASV, Ascendas First space and Greenbase Hiranandani Park are the key players in the vicinity who will be the competing facilities to the subject property. These facilities are in line with the building specifications as per quality grade A development. The rentals commanded by quality grade A developments in the market are in the range of INR 26 – 28 per sft per month.

#### 3.3.7.4 Demand Forecast for the subject micro – market/vector

The demand driver for this vector is primarily the excellent connectivity, proximity to key industrial hubs, availability of land and presence of warehousing ecosystem. Envisaged supply of approx. 5.0 – 6.0 Mn sft is planned in next 3-5 years in Oragadam. Considering, historical absorption witnessed in Oragadam market, approximately 5 - 7 mn sft of demand can be expected in next 3-4 years.

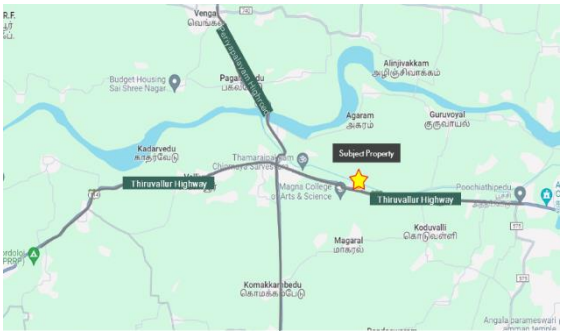
*Figure 61 Site Layout of Singdivakkam Asset*

**Source:** TVSILP

### 3.3.8 Micro Analysis - (Subject Property Location ~ Poochi Athipet, Redhills)

*Table 62 : Subject Property ~ Poochi Athipet, Redhills – NH 16 Stretch I*

| | |
|---|---|
| Name of the Development | Siruvapuri Murugan Industrial and Logistics Private Limited |
| Location | 32/9, 33/2, Setthupakkam, Agaramand, Tiruvallur Road, Thamaraipakkam Village, Tiruvallur, Tamil Nadu, 601103 |
| Phasing | IV |
| Land Area (Acres) | 33.17 |
| Development Status | Completed |
| Completed Gross Leasable Area (sft) | 10,01,391 |
| Vacancy Levels | 0% |
| Upcoming Potential (Sft) | 74,253 |
| Year of Establishment | Phase I - Dec-2020; Phase II, III, IV - 2022 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Amazon, Cars 24, Godrej & Boyce, TVS-SCS, Varun Beverages, Godrej Consumers |
| Average Rentals (INR/sft/Month) | INR 16 - 19[44] per sft per Month |




Key Location Map of the Asset

Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only

#### 3.3.8.1 Subject Property Snapshot

Red Hills has historically served as a warehousing hub for Chennai's goods distribution. The emergence of e-commerce and online platforms has further elevated its importance. This location has consistently been preferred for fulfilling the warehousing requirements of FMCG, e-commerce, and third-party logistics companies.

The park is strategically located in Thamaraipakkam Village, offering convenient access to airports within a forty-five-kilometer radius and seaports within forty kilometers. The park enjoys excellent connectivity through SH 114, linking to NH16, NH716A, and SH50A, ensuring smooth goods transportation. These transportation advantages contribute to the location's popularity among prominent FMCG, e-commerce, and third-party logistics companies.

*Table 63 Snapshot NH 16 Stretch 1 Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply |
|---|---|---|---|---|---|
| 12.7 Mn sft | 6 - 7% | 1.5 Mn sft | 8- 9% | 6 - 7% | - |

[44] As per the rent roll shared by the TVSILP

**Source:** CBRE Research; Updatedd as of Q3 2024

### 3.3.8.2 Building characteristics

As highlighted in the above, subject property located in Tamaraipakkam Village comprises of 9 Blocks and are completed and operational. The total land area of the subject development is 33.17 acres. The key building Specifications for the asset are enlisted in the below table.

*Table 64: Key Building Specifications of Poochi Athipet*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) structured warehousing park |
| Flooring | Floor strength of 5 metric ton per sqm. |
| Height | 12 m to 15m |
| Lighting | 200 -300 lux |
| Fire Safety | Provided sprinkler system & fire hydrant system in the facility (250KL x 2) |
| Office | NA |
| Amenities and Facilities | Truck yard and a parking lot, and basic amenities such as underground water tank, rainwater harvesting, common amenity space, facility management office, first aid room, etc. |

**Source:** TVSILP

It is a facility with efficiency for warehouse operation. The facility is currently witnessing absorption of approx. 100% with tenants namely Amazon, Cars 24, Flomic And Agnikul.

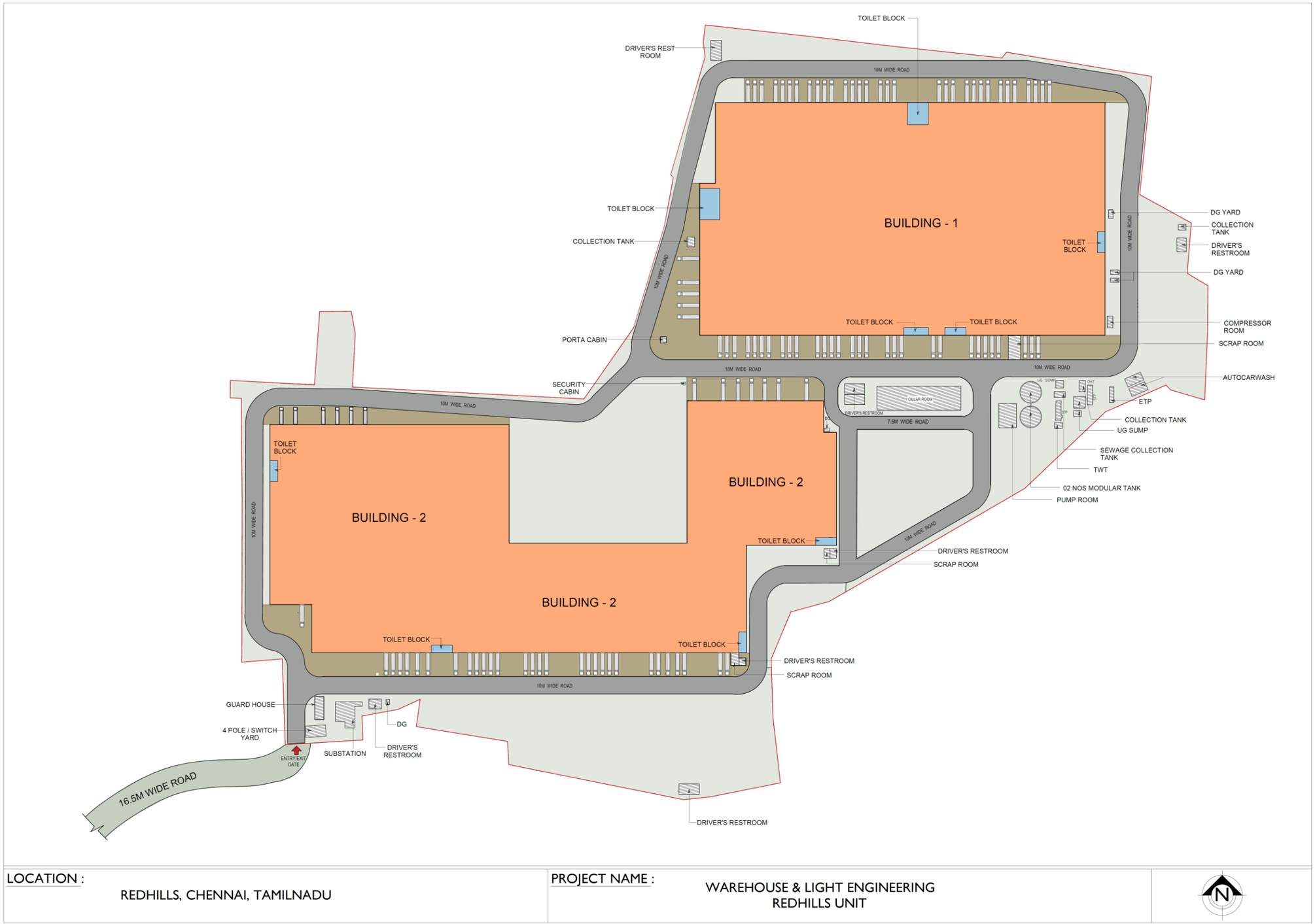
### 3.3.8.3 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

NDR and SN Damani are the major players in the vicinity who will be the competing facilities to the subject property. These facilities are in line with the building specifications as per quality standard warehouse development. The rentals commanded by quality grade A developments in the market are in the range of INR 20 – 23 per sft per month.

### 3.3.8.4 Demand Forecast for the subject micro – market/vector

The demand forecast for the subject micro-market/vector is primarily driven by its excellent connectivity, proximity to key industrial hubs, availability of land, and the presence of a warehousing ecosystem. However, considering the historical absorption and demand observed in the vector, there is limited or no planned supply , we opine that the growth of this vector will be subdued compared to the Western and Southern vectors.

*Figure 62 Site Layout Of Poochi Athipet*

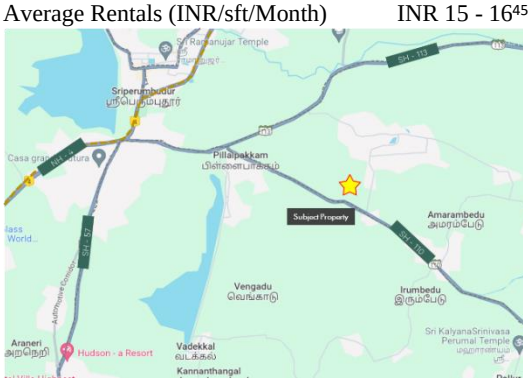



**Source:** TVSILP

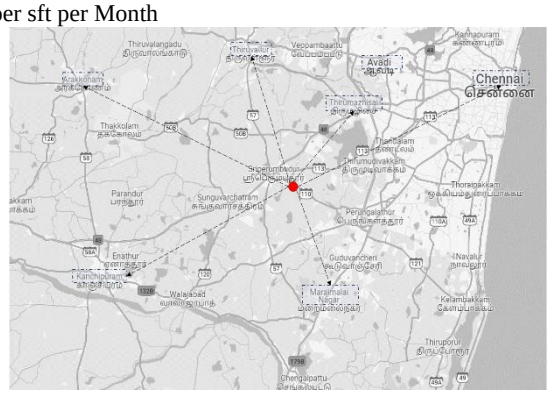
### 3.3.9 Micro Analysis - (Subject Property Location ~ Pillaipakkam)

*Table 65 : Subject Property ~ Pillaipakkam, Oragadam*

| | | |
|---|---|---|
| Name of the Development | Ramanujar Industrial & Logistics Parks Private Limited | |
| Location | Logistics Parks Private Limited At Plot No - A-1/4, Sipcot Industrial Park, Pillaipakkam, Comprised In S.Nos - 3(Pt), 4(Pt), 19(Pt), 20(Pt), 21a(Pt), 23(Pt), 26(Pt), 27(Pt), 28(Pt) Of Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District | |
| Phasing | I | II |
| Land Area (Acres) | 17 | |
| Development Status | Completed | Planned |
| Completed Gross Leasable Area (sft) | 360,280 | |
| Vacancy Levels | 0% | - |
| Upcoming Potential (Sft) | - | 107,000 |
| Year of Establishment | 2024 | |
| Building Structure | Pre-Engineered Building Structure | |
| Key Tenants | First Solar | |
| Average Rentals (INR/sft/Month) | INR 15 - 16[45] per sft per Month | |




Key Location Map of the Asset




Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only

#### 3.3.9.1 Subject Property Snapshot

Pillaipakkam is strategically located within the Sriperumbudur Industrial Corridor, a region characterized by strong connectivity and industrial growth. Situated along National Highway 48, the area offers efficient transportation links to major cities and ports. Its proximity to the Chennai-Bangalore Industrial Corridor enhances its appeal as a warehousing hub, providing access to a thriving industrial region with substantial investment opportunities. Several prominent companies, including Hyundai, BMW, Yamaha Motors, Saint Gobain Jabil, and Mitsubishi, operate manufacturing facilities in Sriperumbudur. The presence of nearby industrial estates and parks further drives the demand for warehousing solutions as businesses seek to optimize their supply chain operations. Sriperumbudur has established itself as a Special Economic Zone (SEZ) with significant investments from automotive and electronics companies. The construction of a new greenfield airport in close proximity to Sriperumbudur will further enhance the region's connectivity.

The warehouse is strategically located on leasehold land in SIPCOT Pillaipakkam, approximately 44 kilometers from Chennai's city center and 27 kilometers from the airport. The facility spans a total area of 17 acres, with a built up potential of 467,280 sft out of which 360,280 sft is currently under construction and pre-leased to First Solar.

#### 3.3.9.2 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Oragadam is one of the established warehousing vectors in Chennai. Historically, the warehousing market in Oragadam was dominated by unorganized/local developers offering Grade B&C space. However, over the time location has witnessed substantial institutional investments, Indospace being the first institutionally funded development. Other players like Hiranandani, ESR, Ascendas First space, ASV etc. are present. The SP is part of SIPCOT Pillaipakkam. The following are primary reason towards these investment in Oragadam:

- Availability of Large Land Parcel
- Lower Land values compared to other micro markets

[45] As per the rent roll shared by the TVSILP

- Connectivity and accessibility with manufacturing and consumption hubs
- Accessibility of land for future expansion

*Table 66: Snapshot Sriperumbudur Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply | Upcoming Supply |
|---|---|---|---|---|---|
| 0.85 Mn sft | 16 - 17% | 0.82 Mn sft | 18% | 4% | - |

**Source:** CBRE Research

### 3.3.9.3 Building characteristics

As highlighted in the above the subject property located in Pillaipakkam comprises of 1 Block and is currently under construction. The key building Specifications for the asset are enlisted in the below table.

*Table 67: Key Building Specifications of Pillaipakkam*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) structured warehousing park |
| Flooring | Floor strength of 5 metric ton per sqm. |
| Height | 12 m to 15m |
| Lighting | 200 -300 lux |
| Fire Safety | Provided sprinkler system & fire hydrant system in the facility (250KL x 2) |
| Office | NA |
| Amenities and Facilities | Truck yard and a parking lot, and basic amenities such as underground water tank, rainwater harvesting, common amenity space, facility management office, first aid room, etc. |

**Source:** TVSILP

It is a facility with efficiency for warehouse operation. The facility is completed and handed over to First Solar for their operations.

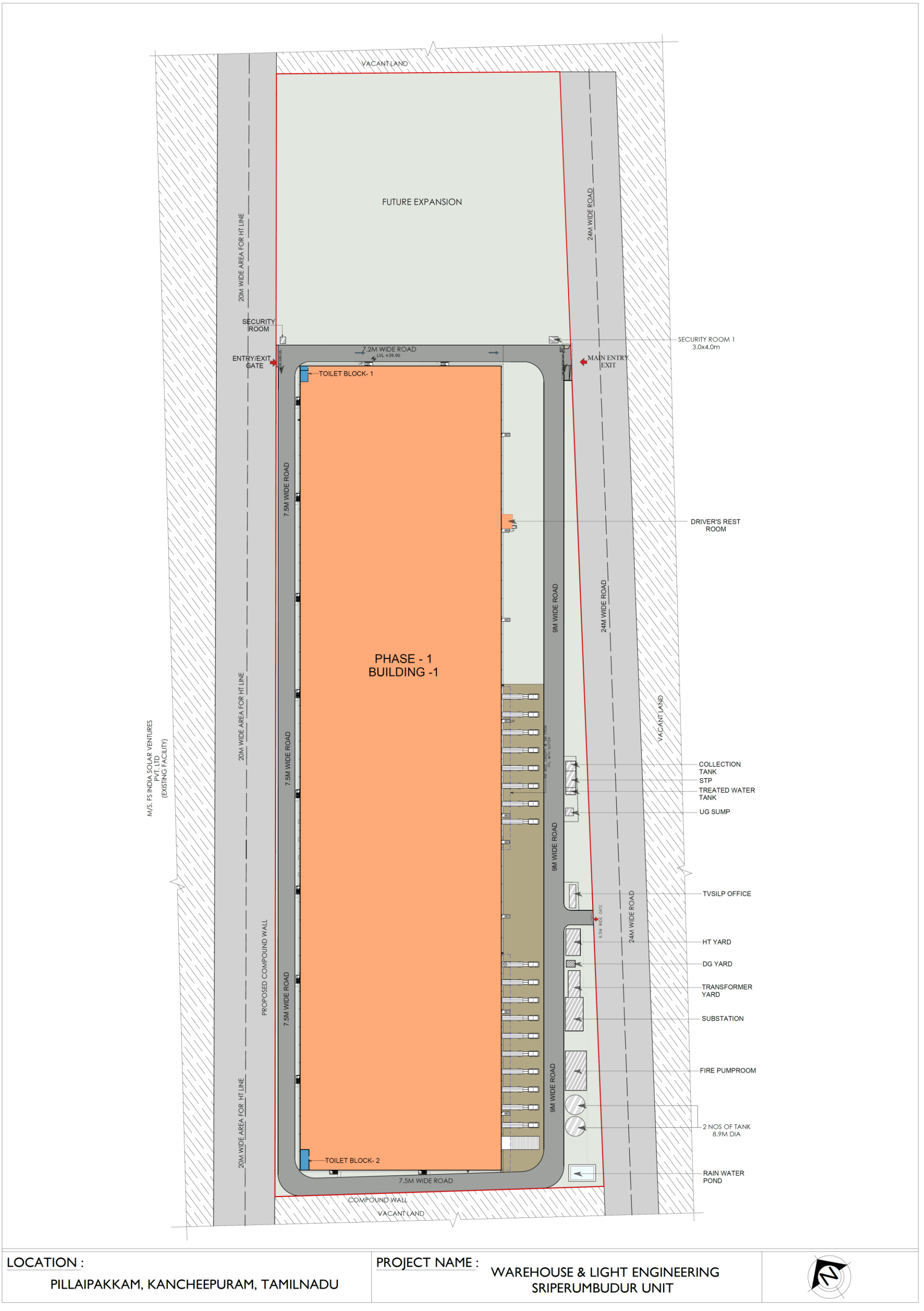
### 3.3.9.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

Indospace, Olympia and Polyhose are the major players in the vicinity who will be the competing facilities to the subject property. These facilities are in line with the building specifications as per quality standard warehouse development. The rentals commanded by quality grade A developments in the market are in the range of INR 26 – 28 per sft per month.

### 3.3.9.5 Demand Forecast for the subject micro – market/vector

The demand driver for this vector is primarily the excellent connectivity, proximity to key industrial hubs, availability of land and presence of warehousing ecosystem. Envisaged supply of approx. 5.0 – 6.0 Mn sft is planned in next 3-5 years in Oragadam. Considering, historical absorption witnessed in Oragadam market, approximately 5 - 7 mn sft of demand can be expected in next 3-4 years.

*Figure 63 Site Layout of Pillaipakkam*




**Source:** TVSILP

## 3.4 Coimbatore

### 3.4.1 City Overview

*Table 68: Demographic Snapshot of The District*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY (per Sq.m.)[46] | GROSS DISTRICT DOMESTIC PRODUCT | NET DISTRICT DOMESTIC PRODUCT | PER CAPITA INCOME (USD) [47] |
|---|---|---|---|---|---|
| Coimbatore | 3.45 Mn | 942 | INR 16.3 lakh crores | INR 1,04,38,290 lakhs | 936.11 |

**Source:** District handbook 2011, District human development report 2017 (based on 2011 census), CBRE Research

Coimbatore is the second largest city in Tamil Nadu. The city is a major hub for textiles, industries, commerce, education, information technology, healthcare and manufacturing in Tamil Nadu. Coimbatore is the Industrial Hub of the State with over 2,10,222 MSME[48] establishments. The district is the third biggest in State in terms of area and a key economic hub. Coimbatore along with the surrounding districts of Erode & Tirupur has evolved into a mega industrial hub in the Southern part of India. Coimbatore also has a strategic advantage of being on the major Connecting node of Tamil Nadu and Kerala. The city is also a major educational hub with numerous prominent higher educational institutes and a booming IT hub.

Coimbatore is one of the most industrialized districts of the state and contributes to 7% of the states GDP. The establishment of an industrial base and conducive environment for entrepreneurship enabled the District to further diversify into other manufacturing Industries including Foundry and Pump Manufacturing, among others. The geographical location also enabled widespread growth in trade and tourism industries. Strong industrial base and favourable geographical positioning contributed to the economic development of the District. The District is ranked sixth in terms of Per Capita Income and has Household Purchasing Power capacity of more than 5 Lakhs.

As an industrially advanced district, Coimbatore is characterized by the presence of substantial number of micro, small and medium enterprises in various fields of textiles, general engineering and manufacturing of auto spares, machine tools, motor and pumps, home appliances, software, farm equipment etc.

More than approx. 2,10,222 micro, small and medium manufacturing and industry related service enterprises has presence in the district. Coimbatore houses a large number of textile mills and textile research institutes. The district also accounts for 80% of the textile machinery manufactured in the country. A large produce of the manufacture is exported to different countries and those include knitwear, woven apparel and home furnishings. The neighbouring town of Tiruppur is home to some of Asia's largest garment manufacturing companies.

Coimbatore has emerged as the most trusted destination for automobile industries as well. Some of the major auto component makers in Coimbatore include Robert Bosch GmbH, PRICOL, Craftsman Automation and Roots Industries. Other predominant industrial activities in the region include the manufacturing of wet grinders, furniture, lathes, machines for drilling, welding etc. Coimbatore has one of the largest foundry clusters in India, houses approx. 700 foundry units across the district.

The industrially advanced character presiding in the city has paved way for it to emerge as an excellent warehousing location after Chennai. The major industry driving demand for warehousing in Coimbatore include 3PL, E-Commerce, Industrial, FMCG and FMCD.

### 3.4.2 Existing Infrastructure Initiatives

The existing road network in Coimbatore is predominantly connecting the city to major cities and Towns. It comprises of National Highways, State Highways, Major District and Other District roads. The Coimbatore city and metropolitan area is divided into five administrative zones (East, West, North, South and Central) which are served by major arterial roads that run in an east–west or north–south direction. Avinashi Road is one of the city's most important arterial roads, traversing most of Central and East Coimbatore.

[46] Human Development Index report - 2017

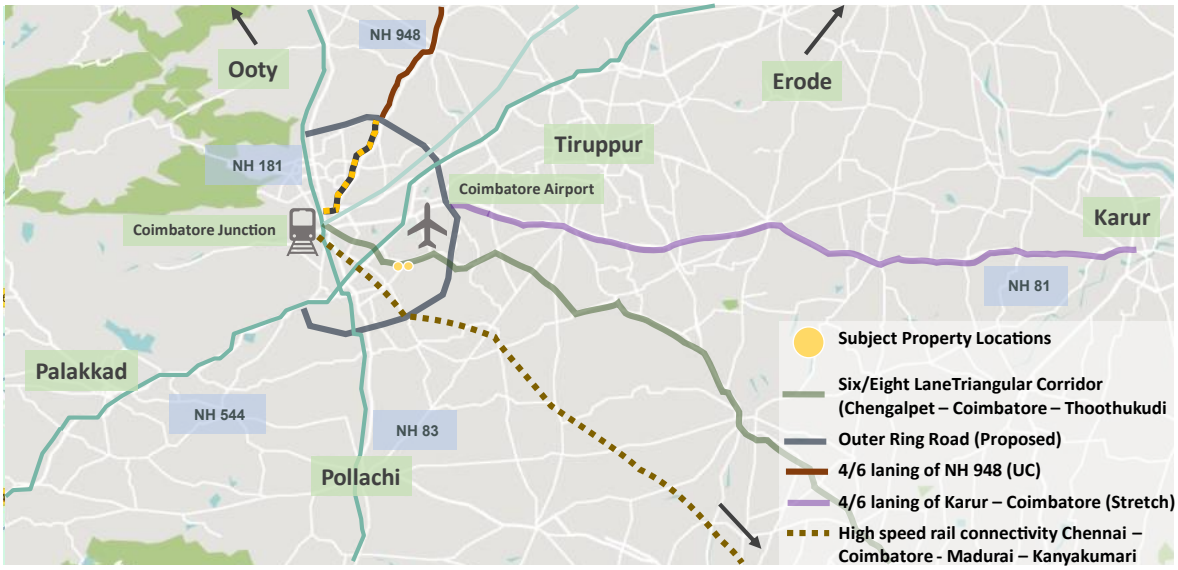
[47] District statistics report – above data are at constant prices

48 Ministry Of Micro, Small & Medium Enterprises – 2016-17

| INFRASTRUCTURE INITIATIVE | PARTICULARS |
|---|---|
| Ring road | A major bypass was built by L&T from Neelambur to Madukkarai on NH 47 which intersects the Trichy Road at Chintamani Pudur near Irugur and Eachanari in Pollachi Road. |
| Coimbatore Railway station | The major stations of the regions are Coimbatore Junction, Erode and Tiruppur. Coimbatore is a part of the Southern Railways and serves as an important node for the Connectivity between Kerala and Tamil Nadu. In terms of rail connectivity, Coimbatore Junction, also known as Coimbatore Main Junction, is the primary railway station - serving Coimbatore city. |
| Airport | Coimbatore International Airport the primary airport serving the city of Coimbatore in Tamil Nadu, India. It is located in the neighbourhood of Peelamedu. This airport is second largest airport in the state for Terminal Area, runway length, aircraft movement, passenger traffic and cargo after Chennai International Airport in Tamil Nadu. |

**Source:** CBRE Research, Coimbatore district profile

*Figure 64: Map of Key Upcoming Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.4.3 Upcoming Infrastructure Initiatives

The following initiatives are expected to enhance accessibility and propel development activity in the region:

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Kochi – Coimbatore – Bengaluru Industrial corridor | The corridor covers the states of Tamil Nadu, Andhra Pradesh, Karnataka and Kerala. Dharmapuri-Salem has been identified as the priority node and will be developed as an Integrated Manufacturing Cluster (IMC). The industrial corridors falling under the KBIC is expected to benefit in the economic development of the region and state | 2025 – 2026 |
| Western ring road | The proposed Coimbatore Outer Ring Road is expected to be completed in 3-4 years. The ring road will be developed in three phases. | 2025 – 2026 |
| 4/6 lanes from Karur to Coimbatore | The stretch passes through Karur, Tirupur and Coimbatore districts and important towns such as Vellakovil, Kangeyam, Palladam and Sulur. This project is expected to improve connectivity between the warehousing clusters and the production and distribution zones of Coimbatore region | 2027 – 2028 |

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Proposed six/eight lane triangular corridor | The project will enhance the activities in the proposed Coimbatore – Salem industrial corridor that includes manufacturing and business investment hubs, agri business hubs, special tourism zones and knowledge hubs. This is expected to amplify the industrial growth and also help in efficient transport of materials along the corridor. | 2027 – 2028 |
| Metro rail | Coimbatore Metro Rail will cover 139 km and this project will be executed in three phases by CMRL. The first phase will be for 44 km on the Avinashi road until Karumathampatti and Sathyamangalam road until Valiampalayam Pirivu from Ukkadam | Under planning stages |
| Airport Expansion | The Airports Authority of India (AAI) has proposed to construct a new domestic departure terminal building with swankier interiors on the eastern side of the airport. The terminal would be constructed in an area of 10,000 square feet with a cost of around INR 125 crore. | 2024 - 2025 |

**Source:** CBRE Research,

### 3.4.4 Overview of the Warehousing Clusters in Coimbatore:

*Table 69: Coimbatore –Vector Wise Warehouse Concentration*

| Cluster Classification | Northern Stretch | Eastern Stretch | Southern STRETCH |
|---|---|---|---|
| Locations | **Sathy road and National Highway 181** | **Avinashi Road** | **Kochi Frontier Road, Palakkad Road and Salem Highway** |
| Share of Supply in Coimbatore Region | 5% | 9% | 86% |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Coimbatore is primarily spread across the three major clusters i.e. Northern Cluster (Sathy Road, National Highway 181 and National Highway 198); Eastern part (Avinashi Road Southern Cluster (Kochi Frontier road, Palakkad road and Salem Highway) and Southern Cluster (Palladam-Cochin Frontier Road).

#### 3.4.4.1 Coimbatore - Completed Supply and Absorption Dynamics

Coimbatore has approx. 5.09 mn sft of operational warehouse supply out of which approx. 4.44 mn sft is occupied. The Southern vector constitutes about 86% of the Completed supply. Industrial and Warehousing market of Coimbatore is primarily driven by the demand arising from Third party logistics, E-Commerce, Industrial Manufacturers, FMCG etc. The city predominantly houses Grade B developments of ~ 39% and about ~ 38% of Grade A and 23 % Grade C developments respectively.

**Northern Cluster:**

Northern Cluster Warehouses in this stretch are majorly concentrated on the Periya Pudur Region. The warehousing demand is steadily rising along this vector with co-relation to the established industries being converted to warehousing establishments.

**Eastern Cluster:**

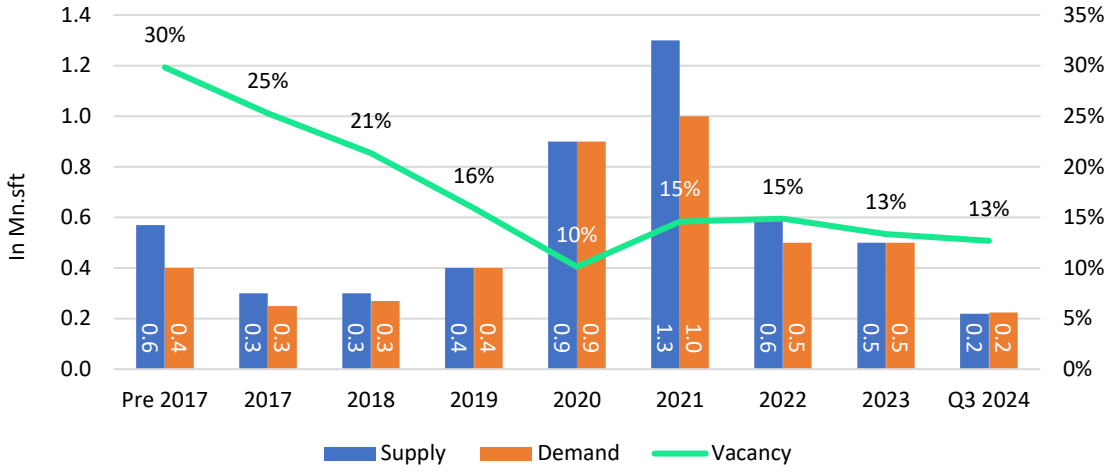
Second most prominent Warehousing cluster in Coimbatore. Most of the Grade C warehouses are concentrated along this Vector.

**Southern Cluster:**

This cluster is the major warehousing cluster of Coimbatore and hosts all Grade A developments in the city. All Major Warehousing players are located along this vector (TVSILP, Indospace, NDR, VSMC)

The figure below highlights the y-o-y absorption & supply levels at the city level:

*Figure 65: Y-O-Y Supply & Absorption Levels in Coimbatore*



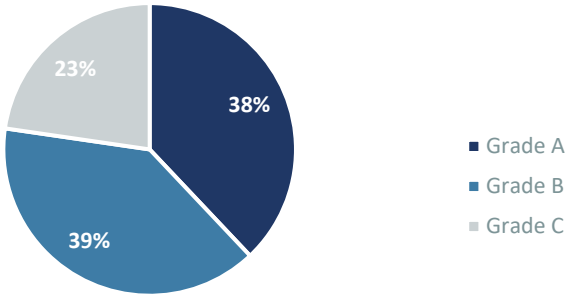

**Source:** CBRE Research; Updated as of Q3 2024

The Southern Cluster is home to the majority of warehouses, accounting for approximately 86% of the completed supply in Coimbatore. These micromarkets predominantly serve the needs of third-party logistics, FMCG, e-commerce, and manufacturing companies.

A global pandemic scenario that resulted in construction delays and a postponement of the utilisation of pre-committed warehouse space on the market in 2020 caused a slight decrease in supply and demand, which demand in 2021 made up for. Due to spillover demand from 2020, which had an impact on the automotive and 3PL tenant industries as well as COVID-19, 2021 saw the greatest influx of supply and absorption.

The average annual absorption across all grades of warehouses has been between 0.4 and 0.5 million square feet, indicating a consistent demand over the past three years (2021–2023). The strategic location of Coimbatore as a significant industrial hub in South India with easy access to important transportation routes is what drives this consistent demand.

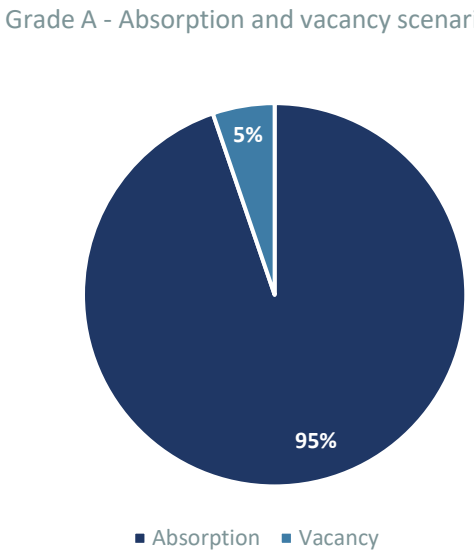
*Figure 66: Bifurcation of Completed Supply Based on Development Grade*




**Source:** CBRE Research; Updated as of Q3 2024

A healthy level of absorption (95 percent) has been observed in Grade-A developments, indicating that occupants prefer higher-quality warehousing developments. The observation of consistent absorption levels in prominent Grade A developments constructed by institutional developers including Indospace, TVSILP, and NDR serves as evidence of the increasing need for structured warehouses.

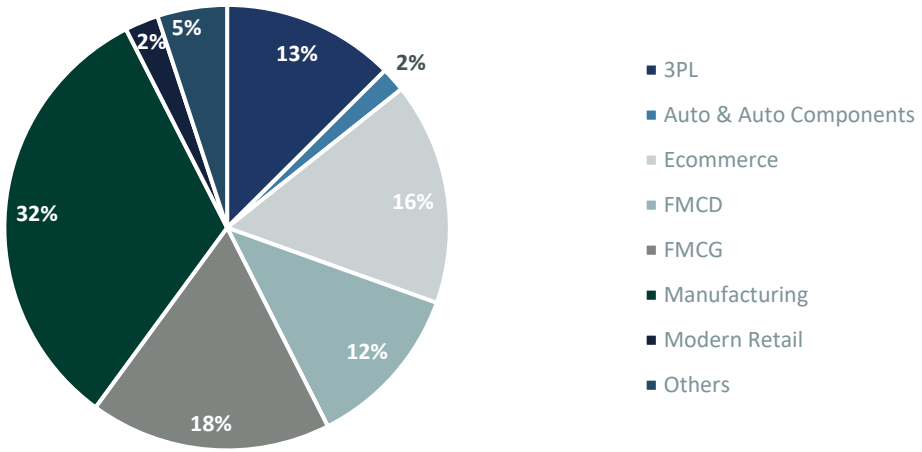
*Figure 67: Grade A Absorption and Vacancy Levels in Coimbatore*




**Source:** CBRE Research; Updated as of Q3 2024

The major Industries driving demand for warehousing in the region include FMCG, FMCD, E Commerce, & 3PL players these categories accounts to 58% of total absorption.

*Figure 68: Segmentation of Absorption by Industry in Coimbatore*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.4.4.2 Coimbatore – Asking Rental Dynamics

For a Grade A property, the average monthly base rental in Coimbatore is between INR 18 - 21/Sft, while for a Grade B development, it is between INR 16.5 to 18/Sft and INR 21–22 per square foot per month is the monthly rent for specific Grade A warehouses with upscale amenities. The next table provides a list of the average asking rents for Grade A micro markets:

*Table 70 : Details of Micro Market Wise Grade A Asking Rentals*

| Vector | Micro Market | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|
| South | Palladam-Cochin Frontier Road | 18 – 19 | 18 - 19 | 18 - 20 | 19 - 21 | 20 - 22 | 21- 22 |

**Source:** CBRE Research; Unit – INR/sft/Month; Updated as of Q3 2024

Micro Market Wise Grade B Average Asking Rentals are enumerated below in the table:

*Table 71 : Details of Micro Market Wise Grade B Asking Rentals*

| Vector | Micro Market | 2019 | 2020 | 2021 | 2022 | 2023 | Q3 2024 |
|---|---|---|---|---|---|---|---|
| South | Palladam-Cochin Frontier Road | 15 - 16 | 15 - 16 | 16 - 17 | 17 – 18 | 20 – 21 | 20 – 21 |
| East | Avinashi Coimbatore Road | 14 - 15 | 14 - 15 | 14 - 15 | 15 - 16 | 18 - 19 | 18 – 19 |
| North | Sathy Road | 14 - 15 | 14 - 15 | 14 - 15 | 15 - 16 | 16 – 17 | 16 – 17 |

**Source:** CBRE Research; Unit – INR/sft/Month; Updated as of Q3 2024

#### 3.4.4.3 Southern Cluster Overview

Southern Cluster Micro Market comprises of locations along the Palladam-Cochin Frontier Road such as Pappampatti, Chettipalayam, Kallapalayam, Okkilipalayam and Pachapalayam. This cluster is the most prominent warehousing cluster of Coimbatore and hosts all Grade A developments in the city – Indospace and TVSILP. The cluster comprises of approximately 86% of the completed supply in the Coimbatore City. Out of the completed supply in Southern cluster approximately 44% of the supply is Grade A. Majority of the Warehousing demand is driven by FMCG, FMCD and 3PL tenants. Further, details of micro markets are elaborated in the following paragraphs.

**Southern vector**

*Table 72 Snapshot Southern Vector*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Coimbatore | Upcoming Supply |
|---|---|---|---|---|---|
| 4.39 Mn sft | 7- 8% | 1.93 Mn sft | 4- 5% | 100% | 0.4 – 0.5 Mn sft |

**Source:** CBRE Research ; Updated as of Q3 2024

The Palladam-Kochi Frontier Road holds major warehousing developments for clusters such as Indospace, TVSILP, NDR, VSMC, etc. Currently, there is only a vacancy in grade C warehouses, and grade A and B warehouses are completely occupied. The presence of developable land banks, as well as its proximity to manufacturing clusters and the Kochi industrial market, are the major demand drivers for this cluster. The strategic location of the Palladam-Kochi Frontier Road also makes it an attractive option for companies looking to establish distribution centres in South India, specifically in Kerala. The availability of skilled labour in the surrounding areas further enhances the appeal of this location for companies looking to set up operations. Additionally, the well-connected road network and access to major ports make it an ideal choice for businesses seeking efficient logistics solutions.

#### 3.4.4.4 Eastern Cluster Overview

Eastern Cluster Micro Market comprises of locations along the Avinashi-Coimbatore Road, Somanur Road, Trichy Highroad and Mettupalayam-Avinashi Road. Second most activity driven cluster of the Coimbatore City, the cluster is majorly characterised with the presence of Grade C type warehousing constituting to about 64% of the completed supply in this stretch.

*Table 73 Snapshot Eastern Cluster*

| Completed Supply | Vacancy | Grade B Supply | Grade B Vacancy | Share of Grade B Supply | Upcoming Supply |
|---|---|---|---|---|---|
| 0.45 Mn sft | 42 - 43% | 0.16 Mn sft | 68 - 70% | 36% | 10,000 sft |

**Source:** CBRE Research ; Updated as of Q3 2024

The stretch is characterized by predominantly decentralized warehousing developments. Notable establishments in the vicinity include NKT Warehouse, Krishnaswamy Warehouse, and Raaj Warehouse. The Tenant sector majorly taking up space in the stretch is of Manufacturing. The warehouses primarily consist of single-box facilities with limited amenities for occupants. The presence of significant industrial clusters, including private enterprises like Lakshmi Mills and KPR Mills coupled along with strong connectivity to Avinashi and surrounding towns, serves as primary catalysts for demand in this area. Furthermore, the proliferation of other real estate asset segments, such as commercial and hospitality developments along Avinashi Road, has led to escalated land prices, posing a significant challenge for prospective warehouse developers along the same stretch.

#### 3.4.4.5 Northern Cluster Overview

State Highway 168, Sathyamangalam Road, Mettupalayam Road, and Annur Road compose the majority of the locations comprising the Northern Cluster Micro Market. In contrast to other sectors of the city, warehousing activity is comparatively minimal. This is primarily due to the existence of IT SEZ and other associated tasks. The Kurumbapalayam, Vellakinaru, and Karamadai Regions comprise the majority of

warehouses along this area. By repurposing dilapidated old factories into warehouses, the trend towards warehousing is greatly maintained. In the years ahead, the trend is anticipated to persist.

*Table 74 Snapshot North Cluster*

| Completed Supply | Vacancy | Grade B Supply | Grade C Supply | Share of Grade B Supply in Coimbatore | Upcoming Supply |
|---|---|---|---|---|---|
| 0.24 Mn. Sft | 50 % | 0.05 Mn. sft | 0.20 Mn sft | 2% | - |

**Source:** CBRE Research; Updated as of Q3 2024

The stretch consists primarily of Grade C unorganised warehousing developments. Auto component manufacturers are the primary drivers of space utilisation. The Jaganath textiles warehouse, the Vargheese warehouse, and the Priya warehouse are significant developments along the stretch.

### 3.4.5 Coimbatore – Overall Market Outlook

Due to ongoing demand from the 3PL, e-commerce, and retail sectors, coupled with the completion of investment-grade buildings, the warehousing industry has experienced significant growth over the past 4-5 years. The heavy reliance on e-commerce platforms and the rise in online shopping have driven a steady increase in demand for warehouses in Coimbatore. Enhanced connectivity to Kerala and other Tier II and III towns, along with well-developed physical infrastructure, has positioned Coimbatore as a key player in the warehousing sector for major operators from Kerala.

The Palladam-Cochin Frontier Road, the city's primary warehousing corridor, currently accommodates approximately 86% of the completed supply and is poised for further growth with additional Grade A and B developments. Major players such as Indospace, TVSILP, NDR, and VSMC have expansion plans, supported by the availability of extensive land banks along this stretch, which adds potential for further warehousing supply.

There has been a noticeable shift in space off-takers' preferences toward Grade A warehouses, driven by the influx of investment-grade facilities offering contemporary amenities. The demand from 3PL, FMCG, and e-commerce sectors primarily fuels large-scale space offtakes from Grade A or B developments. In the Coimbatore region, the current prevailing rental rates for Grade A warehouses are approximately INR 21 - 22 per sq. ft/ month, with some developments commanding higher rates due to superior quality, proximity to consumption hubs, and accessibility to ready supply in desired micro-markets.

Rental pressures may rise because of large impending supply (mostly Grade A) in the market at various stages of construction. As per information available in public domain, approx. 0.5 Mn sft of development potential is under various stages of planning/construction. This supply is expected to be added in the next three to four years.

### 3.4.6 Micro Analysis - (Subject Property Location ~ ILP & MILP)

*Table 75 : Subject Properties ~ TVS ILP & MILP – Coimbatore*

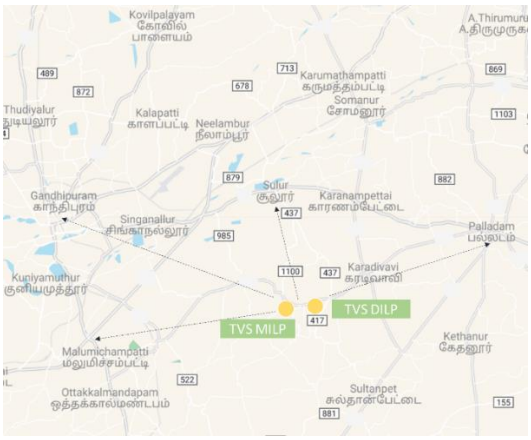
| Name of the Development | TVS ILP -1 - Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP (Sulur) | | TVS ILP - 2 - Marudhamalai Industrial & Logistics Parks Private Limited | |
|---|---|---|---|---|
| Location | Palladam - Kochi Frontier Road, Coimbatore | | | |
| Phasing | I | II | I | II |
| Land Area (Acres) | 22.10 | | 26.45 | |
| Development Status | Completed | Completed | Completed | Completed |
| Completed Gross Leasable Area (sft)[49] | 492,344 | 13,506 | 6,99,493 | 277,459 |
| Vacancy Levels | 0% | - | 0% | 0% |
| Upcoming Potential (Sft) | - | - | - | - |

[49] Source – TVSILP rent roll

| Name of the Development | TVS ILP -1 - Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP (Sulur) | | TVS ILP - 2 - Marudhamalai Industrial & Logistics Parks Private Limited |
|---|---|---|---|
| Year of Establishment | 2020 - 2022 | 2024-25 | 2021 - 2023 |
| Building Structure | Pre-Engineered Building Structure | | |
| Key Tenants | Infinite Retail, Nestle, Alstom, Instakart , Zepto TCI & VIP bags | | |
| Average market Rentals (INR/sft/Month) | 18 - 20 | | |

Key Location Map of Assets

Macro Map of the Asset




**Source:** CBRE Research, Map not to Scale, for representation purpose only; TVSILP Rent roll; Updated as of Q3 2024

### 3.4.6.1 Subject Property Snapshot

Coimbatore, the second largest consumption hub in Tamil Nadu, is a significant part of the Coimbatore-Tirupur-Erode Industrial Corridor, housing numerous small and medium-sized enterprises. It is a preferred location for the automotive and auto component industries and has been identified as a key node in the Tamil Nadu Defence Industrial Corridor. The city's proximity to Kerala makes it a suitable location for distribution centers. With excellent connectivity through NH-544, linking it to ports and southern Tamil Nadu via NH 83, Coimbatore has emerged as a major hub for manufacturing, education, and healthcare, ranking among India's fastest-growing Tier-II cities. The region boasts over two lakh ten thousand two hundred and twenty-two small, medium, and large industries, with engineering and textiles as primary sectors.

The warehouse is located in Sellakkarachal Village, Sulur Taluka, a prominent industrial and manufacturing center with convenient access to the airport. Its strategic position attracts businesses from manufacturing, third-party logistics, and fast-moving consumer goods sectors. These two parks are situated in close proximity to one another.

### 3.4.6.2 Overall Warehousing Dynamics – Supply, Vacancy & Rentals

The cluster accounts for approximately 86% of the city's completed supply. For large-scale warehousing developers, the southern cluster has emerged as the most preferred warehousing destination. The southern cluster's strategic location enables efficient distribution throughout the city, as well as the potential to meet industrial demand. Its proximity to major highways and transportation hubs further enhances its appeal to developers and businesses alike.

This vector has an upcoming expected supply of 0.4-0.5 million square feet, with approximately 0.30 million square feet set aside for Grade A development. Aside from TVSILP, major projects in the region include Indospace, NDR, and VSMC, which have locations in Chettipalayam, Okkilipalayam, and Ettimadai. The prevalence of Grade B and C developments was the primary feature that distinguished the region. Grade B developments are primarily found in Chettipalayam, Chavadi, Madukkarai, and the surrounding areas. Grade C developments may be found at Chavadi and Madukkarai.

### 3.4.6.3 Building characteristics

As highlighted in the above Table 16, TVS ILP is developed first in a single phase, and TVS MILP is developed in 2 phases, of which both the phases are completed and operational. The table below lists the key building specifications for the two assets.

It is an efficient warehouse operation and distribution facility. The facility is currently experiencing an absorption rate of approximately 100%, with Nestle and Infinite Retail being the major clients.

*Table 76 Key Building Specifications of TVS ILP - 2*

| Particular | Specifications |
|---|---|
| Flooring | FM2-compliant design to support high cube racking, > 5 T/sq.m |
| Building Height at Eaves & Ridge | 12 m & 17.3 m |
| Roof slope | 1:20 |
| Dock doors | Present |
| Building type | Steel Building |
| Entry / Exit gates | 2 No's: 2.1 m Height x 8 m width |
| Boundary walls | 2.4 m Height: Concrete block wall 2.0 m + wire 0.4 m |
| Fire Safety | Fire hydrant and sprinkler system are designed as per NBC norms |
| Facilities | Storm water management, security room, scrap area, drivers rest room, electrical yard, STP and canteen, 4 w and 2 w parking |

**Source:** TVSILP

It is a facility with efficiency for warehouse operation and distribution. The facility is currently witnessing absorption of almost 100% with ALSTOM and Flipkart being the major tenants.

#### 3.4.6.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

Organised players have recently built competitive Grade A facilities in the micro market. These facilities meet the building requirements for regular grade A developments seen in Tier 1 cities. Rentals for grade A developments in the market are between INR 18 and 21 per square foot per month. Rental costs vary based on proximity to the metropolitan landscape and space quality. The demand for Grade A facilities in the micro-market has constantly increased as more enterprises seek modern and efficient options. The reasonable rental pricing, combined with the high-quality facilities, make these buildings an appealing alternative for businesses looking to lease warehouse space in the area.

#### 3.4.6.5 Demand Forecast for the subject micro – market/vector.

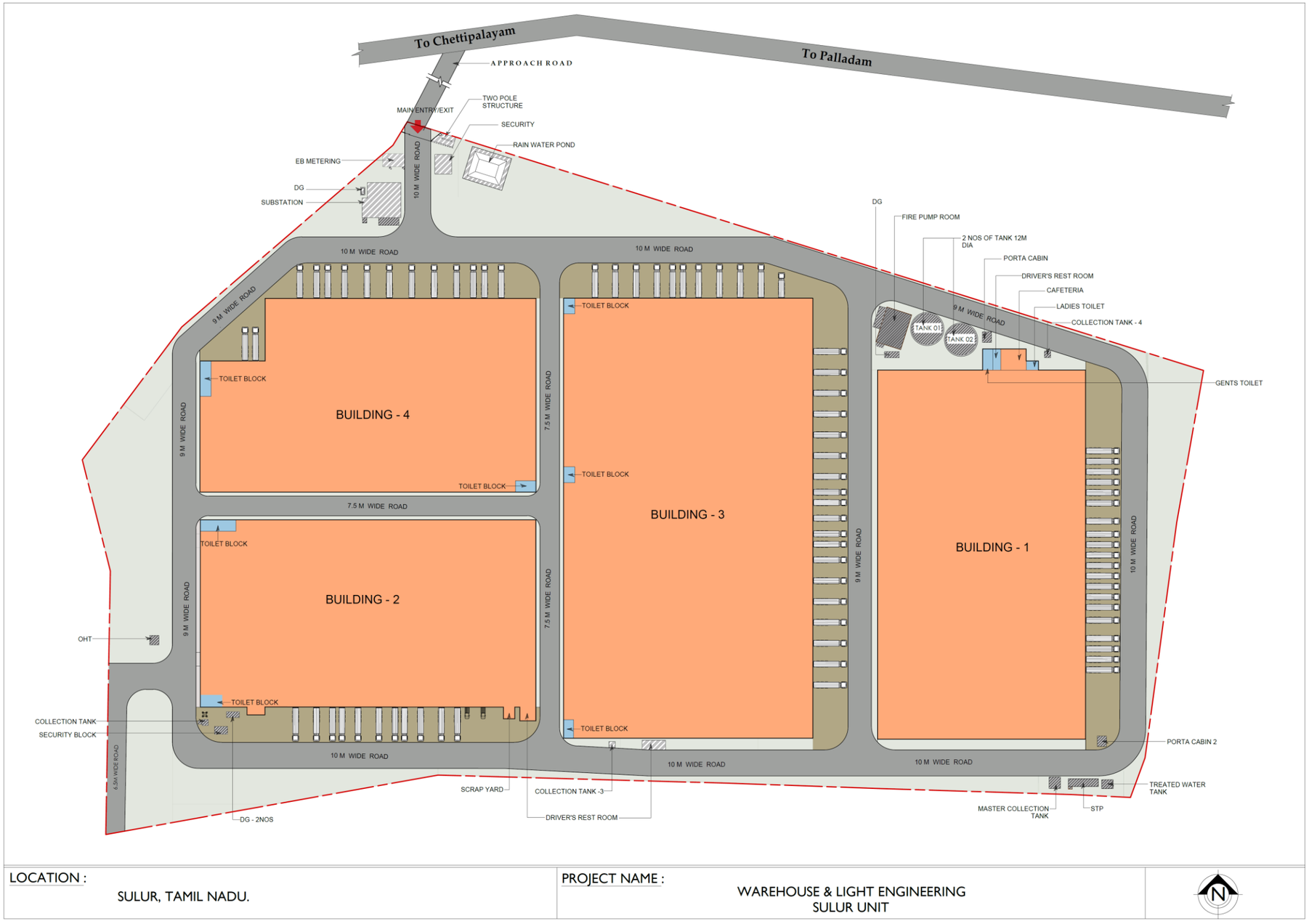
Based on past trends in Coimbatore's warehousing market, we anticipate a demand of 2.0-2.5 million square feet in the next 4-5 years. The Southern Cluster, which currently dominates the market with 86% of completed and upcoming supply, is expected to absorb approximately 0.3-0.4 million square feet of this demand annually. This future demand is projected to be predominantly for high-quality, Grade A warehouses.

The primary determinants of demand for warehousing in the region are land accessibility, strategic location (including regional warehouses), proximity to the Palladam-Cochin Frontier Road, and the presence of a warehousing ecosystem.

Particularly in strategic locations such as the Southern Cluster, the emergence of e-commerce, 3PL, and FMCG has substantially increased the demand for warehouse space. The increasing need for last-mile delivery solutions and other supplementary factors are contributing to the growth of warehousing demand in the region.

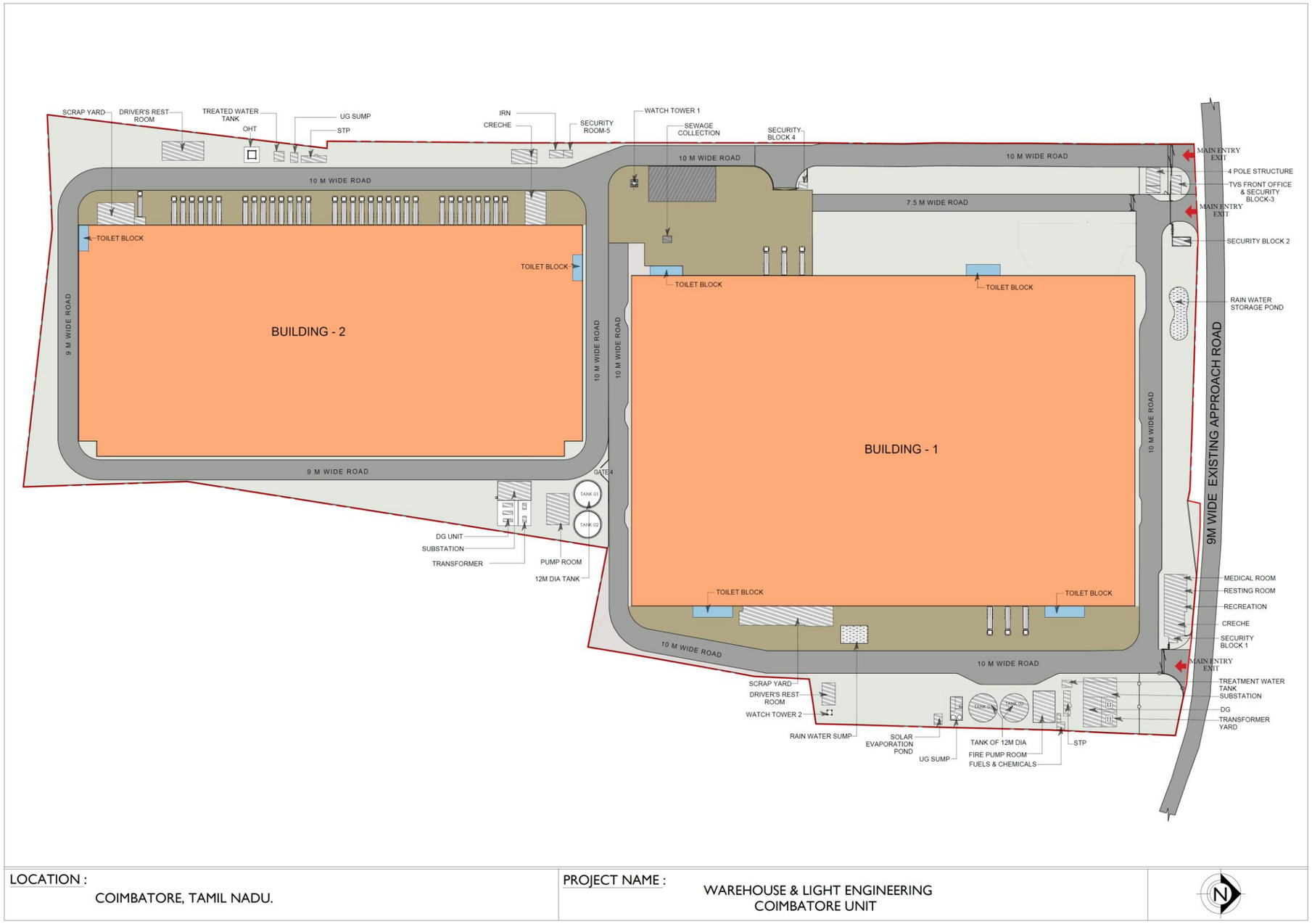
The aforementioned factors are anticipated to continue to influence the demand and supply of warehousing in the region moving forward.

*Figure 69: Park Layout Of TVS ILP - 1 Asset (Sulur)*




**Source:** TVSILP

*Figure 70: Park Layout Of TVS ILP - 2 Asset*




**Source:** TVSILP

## 3.5 Cuttack

### 3.5.1 City Overview

*Table 77: Demographic Snapshot of The City*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GSDP (USD) | GSDP GROWTH | PER CAPITA INCOME (USD) |
|---|---|---|---|---|---|
| Odhisa /Bhubaneswar | 0.61 Mn [50] | 5,081 $Km^2$ | 0.9 Mn [51] | 8.5% | 1,885 [52] |

**Source:** Census 2011; Odhisa Economic Survey (2023-24) Govt. of Odhisa

Cuttack was once the state capital of Odhisa and is the state's second-largest city. Cuttack, commonly known as the twin city of Odhisa, is situated at around 26 kilometres from Bhubaneswar, the capital city of Odisha. Odisha's oldest industrial centre, Cuttack, is home to numerous minor, medium, and large-scale businesses. Choudwar, situated near Cuttack City, is renowned for its ferroalloy sector. Additionally, Cuttack is poised to become an information technology (IT) industry hub in East India. The Odisha Industrial Infrastructure Development Corporation (IDCO) established numerous industrial estates in the Cuttack district and the surrounding city area with the intention of promoting industrial and logistic operations.

The area falling within the Cuttack Municipal Corporation is characterised by the presence of established residential and commercial activity. The Mahanandi Bridge connects the city to the northern side of the Cuttack district. The northern side has several industrial patches, such as Jagatpur, Tangi, and Choudwar, which accommodate large companies like Supreme Industries. Orient Papers, Page Industries, Welspun Textiles, etc.

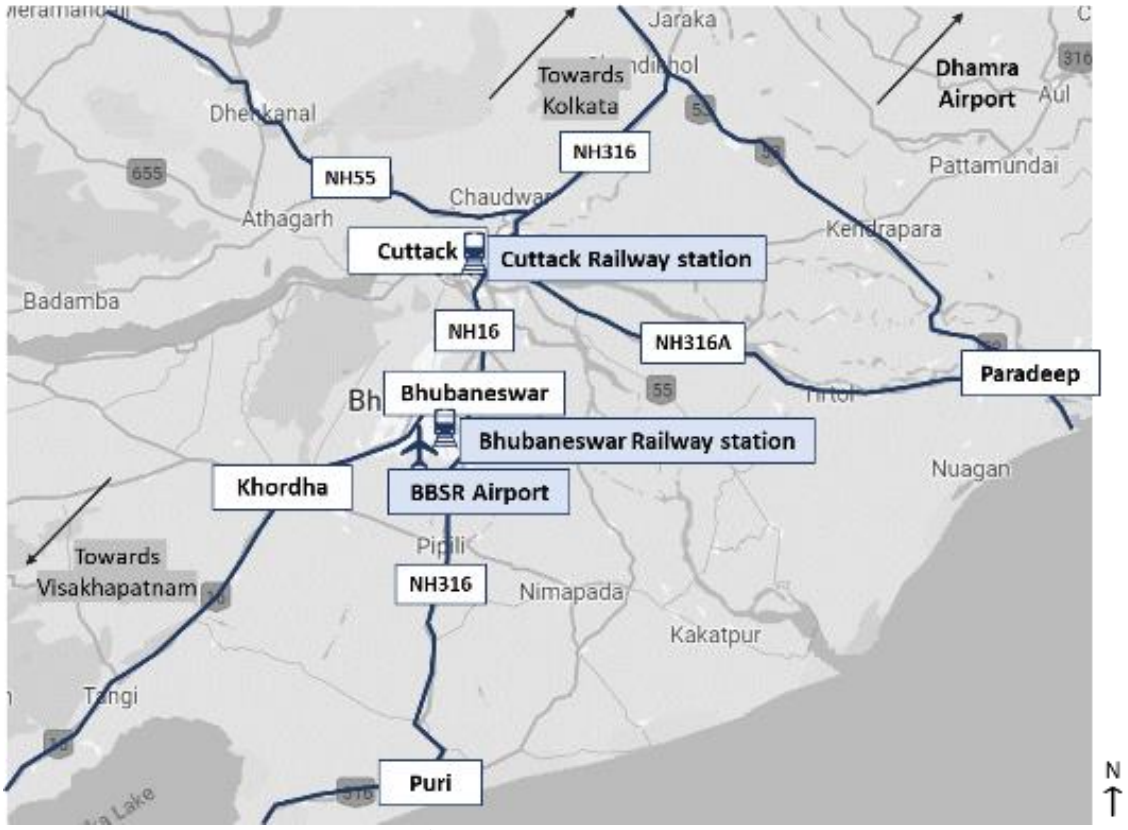
*Table 78: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, passes through key warehousing and industrial corridor of Kolkata, Bhubaneswar, Cuttack and Chennai<br><br>National Highway 316 – Connecting Bhubaneswar and Puri - Satpada, further, National Highway 316A – Intersects NH16 near Pahal, Bhubaneswar, this highway connects Bhubaneswar to Konark, Raghunathpur, Nimapada, etc. |
| Railway Network | Existing | Cuttack station is operating since 1896 and falls under Khurdha road division of East Coast Railway. Khargpur-Puri line, Cuttack-Paradip line and Cuttack-Sambalpur line run through Cuttack railway station. City exports minerals, steel, handcrafts etc. via rail to other states. |
| Biju Patnaik Airport (Bhubaneswar) | Existing | It is an international airport located in proximity to Bhubaneswar city and only 20-25 km. away from Cuttack city.<br><br>This Airport was dedicated to people of Odisha on 17th April 1962, becoming first ever commercial airport in Odisha state. As the demand grew, another terminal was built in 2013 with a capacity of 4 Mn passengers per annum. |
| Bus Connectivity | Existing | Newly constructed (Sep 2023) Cuttack Netaji Bus Terminal (CNBT) at Khannagar providing Bus parking on a land of approx. 17.2 acres accommodating 191 bus parks |
| Dhamra Airport | Upcoming | Dhamra Airport is to be built by Dhamra Port Company Limited (a subsidiary of Adani Group company), located approximately 20 km from Dharma port. It is planned to allocate 274 acres of land for the airstrip. |

**Source:** CBRE Research

*Figure 71: Map of Key Infrastructure Initiatives*

[50] Municipal Corporation Area
[51] GSDP at constant price (2023-2024)
[52] Per Capital Gross GSDP (2023-2024)




**Source:** CBRE Research; Map not to scale only, for representation purpose only

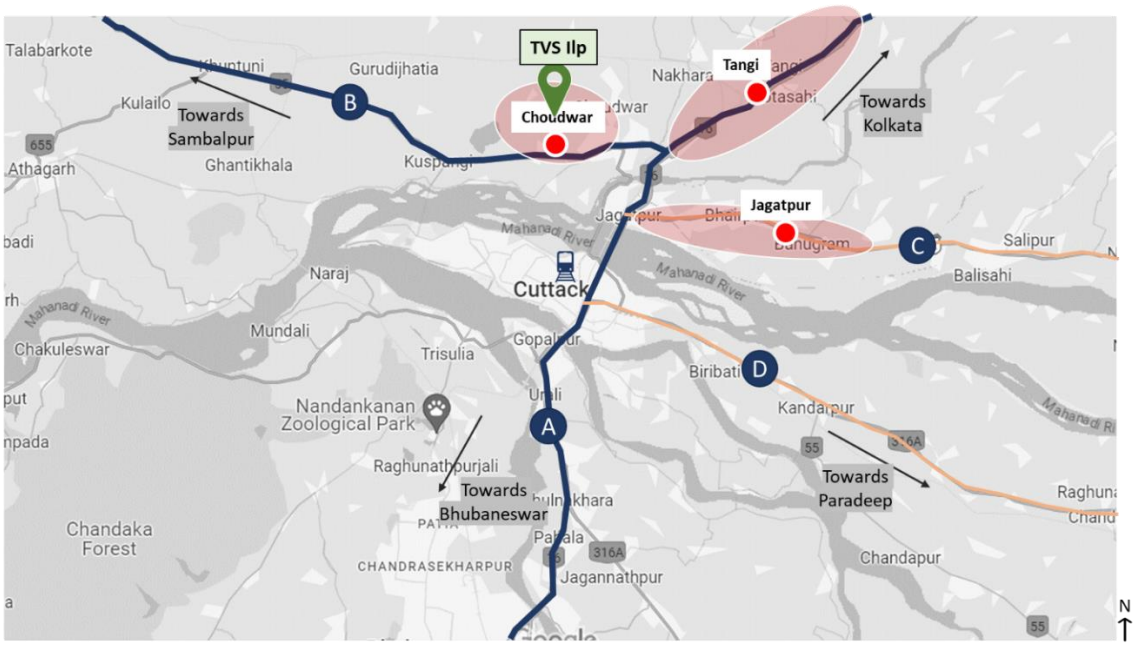
### 3.5.2 Overview of the Warehousing Market in Cuttack

| Cluster classification | Eastern cluster | Western cluster |
|---|---|---|
| Micro-markets | Jagatpur, Tangi | Choudwar |
| Share of Supply in Cuttack Region | 74% | 26% |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Cuttack is spread across three major micro markets, viz. Jagatpur, Tangi and Choudwar. Jagatpur and Tangi are the most prominent warehousing micro-markets while, Choudwar is an upcoming micro market primarily with few Grade A warehouse blocks owned by ESR. Jagatpur and Tangi micro markets contribute to a completed supply (1.33 Mn sft ~ 74%), followed by Choudwar (0.46 Mn sft ~ 26%). In last couple of years, Jagatpur and Choudwar micro markets have seen major traction. These micro markets are witnessing major demands from companies such as Pidilite, TATA Consumer, Reliance Retail, Flipkart, Ola Electric, etc. have a strong presence in the region.

***Figure 72: Map Of Warehousing Cluster in Cuttack City***




A – NH16 (Kolkata-Chennai) B – NH55 (Cuttack-Sambalpur) C – (Cuttack-Kendrapara Road) D – Cuttack-Paradeep Road)

**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.5.2.1 Cuttack – Completed Supply and Absorption Dynamics

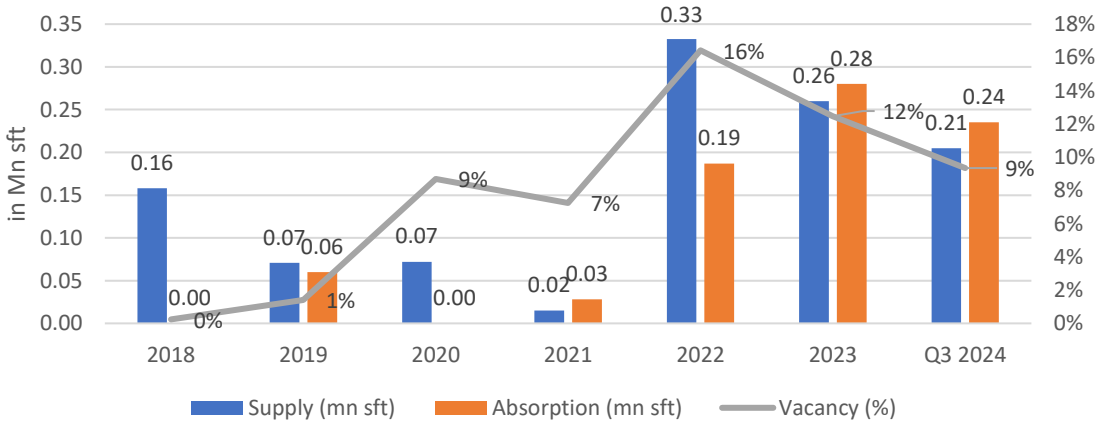
The region has approximately 1.8 Mn sft of operational warehousing supply, of which approximately 1.6 Mn sft is occupied. Prior to 2018, the supply majorly constituted of Grade B & C developments. During the last 5 – 6 years, the share of Grade B & C supply has reduced drastically due to increased demand for quality warehousing spaces from occupiers such as Manufacturing, E-commerce, Logistics, Electronics goods etc. hence, witnessing a significant supply of Grade 'A' supply. Entry of Kingstone group in this region had resulted increase in supply of grade A facility. Later, these warehouses of Kingstone were bought by ESR group.

*Table 79: Overview of Warehousing Market In Cuttack*

| Completed Supply (Mn sft) | Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 1.8 | 1.6 | 34% (Absorption – 97%) | 49% (Absorption – 86%) | 17% (Absorption – 90%) |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 73: Y-O-Y Supply & Absorption Levels in Cuttack*



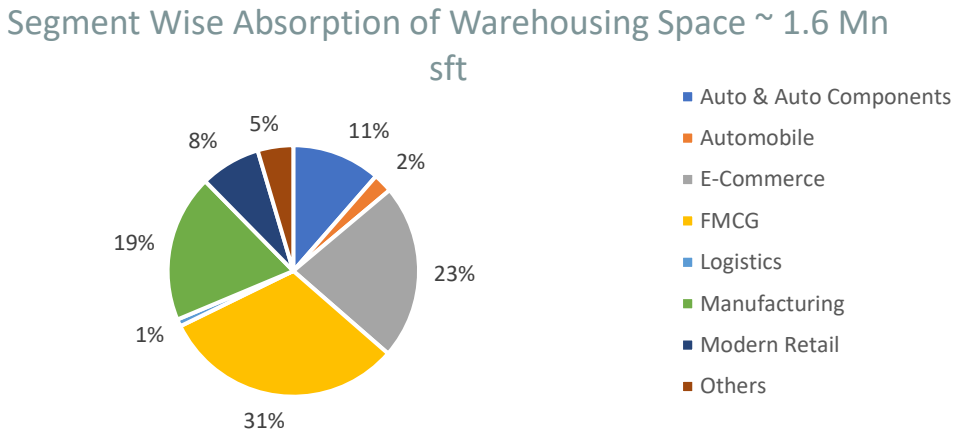

**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Choudwar micro-market catering primarily to E-commerce sector. Cuttack has witnessed a steady increase in supply over the last couple of years (2018 – 2024) with an average annual supply of approx. 0.16 Mn sft.

Of the completed supply in Cuttack, Grade A amounts to nearly 0.61 Mn sft (34% share); Grade B – 0.87 Mn sft (49%) and Grade C – 0.31 Mn sft (17%). Going forward, the Grade A's share of the market composition across the city is expected to increase, considering the upcoming supply, and increasing interest from the national and international E-commerce, FMCG, FMCD and modern retail companies. Majority of the warehousing activity in the region has been in the Grade B development category being developed by local individual players. Umang Group, ESR have strong presence in these micro markets in the Grade A warehousing category.

Manufacturing, Ecommerce, Electronic, Logistics & Distribution, Machines & Equipment, are the key tenant sectors occupying space in Grade A developments across Cuttack. Some of the key tenants present are Pidilite, Tata Consumer, Ola Electric, Hyundai HUL, Flipkart, Reliance Retail etc. FMCG players take 20,000 – 1,50,000 sft. In E-commerce segment major players take comparatively smaller space such as 25,000 sft and can go up to 2,00,000 sft. Modern Retail companies such as Reliance Retail has taken approx. 1,20,000 sft.

*Figure 74: Segmentation of Absorption by Industry in Cuttack*




**Source:** CBRE Research; Updated as of Q3 2024

Presently, E-Commerce, FMCG & Manufacturing has occupied nearly 73% of warehousing space.

### 3.5.2.2 Cuttack – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 1.5 – 1.6 Mn sft, majorly across Grade A warehousing space and is expected to get introduced phase wise between 2024 to 2026 in the market.

*Table 80: Bifurcation of Upcoming Supply in Cuttack*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.5 – 0.7 Mn sft | 0.9 – 1.1 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Most of the upcoming supply is expected to be in the micro markets of Choudwar & Tangi. Several individual landlords have vacant land parcels close to existing warehouse micro markets and they are willing to sign Build-to-Suit contract with potential occupiers.

### 3.5.2.3 Cuttack – Asking Rental Dynamics

The average base rental witnessed in Cuttack is in the range of INR 18 – 22 / sft / month for a Grade A development and between INR 17 – 19 / sft / month for a Grade B development. Micro Market Wise Grade A and B Average Asking Rentals are enumerated below in the table:

*Table 81: Details of Micro-Market Wise Grade A & B Asking Rentals*

| Micro-Market | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B | A | B |
| Tangi | NA | 14 – 15 | NA | 15 – 16 | NA | 15 – 16 | NA | 16 – 17 | NA | 16 – 17 | NA | 17 – 18 | NA | 18 – 19 |
| Jagatpur | NA | 16 – 18 | NA | 17 – 18 | NA | 17 – 18 | NA | 18 – 19 | NA | 18 – 19 | 17-19 | 18 – 20 | 18-20 | 19 – 21 |
| Choudwar | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 21-22 | NA | 22- | NA |

| Micro-Market | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B | A | B |
| | | | | | | | | | | | | | 23 | |

**Source:** CBRE Research; Updated as of Q3 2024; Unit – INR/sft/Month

### 3.5.2.4 Cuttack – Key Lease Transactions

The following table enumerate the key lease transaction in the Cuttack:

*Table 82: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Jagatpur | FMCD | Grade A | 40,000 | 18 – 19 | Q1 2024 |
| Jagatpur | Logistics | Grade A | 15,000 | 18 – 19 | Q1 2024 |
| Choudwar | E-commerce | Grade A | 2,20,000 | 21 – 22 | Q2 2023 |
| Choudwar | Retail | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |
| Jagatpur | Manufacturing (Footwear) | Grade A | 58,000 | 17 – 18 | Q3 2023 |
| Jagatpur | Manufacturing | Grade A | 40,000 | 18-19 | Q4 2023 |
| Jagatpur | Manufacturing | Grade A | 32,000 | 18-19 | Q4 2023 |
| Tangi | FMCG | Grade B | 1,50,000 | 16-17 | Q4 2022 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.5.2.5 Eastern Cluster Overview

Eastern Cluster comprises of 2 micro markets ~ Tangi and Jagatpur. The cluster is located on eastern side of Cuttack alongside NH16 and Cuttack-Kendrapada Road. Predominantly, this cluster is dominated by individual owners. Umang group and TCI are one of the dominant players within this cluster with large scale Grade A warehouses which are in Jagatpur micro market. Market's proximity to Jagatpur Industrial Estate, Cuttack Industrial Estate, and excellent connectivity through NH 16 and Cuttack-Kendrapada Road have led to its emergence. The cluster comprises of approximately 74% of the completed supply in the Cuttack region. Out of the completed supply of this cluster, approximately 8% of the supply is Grade A.

**Tangi Micro Market**

*Table 83: Snapshot of Tangi Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Cuttack | Upcoming Supply |
|---|---|---|---|---|---|
| 0.98 Mn sft | 14 – 16% | 0 Mn sft | NA | NA | 0.5 – 0.6 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Tangi is an established warehouse micro market where several Manufacturing, Automobile and FMCG companies have already taken space. Micro-market gained prominence largely on account of proximity to NH 16 and Cuttack main city area. Jagatpur Industrial Estate is approx. 5 - 6 kms from Tangi warehouse hub. Availability of land parcels along both sides of NH16 is one of the major reasons for growth of warehouse sector in this area. Tangi micro-market accommodates tenants such as Finolex, Hyundai, Tata motors, HUL, JK mills, etc.

**Jagatpur Micro Market**

*Table 84: Snapshot of Jagatpur Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Cuttack | Upcoming Supply |
|---|---|---|---|---|---|
| 0.35 Mn sft | 4 – 6% | 0.09 Mn sft | 11 – 13% | 23 – 25% | 0.0 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Jagatpur market being located close to Jagatpur Industrial Estate and has direct connectivity via Cuttack-Kendrapada Road and NH 16. It has seamless connectivity to Bhubaneswar main city, Cuttack, and other nearby states via NH16. The market constitutes a share of nearly 26% of the completed supply in Eastern cluster. Besides being home to many multinational and manufacturing companies, the market serves as a warehouse hub for giants such Pidilite, Tata Consumer, Ola Electric, etc.

### 3.5.2.6 Western Cluster Overview

Western Cluster comprises of only 1 micro market ~ Choudwar. The cluster is located on Western side of Cuttack alongside NH 55. The micro market is dominated by ESR group who has the only notable warehouse establishments in this cluster. Market's proximity to main city area and excellent connectivity through NH

55 have led to its emergence. The cluster comprises of approximately 26% of the completed supply in the Cuttack region. Out of the completed supply in Choudwar, which is a newly developed area, majority of the supply is Grade A.

**Choudwar Micro Market**

*Table 85: Snapshot of Choudwar Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Cuttack | Upcoming Supply |
|---|---|---|---|---|---|
| 0.46 Mn sft | 0% | 0.46 Mn sft | 0% | 75 – 77% | 1.0 – 1.1 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

It is the upcoming warehousing hub of Cuttack city. The Odhisa government subsidises industrial land parcels in Choudwar. Several corporations have built factories or warehouses on government land. Choudwar industrial area and SH 55 connectivity allow the micro market to accommodate multiple industrial and newly built warehouse buildings. Tangi, Jagatpur, and other warehouse mini marketplaces and industrial clusters are easily accessible. Upcoming supply includes planned supply from TVS ILP.

### 3.5.3 Cuttack – Overall Market Outlook

Cuttack warehousing market is one of the most prominent warehousing markets across east India, mainly on account of its connectivity to the NH 16 and NH 55, industrial areas of Odhisa, and robust road network. Prior to 2022, Cuttack had most of the supply in the form of Grade B and Grade C developments. With the rise of the e-commerce and FMCG sectors, the market witnessed a higher influx of Grade A developments. With increased demand for warehouse space from multinational and national companies coupled with the improved road infrastructure, demand for Grade A warehouses is expected to rise in the upcoming years.

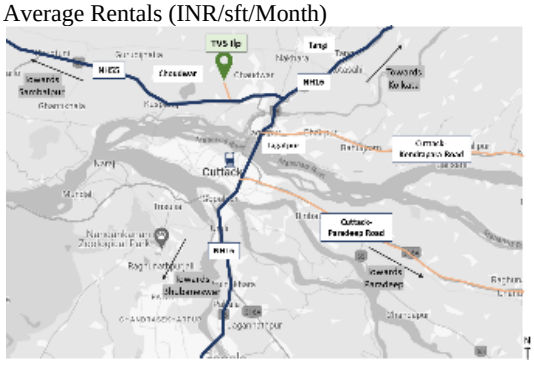
Furthermore, Choudwar is anticipated to experience an increase in supply because of the Odhisa government's provision of developable land parcels, proximity to industrial areas, and excellent road connectivity.

The current prevalent asking rent in Cuttack is in the range of INR 18–22 per sft/month for Grade A warehousing developments in the areas of Jagatpur and Choudwar. We observe that the asking rentals for Grade B warehouses range from INR 17-19 per sft/month. In the short to medium term, the market will maintain range-bound asking rentals, with an annual escalation of 4-5%. Prominent players expect to operate approximately 1.3–1.4 Mn sft of supply by 2026.

### 3.5.4 Micro Analysis - (Subject Property Location ~ Choudwar)

*Table 86: Subject Property ~ Location ~ Choudwar*

| | | |
|---|---|---|
| Name of the Development | TVS Logistics Park, Cuttack I | TVS Logistics Park, Cuttack II |
| Location | Banipada, Cuttack Odhisa | Indranipatna, Cuttack, Odhisa |
| Phasing | I | I |
| Land Area (Acres) | 14.43 Acres | 8.00 Acres |
| Development Status | Under Construction | Under Construction |
| Completed Gross Leasable Area (sft) | - | - |
| Vacancy Levels | - | - |
| Upcoming Potential (Sft) | 312, 565 sft | 150,000 sft |
| Year of Establishment | 2024 | 2024 |
| Building Structure | Pre-Engineered Building Structure | NA |
| Key Tenants | Pre – leased to Nestle | NA |
| Average Rentals (INR/sft/Month) | NA | NA |




Key Location Map of the Asset

Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only

#### 3.5.4.1 Subject Property Snapshot ~ Banipada

Cuttack, an industrious city in Odisha, boasts a thriving warehousing industry due to its strategic location and well-developed infrastructure. Situated along major highways like NH-16 and NH-53, Cuttack offers convenient access to important cities and ports, facilitating smooth transportation of goods. Its proximity to the Chennai-Vizag Industrial Corridor (CVIC) and Kolkata-Visakhapatnam Industrial Corridor (KVIC) further solidifies its position as a regional logistics hub.

Cuttack is home to various industrial clusters, particularly in textiles, metalworking, and manufacturing. Combined with Bhubaneswar, located just 30 kilometers away, the region constitutes a major consumption center in Eastern India, second only to Kolkata. This burgeoning demand fuels the need for warehousing facilities. The Choudwar industrial area, on Cuttack's outskirts, houses numerous steel, aluminum, and chemical production units, further stimulating demand for warehousing to store raw materials and finished products. Cuttack's proximity to major ports like Paradip and Dhamra also renders it attractive for warehousing related to import and export activities. Warehouses in Cuttack are strategically positioned along NH-16, NH-53, and other main roads to cater to diverse business needs.

#### 3.5.4.2 Subject Property Snapshot ~ Indranipatna

Cuttack, an industrious city in Odisha, boasts a thriving warehousing industry due to its strategic location and well-developed infrastructure. Situated along major highways like NH-16 and NH-53, Cuttack offers convenient access to important cities and ports, facilitating smooth transportation of goods. Its proximity to the Chennai-Vizag Industrial Corridor (CVIC) and Kolkata-Visakhapatnam Industrial Corridor (KVIC) further solidifies its position as a regional logistics hub.

Cuttack is home to various industrial clusters, particularly in textiles, metalworking, and manufacturing. Combined with Bhubaneswar, located just 30 kilometers away, the region constitutes a major consumption center in Eastern India, second only to Kolkata. This burgeoning demand fuels the need for warehousing facilities. The Choudwar industrial area, on Cuttack's outskirts, houses numerous steel, aluminum, and chemical production units, further stimulating demand for warehousing to store raw materials and finished products. Cuttack's proximity to major ports like Paradip and Dhamra also renders it attractive for warehousing related to import and export activities. Warehouses in Cuttack are strategically positioned along NH-16, NH-53, and other main roads to cater to diverse business needs.

#### 3.5.4.3 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Choudwar is an upcoming warehouse vector for Cuttack. The region comprises approximately 21% of Cuttack's completed supply. The micro-market in Choudwar has started witnessing one of the highest numbers of quality Grade A warehousing developments by prominent institutional player ESR. The following are the primary reasons for these investments in Choudwar:

- Availability of large government land parcels at moderate land values compared to other micro markets.
- Connectivity and accessibility to manufacturing and consumption hubs.

*Table 87: Snapshot Choudwar Warehousing Market*

| Completed Supply | Vacancy | Grade A Completed Supply | Grade A Vacancy | Share of Grade A Completed Supply in Cuttack | Upcoming Supply |
|---|---|---|---|---|---|
| 0.46 Mn sft | 0% | 0.46 Mn sft | 0% | 75 – 77% | 1.0 – 1.1 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Out of the completed Supply of 0.46 Mn sft, Grade A comprises 100%. Over the last 1-2 years, the region has absorbed approximately 0.2 to 0.3 Mn sft per annum of warehousing space.

The rentals for Grade A warehousing development in this micro-market have been observed to be in the range of INR 21–22 per sft per month. Modern retail and e-commerce are key industry sectors occupying warehousing spaces in the region; prominent tenants include Reliance Retail, Flipkart, etc.

#### 3.5.4.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

The ESR Group owns a Grade A warehousing facility in the vicinity of the subject land parcel. This facility aligns with the building specifications of a Grade A development. The rentals commanded by quality-grade A developments in the market are in the range of INR 21–22 per sft per month.

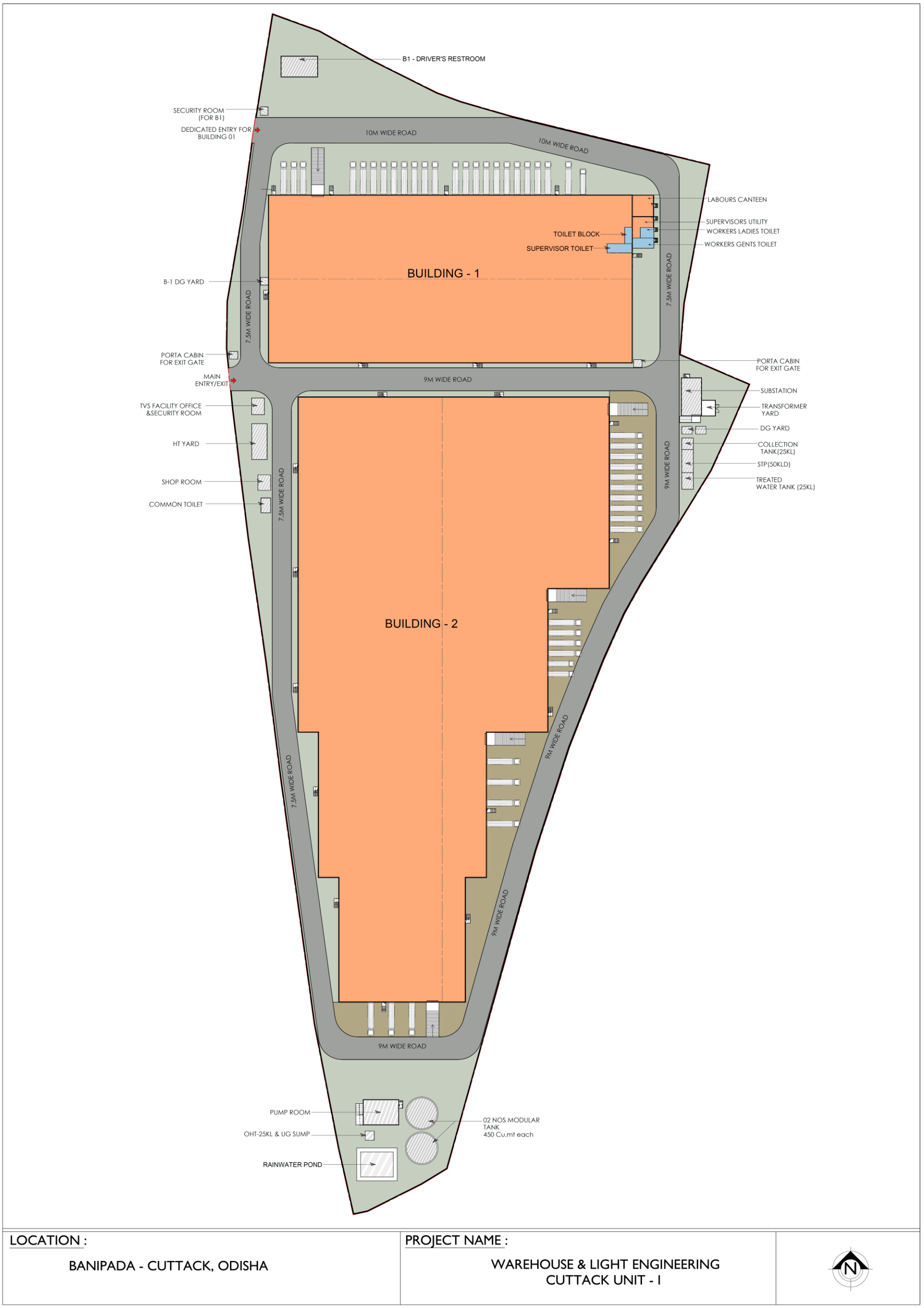
Based on comparable asking rents in the Choudwar market and the assumption that the specifications for

the to-be-built warehouse will be in line with those observed in Grade A developments, we estimate the achievable rent level of the subject property to be between INR 21 and INR 22 per sft per month. This estimation is supported by the strong demand for Grade A warehousing in the area, driven by the growth of e-commerce and logistics sectors.

#### 3.5.4.5 Demand Forecast for the subject micro – market/vector.

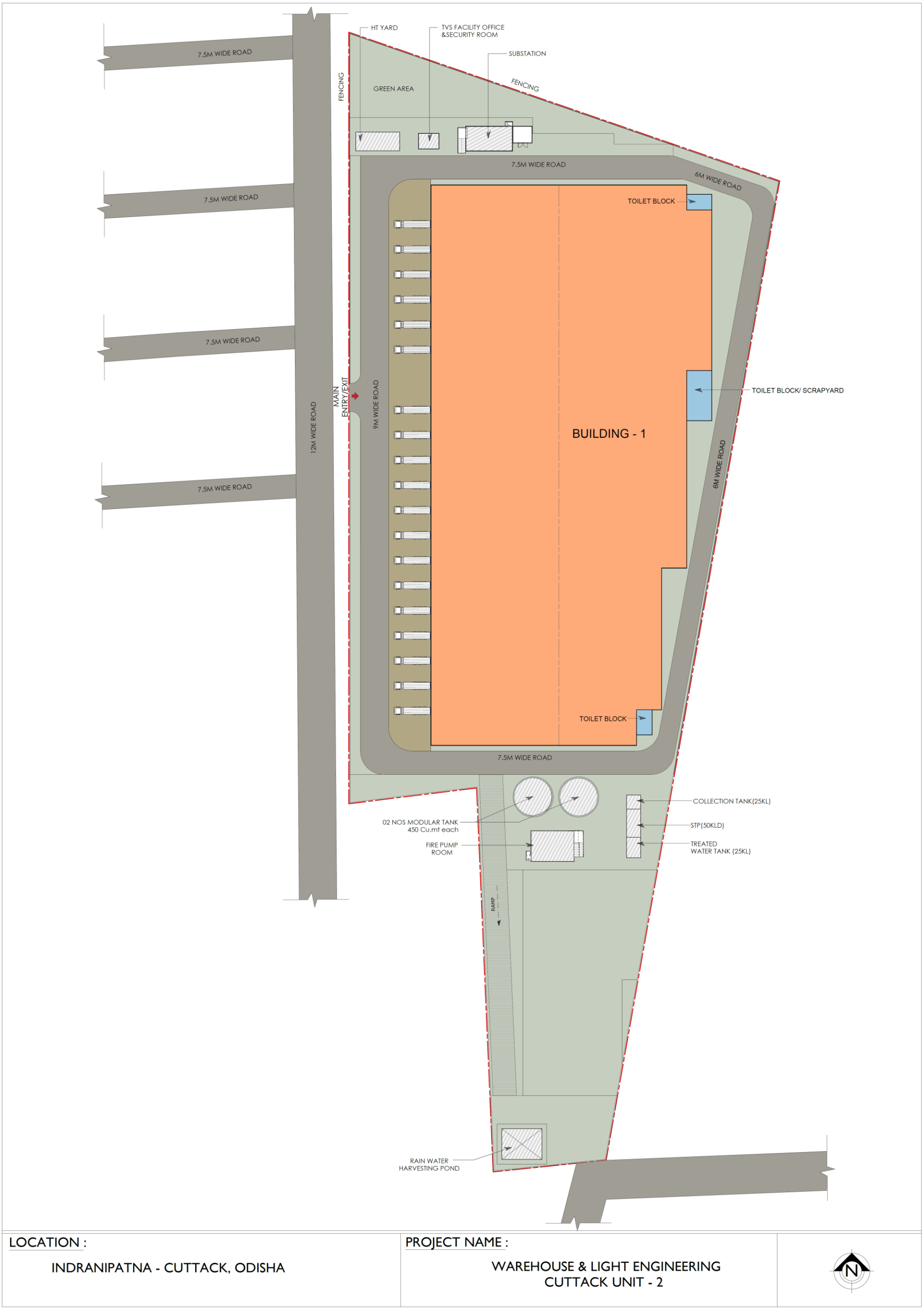
The demand driver for this vector is primarily the availability of government land at subsidised rates and the presence of an industrial ecosystem. The nearby vectors anticipate a supply of approximately 0.7–0.8 Mn sft in the next 2-3 years. However, there are no such large-scale projects being planned in the coming years, apart from upcoming warehouse blocks within the ESR warehouse campus. Given the historical absorption in Choudwar, we can anticipate a demand of approximately 0.7–0.8 Mn sft in the next 2-3 years, as no prominent warehouse developers have yet presented such plans. Additionally, the strategic location of Choudwar, with its proximity to major highways, further enhances its appeal for warehouse development. This combination of factors positions Choudwar as a promising destination for future warehouse growth and investment.

*Figure 75 Site Layout of Banipada*




**Source:** TVSILP

*Figure 76 Site Layout of Indranipatna,*




**Source:** TVSILP

## 3.6 Madurai

### 3.6.1 City Overview

*Table 88: Demographic Snapshot of The District*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GDDP OF PRIMARY SECTOR[53] | PER CAPITA INCOME (USD) |
|---|---|---|---|---|
| Madurai | 3.03 Mn | 812/km | INR 84,771 Lakhs | 806.6 |

**Source:** District handbook 2011, District human development report 2017 (based on 2011 census),

The city of Madurai, located in southern Tamil Nadu, serves as the administrative hub for Madurai District. Positioned strategically, it shares borders with Dindigul and Tiruchirappalli to the north, Sivagangai to the east, Theni to the west, and Virudhunagar to the south. Situated along the banks of the Vaigai River, Madurai was established in 1971 under the Municipal Corporation Act and is governed by a municipal corporation.

Covering an area of 3741.73 sq.km[54] as of the 2011 Census, Madurai is renowned as a significant trading center, especially for its handloom industry. Its connectivity is enhanced by National Highways NH-38, NH-45B, and NH-49, along with a domestic airport facilitating links with major cities within India and Colombo, Sri Lanka. Furthermore, Madurai's extensive regional and local road networks, along with its railway infrastructure, contribute to its accessibility and connectivity with surrounding areas and towns. Serving as a pivotal junction on the Chennai-Kanyakumari railway line, Madurai is a focal point for various sectors including agriculture, textiles, commerce, education, information technology, and manufacturing across Tamil Nadu. Industrial advancements in areas such as Kappalur, Uranganpatti, Melur, and Pudur have strengthened Madurai's prominence in the industrial, logistics, and warehouse market. Notable industries driving demand for warehousing in the region include 3PL, e-commerce, automotive and auto ancillary, industrial, FMCG, and FMCD sectors.

*Table 89: Spatial Overview of The City*

| Madurai city | Key locations in CBD/Off CBD | Western & Northwestern vector | Southern vector | Eastern vector |
|---|---|---|---|---|
| Madurai | Mahalipatti, Ponnagaram, Madurai Main (Town), Simmakal | Alanganallur, Nagari, Vadipatti | Avinyapuram, Kappalur | Melur |

**Source:** CBRE Research

**Demographic profile**

Based on 2011 census, Madurai district had a total population of 3.03 Mn and the decadal population growth, from 2001 to 2011, in the district has been to the tune of approx. 17.8 %[1] which is higher than the state average of 15.6 %.

**Economic profile**

The district contributes approx. 4% (INR 126,555 Cr in 2023) to the GSDP (Gross State Domestic Product)[55]. The major commodities exported from Madurai district are garments, towel, granite, and jasmine. The major imported commodities are Timber and medicine. The city is a prime location for automobile and auto ancillary manufacturing units. Major industries include manufacturing, food products and textile. The city houses two IT SEZs developed by ELCOT, also there are four industrial estates and one industrial park developed by Tamil Nadu Government. There are more than 32,500[56] MSME units are situated. Madurai is also famous for automobile industries, manufacturing of textile, Food and food-based industries, paper, rubber, metal-based industries.

**Industry Sectors**

Madurai is one of the few rubber producing areas in South India, and has a plethora of rubber based industries in including gloves, sporting goods, mats, other utility products and automobile rubber components. Automobile manufacturers are the major consumers of rubber components produced in the city. Additionally, there are numerous textile, granite and chemical industries operating in Madurai. Other industries based in the city include food processing & agro-based industries, dairy, floriculture and herbal products to name a few. Furthermore, Madurai's IT sector is experiencing rapid growth, driven by efforts to establish the city as a secondary hub for information technology. Zoho's presence in Kappalur, with a

[53] Department of Economic statistics – data for 2011 – 12

[54] District handbook 2011

[55] ELCOT website

[56] District Industries Centre

workforce of approximately 1,300 people, has attracted attention from other IT companies. The city's skilled labour force and lower operational expenses compared to larger cities make it an appealing investment destination.

**Key Focus Sectors**

Madurai is an important industrial and educational center in South Tamil Nadu. Its main economic activities include trade, commerce, tourism, and, to a lesser extent, industrial pursuits. The city is home to a variety of healthcare facilities, as well as industries such as automobiles, rubber, chemicals, and textiles. Additionally, it has emerged as a secondary city for information technology. Small-scale household handloom industries also contribute to the economy. Efforts are underway to strategically position Madurai as the next technology hub after Chennai and Coimbatore. Proposals have been made to develop new technologically advanced parks such as STPI, Tidel Parks, and ELCOT within the district with this aim in mind.

### 3.6.2 Existing Infrastructure Initiative

**Road Infrastructure**

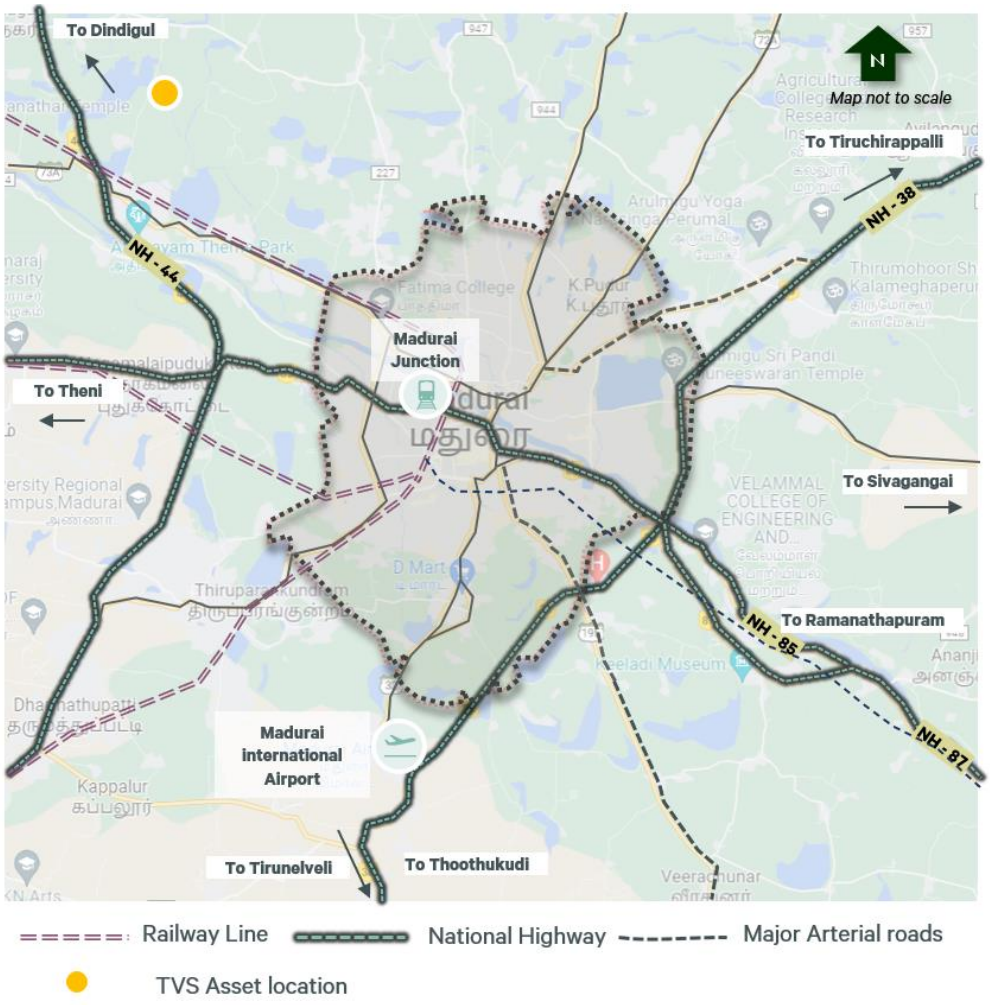
The existing road network in Madurai is predominantly connecting the city to major cities and Towns. It comprises of National Highways, State Highways, Major District and Other District roads. Madurai is the headquarters of the Tamil Nadu State Transport Corporation and provides local and intercity bus transport across seven districts viz. Madurai, Dindigul, Theni, Virudhunagar, Tirunelveli, Thoothukudi and Kanyakumari.

Below is a broad level outline of the existing infrastructure initiatives in the city:

| INFRASTRUCTURE INITIATIVE | PARTICULARS |
|---|---|
| Major National highways | The Madurai city and metropolitan area is divided into five administrative zones (East, West, North, South and Central) which are served by major arterial roads that run in an east–west or north–south direction. Major national highways are NH 49 that connects Rameswaram, NH 38 that connects Trichy, NH 208 that connects Kollam and NH 85 that connects Madurai with Kochi. |
| Rail Infrastructure | Madurai Junction is a part of the Southern Railways and serves as an important node for the Connectivity between northern and southern part of Tamil Nadu. Station junction is formed by the following four lines that connects Madurai to Dindigul, Virudhunagar, Manamadhurai and Bodinayakkanur |
| Air Infrastructure | Madurai International Airport the primary airport serving the city of Madurai in Tamil Nadu, India. The airport has direct connectivity with international destinations such as Colombo, Dubai and Singapore. The airport is also well connected to prominent domestic destinations like Chennai, Bengaluru, Hyderabad, Mumbai, and New Delhi. |

**Source:** CBRE Research, District profile Madurai

*Figure 77: Map of Key Existing Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.6.3 Upcoming Infrastructure Initiatives

The following initiatives are expected to enhance accessibility and propel development activity in the region

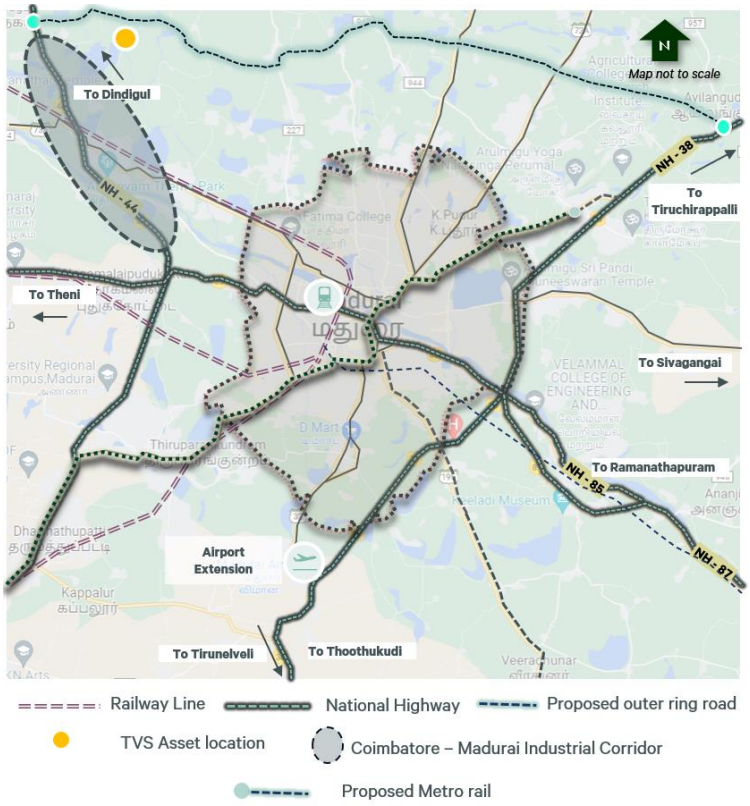
| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| Madurai - Thoothukudi Industrial corridor | The corridor envisions on connecting 6 nodes viz. Madurai, Dindigul, Theni, Virudhunagar, Tirunelveli and Thoothukudi and develop industrial activities in manufacturing and agri-business hubs. The corridor is expected to boost industrial activity along the way thereby increasing the demand for warehouse space. | Under planning stages |
| Outer Ring Road | The proposed Madurai Outer Ring Road will be built for a total length of 32.1 km57 on the northern part of Madurai city, connecting NH 38 with NH 44 by linking the existing roads in the stretch. The project aims at decongesting the city traffic and connecting the two primary highways of Madurai viz. NH 38 & 45. | 2026 - 27 |
| Rail Infrastructure | Chennai Metro Rail plans to develop Metro Rail in Madurai district of Tamil Nadu in a total financial outlay of INR 11,368 crores. The | Under proposal stages |

[57] ELCOT website

| INFRASTRUCTURE INITIATIVE | PARTICULARS | COMPLETION TIMELINE |
|---|---|---|
| | project comprises 32 kms rail track between Thirumangalam and Othakadai and is proposed to have 27 stations | |
| Air Infrastructure | The Airports Authority of India (AAI) has proposed to expand existing integrated terminal building and construct a new ATC Tower cum Technical Block at Madurai International Airport | Under planning stages |

**Source:** CBRE Research

*Figure 78: Map of Key Upcoming Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

**Industrial Market Overview**

**Existing Industrial Overview in Madurai**

Madurai, situated in Tamil Nadu, India, boasts a diverse industrial landscape encompassing textiles, granite processing, agro-based industries, and rubber products. The city is home to numerous small and medium enterprises (SMEs), playing a crucial role in employment generation and economic prosperity. Particularly renowned for its cotton fabrics and sarees, Madurai's textile industry thrives alongside manufacturing units for automobile components and pharmaceuticals, blending traditional craftsmanship with modern production techniques.

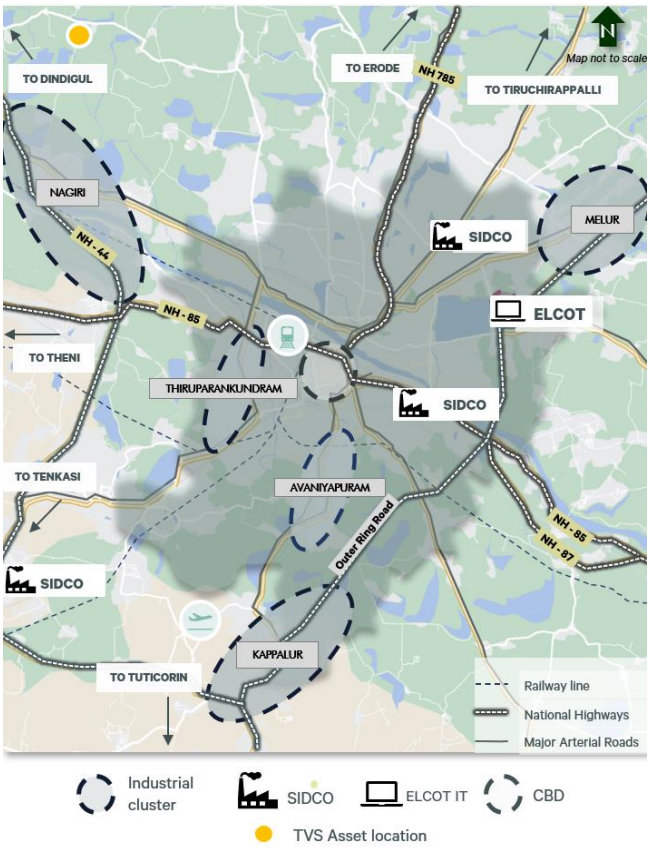
While industrial development varies across different areas, Madurai benefits from abundant resources and skilled manpower, fostering entrepreneurship and industrial growth. The presence of the Tamil Nadu government owned SIDCO in locations like K Pudur and Kappalur further supports industrial activities. The Key industrial estates in the district are as follows:

- SIDCO Industrial Estate in K. Pudur (approx. 56 acres),
- SIDCO Industrial Estate in Kappalur (approx. 136 acres),

- SIDCO Industrial Estate in Sakkimangalam (approx. 32 acres),
- Hosiery Industrial Estate in Uranganpatti (approx. 70 acres).

Private sector giants like TVS, TAFE, Madura Coats, JK Fenner, and George Oaks operate in Madurai, contributing to the production of various goods and employment opportunities.

*Figure 79: Map of Prominent Industrial Cluster In Madurai*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

**Upcoming Industrial developments in Madurai**

**Industrial innovation centre** – The Industrial innovation centre is proposed with an objective of fostering innovation and supporting the growth of technology-based Start-ups, a state-of-the-art Industrial Innovation Centre, spanning an area of 26,500 sft,[58] will be constructed in Madurai at an approximate cost of INR 24 crore. The centre is proposed to offer a collaborative workspace for innovators and startups, and will contain industry 4.0 equipment, and facilities for product development, prototyping, and training.

**Industrial complex** – The proposed industrial complex is a three-storied industrial complex, spanning 5 acres of land, will be developed at Sakkimangalam Industrial Estate in Madurai district by TANSIDCO at a cost of INR 118 crore. This initiative will support Micro, Small, and medium entrepreneurs and is expected to create employment generation close to 4,500 individuals.

**Madurai – Thoothukudi industrial corridor** - The proposed Madurai-Thoothukudi industrial corridor is implemented by the State Industries Promotion Corporation of Tamil Nadu (SIPCOT) under a public-private partnership. A manufacturing and business investment region is proposed to be established in Coimbatore and Tiruppur districts. The region would primarily be a production hub for industries like heavy machinery, precision tools, logistics, etc. Another one in the Salem district would accommodate renewable energy industries with manufacturing zones. The corridor enhances industrial activity and heightens the demand for warehousing space along the entire stretch.

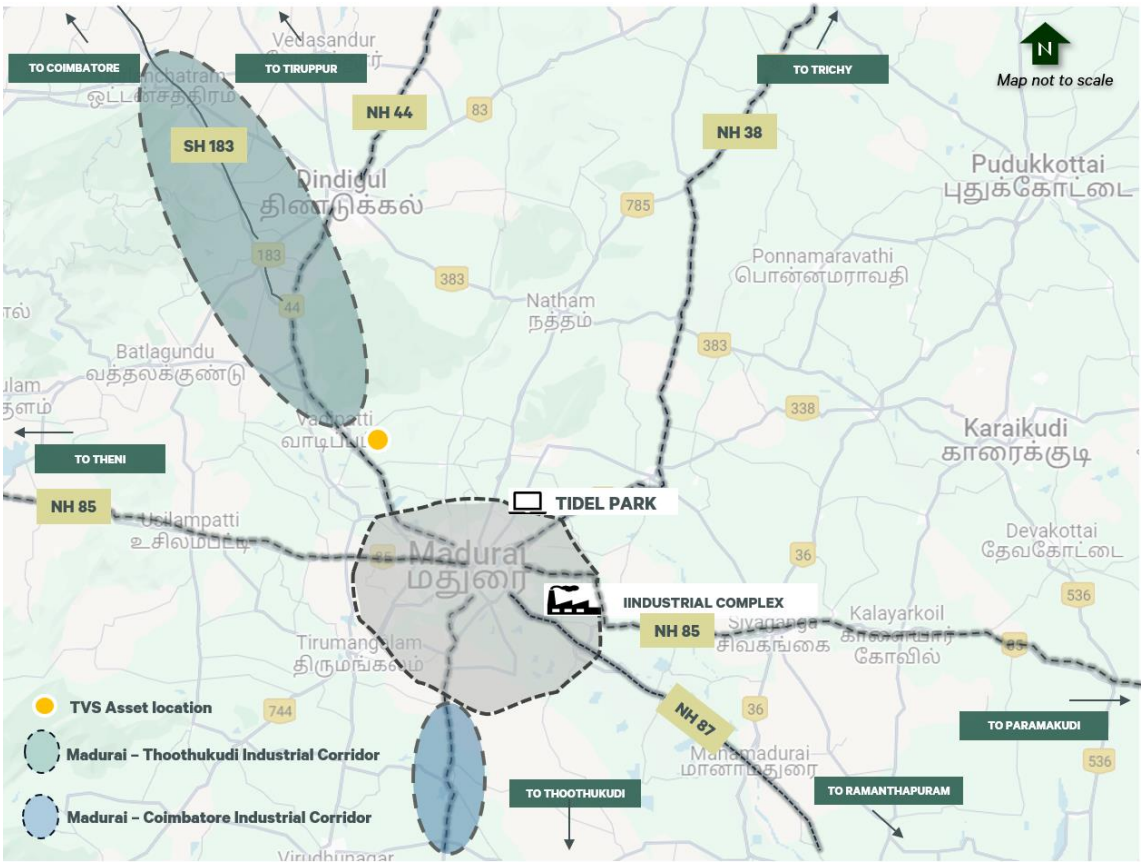
**Coimbatore – Madurai industrial corridor** - The Coimbatore-Madurai industrial corridor will cover the districts of Coimbatore, Tiruppur, Dindigul, and Madurai. The development of the corridor will help integrate the industrial developments in the districts and provide necessary industrial infrastructure. The

[58] TN Budget announcement FY 2024

prime focus of this corridor will be on textile, light engineering, and agro-based industries. The key development areas will include the manufacturing zones, industrial parks, warehouses, and logistics hubs. The Tamil Nadu Industrial Development Corporation (TIDCO) will work with SIPCOT in identifying the private partner and structuring the transaction for the Coimbatore-Madurai industrial corridors.

Tamil Nadu is targeting investments of INR 50,000 Cr in the EV sector by 2025, with a goal to create 1.5 lakh new jobs and become preferred destination for EV manufacturing in South-East Asia. Coimbatore, Tiruchirappalli, Madurai, Salem and Chennai have been identified for development as EV hubs.

*Figure 80: Map of Upcoming Industrial Developments In Madurai*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.6.4 Overview of the Warehousing Clusters in Madurai

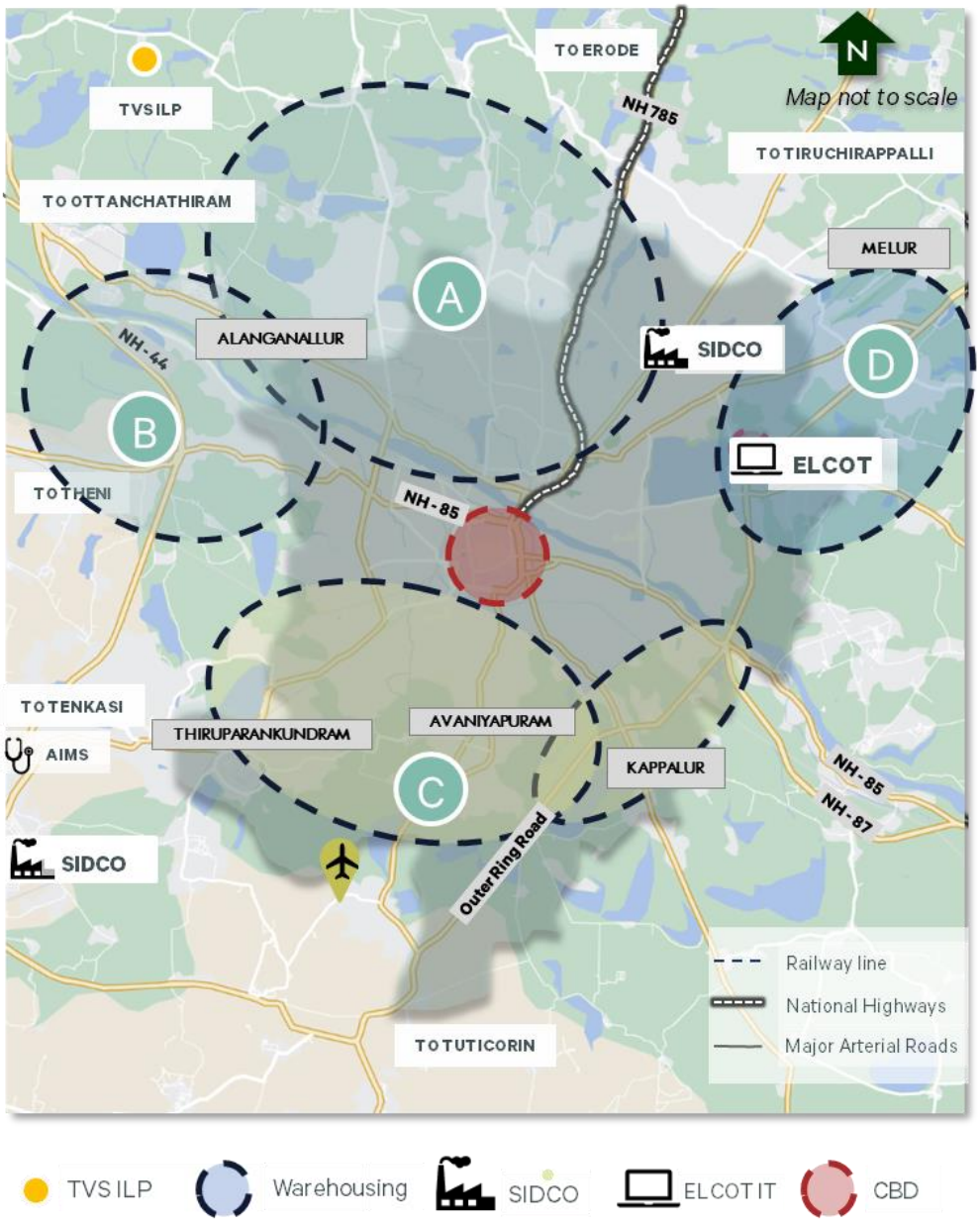
*Table 90: Warehousing Clusters In Madurai*

| CLUSTER CLASSIFICATION | NORTH & NORTHWEST CLUSTER | SOUTHERN CLUSTER | EASTERN CLUSTER | SOUTHWEST CLUSTER |
|---|---|---|---|---|
| Key Locations | Alanganallur, Vadipatti, Nagari | Avaniyapuram, Kappalur | Melur | Thiruparankundram |
| Share of Supply in Madurai Region | 42% | 30% | 8% | 20% |

**Source:** CBRE Research; Updated as of Q3 2024

The warehousing activities of Madurai region is primarily spread across the Four major stretches i.e., North stretch, East stretch, Southwest and the South stretch. The North and Northwest stretch covers the Nagari, Vadipatti and Alanganallur. The Northern stretch is the most preferred warehousing destination for warehousing developers. The southern stretch covers the Avinyapuram road and Kappalur that witnesses the presence of small-medium warehousing developments.

*Figure 81: Map of Warehousing Cluster In Madurai*




A. North cluster B. North-west C. South cluster D. East cluster

**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.6.4.1 Madurai - Completed Supply and Absorption Dynamics

The Madurai Region currently has approximately 1.31 Mn sft of operational warehouse space, with around 0.94 Mn sft occupied. Around 74% of the completed supply, equivalent to 0.97 Mn sft, falls under Grade C classification, mainly due to the absence of significant Grade A and limited presence of Grade B players besides TVSILP. Madurai is emerging as a pivotal warehousing hub due to its close proximity to the VOC port in Tuticorin (approximately 150 – 155 kilometres away), the presence of MSME and SME clusters, and its role as a major distribution center for nearby towns and Tier III cities such as Dindigul, Pudukkottai, Virudhunagar and Theni.

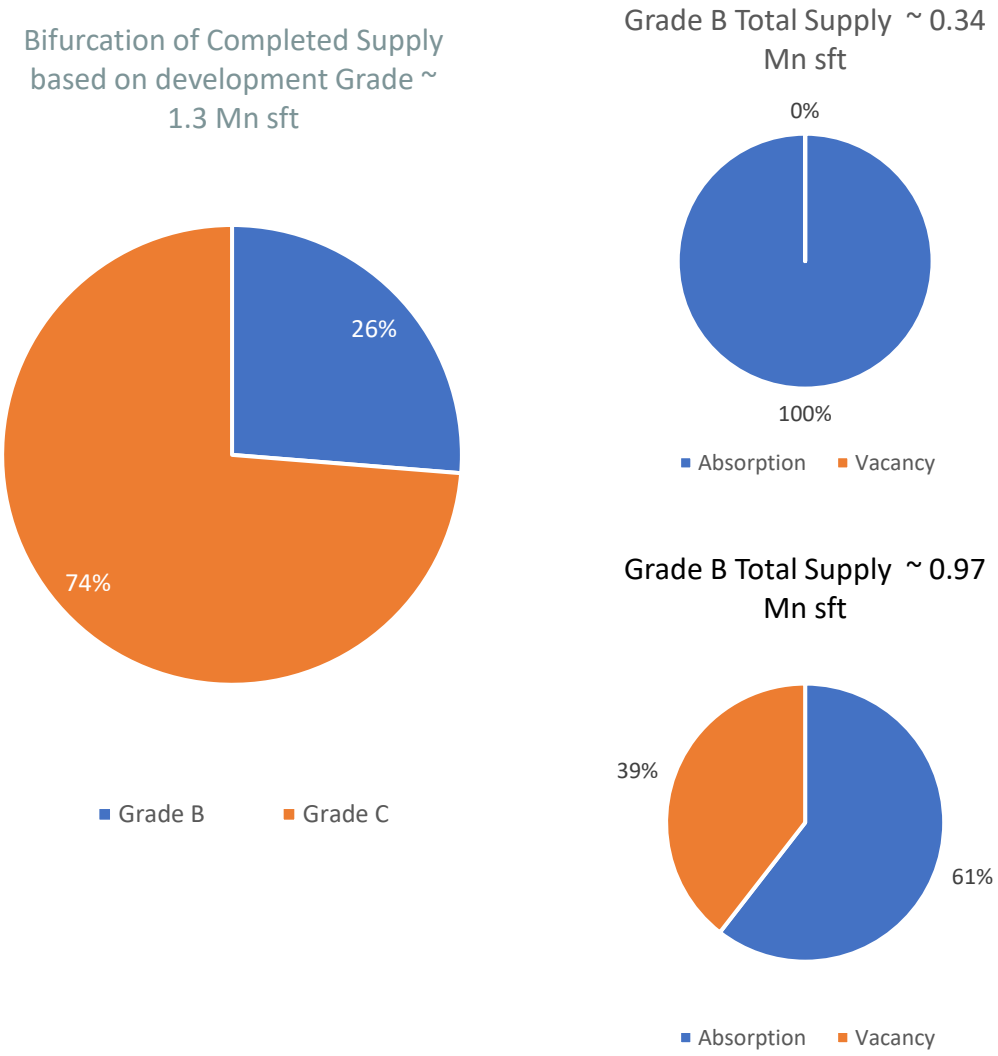
Some of the major developments in the market include Sri Meenatchi industrial and logistics Park Private Limited – TVSILP (0.34 Mn sft – completed supply), CWC Warehouse (0.24 Mn sft), and SPG Warehouse (0.19 Mn sft). The Under construction/planned supply from major developments include the Independent Warehouse with a 0.095 Mn sft in Kappalur and TVSILP with a 0.09 Mn sft in Alanganallur.

The key industries preferred by Grade B warehousing spaces include FMCG, FMCD, 3PL, Automobile etc with a typical space off take between 30,000 – 50,000 sft. Grade C is mostly preferred by Apparel, paints and manufacturing industries with a space off take ranging between 10,000 – 20,000 sft. The growth of organized retail and manufacturing sectors has spurred the demand for warehouses that cater to their varied

needs, emphasizing the enhancement of supply chain efficiencies and the reduction of transportation costs to impact overall logistic expenses positively. Consequently, there is a growing need for strategically positioned and well-connected warehouses. The growth of E-commerce has heightened the demand for efficient and technologically advanced warehousing space throughout Madurai.

As of Q3 2024 the completed supply in Madurai Grade B amounts to nearly 0.34 Mn sft (26% share) and Grade C – 0.97 Mn sft (74%).

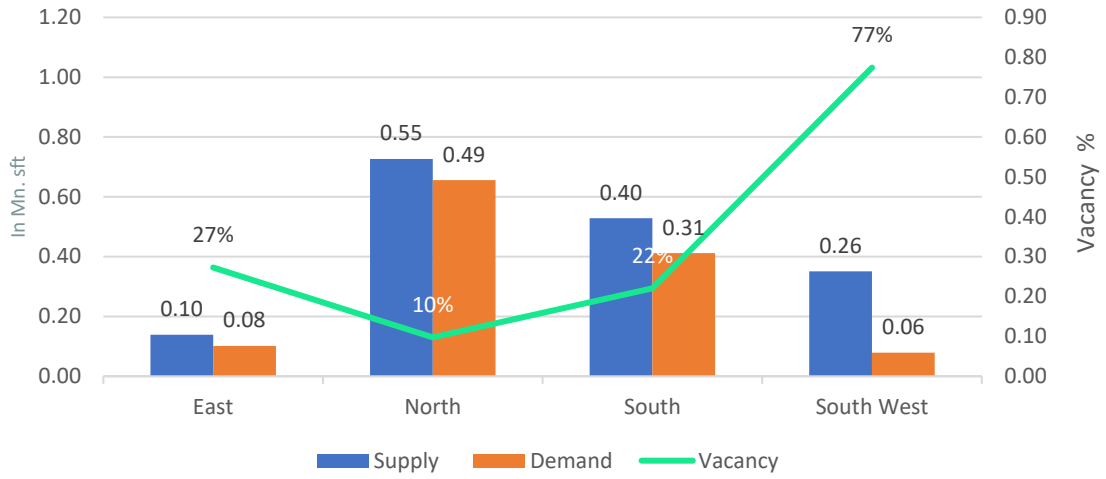
*Figure 82: Bifurcation of Completed Supply Based on Development Grade*




**Source:** CBRE Research; Updated as of Q3 2024

Healthy absorption levels have been witnessed in Grade-B developments which indicates the preference of occupiers for smaller development size of 30,000 to 50,000 sft warehouse box sizes. Due to this trend in absorption and presence of institutional developers are in negligible levels. Grade C warehouses have exhibited substantial vacancy rates, approximately 39%. This trend is particularly pronounced in the Southwest Cluster (Thiruparankundram), where vacancy levels have reached 77%. The primary factors contributing to this high vacancy rate are the quality of the available warehouse stock and the concentration of development by a single entity, the Central Warehousing Corporation (CWC).

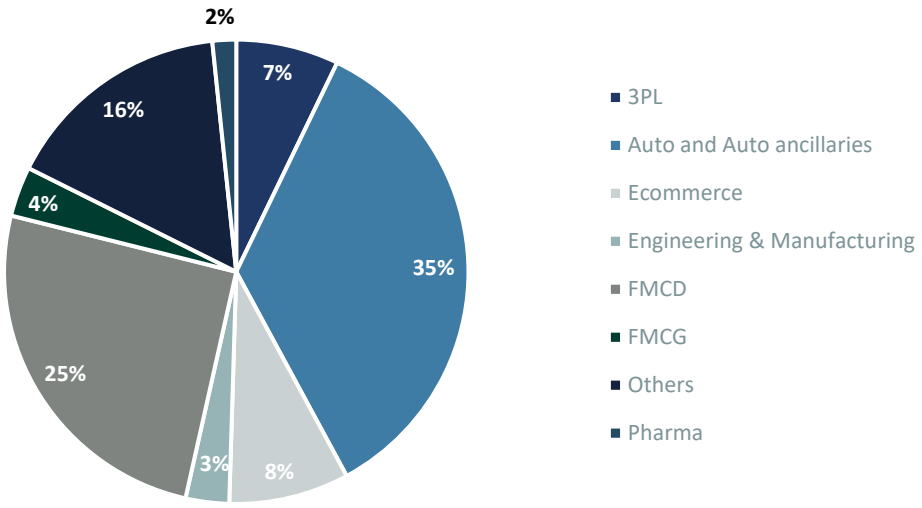
*Figure 83: Cluster Wise Supply & Absorption Levels in Madurai*




**Source:** CBRE Research; Updated as of Q3 2024

The major Industries driving demand for warehousing in the region include 3PL, E-Commerce, FMCD and Automobile which accounts to 75% - 76% of total absorption. Based on the current market leasing scenario, typical space offtake by Automobile and FMCD players are approx. 40,000 – 50,000 sft. Grade C is found to be the most preferred category among all the tenant segments present in the business ecosystem of Madurai.

*Figure 84: Segment Wise Absorption by Warehousing Space in Madurai*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.6.4.2 Madurai - Upcoming Supply Dynamics

The total supply in the pipeline is in the range of approx. 0.19 – 0.20 Mn sft of which the entire supply in under construction and is expected to hit the market by the end of 2024 & 2025.

*Table 91: Grade Wise Bifurcation of Upcoming Supply in Madurai*

| GRADE B | GRADE C |
|---|---|
| 0.09 Mn sft | 0.10 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

The upcoming supply for Madurai is to be witnessed on Southern and Northern Cluster. The locations where the majority of the upcoming supply envisaged are along the Kappalur – Airport Ring Road and along the NH 44 in Alanganallur. The following table enumerates the details of the upcoming Grade B Supply from

TVSILP

*Table 92: Upcoming Supply from Prominent Grade B Players*

| LOCATION | 2024 – 2025 (MN SFT) |
|---|---|
| TVSILP, Alanganallur | 0.09 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.6.4.3 Madurai – Asking Rental Dynamics

The average rental witnessed in the Eastern and Southern Cluster is approx. between INR 16 - 18/ Sft / month and developments along the North cluster record warehousing rentals approx. INR 17 – 19 / Sft / month.

Micro Market Wise Average Asking Rentals as of Q3 2024 are enumerated below in the table:

*Table 93: Micromarket Wise Asking Rentals*

| MICRO MARKET | ASKING RENTAL (INR/SFT/MONTH) |
|---|---|
| East (Melur) | 16 - 18 |
| South (Avaniyapuram & Kappalur) | 16 - 18 |
| North (Alanganallur & vadipatti) | 17 - 19 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.6.4.4 Madurai – Overall Market Outlook

The warehouse market in Madurai is experiencing significant growth, propelled by the city's expanding industrial and commercial sectors. Increasing e-commerce activities and the establishment of manufacturing units have driven up the demand for warehouses. Also, increase in domestic consumption within the city and its surrounding areas significantly drives the demand for warehouse spaces.

The prevailing rental rates in the Madurai region range from approximately INR 15.0 to 18.0 /sft/month. However, leading developers such as TVSILP, SPG, are preferred developers due to the quality of their warehousing space and superior connectivity. We expect the market's rental rates to remain relatively stable in the short to medium term, with an annual escalation of 4–5%. Additionally, we anticipate an estimated supply of 0.19 to 0.20 Mn sft to enter the market by the end of 2024 and 2025.

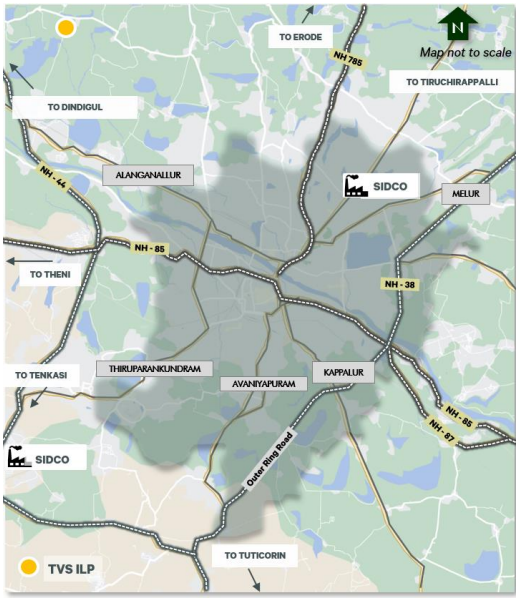
### 3.6.5 Micro Analysis – (Subject Property Location ~ North Cluster)

*Table 94 : Subject Property ~ Northern West Cluster*

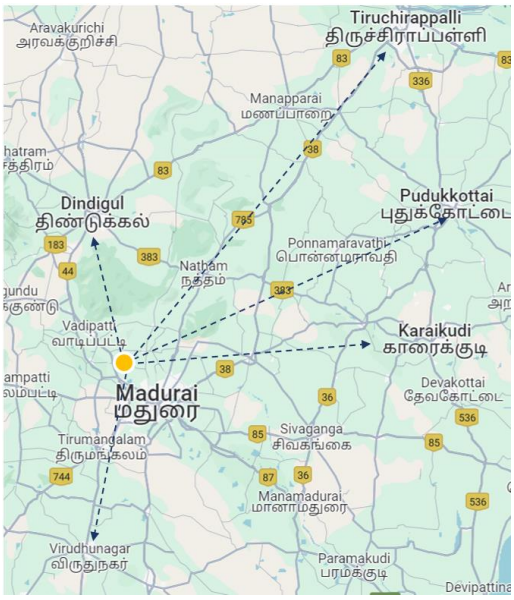
| | | | |
|---|---|---|---|
| Name of the Development | Sri Meenatchi Industrial and Logistics Parks Private Limited -TVS | | |
| Location | S. No. 76 & 78, Kumaran Road, Vairavanatham village, Madurai North Taluk, Madurai District | | |
| Phasing | I | II | III |
| Land Area (Acres) | | 16.03 | |
| Development Status | Completed | Completed | Completed |
| Total operational Area (sft)[59] | 1,77,164 | 1,66,968 | 90,000 |
| Vacancy Levels | 0% | 0% | - |
| Year of Establishment | 2022 | 2023 | 2025 |
| Building Structure | PEB structure – Warehouse | | |
| | RCC building - Security cabin and office | | |

[59] TVSILP Input – Rent Roll

| | |
|---|---|
| Key Tenants | TVS Srichakra, Whirlpool, Haier, Butterfly, Crompton, Bluestar and Dairy Day |
| Average market range (INR/sft/Month) | INR 17 - 19 per sft per Month |




Key Location Map of the Asset




Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only: Updated as of Q3 2024

### 3.6.5.1 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

The stretch contributes to approximately. 42% of the total city's supply. The North and South have emerged as the most preferred warehousing destinations for large warehousing players and companies. The region also witnesses the presence of a few large-scale warehousing developers, viz., TVSILP, and a few individual developers.

The market has a planned supply of 0.09 Mn sft introduced by TVSILP. The region is primarily characterised by the presence of only one grade B development and, primarily, by grade C developments.

FMCG, FMCD, 3PL, apparel, e-commerce, and manufacturing are the primary drivers of demand in the region. The prominent tenants in the location include companies such as Asian Paints, Whirlpool, Haier, TVS Srichakra, Delhivery, LG, etc.

The following are the primary reasons for these investments in South Madurai:

- Availability of Large Land Parcel
- Connectivity and accessibility with manufacturing and consumption hubs
- Accessibility of land for future expansion

### 3.6.5.2 Subject Property Snapshot

As the cultural capital of Tamil Nadu, Madurai is the state's third-largest consumption center. It is also a significant industrial hub, home to various automobile, rubber, and chemical industries. Madurai's strategic location benefits from excellent connectivity through National Highways 7, 45B, and 85, providing easy access to major cities like Chennai, Coimbatore, and Trichy. These well-connected highways facilitate efficient goods movement, enhancing Madurai's appeal as a distribution hub. Nearby industrial centers such as Dindigul, Virudhunagar, and Tirunelveli contribute to the region's demand for warehousing services. These cities serve as crucial links in the supply chain, solidifying Madurai's position as a strategic warehousing destination in southern India.

The warehouse is strategically located in Vairavanatham village, seventeen kilometers from Madurai's city center and thirty kilometers from the airport. The facility spans six point nine eight lakh square feet, with three lakh square feet operational and one lakh square feet under construction. Its proximity to NH 44, connecting to the Nilakottai SIPCOT Industrial complex and other manufacturing areas, makes it suitable

for warehousing needs of manufacturing and auto ancillary companies.

#### 3.6.5.3 Building characteristics

As highlighted in the above table, subject property is developed in 3 phases, Phases I & II is completed and are operational, whereas Phases III is under construction. The key building Specifications for the asset are enlisted in the below table:

*Table 95: Key Building Specification of Madurai Asset*

| PARTICULAR | SPECIFICATIONS |
|---|---|
| Building Structure | Solid block masonry – PEB structure |
| Eaves Height | 12M (from FFL to roof top level) |
| Ridge height | 14.50 m (from FFL to roof top level) |
| Lighting | LED fixtures to provide 150 Lux level at 1.2m from FFL for shopfloor |
| Fire Safety | Required fire hydrant as per NBC norms and beam detector as per norms |
| Flooring | 5MT/SQM(UDL). FM2 equal flooring considered |
| Amenities and Facilities | Pump room, rest rooms, Collection tank, presence of substation and security block |

**Source:** TVSILP

The facility is designed for efficient warehouse operation and distribution. The facility is currently witnessing absorption of approx. 100% with key tenants such as TVSILP Srichakra, Haier and Whirlpool etc. Also, the upcoming space is to be leased based on upcoming tenant requirements.

#### 3.6.5.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

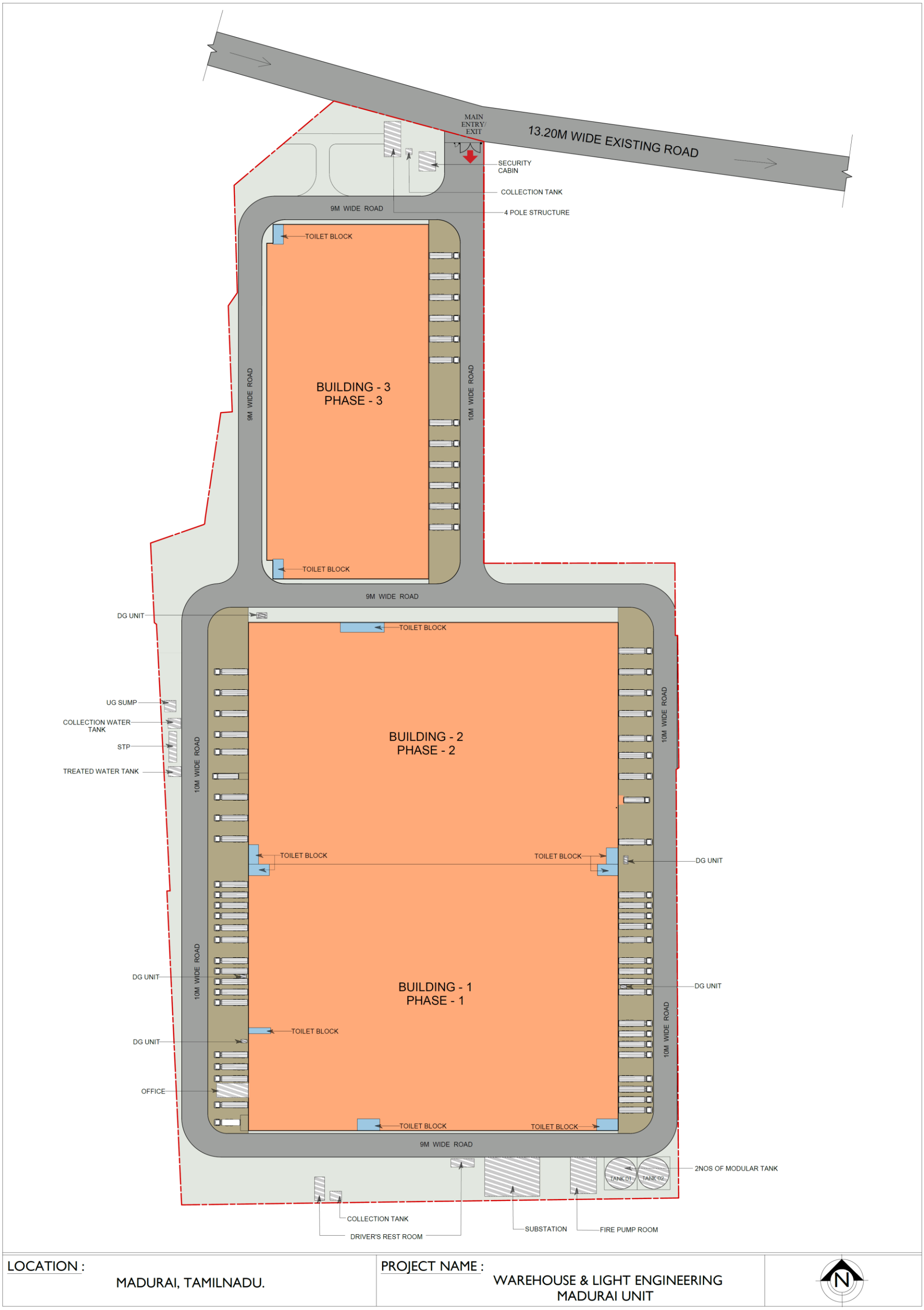
There are no Grade B facilities in proximity to the subject property, and those available are of inferior quality compared to Grade B standards. The rental income from existing tenants of the subject property aligns with market trends, typically ranging from INR 17 to 19 /sft/month.

#### 3.6.5.5 Demand Forecast for the subject micro – market/vector.

Approx. 0.19–0.20 Mn sft is expected to be added in the next 2–3 years in the north and south clusters. Increasing market penetration and a growing supply of higher-quality warehouses have continued to stimulate occupant demand in Madurai. The majority of the upcoming supply is expected to be in areas such as Kappalur in the south cluster and Alanganallur in the north cluster, and it will be predominantly Grade B The presence of MSME and SME industrial clusters and consumption-driven demand are the principal demand generators for warehousing in the region. Considering the projected expansion of the automotive and engineering sectors, along with their associated ancillary industries, in the area, it is rational to expect a commensurate surge in the need for warehousing.

Estimated demand for the next three to four years is between 0.25 and 0.30 Mn sft, based on the micro market's historical absorption. This anticipated demand is likely to stimulate rental growth in these regions, particularly for warehouses of grades B. The region's growing emphasis on infrastructure development and logistics efficiency positions these clusters favourably for substantial expansion in the warehousing industry.

*Figure 85: Park Layout of Madurai Asset*




**Source:** TVSILP

## 3.7 Pune

### 3.7.1 City Overview

The Pune Metropolitan Region (PMR) covers around 7,256 $km^2$ and is one of Maharashtra's largest metropolitan regions. It mainly comprises cities of Pune and Pimpri-Chinchwad and other areas such as Maval, Mulshi, Haveli, Bhor, Daund, Shirur, Khed, Purandar and Velhe. The management of the cities is governed by two municipal corporations: the Pune Municipal Corporation (PMC) and the Pimpri Chinchwad Municipal Corporation (PCMC) while other areas are governed by Pune Metropolitan Region Development Authority (PMRDA).

Table below highlights the demographics and few income indicators:

*Table 96: Demographic Snapshot of The Pune Metropolitan Region*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | Nominal GDDP[60] (INR Crore) | PER CAPITA NOMINAL NDDP[61] (INR) |
|---|---|---|---|---|
| Maharashtra/Mumbai | 7.1 Mn [62] | 980 per $Km^2$ | 3,54,299 | 2,85,409 |

**Source:** PMRDA; Economic Survey of Maharashtra (2022-23)

The Pune Municipal Corporation area is established by the presence of residential and commercial activity, whereas Pimpri Chinchwad is an established engineering and automobile hub, home to several large engineering and automobile majors such as Tata Motors, Bajaj Auto, Volkswagen, Kirloskar Group, Mercedes Benz, Alfa Laval, Apollo Tyres, Forbes Marshal, Johnson Controls, Fiat and others.

Region also has robust physical infrastructure in form of road, rail and air connectivity along with strong plans to develop further in order to improve the overall infrastructure landscape. Table below highlights the existing and upcoming infrastructure impacting the key industrial and warehouse clusters within the region:

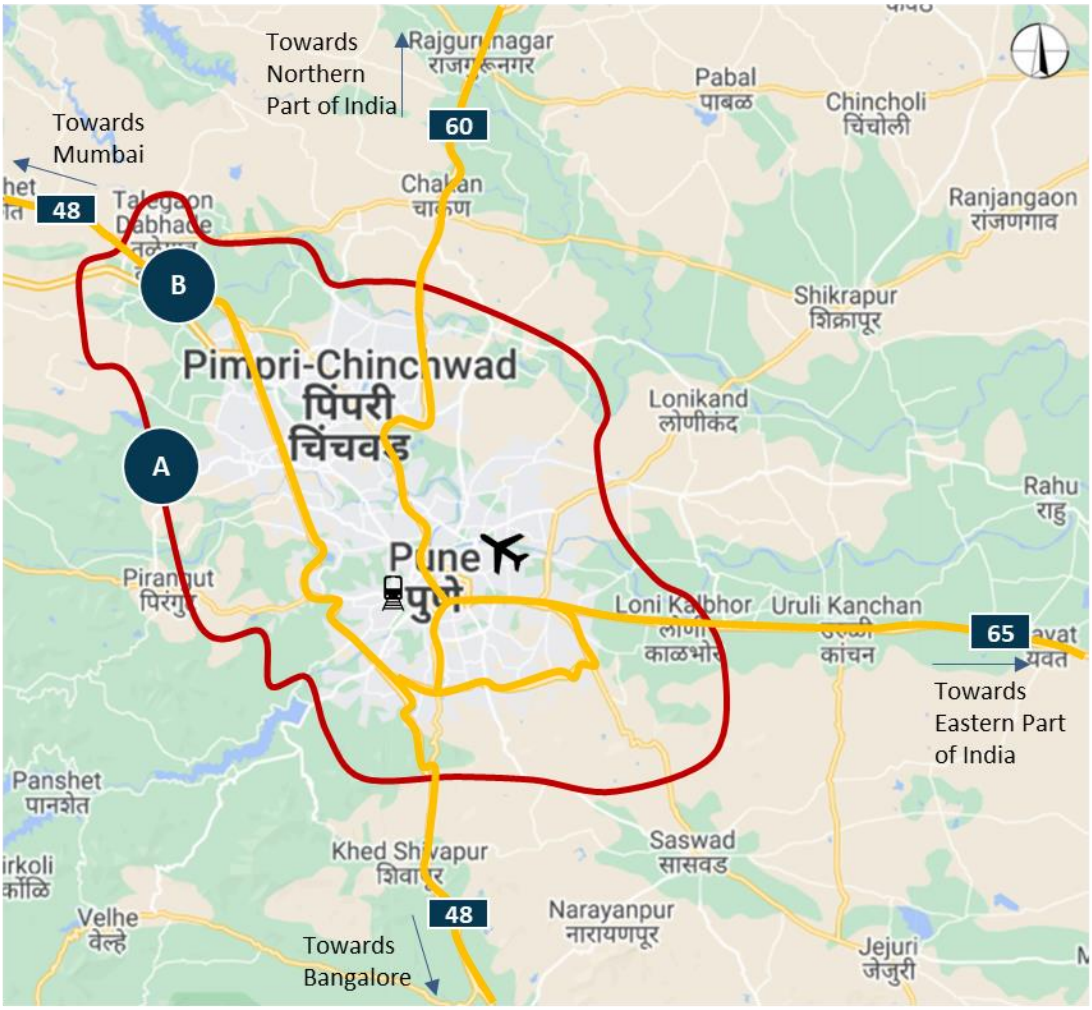
*Table 97: Key Existing and Upcoming Infrastructure*

| INFRASTRUCTURE PROJECT | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 48 – connecting Delhi & Chennai, acts as a critical highway for key warehousing and industrial corridors (Chakan and Talegaon). National Highway 60 – Connecting Nashik (near Dhule) and Pune, passes through key industrial areas (Chakan) in the PMR. National Highway 65 – intersecting NH 48 near Pune, connects Maharashtra to other states in south such as Karnataka and Andhra Pradesh. |
| Railway Network | Existing | Pune is the divisional headquarter for Central Railways with rail connectivity to neighbouring states (Karnataka, Gujarat, Telangana, Andhra Pradesh, Goa). Sugar, POL (Petroleum, Oil & Lubricants), Auto Parts, fertilizers, steel, etc. are some of the major commodities traded through rail freight. |
| Pune International Airport | Existing | The airport located in proximity to Pune CBD shares a common airstrip for the commercial & defence flights. The airport had been declared as a customs airport in 1997. Airport was initially notified for export of perishable agriculture produce items such as flowers, fruits, vegetables and processed food; however, in 2005, the airport received permission for unloading of imported goods and loading of export goods. This in turn had attracted interests from major industry players to setup their operations in the region. |
| Pune Outer Ring Road | Upcoming | 136.8 km long and 4-6 lane access-controlled road which shall pass through the peripheral nodes of the city and is expected to act as a bypass for the traffic entering Pune city through the National and State Highways. It is expected to be complete by 2026. |

**Source:** CBRE Research

[60] Gross District Domestic Product of Pune District
[61] Net District Domestic Product of Pune District
[62] Census 2011

*Figure 86: Map of Key Infrastructure*




A. Proposed Outer Ring Road B. Mumbai – Pune Expressway

**Source:** CBRE; Map not to scale only, for representation purpose only

The core city areas within the region were first positioned as a center for defence and artillery operations before emerging as a manufacturing powerhouse in the 1960s. Furthermore, the rise of the Information Technology (IT / ITeS) industry in the late 1990s has dramatically altered the city's economic environment, with this sector contributing significantly to the city's GDP. As a result, Pune has developed as a key IT / ITeS destination in India, driving strong consumption-led demand that has in turn led to growth across industries such as warehousing and organized retail.

### 3.7.2 Overview of the Warehousing Market in PMR

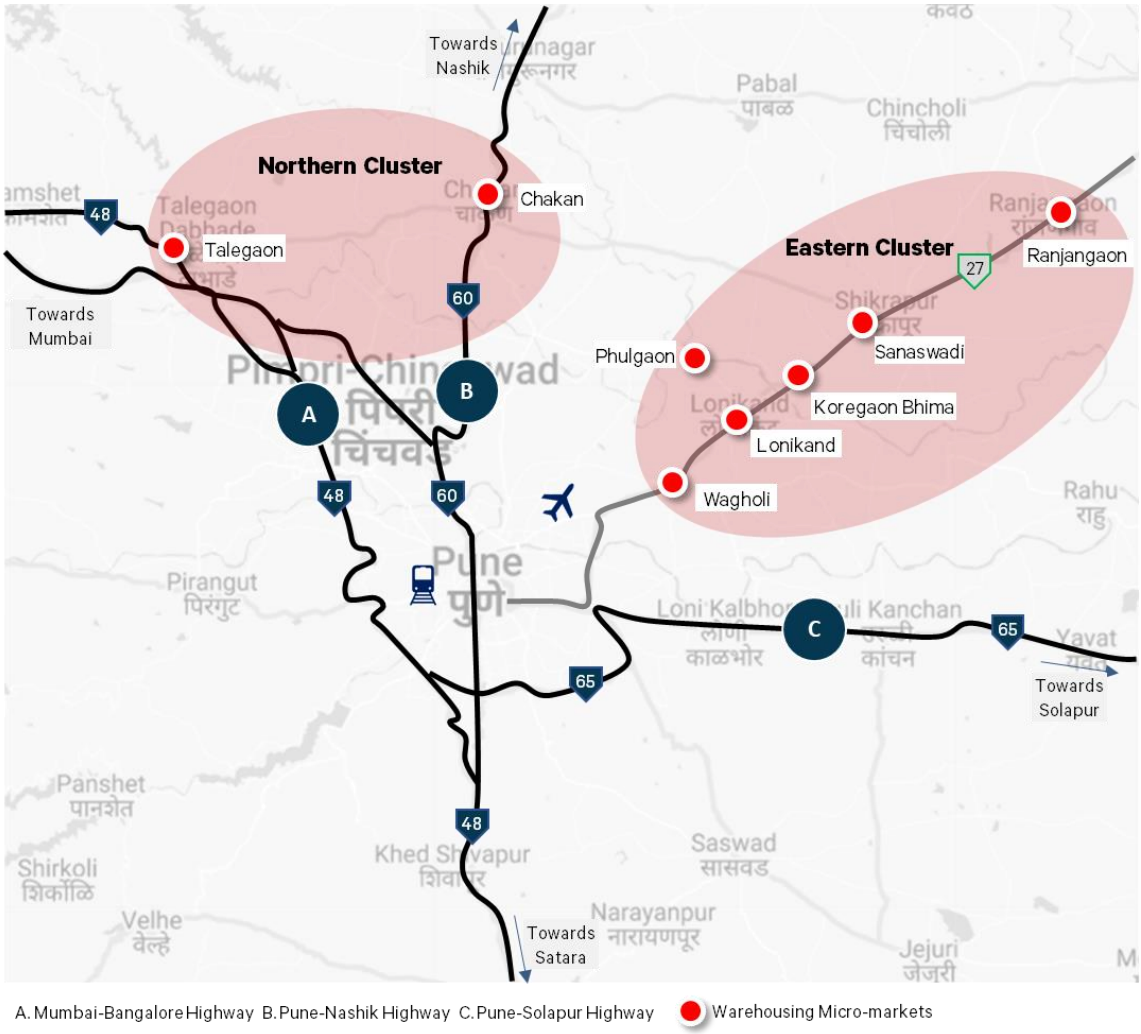
Warehousing activity in the region is spread across two clusters placed in Northern and Eastern vectors of PMR with Northern cluster having majority of supply.

| Cluster Classification | Northern Cluster | EASTERN Cluster |
|---|---|---|
| Micro-markets | Chakan, Talegaon | Wagholi, Lonikand, Phulgaon, Koregaon Bhima, Sanaswadi, Ranjangaon |
| Share of Completed Supply in PMR | 70% | 30% |

**Source:** CBRE Research; Updated as of Q3 2024

Below figure illustrates the spatial spread of Northern & Eastern clusters and the micro-markets within each of the clusters:

*Figure 87: Map Highlighting Warehousing Clusters in PMR*




**Source:** CBRE; Map not to scale only, for representation purpose only

### 3.7.2.1 Completed Supply and Absorption Dynamics

The region's operational warehouse supply is approx. 37.7 mn sft, with around 33.4 mn sft occupied as on Q3 2024.

*Table 98: Overview of Warehousing Market In PMR*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 37.7 | 33.4 | 54% (Absorption – 89%) | 40% (Absorption – 89%) | 6% (Absorption – 81%) |

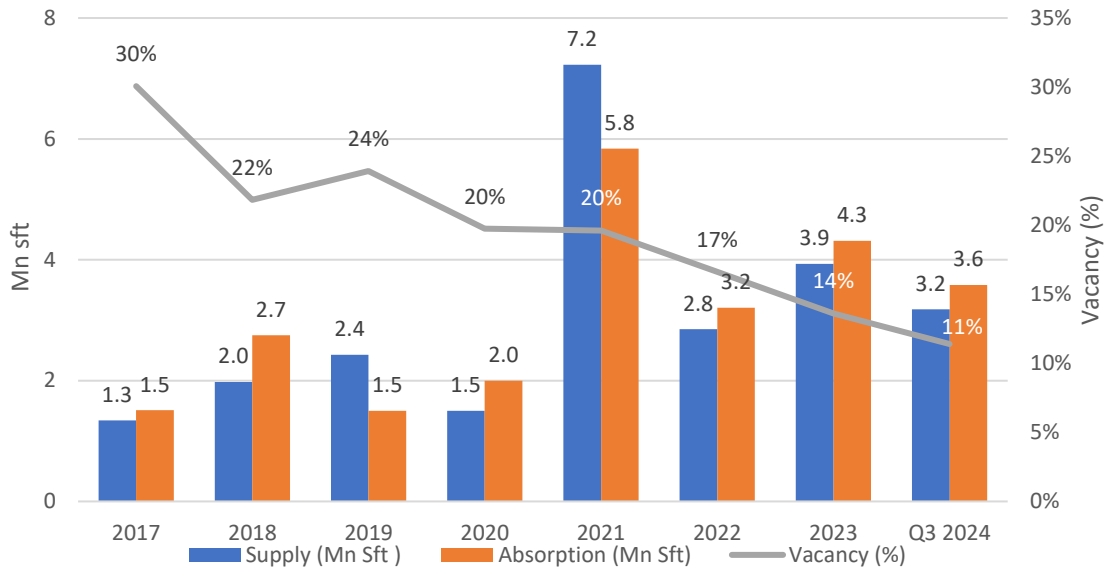
**Source:** CBRE Research; Updated as of Q3 2024

Majority of warehousing activity in the region has been in the form of Grade A supply which accounts for almost 20.4 mn sft (54% of the entire completed supply in PMR), followed by Grade B at 15.1 mn sft (40%), and Grade C at 2.3 mn sft (6%).

Chakan, Talegaon and Ranjangaon are the most prominent warehousing micro-markets, with the majority of supply in the form of investment grade storage space (Grade A); whilst micro-markets such as Sanaswadi, Phulgaon, Wagholi and Lonikand predominantly consist of Grade B and C supply. Large logistics and manufacturing firms are drawn to Chakan, Talegaon, and Ranjangaon because of their investment-grade warehouses, robust infrastructure, and government support. Affordable Grade B and C warehouses are available at Sanaswadi, Phulgaon, Wagholi, and Lonikand, serving local markets and small enterprises. Chakan and Talegaon micro-markets account for approximately 70% of completed supply (26.4 Mn sft), followed by Ranjangaon (4.7 Mn sft, 12%) and Wagholi - Lonikand - Phulgaon (4.7 Mn sft, 12%). The section between Koregaon Bhima and Sanaswadi has small-scale warehouses that cater to captive in-city demand, with a supply of 1.9 mn sft (~ around 5% of completed supply). Institutional players in the region include Indospace, ESR, KSH, Embassy and Ascendas.

Figure below illustrates the year-on-year supply and absorption trends:

*Figure 88: Y-O-Y Supply & Absorption Levels In PMR*

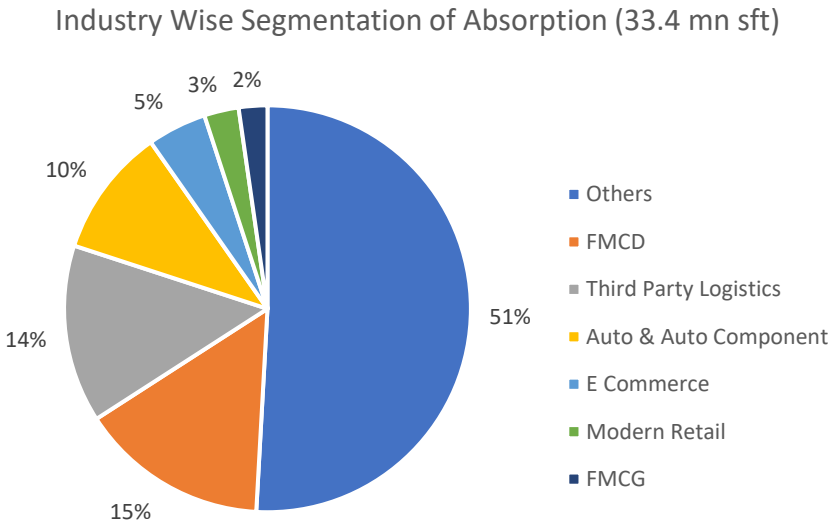



**Source:** CBRE Research; Updated as of Q3 2024

Prior to 2014, the supply consisted primarily of Grade B and C developments. During the last 9 - 10 years, the share of Grade C supply has decreased dramatically due to rising demand for quality storage spaces from occupiers such as Auto & Auto Components, Manufacturing, E-commerce, 3PL, etc., resulting in a considerable supply of Grade A & B supply. A continuous growth in overall supply has been observed over the last 7 - 8 years (2017 – Q3 2024), with an average yearly supply of approximately 3 mn sft in the region.

Manufacturing, Electronics, Logistics (3PL) & Distribution, Automobile, Machines & Equipment and Engineering are the primary tenant sectors. Key tenants include Kuenhe Nagel, Haier, Kawasaki, Amazon, DHL, Agarwal Packers, Parrikh Integrators, Mahindra Logistics, Chetak Logistics, Stellar and Vijay Logistics among others. Figure below illustrates the industry-wise segmentation:

*Figure 89: Segmentation of Absorption by Industry in PMR*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.7.2.2 PMR – Upcoming Supply Dynamics

The upcoming supply comprising under construction and planned in the region is in the range of 10 – 12 mn sft, majorly across Grade A warehousing space and is expected to get introduced in the market by 2028.

*Table 99: Bifurcation Of Upcoming Supply In PMR*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 1 – 2 Mn sft | 9– 10 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Majority of the upcoming supply is expected in the micro-markets of Chakan and Talegaon, followed by Ranjangaon. Institutional investors such as Indospace, Ascendas, ESR, Hiranandani, Malpani Group and Global are expected to expand their existing supply in the future. This is mostly because of their favourable location, exceptional infrastructure, and robust government backing. These elements draw manufacturing and logistics firms from both domestic and foreign markets.

### 3.7.2.3 PMR – Rental Dynamics

In PMR, the average quoted base rental for a Grade A property is between INR 24 and INR 30 per sft per month, while for a Grade B development, it is between INR 19 and INR 20. The table below lists the average rentals quoted for Grade A and B micro-markets.

*Table 100: Details of Micro-Market Wise Grade A & B Quoted Base Rentals*

| Micro-market | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B |
| Chakan | 25 – 26 | 17 – 18 | 25 – 26 | 17 – 18 | 26 – 27 | 18 – 19 | 27 – 29 | 18 – 19 | 28 – 30 | 19 – 20 | 29 – 30 | 20 – 21 |
| Talegaon | 24 – 25 | 16 – 17 | 24 – 25 | 16 – 17 | 25 – 26 | 17 – 18 | 25 – 26 | 17 – 18 | 25 – 26 | 17 – 18 | 26 – 27 | 18 – 19 |
| Ranjangaon | 20 – 21 | 15 – 16 | 20 – 21 | 15 – 16 | 21 – 22 | 16 – 17 | 21 – 22 | 16 – 17 | 21 – 22 | 16 – 17 | 22 – 23 | 17 – 18 |
| Wagholi – Lonikand – Phulgaon | 17 – 18 | 13 – 14 | 17 – 18 | 13 – 14 | 18 – 20 | 14 – 15 | 20 – 22 | 15 – 16 | 20 – 22 | 15 – 16 | 21 – 22 | 16 – 17 |
| Koregaon Bhima – Sanaswadi | 17 – 18 | 12 – 13 | 17 – 18 | 12 – 13 | 18 – 19 | 13 – 14 | 19 – 20 | 13 – 14 | 19 – 20 | 13 – 14 | 21 – 22 | 14 – 15 |

**Source:** CBRE Research; Updated as of Q3 2024; Unit – INR/sft/Month;

### 3.7.2.4 PMR – Key Recent Lease Transactions

The following table enumerate the key lease transactions in the region:

*Table 101: Details of Key Transactions*

| Micro-market | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Chakan | Auto & Ancillary | Grade A | 170,000 | 28 – 29 | Q1 2024 |
| Talegaon | Others | Grade A | 500,000 | 23 – 24 | Q1 2024 |
| Talegaon | Engineering & Manufacturing | Grade B | 167,000 | 23 - 24 | Q1 2024 |
| Talegaon | Engineering & Manufacturing | Grade A | 125,000 | 26 - 27 | Q2 2024 |
| Ranjangaon | 3PL | Grade A | 250,000 | 22 – 23 | Q2 2024 |
| Chakan | Auto & Ancillary | Grade A | 240,000 | 29 - 30 | Q3 2024 |
| Chakan | Engineering & Manufacturing | Grade B | 182,000 | 22 - 23 | Q3 2024 |
| Chakan | Engineering & Manufacturing | Grade B | 175,000 | 24 - 25 | Q3 2024 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.7.2.5 Northern Cluster Overview

Chakan and Talegaon micro-markets within the Northern Cluster are placed on the Pune - Nasik Highway (NH-60) and provides easy access to the Mumbai - Pune expressway. Chakan is close to the city's main consumption hubs mainly areas within PCMC (Pimpri Chinchwad Municipal Corporation). Furthermore, both the micro-markets are well served by NH 48 and NH 60, which has contributed to their recent rise as the significant warehousing hubs.

**Chakan Micro-market**

*Table 102: Snapshot of Chakan Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 22.5 Mn sft | 9-10% | 13.1 Mn sft | 7-8% | 64 - 65% | 4 – 5 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Chakan is regarded as an auto and auto accessory manufacturing hub, with the presence of major manufacturers as well as industries that supply OEM parts to production plants. Chakan's warehousing micro-market is the most attractive micro-market, having been built mostly by institutional businesses. The micro-market rose to prominence due to its proximity to PMR's Central Business District (about 30 km). Manufacturing, automotive, electronics and logistics are significant industries, accounting for over 50% of completed supply in the Chakan micro-market, with tenants including IKEA, Tata, Kawasaki, Bosch, Delphi Automotive and others.

**Talegaon Micro-market**

*Table 103: Snapshot of Talegaon Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 4.0 Mn sft | 10-11% | 2.2 Mn sft | 11– 12% | 10-11% | 4 - 5 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Talegaon micro-market, located off NH 48, is connected to Mumbai and Pune District, accounting for nearly 11% of the completed supply in Chakan – Talegaon cluster. It houses multinational and agro-based companies and serves as a manufacturing hub for automobile giants.

### 3.7.2.6 Eastern Cluster Overview

The Eastern Cluster consists of three micro-markets: Wagholi - Lonikand - Phulgaon, Koregaon Bhima - Sanaswadi and Ranjangaon. The cluster is located on the eastern side of PMR, alongside State Highway 27. The cluster accounts for around 31% of the completed supply in the PMR region. Within the cluster, Grade A accounts for approximately 43% of the completed supply.

**Wagholi – Lonikand – Phulgaon**

*Table 104: Snapshot of Wagholi – Lonikand – Phulgaon Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 4.7 Mn sft | 11 – 12% | 1.8 Mn sft | 12 – 13% | 8 – 9% | 0.9 – 1.0 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Wagholi, Lonikand and Phulgaon have grown as micro-markets due to their proximity to the State Highway and the Ranjangaon MIDC. The micro-market is principally defined by an unorganized industrial cluster with several small and medium-sized warehouses catering primarily to the city's domestic market, with only a few Grade A players present. Local Retail Distributors, Machine & Tools, and Hardware Equipment are significant industries in the micro-market, with tenants including Asian Paints, Honeywell, Haier, Webasto, IFB, Iron Mountain, Kimberly Clark, Akzo Nobel and others.

**Koregaon Bhima – Sanaswadi**

*Table 105: Snapshot of Koregaon Bhima – Sanaswadi Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 1.9 Mn sft | 9 – 10% | 0.4 Mn sft | 4-5% | 2 – 3% | 0.2 – 0.3 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

The manufacturing businesses situated in Ranjangaon MIDC have influenced the growth of warehousing in the Koregaon Bhima-Sanaswadi area. Supply is disorganized and primarily consists of non-investment quality developments, with only two quality A development in Koregaon Bhima (Rieter India & Global). Local retail distributors, machinery and tools, electronics, and hardware equipment are significant industries in the micro-market, with tenants including Honeywell, John Deere, Tata Trends and others.

**Ranjangaon**

*Table 106: Snapshot of Ranjangaon Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 4.7 Mn sft | 18-19% | 2.9 Mn sft | 21 – 22% | 14 – 15% | 0.2 – 0.3 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Ranjangaon is a 5-star MIDC industrial zone in PMR, located along SH 27, and many manufacturing companies use it as their base. This micro-market comprises organized parks that provide Grade A and Grade B bespoke built-to-suit solutions for warehouse expansion. Auto parts, electricals, electronics and hi-tech are major industries, with tenants including Haier, Whirlpool, Motherson Sumi and others.

### 3.7.2.7 PMR – Overall Market Outlook

The PMR warehousing market is one of the most notable warehousing markets in India, owing to its proximity to the JNPT Port, the industrial centers of PMR and Mumbai and a strong road network. Prior to 2015, the majority of the supply in PMR was in the form of Grade B and Grade C projects; however, with the advent of E-Commerce, the auto industry and the Third Party Logistics sector, the market saw growth of Grade A developments. Increased interest from institutional players, combined with improved road infrastructure, is projected to drive demand for Grade A warehouses in the coming years.

Further increases in supply are predicted in Chakan and Talegaon due to the availability of developable land parcels, strong road connections, and proximity to the JNPT Port and industrial regions.

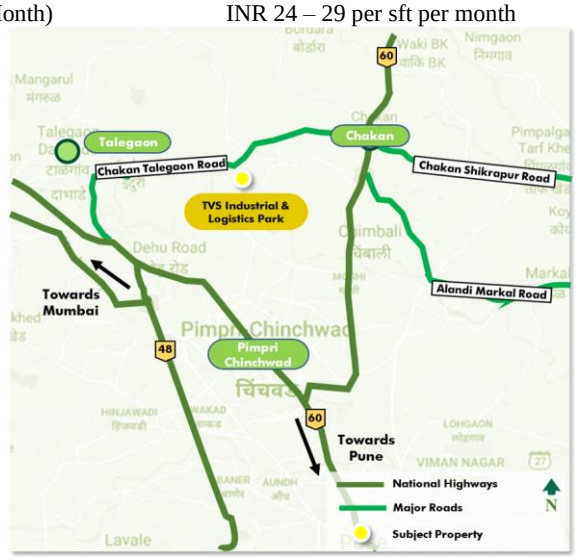
The current quoted base rental rentals in PMR for Grade A warehouse developments in Chakan, Talegaon, and Ranjangaon vary from INR 19.0 to 30.0 per sft per month. For Grade B warehouses, quoted base rentals are typically between INR 15.0 and 20.0 per sft per month. The market's quoted base rentals are expected to remain range bound in the short to medium term, with a 3-5% annual escalation rate.

Approximately 9–10 mn sft of known future supply is estimated to be operational by 2028 as a result of scheduled supply by major institutional participants.

### 3.7.3 Micro-market Analysis - (Subject Property Chakan)

*Table 107: Subject Property ~ Chakan*

| | |
|---|---|
| Name of the Development | TVS Industrial & Logistics Park |
| Location | Chakan, Pune, Maharashtra |
| Land Area (Acres) | 17.01 acres |
| Development Status | Completed |
| Completed Built-up Area (sft) | 3,31,795.89 |
| Leasable area (sft) | 3,58,386 |
| Vacancy (%) | 0% |
| Upcoming Potential (Sft) | - |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Kubota, Stellar, Expeditors, KSH Logistics, Kiran Logistics |
| Average Rentals (INR/sft/Month) | INR 24 – 29 per sft per month |




Key Location Map of the Asset

**Source:** CBRE; Map not to Scale, for representation purpose only

#### 3.7.3.1 Subject Property Snapshot

Chakan is a prominent industrial centre in Western India, home to several major automotive manufacturers and suppliers, including Mercedes-Benz, Mahindra & Mahindra, Volkswagen, and Bajaj Auto.

Constructed in 2006, TVSILP Chakan Warehouse was the first corporate-owned, high-quality warehousing facility in India and the first of its kind in Chakan. Strategically located within the Chakan industrial area, it is suitable for warehousing and light manufacturing operations. The warehouse serves a diverse customer base, including manufacturers, third-party logistics providers, and e-commerce companies.

Chakan's proximity to Pune has contributed to its growth as a significant industrial location in Maharashtra. The region's increasing population and the establishment of IT companies have driven demand for e-commerce services. TVSILP Chakan Warehouse benefits from this growth by offering essential resources such as skilled labour, raw materials, and efficient transportation. The warehouse's convenient access to major transportation routes, including the Pune-Nashik highway, and the planned expansion of infrastructure in the area enhance its connectivity. Combined with its commitment to quality standards, these factors make the warehouse an attractive option for businesses requiring reliable and efficient logistics solutions.

The warehouse is designed to maximize space utilization and incorporates modern features such as energy-efficient lighting and fire safety systems. It has also achieved environmental certification, demonstrating a commitment to sustainable practices.

#### 3.7.3.2 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Chakan is the most prominent and established warehousing vectors of PMR. The region comprises of approx. 61% of the completed supply. The micro-market of Chakan witnesses highest number of quality Grade A warehousing developments by prominent institutional players. The following are primary reason towards these investments in Chakan:

- Availability of large land parcels
- Moderate land values compared to other micro-markets
- Connectivity and accessibility to manufacturing and consumption hubs
- Accessibility of land for future expansion
- Established industrial and warehouse eco-system

*Table 108: Snapshot Chakan Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in PMR | Upcoming Supply |
|---|---|---|---|---|---|
| 22.5 Mn sft | 9-10% | 13.1 Mn sft | 7-8% | 64 - 65% | 4 – 5 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

Out of the completed supply of 22.5 Mn sft, Grade A comprises of 58%, and the rest being of Grade B & C. The region witnesses an absorption of approx. 2.2 to 2.5 Mn sft per annum of warehousing space over the last 4-5 years.

The quoted base rentals for Grade A warehousing development in this micro-market has been observed to be in the range of INR 28 – 30 per sft per month. Auto Industry, 3PL, Engineering & Manufacturing and E-Commerce are key industry sectors occupying warehousing spaces in the region. Prominent tenants include Bentler, BMW, Amazon, Bosch, Aptiv, Atlas Copco, Ericson, Delphi, Reliance Retail, Nippon, Leoni, Tata, Steelcase, IKEA, etc.

#### 3.7.3.3 Building Characteristics

The key building specifications for the assets Box 1 and Box 2 are enlisted in the below table:

*Table 109: Key Building Specifications*

| Particular | Specifications |
|---|---|
| Year of Operation | Box 1 – Phase 1: 2006, Phase 2: 2009<br>Box 2 – Phase 3 : 2011 |
| Leased Area | Box 1 – 2,68,877 sft |

| Particular | Specifications |
|---|---|
| | Box 2 – 89,505 sft |
| Building Structure | Pre-Engineered Building (PEB) |
| Flooring | Floor strength of 5 metric ton per sqm with FM2 concrete floor |
| Height | Box 1 – 9 m |
| | Box 2 – 12 m |
| Lighting | 250 lux |
| Fire Safety | Dual pump arrangement for hydrants and sprinklers. Automatic sprinkler system & fire hydrant system in the facility. Additional FAFD system & portable fire extinguishers installed throughout the facility |
| Office | Administrative office, conference Hall & 2 security cabins |
| Amenities and Facilities | Designated parking area for Trucks, Cars & Two-wheelers, and basic amenities such as dedicated restrooms for drivers, continuous domestic water supply, Common DG for power back up, landscaped area, CCTV Camer, Canteen, etc. |

**Source:** TVSILP

#### 3.7.3.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

In close proximity to the subject site are a number of institution developed Grade A competing facilities, including Indospace, ESR, Embassy, and KSH. Monthly asking rents for developments classified as grade A in the market vary between INR 26 and INR 30 per square foot.

This facility predates the Grade A facilities in the region. Estimates place the subject property's realistic rent for new leases between 21 and 22 INR per square foot, based on the lease asking prices of comparable facilities in the Chakan market.

#### 3.7.3.5 Demand Forecast for the subject micro – market/vector

The demand driver for this vector is primarily due to its proximity to a manufacturing hub, excellent connectivity, a skilled workforce, and suitable land availability. The area's proximity to the Pune-Nashik national highway allows for efficient movement of goods, while the nearby business hubs create demand for warehousing and logistics services. This strategic location makes Chakan a vital storage and distribution hub. Envisaged supply of approx. 3.5 – 4.5 Mn sft is planned in next 3-4 years in this vector, majority of which might be Grade A. Considering, historical absorption witnessed in Chakan, approximately 3.0 – 4.0 mn sft of demand can be expected in next 3-4 years.

*Figure 90: Park Layout of Subject Property*

**Source:** TVSILP Input

## 3.8 Siliguri

### 3.8.1 City Overview

*Table 110: Demographic Snapshot of Siliguri*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GSDP* (Lakh Crore) | GSDP GROWTH | PER CAPITA INCOME (USD) |
|---|---|---|---|---|---|
| West Bengal /Kolkata | 0.7 Mn [63] | 16,700 $Km^2$ | 17.19 | 9% | 934[64] |

**Source:** * Gross State Domestic Product of West Bengal (IBEF)

Siliguri is spread across an area of approximately 41.9 sq. kms and is located in the Darjeeling and Jalpaiguri districts of West Bengal. Most of Siliguri falls under the Darjeeling district, while a minor part falls under Jalpaiguri district. In 1907, it received its sub-divisional status with four community development blocks; Matigara, Naxalbari, Phansidewa and Khoribari as well as the corporation area, Siliguri Municipal Corporation within its administrative jurisdiction.

Siliguri is placed in the Siliguri corridor which is also known as a Chicken's Neck corridor. It is a narrow stretch of land lying in the foothills of the Himalayas and is surrounded by the Mahananda River. It is a strategic location towards the north-eastern region of India and crucial as a trading and commercial centre in North Bengal. Siliguri is the gateway to the hill stations of the Northeast, and North Bengal. It is also the transit point to the neighbouring countries of Bhutan, Nepal, and Bangladesh.

Siliguri is the second largest city within the state of West Bengal. As a commercial hub and strategically important location, Siliguri is governed by its administrative bodies which cater to the needs of its local population.

The area falling within the Siliguri Municipal Corporation is characterised by the presence of established residential and commercial activity. Major industrial and warehouse hub in Siliguri is in Fulbari and its nearby areas which accommodate large companies such as Reliance, Flipkart, Coca-Cola, ITC, and several tea and logistics companies.

*Table 111: Key Infrastructure Initiatives*

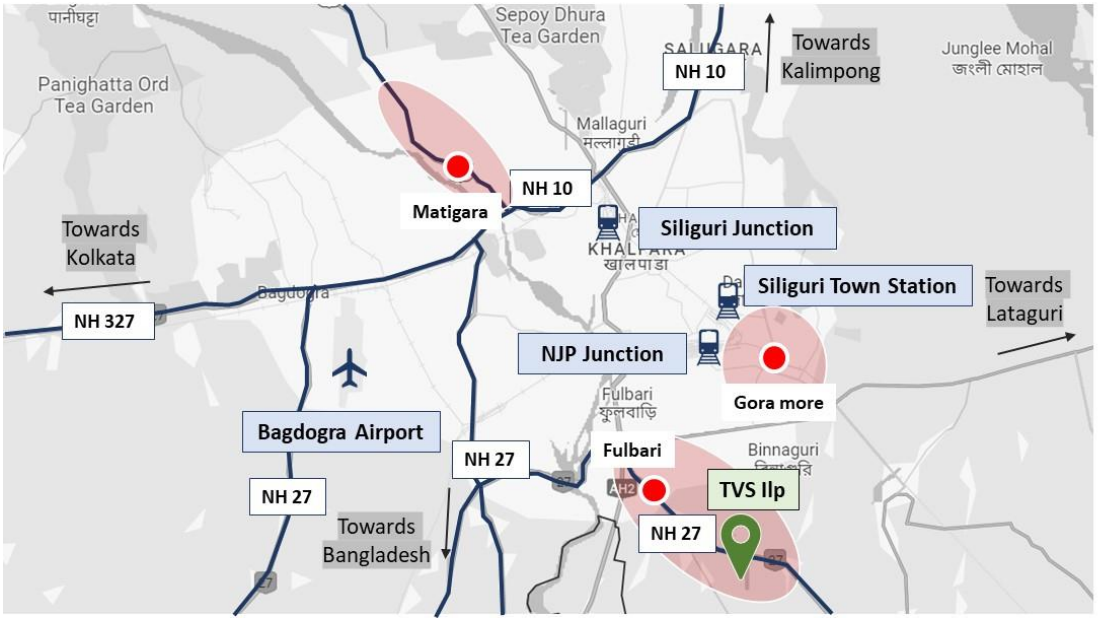
| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 27 – Connecting Porbandar & Silchar, the highway passes through key warehousing and industrial corridor of Siliguri.<br><br>National Highway 12 – Runs entirely in West Bengal. It connects NH 27 junction at Dalkhola and Bok-khali, the highway meets to key industrial areas in the region.<br><br>Asian Highway 2 – Connects Panitanki near Siliguri on India-Nepal border and Fulbari on India-Bangladesh boarder.<br><br>Sevoke Road – Connects Eastern bypass in Siliguri and goes along th NH 10 till Sevoke which is a small town in the Darjeeling. |
| Railway Network | Existing | There are mainly 3 major railway stations in Siliguri, Siliguri Town railway station, Siliguri Junction and New Jalpaiguri Junction. All the 3 stations play a vital role to connect Siliguri with rest of India. |
| Bagdogra International Airport | Existing | It is an international airport located approx. 11 – 12 kms from Siliguri CBD area and approx. 16 – 17 kms. away from New Jalpaiguri Junction.<br><br>This Airport is controlled by Indian Airforce but also allows civilian flights to operate. |
| Kharagpur-Siliguri Economic Corridor | Upcoming | NHAI have approved 4 lane expressway which will connect Kharagpur (west of Kolkata) to Siliguri. It will be a 516 kms long expressway. The project is expected to be completed by 2028. |
| Railway Network | Upcoming | On 9th March 2024 PM Shri Narendra Modi inaugurated several railway projects in North Bengal. The projects include Eklakhi - Balurghat |

[63] Siliguri City (2024)
[64] Darjeeling District (2021 – 22)

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| | | section; Barsoi - Radhikapur section; Raninagar Jalpaiguri - Haldibari section; Siliguri - Aluabari section via Bagdogra and Siliguri – Sivok – Alipurduar Jn. – Samuktala (including Alipurduar Jn. – New Coochbehar) section. |

**Source:** CBRE Research

*Figure 91: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purpose only

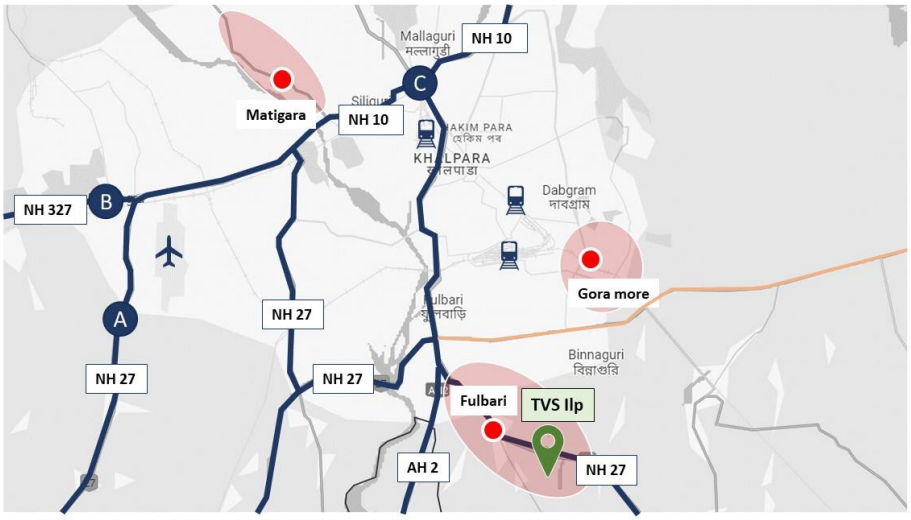
### 3.8.2 Overview of the Warehousing Market in Siliguri

| Cluster classification | Northern cluster | Eastern cluster | Central cluster |
|---|---|---|---|
| Micro-markets | Matigara | Fulbari | Gora More |
| Share of Supply in Siliguri Region | 30% | 28% | 42% |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Siliguri is spread across three major micromarkets, viz., Matigara, Fulbari and Gora More. Matigara and Gora More are the most prominent warehousing micro-markets. The majority of the supply in the form of investment-grade warehousing space (Grade A) can be found in Gora more and Fulbari, while Matigara markets primarily comprise of Grade B and C supply. Gora more contribute to a completed supply (1.32 Mn sft ~ 42%), followed by Matigara (0.91 Mn sft ~ 30%) and Fulbari (0.88 Mn sft ~ 28%). In the last couple of years, Matigara micro markets have not seen much traction owing to unavailability of large and contiguous land parcels, while Gora more and Fulbari are witnessing major demands from companies such as Reliance, Mondelez, Delhivery etc. that have a strong presence in the region.

*Figure 92: Map of Warehousing Cluster in Siliguri City*




A – NH27 (Porbandar-Silchar) B – NH327 (Galgalia-Bangaon) C – NH10 (Indo/Bangladesh-Gangtok)

**Source:** CBRE Research; Map not to scale only, for representation purpose only

### 3.8.2.1 Siliguri – Completed Supply and Absorption Dynamics

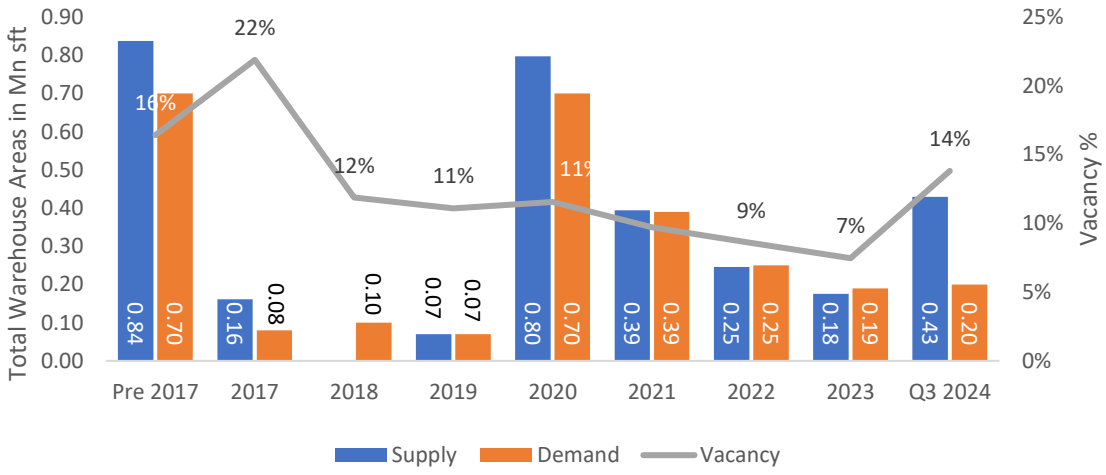
The region boasts an operational warehouse supply of approximately 3.11 Mn sft, with approximately 2.68 Mn sft currently occupied. Prior to 2018, the supply was mostly composed of Grade B, and C developments. During the last 5–6 years, the share of Grade C supply has drastically reduced due to increased demand for quality warehousing spaces from occupiers such as manufacturing, e-commerce, logistics, electronic goods, etc. Hence, witnessing a significant supply of Grade 'A' and 'B' supply.

*Table 112: Overview of Warehousing Market in Siliguri*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 3.11 | 2.67 | 0.80 Mn sft (Absorption – 80%) | 1.39 Mn sft (Absorption – 89%) | 0.91 Mn sft (Absorption – 88%) |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 93: Y-O-Y Supply & Absorption Levels in Siliguri*



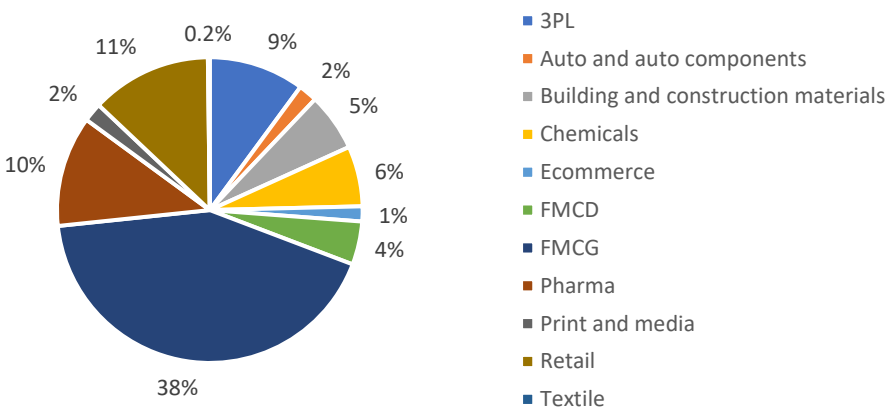

**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Gora more and Fulbari micro-markets, catering primarily to retail and FMCG sectors. A steady increase in supply has been witnessed over the last 4 – 5 years, with an average annual supply of approx. 0.4 Mn sft. The demand for Grade A developments in these micro-markets is driven by their strategic location, proximity to key transportation hubs, and availability of skilled labour. Additionally, the presence of established industrial clusters and supportive government policies further contribute to the growth of these sectors in the region.

Grade A accounts for almost 0.88 Mn sft (26% of completed supply in Siliguri), Grade B accounts for 1.39

Mn sft (45% of completed supply in Siliguri), and Grade C accounts for 0.91 Mn sft (29% of completed supply in Siliguri). Grade A's proportion of the city's market composition is likely to rise in the next few years, due to good transport connectivity to Siliguri as well as other parts of East India, availability of land, etc., owing to increased supply and interest from national and international enterprises. The majority of warehousing activity in the region has been in the Grade B development category, which have been developed by local individuals. FMCG, 3PL, Ecommerce, Pharma and FMCD are the key tenant sectors occupying space in Grade B developments across Siliguri. Some of the key tenants present are Lupin, Pepsico, HUL, Instakart and ITC etc. 3PL players take approx. 250,000 sft, about 50,000 sft is taken by auto and auto components parts sector, building and construction materials sector occupies approx. 154,000 sft, approx. 160,000 sft is taken by chemical sector, approx. 40,000 sft occupied by ecommerce sector, FMCG sector occupies approx. 10,70,000 sft, approx. 115,000 sft is taken by FMCD sector, pharma occupies approx. 294,000 sft, print and media occupies 50,000 sft, retail sector holds an area of approx. 320,000 sft, and textile occupies an area of approx. 5000 sft.

*Figure 94: Segmentation of Absorption by Industry in Siliguri*




**Source:** CBRE Research; Updated as of Q3 2024

Presently, FMCG, pharma and retail combinedly hold more than 60% of the overall absorption. In FMCG the largest player is Coca cola occupying an area of approx. 0.2 Mn sft, followed by HUL occupying 0.1 Mn sft. If we combine all the different warehouse area occupied by Reliance, then the total area would be approx. 0.3 Mn sft.

### 3.8.2.2 Siliguri – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 0.2 – 0.3 Mn sft. , which is anticipoated to be operational by the end of 2025.

*Table 113: Bifurcation of Upcoming Supply in Siliguri*

| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.1 – 0.2 Mn sft | 0.05 – 0.1 Mn sft |

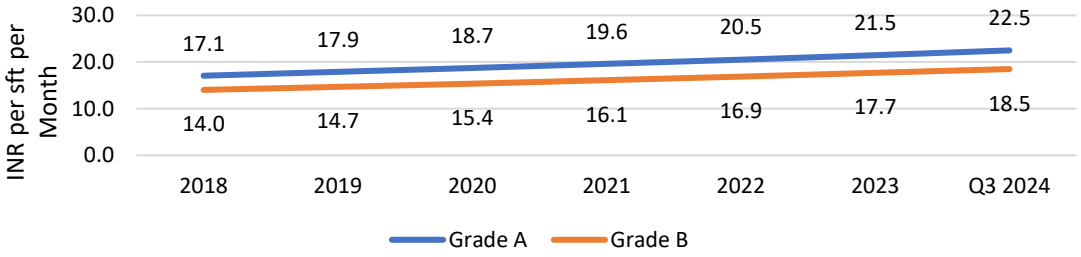
**Source:** CBRE Research; Updated as of Q3 2024

The majority of the upcoming supply is expected to be in the micromarkets of Gora more. Several individual landlords have vacant land parcels close to existing warehouse micromarkets, and they are willing to sign a build-to-suit contract with potential occupiers.

### 3.8.2.3 Siliguri Rental Dynamics

In Siliguri, the average quoted base rental for a Grade A property is between INR 21 and INR 23 per sft per month, while for a Grade B development, it is between INR 18 and INR 19. The table below lists the average rentals quoted for Grade A and B micro-markets

*Figure 95: Grade Wise Asking Rentals in Siliguri*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.8.2.4 Siliguri – Key Lease Transactions

The following table enumerate the key lease transaction in the Siliguri:

*Table 114: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Gora more | Retail | Grade A | 1,00,000 | 22 – 23 | Q4 2022 |
| Gora more | Retail | Grade A | 70,000 | 22 – 23 | Q1 2023 |
| Gora more | Retail | Grade A | 1,00,000 | 21 – 22 | Q2 2023 |
| Fulbari | FMCG | Grade A | 225,000 | 19 – 20 | Q1 2024 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.8.2.5 Northern Cluster Overview

The Northern Cluster comprise of Matigara micromarket. The cluster is located alongside Khaprail Road which connects to NH 10 and AH 2. Maa Amba Infrastructure Pvt Ltd and Simco Group are the dominant players in this micromarket. The market's proximity to Bagdogra International Airport approx. 9 – 10 kms and excellent connectivity through NH 27 have led to its emergence. The cluster comprises approximately 30% of the completed supply in the Siliguri region. In this micromarket there are no Grade A supply. Out of the completed supply in this cluster, approx. 78% of the supply is Grade B followed by Grade C with a supply of approx. 22%.

**Matigara Micro Market**

| Completed Supply | Vacancy | Grade B Supply | Grade B Vacancy | Share of Grade B Supply in SILIGURI |
|---|---|---|---|---|
| 0.91 Mn sft | 7-8% | 0.71 Mn sft | 4 – 5% | 50-51% |

Matigara is considered to be an established warehouse micromarket where several FMCG, building and construction materials, and pharma companies have already taken space. Micro-markets gained prominence largely on account of their proximity to Bagdogra International Airport (approximately. 12–13 km) and the availability of land parcels close to NH 27. FMCG, building and construction materials, and pharma are key industries, occupying approx. 78% of the completed supply in the Matigara micro-market with tenants such as ITC, HUL, Nestle, Shree Cement, PepsiCo, Lupin, Reckkit, etc. Grade B rental in this micromarket range between 16 – 17 INR/sft/month, whereas Grade C rental is between 12 – 14 INR/sft/month.

### 3.8.2.6 Eastern Cluster Overview

Eastern Cluster comprise of Fulbari micromarkets. The cluster is located on the eastern side of Siliguri, alongside NH 27. The micromarket is dominated by mainly local individual players. The market's proximity to the main city area and excellent connectivity through NH 27 have led to its emergence. The cluster comprises approximately 24% of the completed supply in the Siliguri region. Out of the completed supply in the Fulbari cluster, approximately 54% of the supply is Grade A, followed by Grade B and Grade C with a supply of 22% & 24% respectively.

**Fulbari Micro Market**

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in SILIGURI |
|---|---|---|---|---|
| 0.88 Mn sft | 20-21 % | 0.48 Mn sft | 24% | 55-60 % |

**Source:** CBRE Research; Updated as of Q3 2024

Proximity to the National Highway and the main city area have resulted in the growth of Fulbari as a micro-

market. Several multinational and national companies, such as Coca cola occupying Grade A development, Mondelez, Instakart and Delhivery occupying Grade B development, and companies like Keventer, Emami Frank Ross, etc are occupying Grade C developments in this micromarket. Grade A rental in this micromarket range between 21 – 23 INR/sft/month, whereas Grade B rental is between 17 – 18 INR/sft/month. However, due to recent completions, the vacancy rate in Grade A developments currently stands at 24%. Nevertheless, this vacancy is expected to decline in the near future, driven by rising consumption demand and the growing need for high-quality warehouses

**Central Cluster Overview**

The Central Cluster of Siliguri warehousing market comprises Gora more micromarkets, constituting nearly 42% of the overall completed supply until Q3 2024.

**Gora more Micro Market**

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in SILIGURI |
|---|---|---|---|---|
| 1.32 Mn sft | 14-15% | 0.32 Mn sft | 14-15% | 40-45% |

**Source:** CBRE Research; Updated as of Q3 2024

Gora more is the nearest to the city compared to other micromarkets in the region. In this belt, several companies, such as Exide, Amul, Amazon, Reliance, Dabar, Berger paints, Bisk farm, Tata tea, etc are present. In this micromarket the Grade A rentals are approx. 21 – 23 INR/sft/month, for Grade B the rentals are approx. 15 – 19 INR/sft/month and Grade C rentals are approx. 12 – 15 INR/sft/month.

### 3.8.2.7 Siliguri – Overall Market Outlook

Siliguri warehousing market is one of the most prominent warehousing markets across east India, mainly on account of its connectivity to the NH 27, multiple existing and upcoming ports, industrial areas of Gujarat, Rajasthan, Madhya Pradesh, West Bengal, and Assam, and robust road network. Prior to 2019, Siliguri had the majority of the supply in the form of Grade B and Grade C developments. With the rise in the retail, FMCG, e-commerce sectors, the market witnessed a higher influx of Grade A developments. With increased demand for warehouse space from multinational and national companies coupled with the improvised road infrastructure, demand for Grade A warehouses is expected to rise in the upcoming years. Further, increase in supply is expected in Fulbari owing to availability of developable land parcels, excellent road connectivity, proximity to industrial areas.

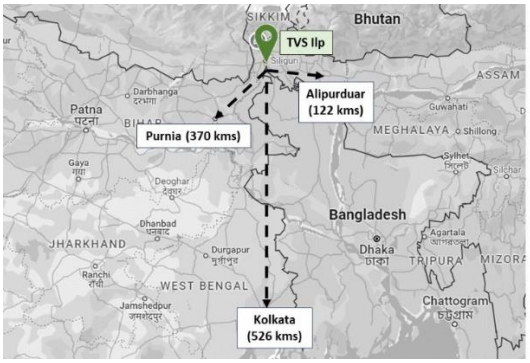
The current prevalent asking rent in Siliguri is in the range of INR 21–23 sft/month for Grade A warehousing developments in the areas of Gora more and Fulbari. For Grade B warehouses, the asking rentals are witnessed to be in the range of INR 17–19 sft/month. The asking rentals in the market to remain range-bound in the short to medium term with market standard escalation of 4-5% annually.

### 3.8.3 Micro Analysis - (Subject Property Location ~ Fulbari)

*Table 115: Subject Property ~ Fulbari*

| | |
|---|---|
| Name of the Development | TVS Warehouse |
| Location | Fulbari, Siliguri, West Bengal |
| Land Area (Acres) | 5.65 |
| Development Status | Completed |
| Completed Gross Leasable Area (sft) | 140,474 |
| Vacancy Levels | 0% |
| Upcoming Potential (Sft) | - |
| Year of Establishment | 2022 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Instakart Services Pvt Ltd |
| Average Rentals (INR/sft/Month) | INR 22 – 23 per sft per Month |

Key Location Map of the Asset




Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purpose only ; Updated as of Q3 2024

### 3.8.3.1 Subject Property Snapshot

Siliguri, a major Tier 2 city in West Bengal, spans the Darjeeling and Jalpaiguri districts and serves as the "Gateway to North-East India." Traditionally known for tea, timber, and tourism, the city has experienced significant growth in transportation in recent times. Its strategic location in West Bengal, with proximity to international borders with China, Nepal, Bangladesh, and Bhutan, makes it a crucial trading hub. Excellent air and rail connectivity further enhance its importance. The city's growing educational sector attracts a young population from North Bengal and the Northeast, contributing to its emergence as a consumption center. Siliguri also aims to establish itself as an IT hub in the future.

Siliguri, the commercial capital of North Bengal, boasts an extensive transportation network. Its proximity to industrial areas in Cooch Behar and Jalpaiguri positions it as a potential service provider to key industries such as food processing, retail, e-commerce, logistics, pharmaceuticals, fast-moving consumer goods, and hospitality. The city's connectivity through NH 27, part of the Asian Highway 2 project, enhances its accessibility.

The warehouse is located 17 kilometers from the city and 13 kilometers from New Jalpaiguri railway station. Bagdogra International Airport is 25 kilometers away.

### 3.8.3.2 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Fulbari is an upcoming warehousing vector in Siliguri. The region comprises approximately 28% of the completed supply. The following are the primary reasons for these investments in Siliguri:

- Availability of large land parcels
- Connectivity and accessibility to manufacturing and consumption hubs
- Accessibility of land for future expansion

*Table 116: Snapshot Fulbari Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Siliguri |
|---|---|---|---|---|
| 0.88 Mn sft | 20-21 % | 0.48 Mn sft | 24% | 55-60 % |

**Source:** CBRE Research; Updated as of Q3 2024

Out of the completed supply of 0.88 Mn sft, Grade A comprises of 54%, and the rest being of Grade B & C.

The asking rentals for Grade A warehousing development in this micro-market has been observed to be in the range of INR 22 – 23 per sft per month. FMCG, FMCD, Pharma and Chemicals are key industry sectors occupying warehousing spaces in the region, prominent tenants include Coca Cola, Mondelez, Delivery, etc.

### 3.8.3.3 Building Characteristics

The key building specifications for the asset are listed in the following table:

*Table* 117*: Key Building Specifications of Siliguri Asset*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-Engineered Building (PEB) |

| Particular | Specifications |
|---|---|
| Flooring | FM2 flooring |
| Height | Ridge height of 1.2 m. and Eave's height of 12 m. |
| Lighting | Lux level – 150 lux @ 1.00 m from FFL. High bay fitting on the building profile, Common PCC panel & capacitor panel at the substation. |
| Fire Safety | Fire hydrant system, Firefighting water, Automatic sprinklers system |
| Office | Mezzanine area |
| Amenities and Facilities | Truck apron and parking, driver and labor rest room, and basic specifications such as - fire tank, common amenity space, first aid facility. |

**Source:** TVSILP

#### 3.8.3.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

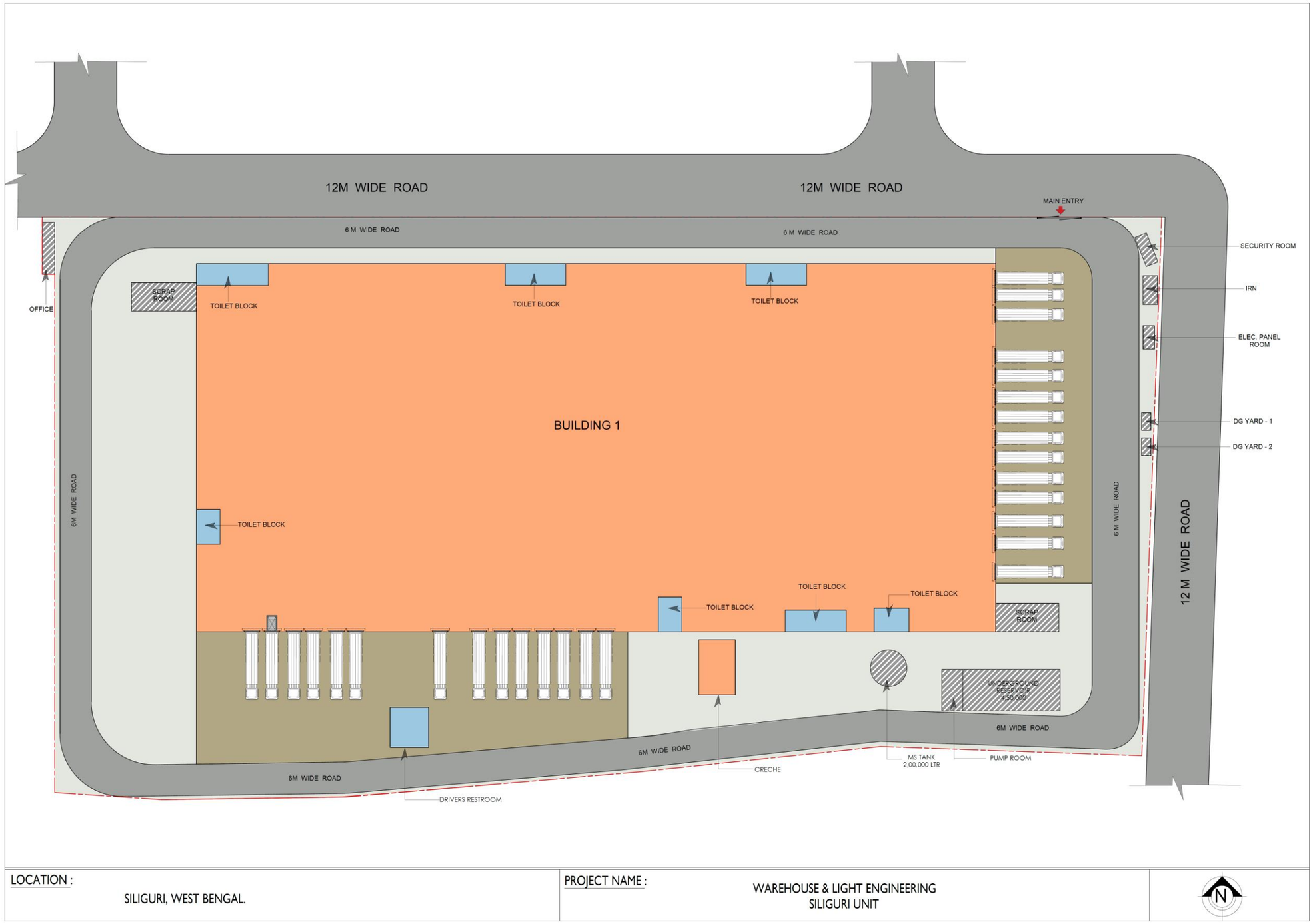
Limited Grade A competing facilities, which were developed by individuals, are situated in close proximity to the subject property. These facilities conform to the building specifications in accordance with quality Grade A development standards. Rentals for quality grade A developments in the market range between INR 18 and INR 23 /sft per month. It is postulated that the achievable rent for the subject property is between INR 22 and INR 24 /sft per month (CAM included), based on an analysis of comparable rental rates in the Fulbari market.

#### 3.8.3.5 Demand Forecast for the subject micro – market/vector

The demand for warehousing space in Siliguri is expected to rise steadily in the coming years, driven by the flourishing FMCG, e-commerce, and 3PL logistics sectors. This growth is primarily fueled by the availability of land and the presence of a well-established warehousing ecosystem within Siliguri.

However, there's a lack of large-scale warehousing projects currently planned for Fulbari. While negligible upcoming supply is planned specifically for Fulbari, the broader Siliguri market anticipates new developments totalling 0.2 – 0.3 Mn sft. Considering Siliguri's historical absorption rate, an estimated demand of 1.0 – 1.2 Mn Sft is expected within the next 3-4 years.

*Figure 96: Park Layout Of Siliguri Asset*




**Source:** TVS ILP

## 3.9 Sullurpet

### 3.9.1 City Overview

*Table 118: Demographic Snapshot of Sullurpet*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GSDP (USD) | GSDP GROWTH | PER CAPITA INCOME (USD) |
|---|---|---|---|---|---|
| | (Sullurpet) | | (Andhra Pradesh) | | |
| Andhra Pradesh /Amaravati | 91,500[65] | 406 /km$^2$ | 165 Bn | 11.17% | 2,749 |

**Source:** AP Socio-Economic Overview; AP Environmental Information System

Sullurpet Mandal forms part of the newly carved out Tirupati district. With the reorganization of districts and formation of new revenue divisions, Sullurpet was made the mandal headquarters and the headquarters of the Sullurpet revenue division making it the key destination for surrounding villages for any economic and industrial activity. Sullurpet Municipality was constituted as Grade-I Municipality (Municipality with an annual income of >INR 4 Cr. and <INR 6 Cr.) in 2012 and it is a gateway to "Sathish Dhavan Space Centre (SHAR)" Sriharikota, which is India's Rocket Launching Space Centre located at a distance of approx. 23 km from Sullurpet.

Sullurpet is located towards the east coast of Andhra Pradesh in proximity to key industrial hubs like Sri City, Chennai, and the Mambattu APIIC area. With the establishment of SHAR in 1969, the region witnessed infrastructural growth and with the inauguration of Sri City in 2008, industrial growth was witnessed in the region.

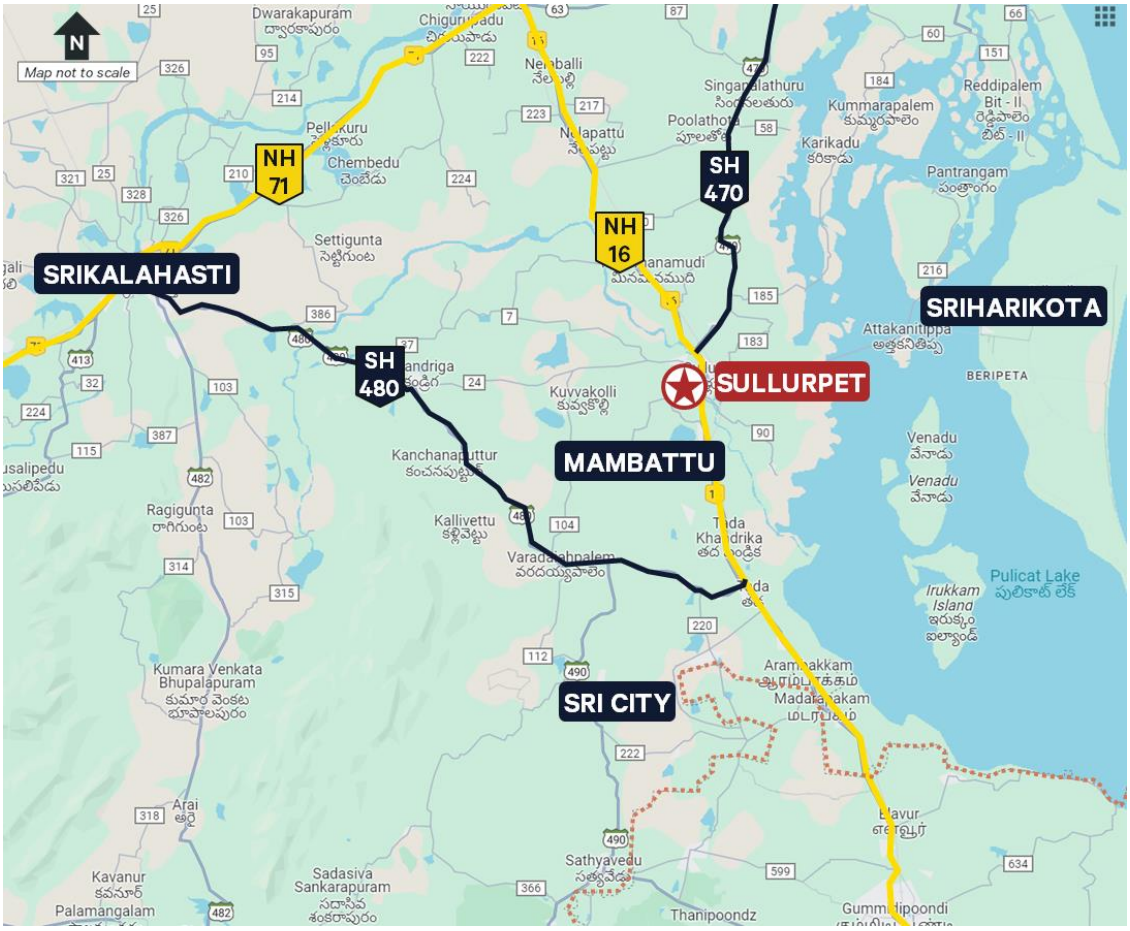
*Table 119: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, the highway passes through key warehousing and industrial regions such as Kolkata, Bhubaneshwar, Brahmapur, Visakhapatnam, Vizianagaram, Vijayawada, etc.<br><br>Sullurpet is located between Nellore and Chennai on the NH 16 stretch, towards the Eastern part of the Highway. National Highway 16 connects Sullurpet to other key cities of Andhra Pradesh such as Visakhapatnam, Vijayawada, etc. and Chennai in Tamil Nadu. |
| Railway Network | Existing | Sullurpet railway station connects the region to Chennai in the South and Nellore in the North. |
| Tirupati Airport | Existing | The nearest airport to the subject location is Tirupati Airport, located approx. 60 km from the subject region. |

**Source:** CBRE Research

*Figure 97: Map of Key Infrastructure Initiatives*

[65] Census 2011




**Source:** CBRE Research; Map not to scale only, for representation purposes only

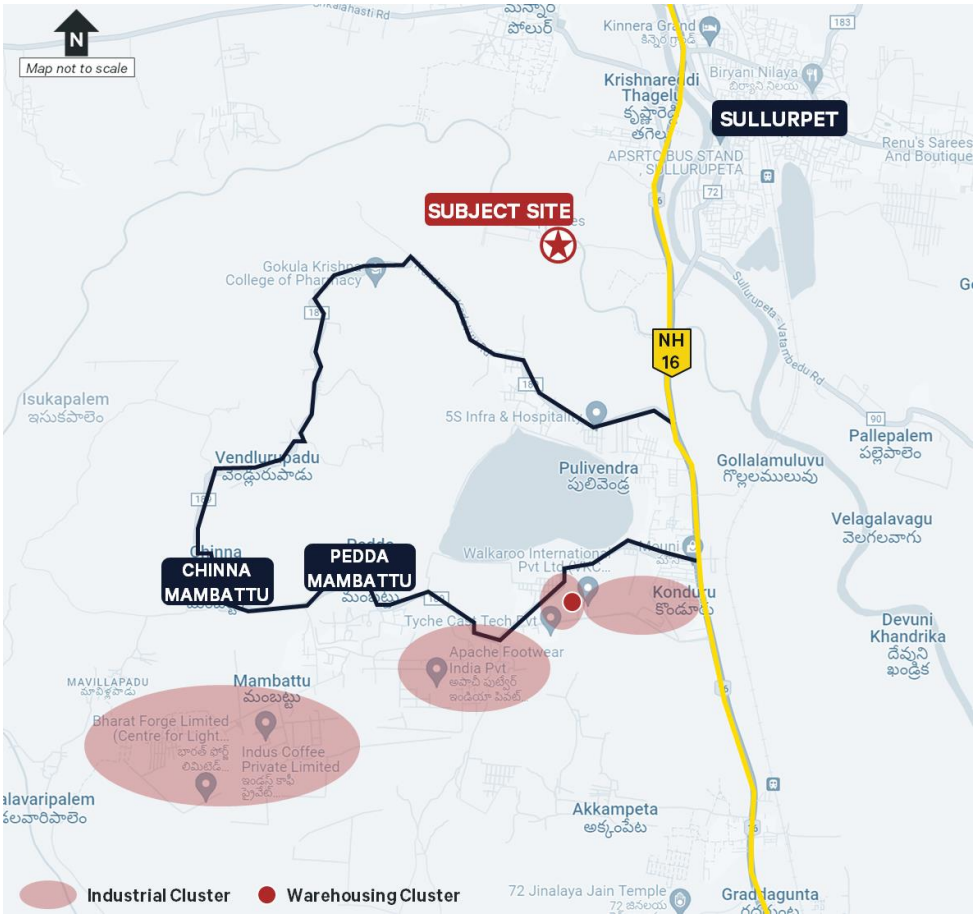
### 3.9.2 Overview of the Warehousing & Industrial Market in Sullurpet

| Cluster Classification | Mambattu – APIIC |
|---|---|
| Micro-markets | Kadaluru, Pedda Mambattu |

Industrial and warehousing activity in Sullurpet is concentrated near the Mambattu APIIC area located towards the western side of the town. The region has various industries set up within the APIIC industrial area with captive warehousing space and hence most of the existing industries have no requirement for external warehousing. Based on our market understanding, the subject region does not have many warehousing developments owing to lower demand. The existing supply is built-to-suit and on-demand basis for partial/complete industrial setup, mostly in the small-scale manufacturing segment.

The Mambattu region has approx. 0.52 mn sft of warehousing supply as of Q3 2024. All the supply is absorbed as it has been constructed on a built-to-suit basis. The warehouses within the Mambattu region have been occupied by manufacturing plant suppliers and other industrial suppliers operating majorly in the APIIC cluster.

*Figure 98: Map of Warehousing Cluster in Sullurpet*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.9.2.1 Sullurpet – Completed Supply and Absorption Dynamics

As highlighted earlier, the region has approximately 0.52 Mn sft of operational industrial and warehousing supply with 100% occupancy. The supply is primarily of Grade B nature from occupiers of the Engineering & Manufacturing segment, with occupiers such as Ludetong and IMI.

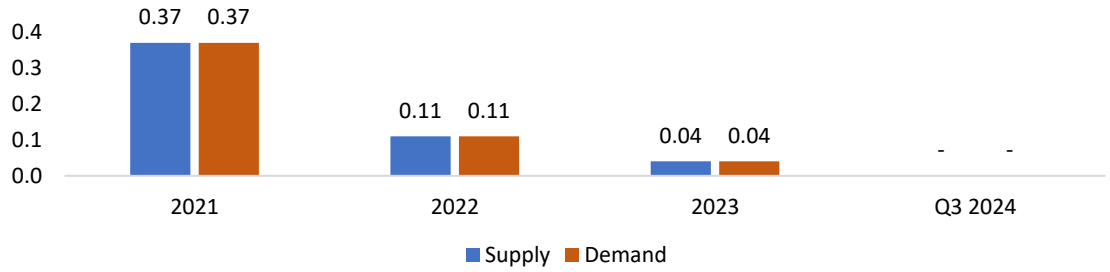
*Table 120: Overview of Warehousing Market in Sullurpet*

| Completed Supply (Mn sft) | Total Absorption Mn Sft | Share of Grade A Completed Supply (%) |
|---|---|---|
| 0.52 | 0.52 | 71%<br>(Absorption – 100%) |

**Source:** CBRE Research; Updated as of Q3 2024

Since the subject region is primarily an industrial location with very minimal activity of warehousing, the supply in the region is of a Built-to-Suit nature. Another 0.05 – 0.06 mn sft of supply is planned for construction in the region dependent on the potential demand in the future. Of the completed supply of 0.52 mn sft, 0.37 Mn sft (Grade A) supply was completed in 2021. The region experienced the completion of a 40,000 square foot Grade B development in 2023, which was subsequently leased to an engineering and manufacturing tenant. Additionally, the region has not seen any substantial increase in supply as of the 3rd quarter of 2024.

*Figure 99: Supply Absorption Dynamics of Sullurpet*




**Source:** CBRE Research; Updated as of Q3 2024

#### 3.9.2.2 Sullurpet – Upcoming Supply Dynamics

The Mambattu Micro Market is anticipated to see an influx of new warehouse space in the range of 0.27 to 0.28 million square feet by the end of 2024 or early 2025. This upcoming supply will be primarily comprised of Grade A development along with Grade B warehousing, catering to the area's established Engineering & Manufacturing sector.

*Table 121: Bifurcation of Upcoming Supply in Sullurpet*

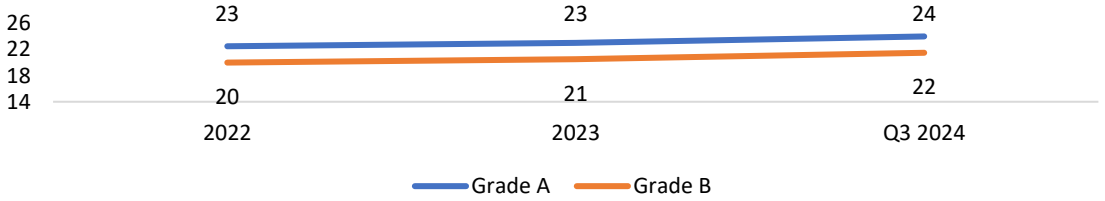
| UNDER CONSTRUCTION SUPPLY | PLANNED SUPPLY |
|---|---|
| 0.27 – 0.28 Mn sft | 0.02 – 0.03 Mn sft |

**Source:** CBRE Research; Updated as of Q3 2024

#### 3.9.2.3 Sullurpet – Asking Rental Dynamics

The average quoted base rental in Sullurpet is INR 23 – 25 /sft /month for a Grade A development, and INR 21 – 23 /sft /month for Grade B development.

*Figure 100: Rental Trends – Sullurpet*




**Source:** CBRE Research; Updated as of Q3 2024

#### 3.9.2.4 Sullurpet – Key Lease Transactions

The following table enumerates the key lease transactions in Sullurpet:

*Table 122: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Sullurpet | Engineering & Manufacturing | Grade A | 3,70,719 | 24 – 25 | 2021 |
| Mambattu | Engineering & Manufacturing | Grade B | 35,000 | 21 – 22 | 2022 |
| Mambattu | Engineering & Manufacturing | Grade B | 35,000 | 22 – 23 | 2022 |
| Mambattu | Engineering & Manufacturing | Grade B | 40,000 | 22 – 23 | 2022 |
| Mambattu | Engineering & Manufacturing | Grade B | 40,000 | 22 – 23 | 2023 |

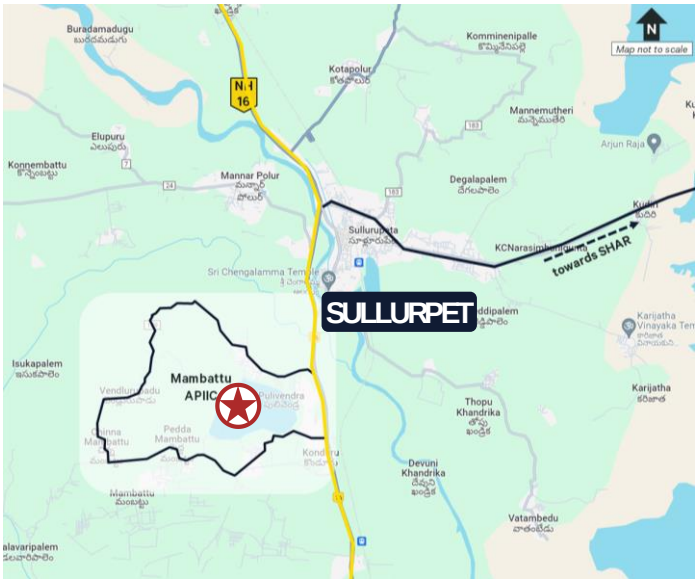
**Source:** CBRE Research; Updated as of Q3 2024

### 3.9.3 Micro Analysis - (Subject Property Location ~ Sullurpet)

*Table 123: Subject Property ~ Sullurpet*

| | | |
|---|---|---|
| Name of the Development | Indutch Composites Technology Pvt Ltd | |
| Location | Sullurpet, Tirupati Dist., Andhra Pradesh | |
| Phasing | Sullurpet I | Sullurpet II |
| Land Area (Acres) | 45.27 | |

| | | |
|---|---|---|
| Development Status | Completed | Under Construction |
| Completed Gross Leasable Area (sft) | Building: 3,70,719 sft | Building: 2,50,000 sft |
| | Open Storage: 5,07,071 sft | Open Storage: 2,50,000 sft |
| Vacancy Levels | 0% | - |
| Upcoming Potential (Sft) | - | - |
| Year of Establishment | 2021 | 2025 (Expected) |
| Building Structure | Pre-Engineered Building Structure | |
| Key Tenants | Indutch Composites Technology Pvt Ltd | |
| Average Rentals (INR/sft/month) | INR 24.8* per sft of building area & INR 14.0 per sft for open area | |




**Source:** CBRE Research; Map not to Scale, for representation purposes only; * Without fitouts ; Updated as of Q3 2024

### 3.9.3.1 Subject Property Snapshot

Sullurpet, situated in Andhra Pradesh, is experiencing rapid growth in the warehousing and industrial sectors due to its strategic location along National Highway 16. This key transportation route connects Chennai and Kolkata, making Sullurpet a crucial transit point for goods. The proximity to major ports like Chennai and Krishnapatnam further enhances its importance for import-export activities. The region's expanding industrial base, encompassing textiles, pharmaceuticals, and automotive components, drives the demand for warehousing facilities to store raw materials and finished products. Ongoing infrastructure development, such as improvements to NH-16 and the construction of dedicated freight corridors, is enhancing Sullurpet's connectivity and attractiveness as a manufacturing location.

The park is strategically positioned in Sullurpet, equidistant from Krishnapatnam and Ennore ports, and within 95 kilometers of an airport. Its location on NH16 and proximity to industrial centers like Sri City and Chennai make it a significant trade hub. The park houses a leading wind blade manufacturing company serving global multinational corporations.

### 3.9.3.2 Overall Warehousing Dynamics – Supply Vacancy and Rentals

Mambattu and Sullurpet regions comprise the completed supply of 0.15 Mn sft. The following are the primary reasons for these investments in Sullurpet and surrounding regions:

- Presence of industrial ecosystem
- Proximity to manufacturing and consumption hubs such as Nellore, Sri City, Sri Kalahasti, etc.
- Connectivity to major cities and economic hubs through National Highway 16

### 3.9.3.3 Industrial Establishment Dynamics

The subject location is located within Tarakeswara Textile Park, however, there is no other industrial activity in the immediate surroundings of the subject property. The closest industrial establishment is located in the Mambattu APIIC region which is located approx. 5 km from the subject property.

The total gross extent of the Mambattu APIIC region is approx. 983.35 acres of which an extent of approx. 900.22 acres have been allocated to various industries. Approx 75% of the allotted land of 900.22 acres has been developed. The majority of industries belong to footwear, polymers, and chemical sectors. Some of the major allottees in the region are:

*Table 124: Major Allottees in the Mambattu APIIC Region*

| SL. NO. | NAME OF THE INDUSTRY | SECTOR | LAND AREA ALLOTTED (ACRES) |
|---|---|---|---|
| 1 | Apache Investments Holding | Footwear | 313.57 |
| 2 | Bharathiya International Ltd | Leather Apparel | 250.49 |
| 3 | Bharat Forge Limited | Metal Forging | 97.34 |
| 4 | Tata Chemicals Limited | Chemicals | 44.81 |
| 5 | Regen Powertech Private Limited | Wind Energy | 44.73 |
| 6 | Indus Coffee Pvt. Ltd. | Food Products & Beverages | 28.59 |
| 7 | Epack Polymers Private Limited | Prefabricated Structure Manufacturer | 23.3 |

**Source:** CBRE Research

### 3.9.3.4 Building Characteristics

As highlighted above, the subject property is being developed in 2 phases, with phase I operational since 2021 and phase II expected to be completed by the end of 2024. The key building specifications for the asset are enlisted in the following table:

*Table 125: Key Building Specifications of Sullurpet Asset*

| Particular | Specifications |
|---|---|
| Building Structure | Pre-engineered building (PEB) structured warehousing park with metal panels up to the roof |
| Flooring | Flat/super flat floors with FM2-compliant design to support high cube-racking |
| Height | 22m bay – 10.62 m to the eaves<br>30m bay – 19.18 m to the eaves<br>40m bay – 10.62 m to the eaves<br>10m bay – 5.00 m to the eaves |
| Lighting | Energy-efficient lighting & skylights. Open sky ventilation at multiple points |
| Fire Safety | Ceiling sprinklers, external and internal hydrants |
| Office | office space of over 2 floors (Ground – 4.65m & Mezzanine – 5.87 m high) |
| Amenities and Facilities | Truck yard and a parking lot, and basic specifications such as an underground water tank, sewage treatment plant, organic waste converter, rainwater harvesting pond, common amenity space, facility management office, first aid room, and control room |
| Fit-outs | Additionally, TVSILP has provided HVAC systems, EOT Crane Systems, Ventilation & Air Conditioning Systems, Compressed Air Systems, Electrical Systems, Dust Extraction Systems, Deburring Chamber Systems, Internal Partition Walls, Floor Trench Covers, Water Cooling Systems, STPs, and Racking Provisions in both the storage units and the 20 m bay. |

**Source:** TVSILP

### 3.9.3.5 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

Limited warehousing developments are located in the vicinity of the subject property. Notwithstanding this, a considerable number of operators in the manufacturing sector have built and are currently utilizing state-of-the-art industrial facilities. The facilities comply with the building specifications for Grade A warehouse developments.

The rentals commanded by grade B warehouses in the market are in the range of INR 23 – 25 per sft per month. The subject property's achievable rent level would be in a similar range for warehousing purposes. Still, considering that the subject property has additional fit-outs, plant & machinery along with open storage yards provided by TVSILP, the rentals are expected to be on the higher side for the subject property. This is due to the added value of these amenities and features, which can justify a higher rental rate compared to standard grade B warehouses in the market in the range of INR 29 – 30 per sft per month. The subject property's unique offerings make it a desirable option for potential tenants looking for a well-equipped space.

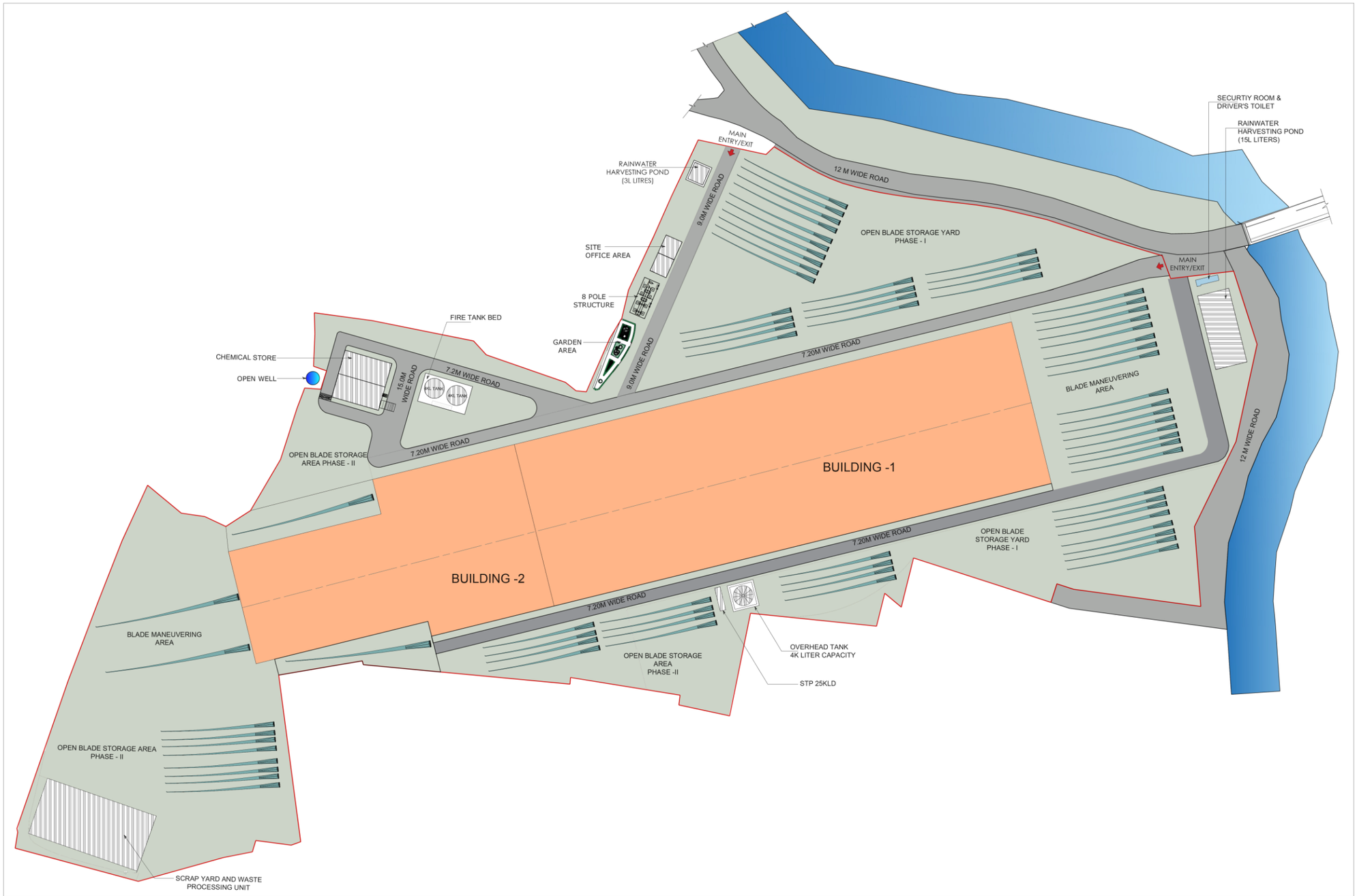
The various industrial establishments in the vicinity of the subject property are located within the Mambattu industrial region with land parcels being allotted by the APIIC, hence the industries get various benefits from the government such as stamp and registration fee waivers, single desk clearances, provision of support infrastructure, etc. Hence, the rentals for the subject site would not be exactly comparable to the industrial facilities located in the Mambattu region. Also, of the allocated land of 900.22 acres, only 208.03 acres have been allotted under the lease deed.

#### 3.9.3.6 Demand Forecast for the subject micro-market/vector

Over the next two years, the Mambattu APIIC region is projected to receive an estimated 0.4 –0.5 mn sft of industrial and warehousing supply, the majority of which will be Grade A/B. Industrial and warehousing developments in the region are primarily motivated by the industrial ecosystem, land accessibility, and strategic location that facilitates industrial units. Demand is projected to increase by 0.6 to 0.7 mn sft over the subsequent three to four years, according to historical micro market absorption data. However, given the built-to-suit nature of the subject development for an industrial facility, the subject development is leased out by the existing tenant, Indutch Composites Technology Ltd with a 5-year lock-in period and a lease term of 12-years as per the lease agreement on 24-02-2021. Also, as per the site-level understanding and phase II lease agreement, the existing tenant has an agreement to occupy the under-construction phase-II development with 4 years and 6 months of lock-in period and a lease term of 10 years. This is expected to suffice the demand at the subject site.

In case the existing tenant vacates the property, a tenant of similar profile and requirements has to take up the space considering the provisions and equipment at the subject property, or it can be expected that the asset would be leased at a discounted rate. It is crucial to ensure a smooth transition to maintain the property's value and profitability.

*Figure 101: Park Layout of Sullurpet Asset*




**Source:** TVSILP

## 3.10 Vijayawada

### 3.10.1 City Overview

*Table 126: Demographic Snapshot of the City*

| STATE/CAPITAL | POPULATION | POPULATION DENSITY | GSDP (USD) | PER CAPITA INCOME (USD) |
|---|---|---|---|---|
| Andhra Pradesh/Amaravati | 2.2 Mn | 259 /km$^2$ | 165 Bn | 2,749 |

**Source:** [1] UN Projections of Population, base Census of India; DDP Report 2021; Andhra Pradesh Govt

Being "The Business Capital of Andhra Pradesh," Vijayawada encompasses an approximate area of 62 km2. The administration of Vijayawada is the responsibility of the Vijayawada Municipal Corporation (VMC).

Vijayawada, a thriving city in Andhra Pradesh, serves as the commercial, cultural, and intellectual hub of the state. Its economy is underpinned by a robust industrial base, with significant contributions from sectors like textiles, real estate, and agriculture. The city's vibrant educational landscape, encompassing institutions of higher learning, further fuels its intellectual and economic growth. Reflecting this economic dynamism, Krishna District, where Vijayawada is located, emerged as a major contributor to the state's economy in 2018-19, accounting for a substantial 13.43% share (INR 1,14,811 Cr) of the state's Gross Value Addition (INR 8,55,045 Cr), solidifying its position as a key driver of economic activity in Andhra Pradesh.

With Andhra Pradesh's Industrial Development Policy 2020-23, the following sectors have been identified as thrust sectors and are expected to boost industrial activity in the city:

- Aerospace and defence
- Automobiles
- Electronics
- Food processing
- Footwear and leatherwear
- Petrochemicals and allied industries
- Pharmaceuticals and biotechnology
- Textiles
- Toys and furniture
- Machinery, precision equipment, and mineral-based industries

Vijayawada is distributed into several zones based on the nature of real estate activity witnessed in each zone.

- **Central Business District (CBD)**: Vijayawada's CBD is characterized by major social infrastructure such as schools, malls, and restaurants. The region also consists of various hospitality developments catering to business travelers and tourists, as well as prominent retail high street activity. Key micro markets include Benz Circle, Krishnalanka, and Governor Peta.

- **East Zone**: The East Zone of Vijayawada is a fast-growing commercial and logistics region with mostly unorganized residential clusters. The growing IT industry in some micro-markets in the region is driving the demand for office spaces and organized residential activity. Apart from this, the region is also witnessing a growing interest in industrial and warehousing real estate due to the area's strategic location, with NH 65 passing through the cluster, connecting Vijayawada to the Machilipatnam port area.

- **South Zone**: Towards the south of Vijayawada, the planned city of Amaravati is being developed as the capital of Andhra Pradesh. With the development of Amaravati and the surrounding micro-markets of Mangalagiri, Tadepalli, etc. in progress, there is a lot of potential in the region, which can also be attributed to the connectivity of the city to Guntur via NH 16, which is an industrial and commercial hub. However, given the slower pace of development in Amaravati, the region is relatively nascent in terms of various real estate asset classes.

- **North Zone**: North Vijayawada is characterized by the presence of unorganized residential clusters, as well as a growing logistics and industrial segment. The natural extension of the city can be attributable to the historic settlements in the region's residential pockets. There is a large presence of warehousing activity in the region due to the region's connectivity to industrial hubs like Nuzividu.

- **North-East Zone**: North-East Vijayawada is witnessing increased real estate activity due to the region's proximity to the Gannavaram International Airport, which has led to the growth of the hospitality industry. The airport's presence also makes it a strategic location for warehousing and logistics businesses.

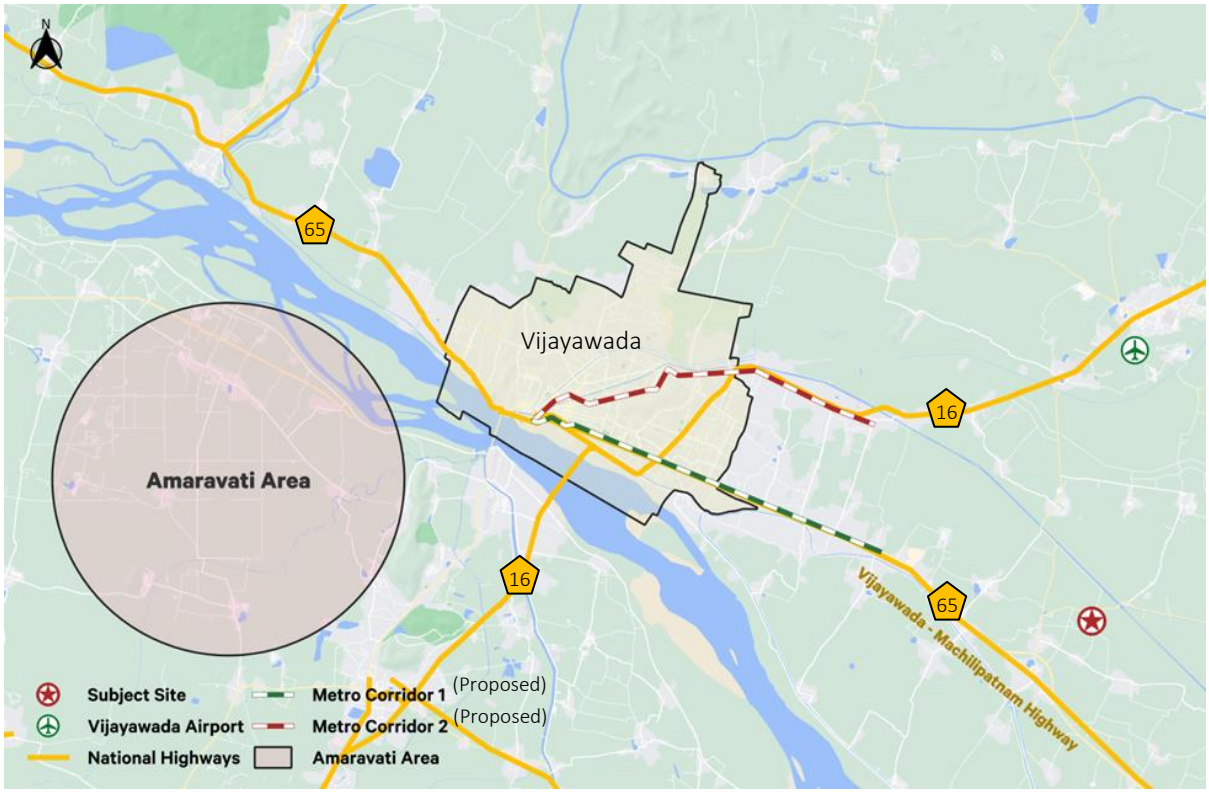
- **West Zone**: Vijayawada's West Zone is characterized by organized residential and commercial pockets, as well as nascent warehousing activity. Due to the substantial demand for residential projects in the region, the zone has witnessed the development of schools, hospitals, and other social infrastructure.

*Table 127: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 65 – Connecting Pune and Machilipatnam, the highway passes through the heart of the city, passing by various residential, commercial, and industrial clusters of Vijayawada<br><br>National Highway 16 – Connecting Kolkata and Chennai, the highway passes through the heart of Vijayawada and connects the city to Amaravati, and other major cities like Guntur and Ongole. |
| Vijayawada Metro Project | Planned | The government of Andhra Pradesh has proposed a metro rail project to enhance public transportation in the city<br><br>The last stop towards the subject site is Gangur which forms part of the first corridor of Vijayawada metro. This provides good accessibility to the subject property, as the distance between the two points is 10 km. |
| Amaravati City Planning | Upcoming | The city of Amaravati, located between Vijayawada and Guntur, is being developed as the new capital of Andhra Pradesh. Although progress has been slow, the city is expected to grow in the future. |
| Vijayawada-Machilipatnam Highway | Planned | The Vijayawada-Machilipatnam highway (NH 65), which is approx. 3-4 km from the subject site, is proposed to be expanded from a 2-lane highway into a 6-lane highway, increasing connectivity to the city by a large margin. This initiative will directly impact the subject site, providing better accessibility to the Machilipatnam port area and other key micro markets of the city. |

**Source:** CBRE Research

*Figure 102: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

## 3.11 Overview of the Warehousing Market in Vijayawada

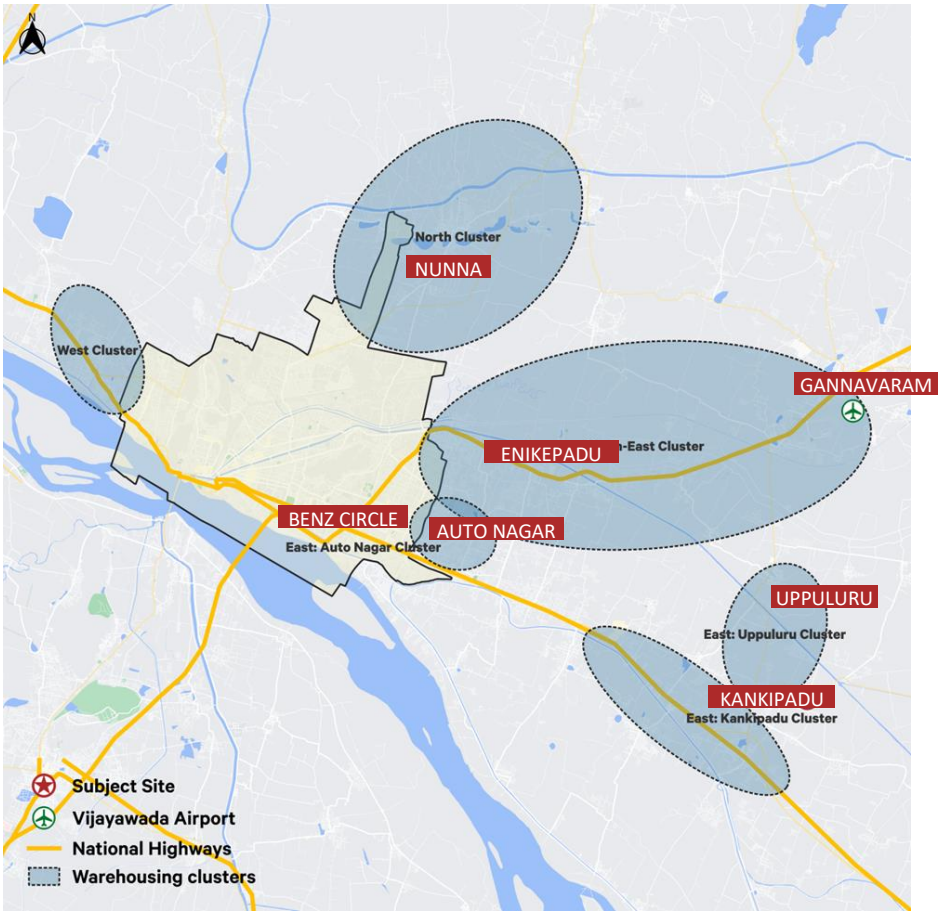
| Cluster Classification | EAST Cluster | NORTH Cluster | NORTH-EAST CLUSTER | WEST CLUSTER |
|---|---|---|---|---|
| Micro-markets | Auto Nagar, Kankipadu, Uppuluru | Nunna | Enikepadu, Gannavaram, Gudavalli, Kesarapalli, Nidamanuru | Bhavanipuram, Gollapudi, Ibrahimpatnam |
| Share of Supply in Vijayawada Region | 1.71 Mn sft (32%) | 1.13 Mn sft (21%) | 2.20 Mn sft (42%) | 0.23 Mn sft (4%) |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Vijayawada is spread across three major zones, viz. North, North-East, and East. Within these zones are some of the most prominent warehousing clusters of the city.

Nunna, Uppuluru, Nidamanuru, Enikepadu, Auto Nagar, and Gudavalli are the most prominent warehousing micro markets with the majority of the supply accounting for a supply of approx. 3.80 Mn sft as of Q3 2024 (~72% of the completed supply), while markets such as Kankipadu, Kesarapalli, and Gannavaram are the upcoming micro markets with approx. 1.26 Mn sft (~24% of the completed supply). The majority of the warehousing supply in Vijayawada is developed by individual developers and landowners.

*Figure 103: Map of Warehousing Clusters in Vijayawada*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.11.1.1 Vijayawada – Completed Supply and Absorption Dynamics

The city has approximately 5.5 Mn sft of operational warehousing supply, of which approximately 5.3 Mn sft is occupied. Over the last 3 – 4 years, Grade A supply has increased in the city with a new supply addition of 1.4 Mn sft since 2020.

*Table 128: Overview of The Warehousing Market In Vijayawada*

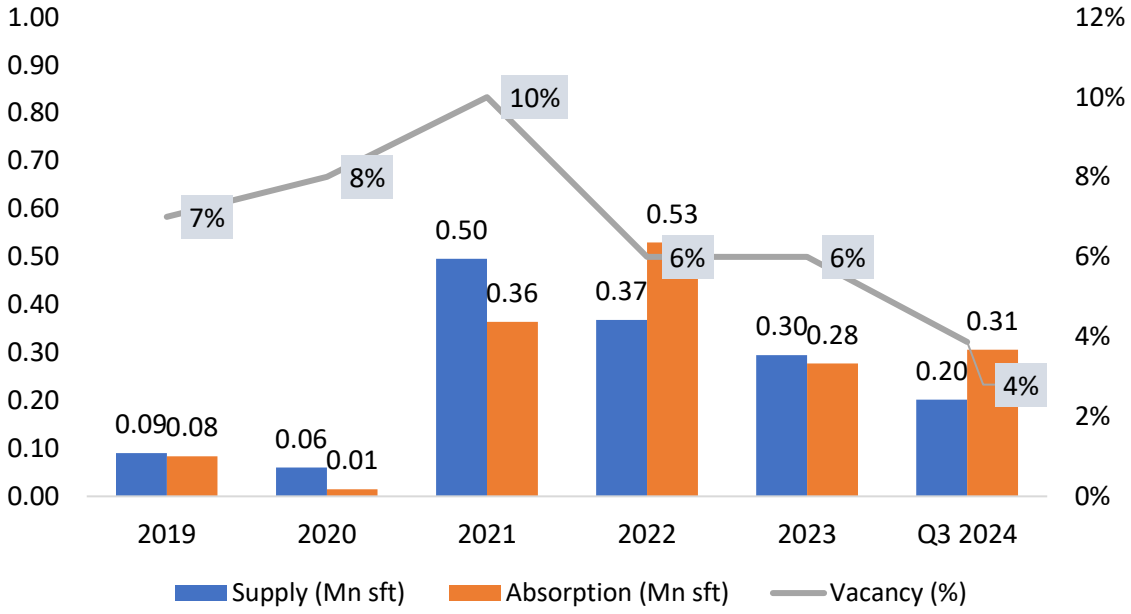
| Completed Supply (Mn sft) | Total Absorption (Mn sft) | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 5.5 | 5.3 | 29% (Absorption – 100%) | 60% (Absorption – 96%) | 11% (Absorption – 98%) |

**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Enikepadu, Gannavaram & Gudavalli micro-markets catering primarily to FMCG, 3PL, and other sectors. A steady increase in Grade A supply was witnessed over the last 5 years (2019 – 2023) with an average annual supply of approx. 0.20 – 0.22 Mn sft.

Of the completed supply in Vijayawada, Grade A amounts to nearly 1.6 Mn sft (29% share); Grade B – 3.3 Mn sft (60%) and Grade C – 0.73 Mn sft (11%).

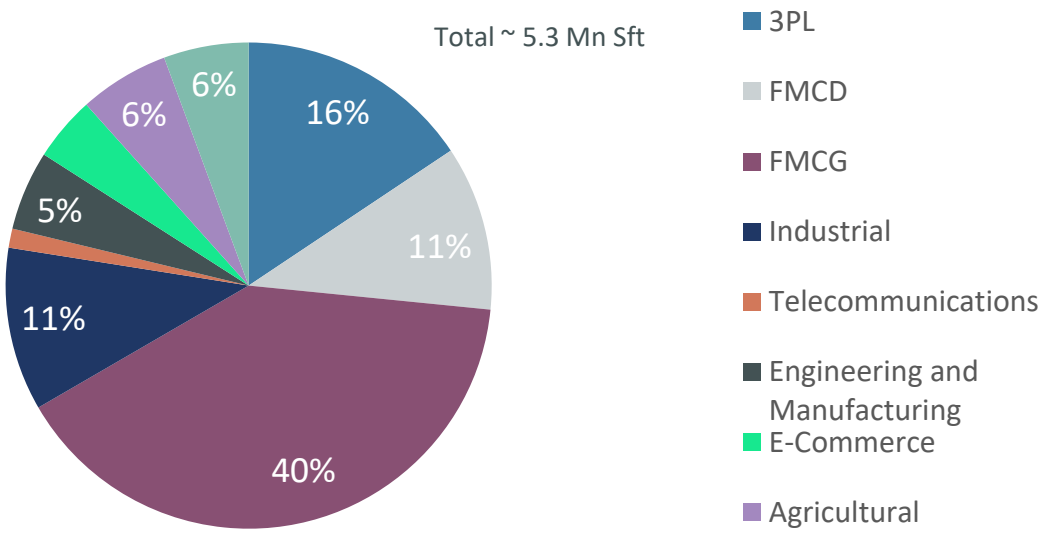
*Figure* 104*: Supply-Absorption Dynamics – Vijayawada*




**Source:** CBRE Research; Updated as of Q3 2024

Logistics (3PL) & Distribution, E-Commerce, and FMCG are the key tenant sectors occupying space in Grade A developments across Vijayawada. Some of the key tenants present are Abbott India, Delhivery, Hindustan Unilever Limited, Reliance, 20Cube, Marico, Medplus etc. Typical space off-take of 3PL & Logistics players is between 1,10,000 – 1,20,000 sft, while FMCG and FMCD segments require a slightly larger area to the tune of 1,30,000 – 1,50,000 sft. The FMCG sector accounts for approx. 40% of the total demand in Vijayawada.

*Figure 105: Segmentation Of Absorption By Industry In Vijayawada*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.11.1.2 Vijayawada – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 0.5 – 0.6 Mn sft, across Grade A warehousing space and is expected to get operational by 2026.

*Table 129: Bifurcation Of Upcoming Supply In Vijayawada*

| MICRO-MARKET | BUILT-UP AREA (MN SFT) | year of completion |
|---|---|---|
| Gannavaram | 0.17 | 2025 |
| Nidamanuru | 0.05 | 2026 |
| Kankipadu | 0.30 | 2025 |

**Source:** CBRE Research; Updated as of Q3 2024

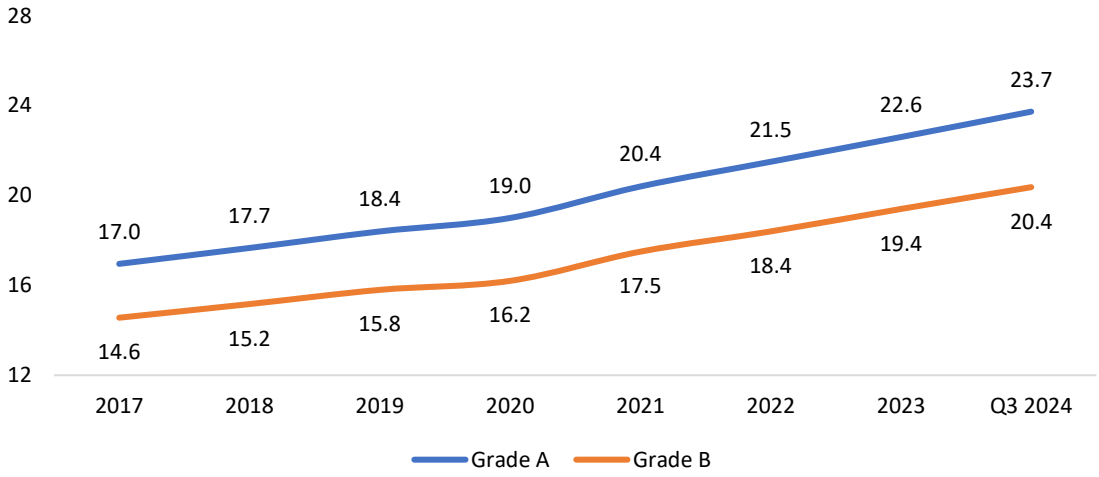
### 3.11.1.3 Vijayawada – Asking Rental Dynamics

The average quoted base rental witnessed in Vijayawada is INR 21 – 24 / Sft / month for a Grade A development and between INR 17 – 20 / Sft / month for a Grade B development. Micro Market Wise Grade A and B Average Asking Rentals are enumerated below in the table:

| Micro-Market | Q3 2024 | |
|---|---|---|
| Grade | A | B |
| Auto Nagar | 24 – 27 | 20 – 22 |
| Enikepadu | 22 – 24 | 19 – 22 |
| Gannavaram | 20 – 23 | - |
| Gudavalli | 21 – 24 | 18 – 20 |
| Kankipadu | 20 – 23 | 17 – 20 |
| Nunna | 20 – 22 | 18 – 20 |
| Uppuluru | 22 - 24 | 17 – 19 |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 106: Rental Trends – Vijayawada*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.11.1.4 Vijayawada – Key Lease Transactions

The following table enumerates the key lease transactions in the city:

*Table 130: Details Of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Kankipadu | FMCD | Grade A | 150,000 | 21 - 23 | 2024 |
| Nunna | FMCD | Grade B | 66,000 | 18 – 20 | 2023 |
| Enikepadu | 3PL | Grade A | 95,000 | 23 – 24 | 2024 |
| Gudavalli | Others (Health & Beauty) | Grade A | 52,000 | 20 – 21 | 2024 |
| Uppuluru | FMCG | Grade A | 2,00,000 | 23 – 25 | 2023 |
| Nunna | FMCD | Grade A | 1,50,000 | 21 – 22 | 2022 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.11.1.5 East Cluster Overview

The micro-markets of Auto Nagar, Kankipadu, and Uppuluru have historically been prominent warehousing clusters owing to the proximity of the regions to the city center. Additionally, the cluster is well-serviced through NH 65 and SH 306. The cluster comprises approximately 32% of the completed supply in Vijayawada. Of the completed supply in the cluster, approximately 22% of the supply is Grade A, while 78% of the supply is Grade B and 1% is Grade C.

**Auto Nagar Micro Market**

*Table 131: Snapshot Of Auto Nagar Warehousing Market*

| Completed Supply | Vacancy | Grade A Completed Supply | Grade A Vacancy | Share of Grade A Completed Supply in Vijayawada |
|---|---|---|---|---|
| 0.41 Mn sft | 0% | 0.33 Mn sft | 0% | 6% |

**Source:** CBRE Research; Updated as of Q3 2024

Auto Nagar micro market is considered to be one of the oldest warehousing clusters in the city, with the presence of warehouses that are more than 7 years old. This warehousing market is one of the first prominent hubs of Vijayawada, owing to the establishment of the Andhra Pradesh State Warehousing Corporation (APSWC) as early as the late 1950s. Micro-market gained prominence largely on account of its proximity to the city center of Vijayawada (approx. 4 km). FMCG and 3PL sectors are the key sectors, occupying approx. 88% of the completed supply in the Auto Nagar micro-market with tenants such as VRL, Reckitt Benckiser, Jockey, P&G, etc.

**Kankipadu Micro Market**

*Table 132: Snapshot of the Kankipadu Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.69 Mn sft | 4 – 5% | 0.32 Mn sft | 0% | 20% |

**Source:** CBRE Research; Updated as of Q3 2024

The Kankipadu micro market is a growing warehousing cluster due to NH 65 passing right through the region and connecting the region to other prominent hubs of the state in Machilipatnam. The TVS ILP asset under construction in Vijayawada is located in the micro market of Kankipadu. The market constitutes a share of nearly 35% of the completed supply in the East cluster. The market serves as an FMCG and E-Commerce hub with tenants such as Big Basket, Prestige, Valvoline, VIVO, etc.

**Uppuluru Micro Market**

*Table 133: Snapshot of Uppuluru Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.90 Mn sft | 3 – 4% | 0.20 Mn sft | 0% | 13% |

**Source:** CBRE Research; Updated as of Q3 2024

The Uppuluru warehousing market has become a growing market in the East cluster due to the region's proximity to key destinations of the city such as the Uppuluru Railway Station and Vijayawada International Airport in Gannavaram. The market constitutes a share of nearly 45% of the completed supply in the East cluster. The market is an FMCG & 3PL sector hub with tenants such as Delhivery, Exceed Logistics, Mondelez, Hindustan Unilever etc.

#### 3.11.1.6 North Cluster Overview

The micro-markets of Nunna and Surampalli form part of the North cluster. The Nunna micro market is located in the growing Northern part of Vijayawada along the state highway 236, which connects the micro market to the agriculture-industrial hub of Nuzividu, leading to its emergence as one of the fastest-growing warehousing cluster in Vijayawada. The cluster comprises approximately 20% of the completed supply in Vijayawada. Out of the completed supply in the North cluster, approximately 13% of the supply is Grade A.

*Table 134: Snapshot of Nunna Warehousing Market*

| Completed Supply | Vacancy | Grade A Completed Supply | Grade A Vacancy | Share of Grade A Completed Supply in Vijayawada |
|---|---|---|---|---|
| 1.13 Mn sft | 4 – 5% | 0.15 Mn sft | 0% | 9% |

**Source:** CBRE Research; Updated as of Q3 2024

FMCG, 3PL, and other industries are present in the micro-market with the presence of prominent corporations such as Reliance, Haier, Amul, Britannia, TVS, Safexpress, etc.

#### 3.11.1.7 North-East Cluster Overview

The North-East warehousing cluster comprises Enikepadu, Gannavaram, Gudavalli, Kesarapalli, and Nidamanuru. The cluster is the most prominent warehousing cluster in the city, with a completed supply of approx. 2.20 Mn sft Additionally, the cluster is well-serviced through NH 16 and is close to the Vijayawada International Airport, which is situated in Gannavaram. The cluster comprises approximately 39% of the

completed supply in Vijayawada. Of the completed supply in the cluster, approximately 35% of the supply is Grade A, while 63% of the supply is Grade B and 2% is Grade C.

**Enikepadu Micro Market**

*Table 135: Snapshot of Enikepadu Warehousing Market*

| Completed Supply | Vacancy | Grade A Completed Supply | Grade A Vacancy | Share of Grade A Completed Supply in Vijayawada |
|---|---|---|---|---|
| 0.59 Mn sft | 3 – 4% | 0.17 Mn sft | 0% | 11% |

**Source:** CBRE Research; Updated as of Q3 2024

Enikepadu is an established warehousing cluster, its prominence is owing to the connectivity to other major regions of the city and the Vijayawada International Airport via the National Highway 16. Chemical, Clothing & Apparel, 3PL, and FMCD sectors are majorly present in the micro market with companies such as Berger Paints, Luminous, Twills, Future Supply Chain, Amara Raja Batteries, and Surya Roshni taking up space in the region.

**Gannavaram-Veerapanigudem Micro Market**

*Table 136: Snapshot of the Gannavaram-Veerapanigudem Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.20 Mn sft | 0% | 0.18 Mn sft | 0% | 11% |

**Source:** CBRE Research; Updated as of Q3 2024

The Gannavaram micro market is best known for the presence of Vijayawada International Airport, and the demand for warehouses due to its logistics and distribution needs. The market constitutes a share of approximately 9% of the completed supply in the North-East cluster. The market consists of prominent tenants such as E-Com Express, Abbott India, Reliance Jio, etc. A future supply of 0.1 Mn sft is being constructed, slated to be operational by the end of 2024.

**Gudavalli Micro Market**

*Table 137: Snapshot of the Gudavalli Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.53 Mn sft | 0% | 0.22 Mn sft | 0% | 14% |

**Source:** CBRE Research; Updated as of Q3 2024

The Gudavalli warehousing market has become a growing market in the North-East cluster with many small-scale warehouses being established in the region. The market constitutes a share of nearly 24% of the completed supply in the North-East cluster. The market is an FMCG & 3PL sector hub with tenants such as Delhivery, Abbott India, ITC, Blue Dart, Havells, etc.

**Kesarapalli Micro Market**

*Table 138: Snapshot of the Kesarapalli Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.28 Mn sft | 3 – 4% | - | - | - |

**Source:** CBRE Research; Updated as of Q3 2024

Kesarapalli is a nascent market in the city, with only a few companies setting up warehouses in the area, due to its proximity to the airport. The micro market's completed Supply constitutes 13% of the completed supply in the North-East cluster. Some of the companies present in the Kesarapalli micro market are Pidilite, Marico, Himalaya, Wipro, etc.

**Nidamanuru Micro Market**

*Table 139: Snapshot of Nidamanuru Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.60 Mn sft | 7 – 8% | 0.20 Mn sft | 0% | 13% |

**Source:** CBRE Research; Updated as of Q3 2024

The Nidamanuru micro market accounts for approximately 27% of the completed supply in the North-East cluster. The market serves FMCG and FMCD sectors with tenants such as Model Dairy, Spencer's, Godrej, Dabur India, etc. A warehouse is under construction, with a built-up area of 0.05 Mn sft. This warehouse is expected to be operational by early 2025.

#### 3.11.1.8 West Cluster Overview

The micro-markets of Bhavanipuram, Gollapudi, Ibrahimpatnam, Rayanapadu, and Surayapalem form part of the West cluster. The West cluster has minimal warehousing activity, however, there is a lot of potential for warehousing activity as NH 65 passes through the region connecting Vijayawada to Hyderabad on the west. The cluster comprises approximately 4% of the completed supply in Vijayawada.

*Table 140: Snapshot of West Cluster Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.23 Mn sft | 13 – 14% | - | - | - |

**Source:** CBRE Research; Updated as of Q3 2024

Modern Retail, FMCD, and other industries are present in the micro-market with the presence of companies such as D-Mart, Western Electronics, Finolex, Godrej Agrovet, etc.

#### 3.11.1.9 Vijayawada – Overall Market Outlook

The Vijayawada warehousing market is one of the most prominent warehousing markets in Andhra Pradesh owing to its strategic geographical location, excellent connectivity by road, rail, and air, and proximity to major ports such as Visakhapatnam, Chennai, and Machilipatnam. Before 2019, the supply majorly constituted Grade B developments, with a Grade B supply of approx. 3.05 Mn sft. In the last 5 years, Grade A warehouses saw a rise in supply addition with 1.37 Mn sft being constructed between 2019 – 2024.

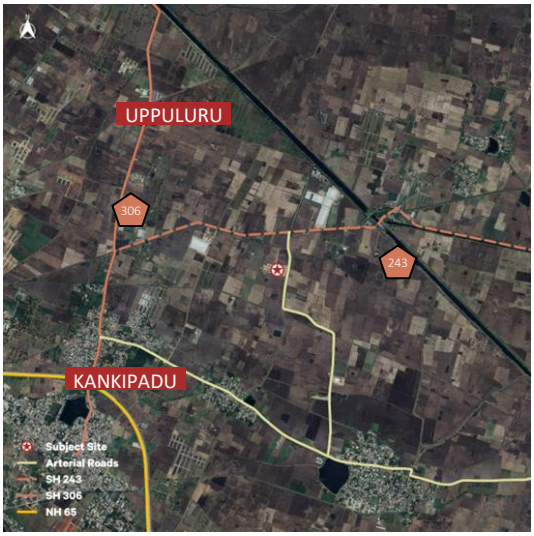
Moreover, the Nidamanuru and Gannavaram regions are anticipated to experience a surge in supply due to the accessibility of developable land parcels, well-developed road networks to multiple major cities, and their proximity to the Vijayawada International Airport.

The current prevailing asking rentals for Grade A warehouse developments in the areas of Auto Nagar, Uppuluru, Nunna, Enikepadu, and Gannavaram in Vijayawada are between INR 21 and INR 25 per sft per month. The expected monthly rent for Grade B warehouses is between 18 and 20 INR per sft per month. Rentals on the market continue to be range-constrained over the short to medium term, with an annual increase of 4–5% as the market norm. Approximately 0.55 Mn sft of supply in the future is expected to be operational by 2025 – 26.

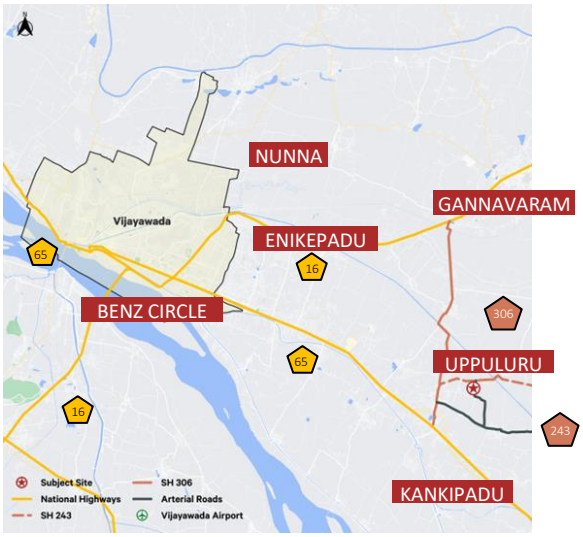
### 3.11.2 Micro Analysis - (Subject Property Location ~ Kankipadu)

*Table 141: Subject Property ~ Kankipadu*

| | |
|---|---|
| Name of the Development | |
| Location | Kankipadu, Vijayawada, Andhra Pradesh |
| Phasing | 1 Phase |
| Land Area (Acres) | 12.68 |
| Development Status | Completed |
| Completed Gross Leasable Area (sft) | 2,96,300 |
| Vacancy Levels | NA |
| Upcoming Potential (Sft) | - |
| Year of Establishment | 2024 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | Dabur, Pernod Ricard and Godrej Consumer Products |
| Average Rentals (INR/sft/Month) | INR 18 – 20 per sft per month |




Key Location Map of the Asset




Macro Map of the Asset

**Source:** CBRE Research; Map not to Scale, for representation purposes only

### 3.11.2.1 Subject Property Snapshot

Vijayawada, centrally located in Andhra Pradesh, is a significant warehousing hub in South India due to its strategic position and excellent transportation links. The city's central location provides easy access to major cities like Hyderabad, Chennai, and Bengaluru, facilitated by the extensive network of national highways including NH16, NH65, and NH30. Furthermore, the Vijayawada railway junction and the Krishna River offer additional transportation options. Vijayawada's growing industrial sector, encompassing agriculture, food processing, textiles, and pharmaceuticals, creates a substantial demand for warehousing to store various products. The city's proximity to ports like Krishnapatnam and the upcoming Machilipatnam Port enhances its importance as a logistics center for import and export activities.

The warehouse is strategically located in Kankipadu village, approximately fourteen kilometers from Vijayawada's city center and eleven kilometers from its airport, making it an ideal location for logistics operations. The facility offers a large warehousing space. The warehouse is situated in Kankipadu village, a short distance from Vijayawada's city center and airport.

### 3.11.2.2 Overall Warehousing Dynamics – Supply, Vacancy and Rentals

Within Vijayawada, Kankipadu is an expanding warehouse market. About 9 percent of the city's completed supply is located in this region. Kankipadu's expansion as a warehousing cluster has been fuelled by the following factors:

- The region in question serves as a critical center for logistics; via NH 65, there is enhanced accessibility and connectivity to various locations within the city and the Machilipatnam port area.
- Furthermore, the subject region's proximity to Vijayawada International Airport via SH 306 has facilitated its function as a logistical distribution center for shipments destined for the eastern regions of the city.

*Table 142: Kankipadu Warehousing Market Snapshot*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Vijayawada |
|---|---|---|---|---|
| 0.69 Mn sft | 4 – 5% | 0.32 Mn sft | 0% | 20% |

**Source:** CBRE Research; Updated as of Q3 2024

Out of the completed supply of 0.69 Mn sft, Grade A comprises 20%, and the rest is Grade B. The region witnessed an overall absorption of approx. 0.66 Mn sft as of date.

The asking rentals for Grade A warehousing development in this micro-market have been observed to be in the range of INR 21 – 23 per sft per month. FMCG and E-Commerce are key industry sectors occupying warehousing spaces in the region, prominent tenants include Big Basket, Prestige, Valvoline, VIVO, etc.

### 3.11.2.3 Building Characteristics

As highlighted above, the subject property is under construction, and slated to be operational by 2024-25.

The key building Specifications for the asset are listed in the following table:

*Table 143: Key Building Specifications of Kankipadu Asset*

| Particular | Specifications |
|---|---|
| Building Structure | **Pre-Engineered Building (PEB) structure**: Standing seam; Eve height ~ 12 m; Ridge height ~ 14 m; Roof slope - 1:20 or as per TVSILP; Canopy - 4 m or as per TVSILP; Down spout pipe - every 16 m; Roof sheeting - 0.5 mm Bare Galvalume; Cladding Sheet - 0.5 mm color coated; Skylights - 5% of the roof area; Vent type - Ridge vent |
| Flooring | Vacuum dewatered flooring of 5 MT/Sqm; Floor Finish - Equivalent to FM2 |
| Height | 16 m from FFL |
| Lighting | 200 Lux at 1.2 mts from FFL to shopfloor, High-bay fitting, Common PCC panel |
| Fire Safety | Internal & External Fire Hydrant System, Roof Sprinkler with K-160, Beam Detector |
| Office | Office space of Block work; Wall height - 3 m |
| Amenities and Facilities | 35 KL UG Sump, FRP Tank of 25 KL or PVC Tank for Park<br><br>**Power**: 100 KVA for Every 100k sq. ft. of the shop floor area<br><br>**Security Block**: RCC Building with one toilet (5 m x 5 m) |

**Source:** TVSILP

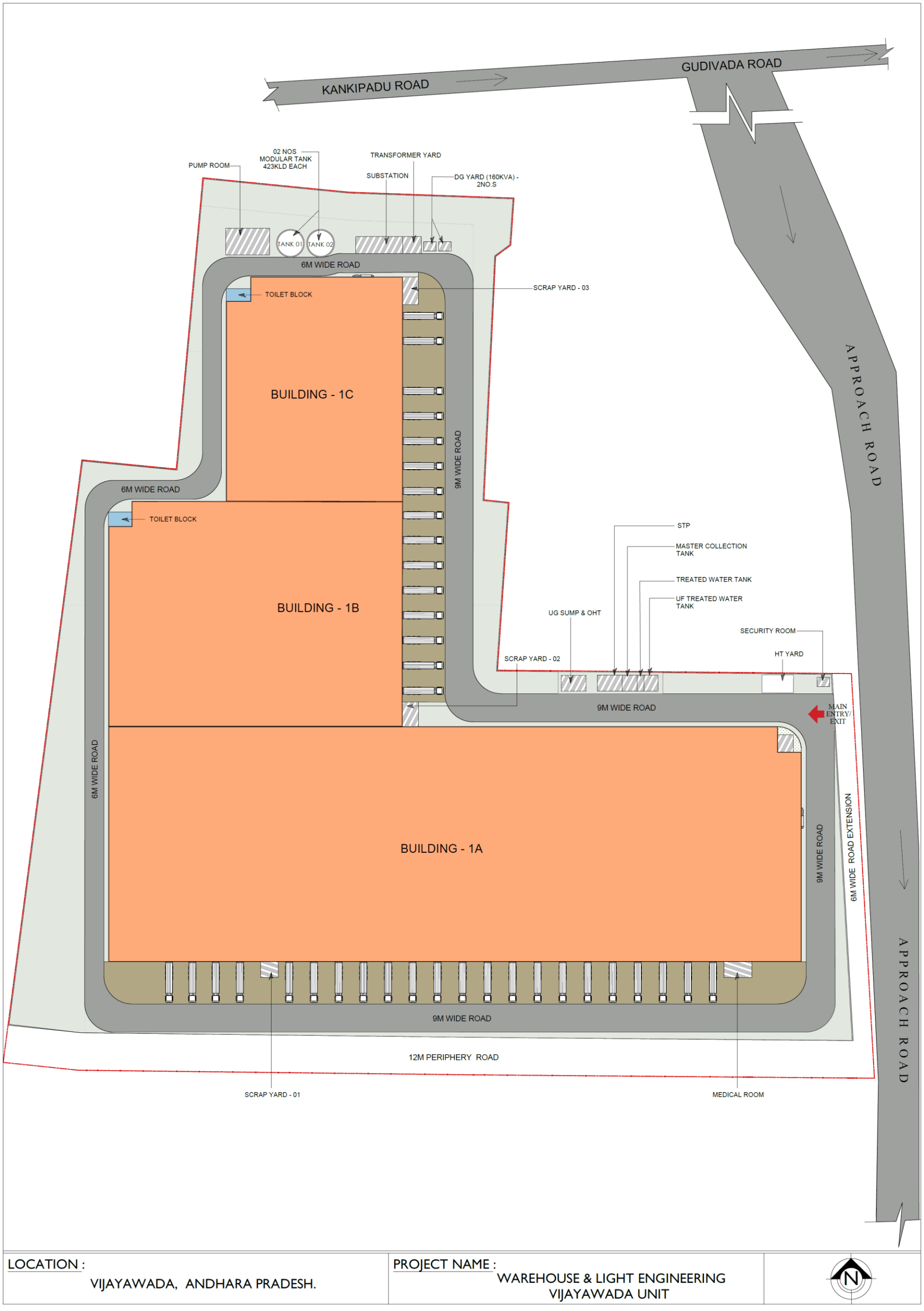
### 3.11.2.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

Market rents per square foot per month for Grade A developments range from INR 21 to INR 23 per Sft per month. Construction on the subject property is currently underway, with an anticipated completion date of the end of 2024. The achievable rent level for the subject property at the time of commencement of operations is anticipated to be between INR 21 and 23 per Sft per month. This estimation is derived from the asking rents of analogous rentals in the subject market.

### 3.11.2.5 Demand Forecast for the subject micro-market/vector

The strategic location of Kankipadu, with its proximity to major transportation routes, further enhances the attractiveness of the subject property for potential tenants. Additionally, the growing e-commerce sector in the region is expected to drive demand for modern warehouse facilities in the coming years. An estimated 0.3–0.4 Mn Sft, the majority of which will be Grade A, is anticipated to be developed in the subject region of Kankipadu over the next two years, including the subject property. As the subject site is situated within a dynamic warehousing market, it is anticipated that the demand for warehouses will remain stable in the foreseeable future. Based on historical micro-market absorption, demand is anticipated to increase by between 0.3 and 0.4 Mn Sft over the next two to three years.

*Figure 107: Park Layout of Kankipadu (Vijayawada) Asset*




**Source:** TVSILP

## 3.12 Visakhapatnam

### 3.12.1 City Overview

*Table 144: Demographic Snapshot of the City*

| STATE/ CAPITAL | POPULATION | POPULATION DENSITY | GSDP (INR) | PER CAPITA INCOME (INR) |
|---|---|---|---|---|
| Andhra Pradesh/ Amaravati | 2.7 Mn (2023) | 2,573 /km$^2$ | 1,240 Bn | 2,43,874 |

**Source:** [1] District Handbook of Visakhapatnam, Census of India; DDP Report 2021; Andhra Pradesh Govt

Visakhapatnam is spread across an area of approximately 1,049 km$^2$ and is the largest metropolitan region in the State of Andhra Pradesh. The Greater Visakhapatnam Municipal Corporation (GVMC) takes up the responsibility of the administration of Visakhapatnam.

Visakhapatnam is the industrial hub of Andhra Pradesh and the most cosmopolitan city in the state. It is the largest port city on the east coast in terms of export value accounting for approx. 69.84 MTPA (as of 2020-21), ranking 4$^{th}$ in India in terms of port traffic.

Visakhapatnam is one of the 20 smart cities identified and selected by the Central Government for its Smart Cities Mission, which aims to provide quality infrastructure and amenities, as well as smart solutions that will improve the quality of life of the people in a city. The GVMC has highlighted that the implementation of the Visakhapatnam Smart City project has progressed rapidly, and the project is on the verge of completion by the end of this year.

Visakhapatnam, strategically located on the east coast of India, possesses a dynamic logistics and warehousing landscape. As a major deep-water port, it serves as a crucial gateway for international trade, facilitating the movement of goods across the country. Visakhapatnam boasts excellent connectivity through rail, road, and air networks, further enhancing its logistics capabilities. This strategic advantage has spurred the development of modern warehousing infrastructure, including cold storage facilities, distribution centers, and container freight stations.

Visakhapatnam is distributed into several zones based on the nature of real estate activity witnessed in each zone.

- **The Central Business District (CBD)** of the city is characterized by the presence of unorganized residential clusters and independent commercial developments, developed primarily by local developers. The region is also known for its organized high-street retail activity and hospitality developments. Key micro markets include Dwarka Nagar, Daba Gardens, Pedda Waltair, and Murali Nagar.

- **North Visakhapatnam** is the most organized and fastest-growing residential zone of Visakhapatnam, with the presence of organized residential developments. It is also the IT hub of the city with most of the commercial activity concentrated in Madhurawada and Rushikonda SEZ. Madhurawada, Yendada, and Rushikonda micro markets form part of North Visakhapatnam.

- **West Visakhapatnam** is characterized by the presence of industrial clusters, affordable to mid-segment residential developments, and mixed-use developments with retail & commercial components. Key micro markets include Pendurthi, Simhachalam, and Gandigundam.

- **South Visakhapatnam** contains the port area and an established warehousing market. The region is a prominent industrial area with multiple industries spread across micro markets such as Gajuwaka, Auto Nagar, Mindi, etc. Due to the presence of industries, proximity to the port, Vizag Steel Plant, and seamless connectivity through NH 16, the region has evolved as a favored warehousing destination.

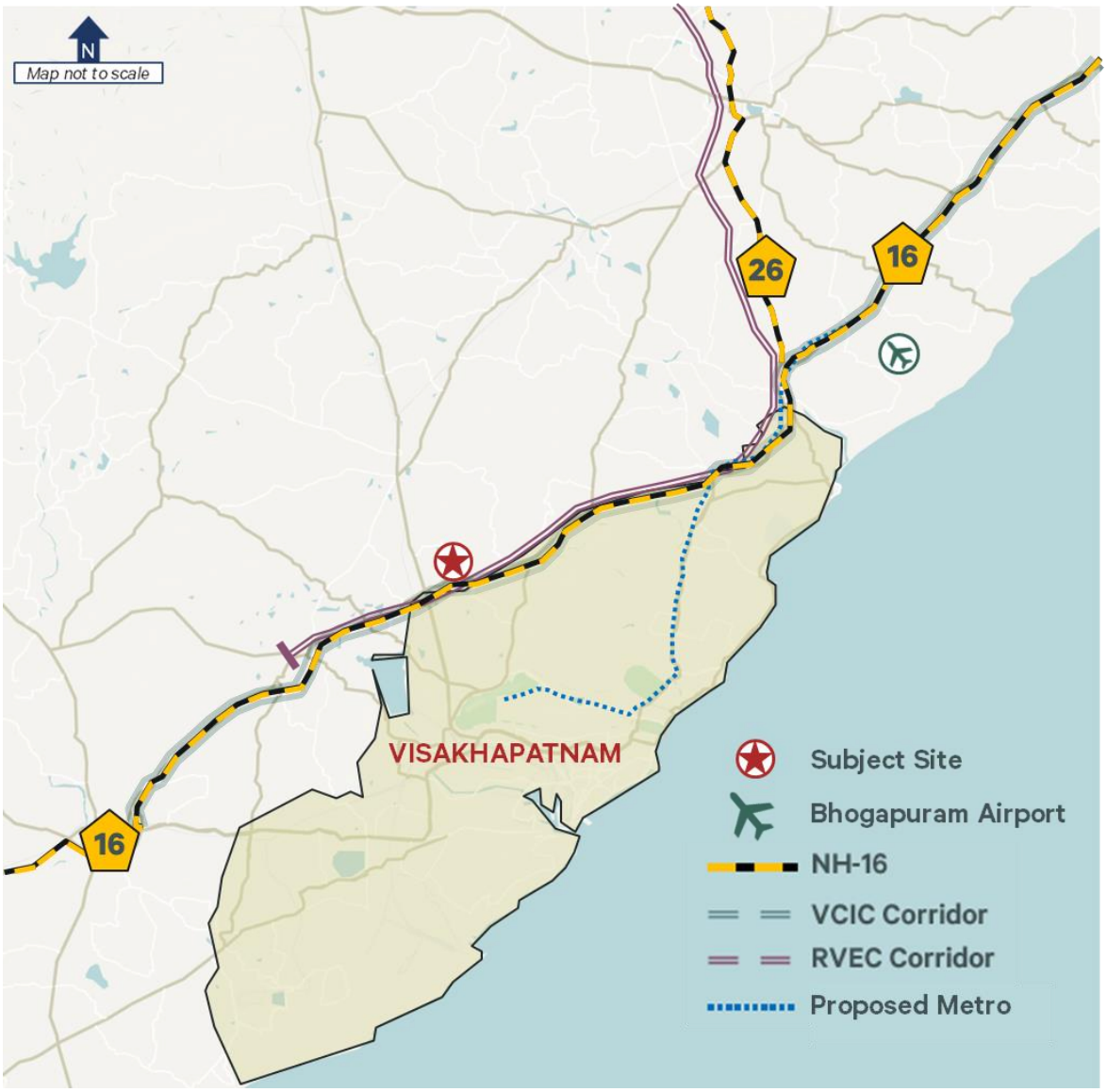
*Table 145: Key Infrastructure Initiatives*

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| National Highway Connectivity | Existing | National Highway 16 – Connecting Kolkata & Chennai, the highway passes close to the subject site connecting the city to various industrial and commercial clusters such as Vizianagaram, Vijayawada, and Atchuthapuram. |

| INFRASTRUCTURE INITIATIVE | CURRENT STATUS | PARTICULARS |
|---|---|---|
| Visakhapatnam Chennai Industrial Corridor (VCIC) | Conceptual Development Plan Prepared | The upcoming industrial corridor from Srikakulam to Chennai is the first phase of the larger East Coast Economic Corridor, aimed at becoming the first and the best economic corridor on the East Coast, while also being aligned with the Golden Quadrilateral. |
| Bhogapuram International Airport | Upcoming | The upcoming Bhogapuram International Airport is being developed by GMR across 2,300 acres. The first phase of the airport is expected to be completed by 2026 and would cater to a passenger capacity of 6 million, while the total capacity of the airport at the end of the completion of the three phases would be 18 million. The upcoming airport development is poised to increase connectivity and stimulate regional economic growth. It is expected to become a significant hub for both domestic and international flights, and would likely stimulate the growth of tourism, commerce, and trade in the region |
| Raipur-Visakhapatnam Economic Corridor (RVEC) | Under Construction | The Raipur-Visakhapatnam Economic Corridor is a 6-lane expressway, expected to be operational by Q4 2024. The expressway is spanning approx. 464 km will connect Chhattisgarh, Odisha, and Andhra Pradesh. The alignment of the road covers Visakhapatnam and Vizianagaram and is expected to attract large private investments in the region, enhancing the overall image positioning of the city.<br><br>The RVEC expressway passes through Visakhapatnam, less than 2 km to the south of the subject property. |
| Vizag Metro Rail | Planned | A plan for a metro rail system spanning 140 km across three corridors has been proposed to ease traffic congestion and provide efficient public transportation |

**Source:** CBRE Research

*Figure 108: Map of Key Infrastructure Initiatives*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.12.2 Overview of the Warehousing Market in Visakhapatnam

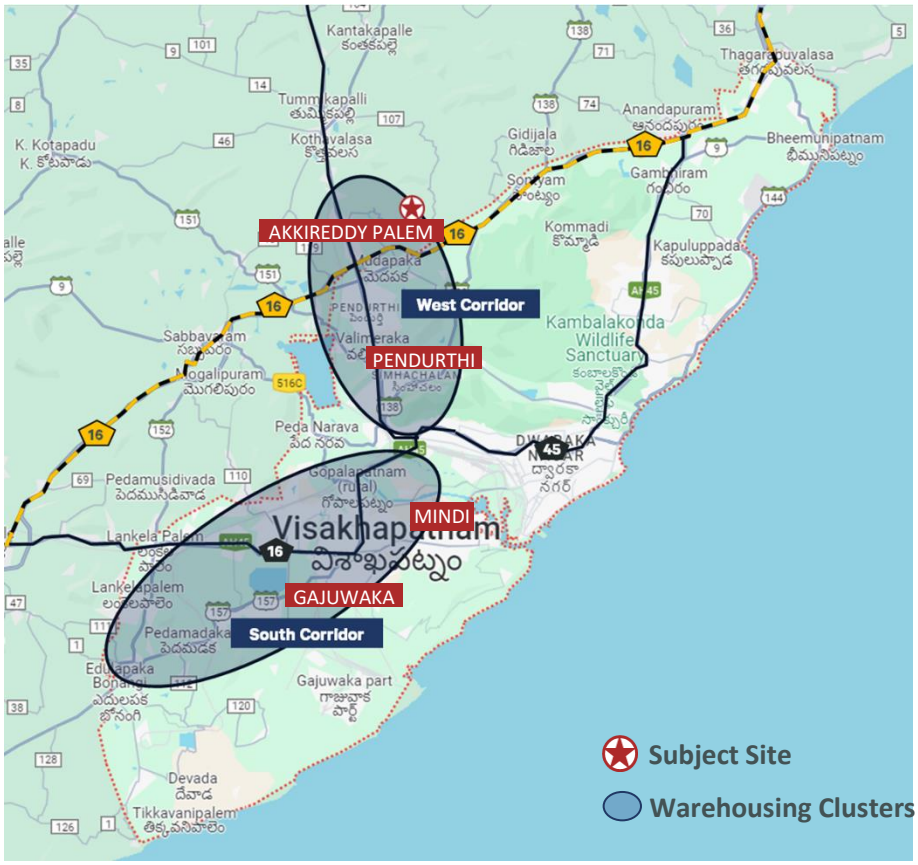
| Cluster Classification | South Cluster | West Cluster | NORTH CLUSTER |
|---|---|---|---|
| Micro-markets | Gajuwaka, Auto Nagar, Mindi, Pedagantyada, Paravada | Pendurthi, Vedanta, Akkireddy Palem, Gandigundam | Bheemili |
| Share of Supply in Visakhapatnam Region | 1.94 mn sft (77%) | 0.56 mn sft (22%) | 0.03 mn sft (1%) |

**Source:** CBRE Research; Updated as of Q3 2024

Warehousing activity in Visakhapatnam is spread across five major micro markets, viz. Auto Nagar, Gajuwaka, Mindi, Pedagantyada, and Pendurthi.

Auto Nagar, Gajuwaka, Mindi, and Pedagantyada are the most prominent warehousing micro-markets with most of the supply; while markets such as Pendurthi, Akkireddy Palem, and Gandigundam are fast-growing. Auto Nagar-Mindi-Gajuwaka micro markets contribute to a completed supply of 1.69 Mn sft ~ 67% of the completed supply in Visakhapatnam, followed by Pendurthi-Akkireddy Palem (0.31 Mn sft ~ 13%) and Pedagantyada – Paravada - Zinc Colony (0.32 Mn sft ~ 13%). Prominent local warehousing players such as ATR Warehousing, Avanthi Warehousing, Avinash, etc. have a strong presence in the region.

*Figure 109: Map of Warehousing Clusters in Visakhapatnam*




**Source:** CBRE Research; Map not to scale only, for representation purposes only

### 3.12.2.1 Visakhapatnam – Completed Supply and Absorption Dynamics

Visakhapatnam has an operational warehouse supply of approximately 2.53 Mn sft, with approximately 1.80 Mn sft currently occupied. Before 2016, the predominant portion of the supply consisted of Grade B developments. However, certain developers have put forth Grade B developments that are superior to the norm, with an emphasis on EXIM cargo and to meet the rising demand from e-commerce and 3PL companies seeking modern and efficient warehouse space.

Local developers and private landowners though continue to concentrate on the development of Grade-B spaces, whereas institutional logistics providers have recently shown interest in Vishakhapatnam and introduced Grade-A warehousing spaces. An upsurge in Grade A developments, characterized by superior amenities and embellishments, has ensued because of this market shift. Tenants pursuing warehousing space are consequently presented with an expanded array of alternatives.

*Table 146: Overview Of The Warehousing Market In Visakhapatnam*

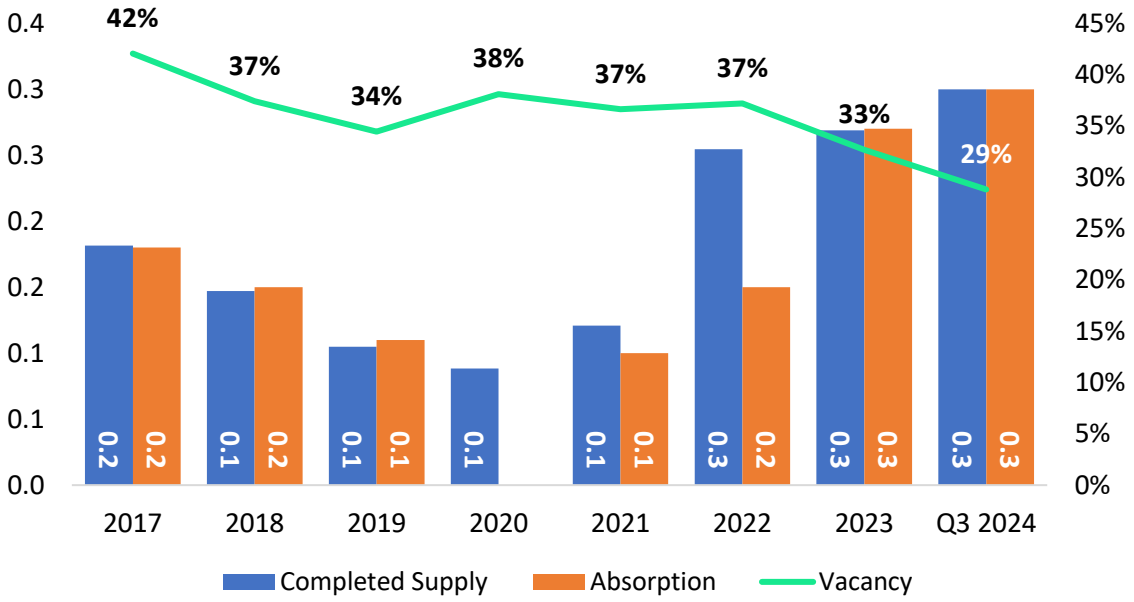
| Completed Supply (mn sft) | Total Absorption (mn sft) | Share of Grade A Completed Supply (%) | Share of Grade B Completed Supply (%) | Share of Grade C Completed Supply (%) |
|---|---|---|---|---|
| 2.53 | 1.80 | 47% (Absorption – 88%) | 46% (Absorption – 63%) | 6% (Absorption – 3%) |

**Source:** CBRE Research; Updated as of Q3 2024

Grade A developments are primarily concentrated in Pedagantyada, Mindi, and Gajuwaka micro-markets, catering primarily to FMCG, industrial, and chemical sectors. A steady increase in supply was witnessed over the last 5 years (2019–2023), with an average annual supply of approx. 0.15 – 0.20 mn sft.

Of the completed supply in Visakhapatnam, Grade A amounts to nearly 1.2 mn sft (47% share), Grade B is 1.18 Mn sft (46%), and Grade C is 0.15 Mn sft (6%). Prominent institutional players, such as ATR Warehousing, Sravan Shipping Services, etc. are some of the prominent warehousing developers in the city.

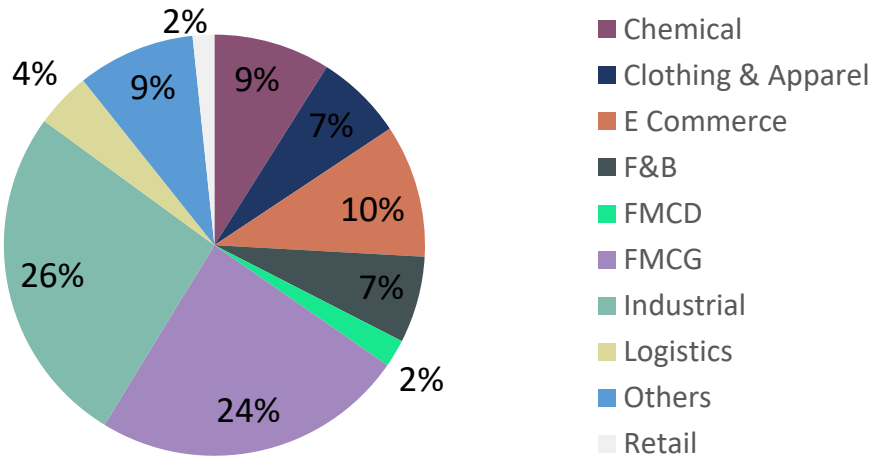
*Figure 110: Supply-Absorption Dynamics – Visakhapatnam*




**Source:** CBRE Research; Updated as of Q3 2024

FMCG, Industrial, Chemical, Logistics (3PL) & Distribution, Retail, and FMCD are the key tenant sectors occupying space in Grade A developments across Visakhapatnam. Some of the key tenants present are L&T, Big Basket, Flipkart, Reliance, ITC, Hindustan Coca-Cola Beverages, Safe Xpress, etc. The typical space off-take of 3PL and logistics players is between 20,000 and 30,000 sft, while FMCG, FMCD, and F&B segments require a large area to the tune of 1,00,000 and 1,25,000 sft.

*Figure 111: Segmentation of Absorption by Industry in Visakhapatnam*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.12.2.2 Visakhapatnam – Upcoming Supply Dynamics

The upcoming supply in the region is in the range of 0.6 – 0.7 Mn sft, across Grade A warehousing space and is expected to be operational by the end of 2025.

In the western cluster of the city, the micro-market of Akkireddy Palem is expected to attract the majority of future warehousing supply. This is primarily driven by the availability of large land parcels and strong road infrastructure connectivity, particularly to NH 16, which links Chennai and Kolkata. Given these favorable factors, investors are closely monitoring market trends in Akkireddy Palem to identify potential growth opportunities.

*Table 147: Bifurcation of Upcoming Supply in Visakhapatnam*

| micro-market | BUILT-UP AREA (MN SFT) | DEVELOPER | QUOTED RENTALS (INR/SFT/MONTH) | year of completion |
|---|---|---|---|---|
| Akkireddy Palem | 0.15 | PSL Limited | 23 – 25 | 2025 |
| Akkireddy Palem | 0.43 | TVS ILP | 22 – 24 | 2025 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.12.2.3 Visakhapatnam – Asking Rental Dynamics

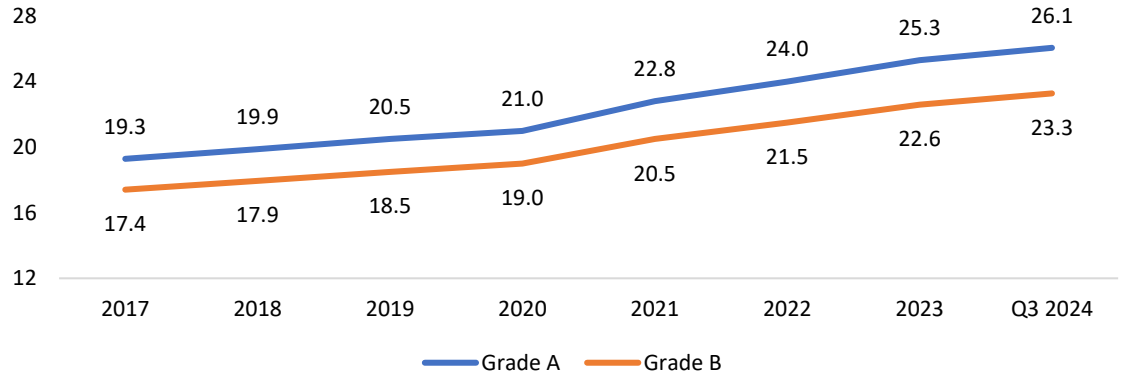
The average quoted base rental witnessed in Visakhapatnam is INR 24–27 / Sft / month for a Grade A development and between INR 20 – INR 24 / Sft / month for a Grade B development. Micro market-wise, Grade A and B average asking rentals are enumerated below in the table:

*Table 148: Micro- Market wise Rentals in Vishakhapatnam*

| Micro-Market | Q3 2024 (INR / sft /month) | |
|---|---|---|
| Grade | A | B |
| Auto Nagar | 22 – 24 | 20 – 22 |
| Mindi | 27 – 29 | 25 – 26 |
| Pedagantyada | 26 – 28 | 23 – 25 |
| Pendurthi – Gandigundam | 22 – 24 | 19 – 21 |

**Source:** CBRE Research; Updated as of Q3 2024

*Figure 112: Rental Trends – Visakhapatnam*




**Source:** CBRE Research; Updated as of Q3 2024

### 3.12.2.4 Visakhapatnam – Key Lease Transactions

The following table enumerates the key lease transactions in the city:

*Table 149: Details of Key Transactions*

| Location | Tenant Sector | Grade | Leased Area (sft) | Rentals (INR/sft/Month) | Year of Transaction |
|---|---|---|---|---|---|
| Mindi | Chemical | Grade B | 34,000 | 25 – 27 | 2023 |
| Auto Nagar | E-Commerce | Grade B | 73,000 | 27 – 28 | 2023 |
| Gandigundam | F&B | Grade A | 1,00,000 | 22 – 23 | 2023 |
| Pedagantyada | Chemical | Grade A | 25,600 | 24 – 25 | 2023 |
| Mindi | Industrial | Grade A | 1,80,000 | 28 – 30 | 2023 |
| Auto Nagar | Chemical | Grade A | 32,000 | 17 – 19 | 2023 |
| Akkireddy Palem | Blinkit | Grade A | 300,000 | 26 – 27 | Q3 2024 |

**Source:** CBRE Research; Updated as of Q3 2024

### 3.12.2.5 South Cluster Overview

The micro-markets of Mindi-ZINC Colony, Pedagantyada-Paravada, and Gajuwaka-Auto Nagar have historically been prominent warehousing clusters owing to the proximity of the regions to the Visakhapatnam port. Additionally, the cluster is well serviced through NH 16 which has led to its recent emergence as a major warehousing cluster. The cluster comprises approximately 77% of the completed supply in Visakhapatnam. Of the completed supply in the cluster, approximately 34% of the supply is Grade A, while 58% of the supply is Grade B. Furthermore, Grade A warehouses have witnessed a vacancy rate of 98,000 sq. ft, representing 24-25% of the total grade A supply in the micro-market . This increase in vacancy is primarily attributed to recent tenant departures who required larger warehouse facilities.

**Mindi-ZINC Colony Micro Market**

*Table 150: Snapshot Of Mindi-Zinc Colony Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Visakhapatnam |
|---|---|---|---|---|
| 0.88 Mn sft | 36 – 37% | 0.40 Mn sft | 24 – 25% | 34 – 35% |

**Source:** CBRE Research ; Updated as of Q3 2024

Mindi-ZINC Colony is one of the established warehousing clusters in the city, with the presence of many modern quality warehouses developed by prominent institutional players such as ATR Warehousing, and Sravan CFS. Micro-market gained prominence largely on account of proximity to the steel plant, airport, and the port area of Visakhapatnam (approx. 11 km). FMCG, E-Commerce, and Chemical sectors are the key sectors, occupying approx. 32% of the completed supply in the Mindi micro-market. Prominent tenants include Mercedes, Toyota, L&T, Amazon, Big Basket, etc. Due to the saturation of the micro market and the non-availability of land parcels, the region has not witnessed any recent additions.

**Pedagantyada-Paravada Micro Market**

*Table 151: Snapshot of Pedagantyada-Paravada Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Visakhapatnam |
|---|---|---|---|---|
| 0.25 Mn sft | 35 – 36% | 0.14 Mn sft | 18 – 19% | 5 –6% |

**Source:** CBRE Research ; Updated as of Q3 2024

With the saturation of established warehousing markets in the south, micro markets such as Pedagantyada-Paravada, etc. have witnessed a spillover supply. The market constitutes a share of nearly 13% of the completed supply in the south cluster. The market attracts demand due to its proximity to the port area with tenants such as Visakhapatnam Steel Plant, Tata Steel Limited, D Mart, etc.

**Gajuwaka-Auto Nagar Micro Market**

*Table 152: Snapshot of Gajuwaka-Auto Nagar Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Visakhapatnam |
|---|---|---|---|---|
| 0.66 Mn sft | 20 – 21% | 0.11 Mn sft | 0% | 6 –7% |

**Source:** CBRE Research ; Updated as of Q3 2024

The historic presence of industrial and logistics parks has made the Gajuwaka-Auto Nagar warehousing cluster one of the prominent markets in the city. The market constitutes a share of nearly 37% of the completed supply in the south cluster. The market primarily consists of tenants in the chemical, industrial, and e-commerce sectors with notable tenants being Flipkart, Berger Paints, SteelMont, Asian Paints, etc.

### 3.12.2.6 West Cluster Overview

West Cluster comprises of 2 major regions ~ Pendurthi-Vepagunta, Akkireddy Palem-Gandigundam. The cluster is located on the northwest side of Visakhapatnam along the National Highway 16. This region is the fastest growing market with most of the under-construction supply part of the Akkireddy Palem micro market. The subject property is envisioned to be developed in the Akkireddy Palem micro market. The region boasts excellent connectivity through the proposed Visakhapatnam-Chennai-Industrial-Corridor and Raipur-Visakhapatnam-Economic-Corridor. The cluster comprises approximately 23% of the completed supply in Visakhapatnam. Out of the completed supply in the west cluster, approximately 93% of the supply is of Grade A.

*Table 153: Snapshot of West Cluster Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Visakhapatnam |
|---|---|---|---|---|
| 0.56 Mn sft | 4 – 5% | 0.52 Mn sft | 0% | 42 – 43% |

**Source:** CBRE Research ; Updated as of Q3 2024

Proximity to National Highway 16 and corridors like VCIC & RVEC has resulted in the growth of Pendurthi and Akkireddy Palem as warehousing clusters. FMCG, F&B, and Chemicals are key sectors in the cluster with the presence of major tenants such as ITC, Hindustan Coca-Cola Beverages, More, Exide, etc. A future supply of 0.45 mn sft is under construction in the west cluster, slated to be operational by 2024-25. Current

quoted rentals for Grade A facilities in the western cluster range from INR 25-26 per square foot per month, while Grade B facilities are priced between INR 19-20 per square foot per month.

#### 3.12.2.7 Visakhapatnam – Overall Market Outlook

With connectivity for multimodal logistics, Visakhapatnam is a well-established industrial center. The urban landscape consists primarily of Grade A and Grade B developments, where comparable supply additions have occurred under the guidance of numerous institutional and individual developers.

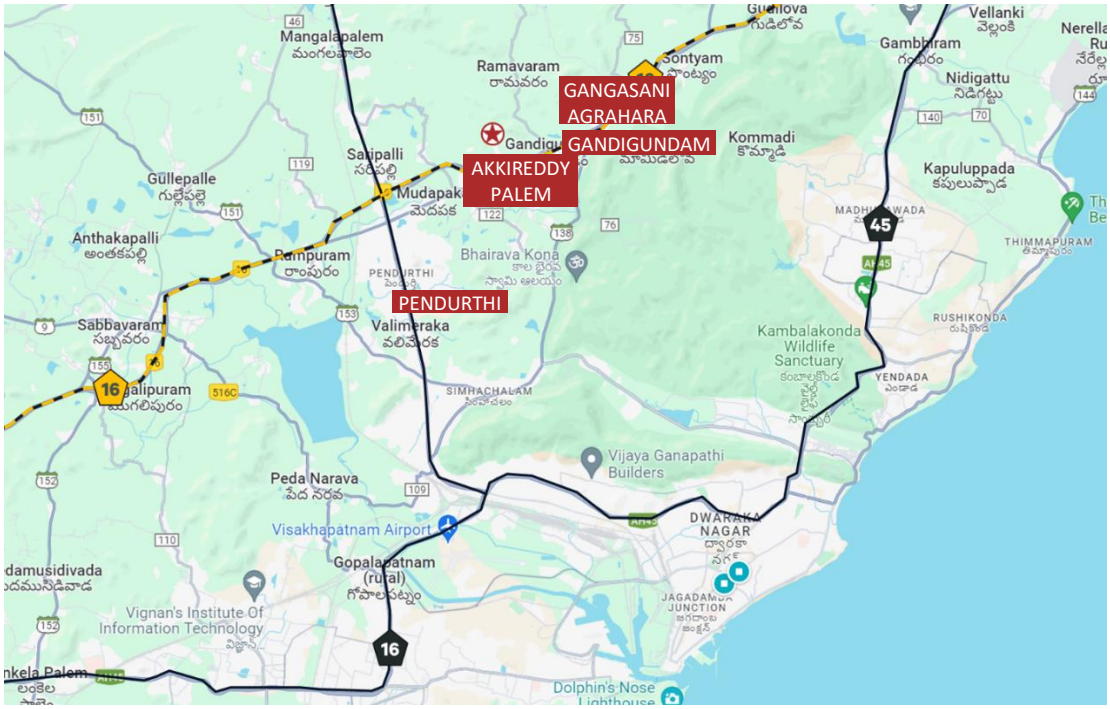
Further, a new supply is under construction in the Pendurthi-Akkireddy Palem region owing to the availability of developable land parcels and excellent road connectivity through NH 16, VCIC, and RVEC. The land values in the subject region are in the range of INR 18 – 20 Mn per acre, which is at a discounted price compared to established markets such as Auto Nagar, Mindi, etc.

The current prevalent asking rentals in Visakhapatnam are in the range of INR 22 – 27 /sft/month for Grade A warehousing developments. A wide range is observed in rental prices because the majority of tenancies are historical and have experienced annual increases for the past six to seven years. This range is expected to remain stable in the near future, as demand for Grade A warehousing in Visakhapatnam continues to grow steadily. Factors such as location, size, and amenities offered by the warehouse also play a significant role in determining the final rental price. For Grade B warehouses, the asking rentals are in the range of INR 20 – 24 /sft/month. The asking rentals in the market are expected to remain range-bound in the short to medium term with market standard escalation of 4–5% annually. Approximately 0.45 Mn sft of supply in the future is expected to be operational by 2024–25.

### 3.12.3 Micro Analysis - (Subject Property Location ~ Akkireddy Palem)

*Table 154: Subject Property ~ Akkireddy Palem*

| | |
|---|---|
| Name of the Development | |
| Location | Akkireddy Palem, Visakhapatnam, Andhra Pradesh |
| Phasing | I |
| Land Area (Acres) | 16.8 |
| Development Status | Under Construction |
| Completed Gross Leasable Area (sft) | - |
| Vacancy Levels | NA |
| Upcoming Potential (Sft) | 4,20,000 |
| Year of Establishment | 2024 |
| Building Structure | Pre-Engineered Building Structure |
| Key Tenants | NA |
| Average Rentals (INR/sft/Month) | NA |




**Source:** CBRE Research; Map not to Scale, for representation purposes only

#### 3.12.3.1 Subject Property Snapshot

Visakhapatnam, located in Andhra Pradesh, is experiencing significant growth in the warehousing sector due to several factors. The city's strategic position along National Highways 16 and 26, combined with its proximity to the Visakhapatnam Port, makes it an ideal location for warehousing operations. The thriving industrial sector, encompassing pharmaceuticals, petrochemicals, steel, and textiles, drives the demand for storage and distribution facilities. Furthermore, excellent connectivity through road, rail, and air networks, including National Highways 16 and 26 and Visakhapatnam International Airport, facilitates efficient transportation of goods, enhancing the city's attractiveness as a warehousing hub.

The warehouse is strategically located in Gurrampalem village, 20 kilometers from Visakhapatnam's city center and 14 kilometers from the airport. The facility offers both ready-to-occupy spaces and build-to-suit options to accommodate diverse business needs.

#### 3.12.3.2 Overall Warehousing Dynamics – Supply Vacancy and Rentals

Akkireddy Palem is one of the growing warehousing vectors in Vishakhapatnam. The region comprises approximately. 12% of the completed supply. The micro-market in Mudapaka witnesses the highest number of quality Grade A warehousing developments by prominent institutional players. The following are the primary reasons for these investments in the region:

- Contrary to the established micro markets of the city, land is being offered at lower rates. This presents a unique opportunity for investors looking to capitalize on potential growth in this emerging area. With competitive pricing and potential for development, this land could be a valuable asset in the near future.
- Connectivity and accessibility to manufacturing and consumption hubs through existing NH 16.
- The availability of land for future expansion and development makes this a prime investment opportunity for businesses looking to grow. Additionally, the potential for increased property value due to ongoing infrastructure developments in the area further enhances the appeal of this offer.

*Table 13: Snapshot Akkireddy Palem Warehousing Market*

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Visakhapatnam | Upcoming Supply |
|---|---|---|---|---|---|
| 0.30 Mn sft | 0% | 0.30 Mn sft | 0% | 25% | 0.3 – 0.5 Mn sft |

**Source:** CBRE Research; owing to a 0.15 mn sft industrial facility converted to a warehouse; Updated as of Q3 2024

The completed supply of 0.30 Mn sft is of Grade A. The region is expected to witness more supply over the next two years with approx. 0.45 mn sft under construction. In 2023, 0.3 mn sft of supply was launched, getting completely absorbed in the Q3 2024.

The asking rentals for Grade A warehousing development in this micro-market have been observed to be in the range of INR 25 – 26 per sft per month. FMCG is the key industry sector occupying warehousing spaces in the region with prominent tenants including More, Coca-Cola, etc. The developers of the under-construction supply are quoting INR 26 – 27 per sft per month.

#### 3.12.3.3 Building Characteristics

As was mentioned earlier, the development in question is currently under construction and is planned to be of Grade A specifications.

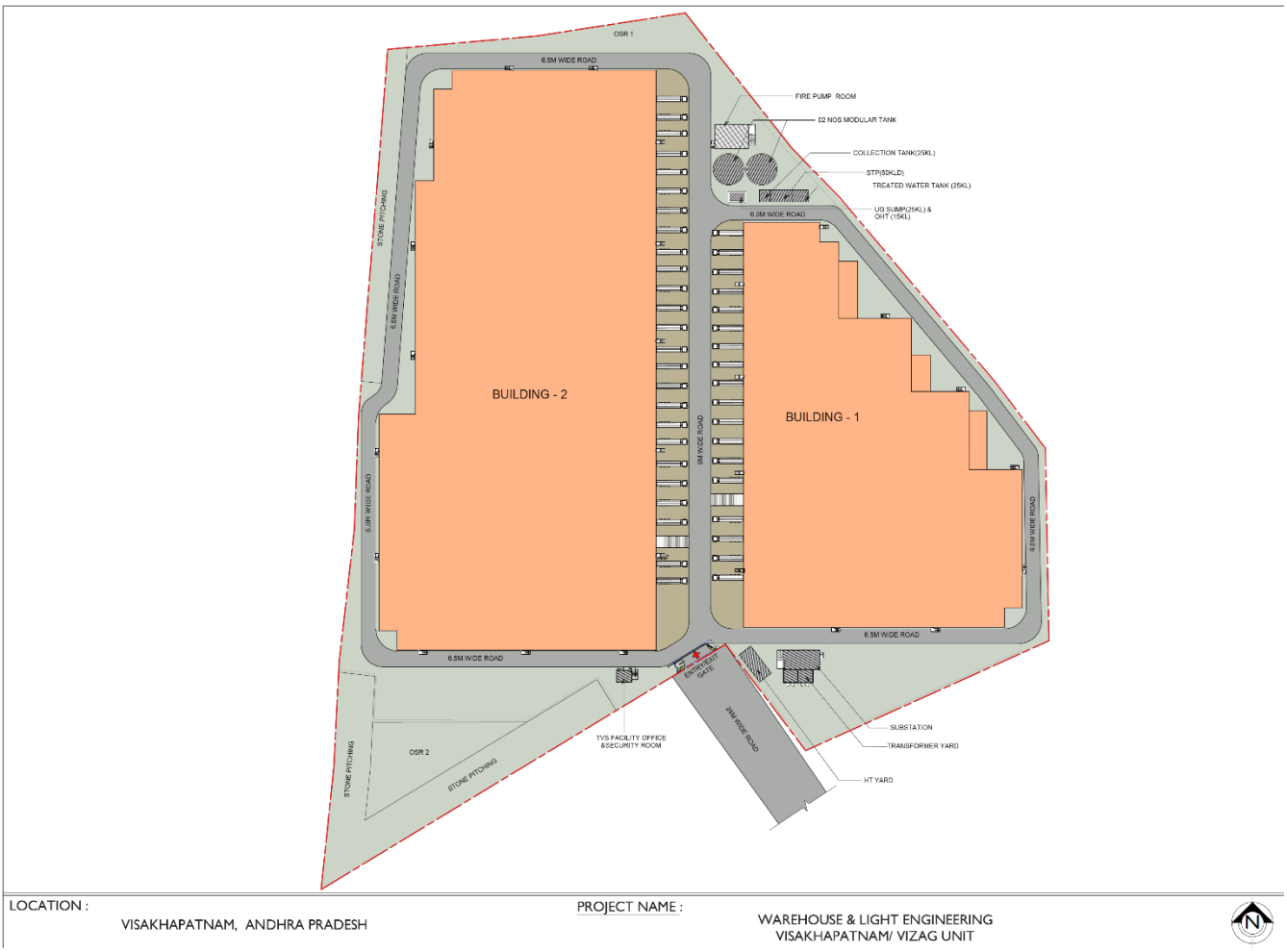
#### 3.12.3.4 Analysis of competitor facilities (lease conditions)/ Competitiveness of subject property

There are no vacancies in any of the existing Grade A warehouse spaces in the Akkireddy micro market; the subject site faces no imminent competition from the micro market's existing supply. However, the forthcoming supply of 0.45 mn sft, the conversion of 0.15 mn sft feet of Grade B development from an industrial setup to a warehouse, and the Grade A development of 0.3 million square feet that is currently under construction and is anticipated to become operational in 2024 could potentially pose competition to the proposed development. It is also noteworthy to consider that in Visakhapatnam, the current vacancy rate across various grades of warehousing is higher than average so there can be downward pressure on rents in the future. Recent transactions indicate that the monthly rent for quality-grade A developments in the market varies from INR 25 to INR 26 /sft/month. Based on the asking rents of comparable rentals in the subject market and the absence of institutional developers in the market, it is hypothesized that the achievable rent for the subject property is between INR 24 and INR 25 /sft/month

#### 3.12.3.5 Demand Forecast for the subject micro-market/vector

It is anticipated that between 0.5 and 0.6 mn sft of predominantly Grade A development will be added to the subject region of Akkireddy Palem over the next two years, including the subject property. The principal demand drivers for warehousing in the region are connectivity via National Highway 16, under-construction infrastructure initiatives including the RVEC and VCIC motorways, and discounted land values in comparison to the city's traditional warehousing centers. Based on historical micro market absorption data, demand is anticipated to increase by approximately 1.5 – 2.5 mn sft over the next four to five years. The influx of Grade A development in Akkireddy Palem is expected to attract more businesses looking for modern warehouse facilities. With the region's strategic location and cost advantages, it is poised to become a key warehousing hub in the near future.

*Figure 113: Park Layout of Akkireddypalem (Vishakhapatnam) Asset*




**Source:** TVSILP

## OUR BUSINESS AND PROPERTIES

*Some of the information in this section, including information with respect to our plans, strengths, and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 20 for a discussion on the risks and uncertainties related to those statements and also "Risk Factors", and "Management's Discussion and Analysis of factors Affecting the Financial Condition and Results of Operations" on pages 137 and 473 respectively, and the "Special Purpose Combined Financial Statements" and the "Projections of Revenue From Operations and Cash Flow from Operating Activities" enclosed as Annexure B and Annexure C for a discussion of certain factors that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise stated or the context requires otherwise, the financial information included herein is based on our Special Purpose Combined Financial Statements included in this Draft Placement Memorandum. For further details, see "Special Purpose Combined Financial Statements" enclosed as Annexure B. Unless otherwise stated or the context requires otherwise, references in this section to "we", "our", or "us" are to the Trust along with the Initial Portfolio Assets. However, for the purpose of the Special Purpose Combined Financial Statements, references to "we", "us", and "our" refers to the Initial Portfolio Assets. We have included various operational and financial performance indicators in this section, some of which may not have been derived from our Special Purpose Combined Financial Statements. The manner in which such operational and financial indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other entities in the business similar to ours. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and must evaluate such information in the context of the Special Purpose Combined Financial Statements.*

*Industry and market data used in this section have been extracted from the CBRE Report. For further details in relation to the CBRE Report, please see the section entitled "Industry Overview" on page 236. Additionally, for further details and risks in relation to CBRE Report, please see the section entitled "Risk Factors" on page 137.*

***Overview***

The Trust, is an Indian infrastructure investment trust, sponsored by TVS Industrial & Logistics Parks Private Limited. The Sponsor settled the Trust on March 26, 2024 and the Trust was registered with SEBI on April 22, 2024 as an InvIT in accordance with the InvIT Regulations.

The Sponsor is part of the TVS Mobility Group, which is one of the leading automotive conglomerate in India with a wide array of diversified business interests. The Sponsor has a sound-track record of over 19 years in the infrastructure sector which includes development and management of multiple industrial and logistics parks. Since its inception, the Sponsor has developed 20 Parks in various locations across India, as of September 30, 2024.

The Trust, subject to receipt of certain approvals, will hold 100.00% equity interest in each of the nine Project SPVs and one Holdco which collectively have 18 underlying assets. The Initial Portfolio Assets are currently held by the Sponsor and have a potential of 10.67 msf. Our Initial Portfolio Assets are located across five states in India with an average operating history of approximately 6 years. Our lessee base comprising marquee clients with an average occupancy of ~100% and WALE of 5.48 years across all Initial Portfolio Assets, provides substantial stability to our Portfolio. Other factors that contribute to the stability of our Initial Portfolio Assets are the nature of our clients. Approximately 41% of our clients are in the industrial sector and such clients typically tend to further enhance the infrastructure assets by investing in it.

The warehousing industry in India has become an attractive investment opportunity due to the country's expanding economy and nearly 1.4 billion consumers. In conjunction with the exponential growth of e-commerce, 3PL, and modern retail, the implementation of GST has caused the demand for warehousing in India to increase at a CAGR of approximately 12% between FY 2015 and FY 2023. (***Source**: CBRE )*

The Sponsor established its first Park in Chakan, Maharashtra, in 2006, which has an operational area of 0.37 msf. The Sponsor developed about 1.13 msf of assets between 2009 and 2018, with Parks spread over Chakan in Maharashtra; Vaipur, Singdivakkam and Hosur in Tamil Nadu; and Bhubaneshwar in Odisha. Building upon the knowledge and capabilities developed during these years, the Sponsor underwent a strategic expansion phase. New developments included a second Park in Hosur, Tamil Nadu in 2019, Coimbatore, Tamil Nadu in 2020, Red Hills, Tamil Nadu in 2021 and further expansions into Madurai, Singdivakkam, and Sulur in 2022, all being through development, at Sullurpet in 2023 and at Siliguri, Kochi and Indore 2024, respectively, by way of an acquisition. As of September 30, 2024, the Sponsor owns five Parks which have an operational area of over 0.80 msf each. We believe that this track record underscores the proficiency and experience of the Sponsor in the development and management of industrial and logistics Parks in the infrastructure sector.

The Investment Manager of the Trust will be responsible for managing the Initial Portfolio Assets as well as undertaking

investment and management decisions in relation to our assets. Our Investment Manager is supported by a highly experienced board and senior management with extensive experience in the warehousing and industrial park space. The Sponsor is benefitting from the significant experience of the members of the board of directors of the Sponsor. The directors on the Board of the Investment Manager have extensive relevant experience and the Investment Manager believes that the Trust will continue to benefit from the same. The Sponsor will act as the Project Manager of the Trust, relying on its track record of executing, operating and managing one of the largest portfolios of warehouses and industrial parks in India.

The Trustee, Axis Trustee Services Limited is a trusteeship company which has been registered with SEBI as a debenture trustee under the SEBI Debenture Trustee Regulations since January 31, 2014. It is a wholly owned subsidiary of Axis Bank Limited.

The revenue from operations of the Initial Portfolio Assets on a combined basis for the six month period ended September 30, 2024 and the Financial Years ending March 31, 2024, March 31, 2023, and March 31, 2022 was ₹ 989.42 million, ₹1,874.64 million, ₹1,560.51 million, and ₹1,027.10 million respectively.

The tables below provide brief details in relation to our Initial Portfolio Assets as of September 30, 2024:

**Operational Assets:**

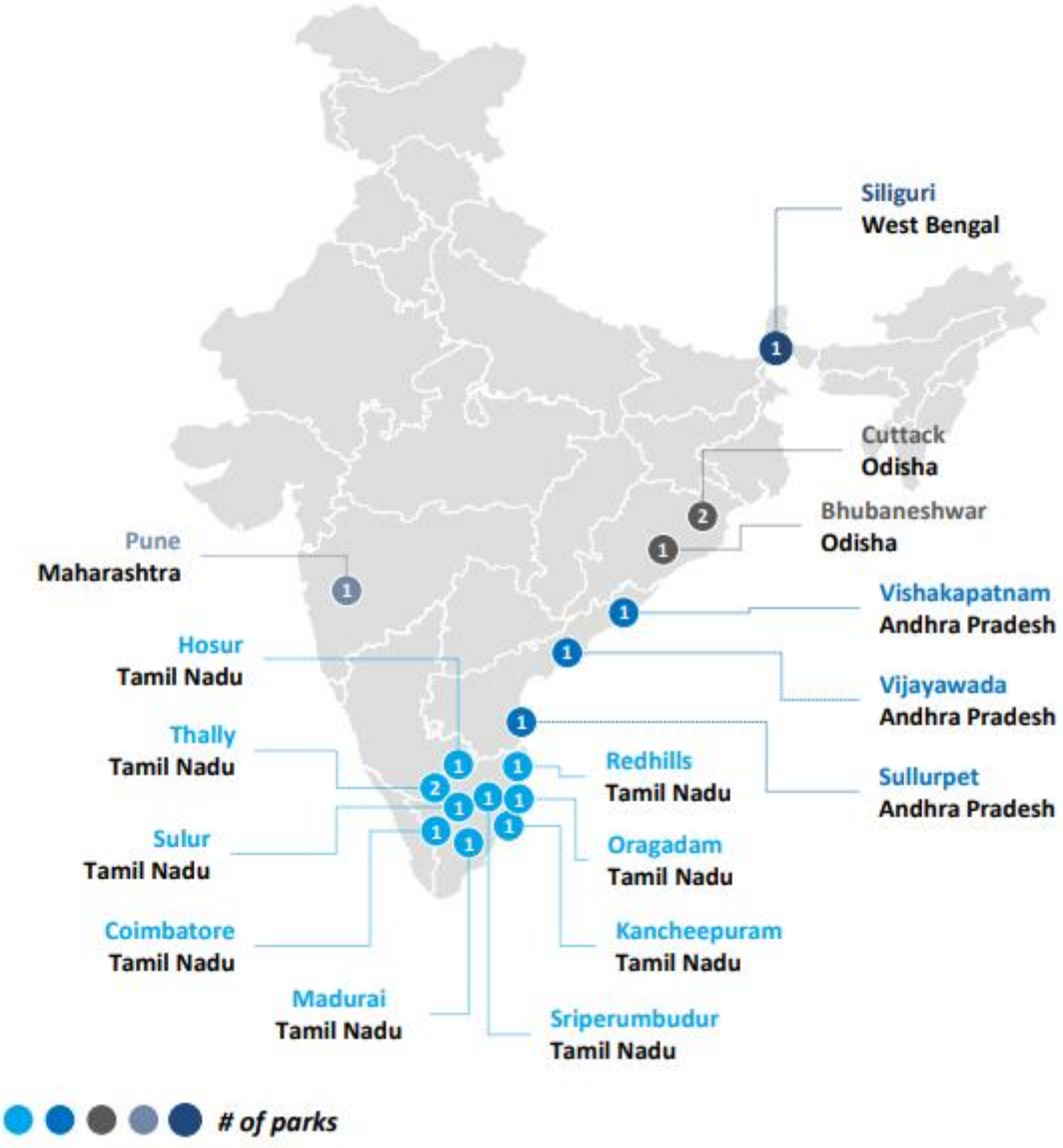
| SPV | State | Micro-market | Year of Commencement | Operational Area | Under Development Area | FY2024 Average Occupancy | WALE | In-place Rent on Chargeable Area | Stabilized Total Monthly Rental |
|---|---|---|---|---|---|---|---|---|---|
| | | | | MSF | MSF | % | Years | INR psf pm | INR Mn |
| DILP | Maharashtra | Chakan | 2006 | 0.37 | - | 99.40% | 2.57 | 27.4 | 10.09 |
| DILP | Tamil Nadu | Vaipur | 2009 | 0.21 | - | 100.00% | 2.94 | 40.2 | 8.56 |
| DILP | Tamil Nadu | Singadivakkam | 2017 | 0.45 | - | 100.00% | 6.84 | 14.6 | 3.99 |
| DILP | Tamil Nadu | Hosur | 2018 | 1.21 | - | 100.00% | 4.03 | 19.4 | 17.32 |
| DILP | Odisha | Bhubaneshwar | 2018 | 0.23 | - | 100.00% | 3.26 | 21.5 | 4.90 |
| MRILP | Tamil Nadu | Thally 1 | 2019 | 1.16 | - | 100.00% | 2.30 | 19.3 | 23.35 |
| MRILP | Tamil Nadu | Thally 2 | 2019 | 0.48 | - | 100.00% | 12.78 | 19.3 | 4.30 |
| SMILP | Tamil Nadu | Redhills | 2021 | 1.05 | 0.07 | 100.00% | 4.50 | 17.1 | 15.52 |
| SRMILP | Tamil Nadu | Madurai | 2022 | 0.34 | 0.09 | 99.40% | 2.98 | 17.7 | 5.09 |
| DILP | Tamil Nadu | Coimbatore Sulur | 2023 | 0.60 | 0.01 | 100.00% | 5.03 | 19.2 | 10.30 |
| MILP | Tamil Nadu | Coimbatore | 2021 | 0.98 | - | 100.00% | 5.25 | 22.4 | 18.06 |
| RSIPPL | Andhra Pradesh | Sullurpet | 2022 | 0.88 | 0.50 | 100.00% | 9.18 | 28.1 | 21.80 |
| MILP | West Bengal | Siliguri | 2021 | 0.14 | - | 100.00% | 5.94 | 22.0 | 3.23 |
| RMILP | Tamil Nadu | Pillaipakkam | 2024 | 0.57 | 0.11 | 100.00% | 9.88 | 17.0 | 9.51 |
| **Total** | | | | **8.68** | **0.78** | **100.00%** | **5.48** | **19.8** | **156.04** |

**Under Development Assets:**

| SPV | State | Micro-market | Year of Commencement | Operational Area | Under Development Area | FY2024 Average Occupancy | WALE | In-place Rent on Built-Up Area | Stabilized Total Monthly Rental |
|---|---|---|---|---|---|---|---|---|---|

| | | | | MSF | MSF | % | Years | INR psf pm | INR Mn |
|---|---|---|---|---|---|---|---|---|---|
| TILP | Andhra Pradesh | Vijayawada | - | - | 0.29 | - | - | - | - |
| JGILP | Odisha | Cuttack 1 | - | - | 0.34 | - | - | - | - |
| JGILP | Odisha | Cuttack 2 | - | - | 0.15 | - | - | - | - |
| TILP | Andhra Pradesh | Vishakapatnam | - | - | 0.42 | - | - | - | - |
| Total | | | | - | **1.20** | - | - | - | - |

The map below illustrates the locations of the Projects:




**Our Strengths**:

Our strengths being our location identification and land acquisition strategy coupled with customized integrated solutions with sustainable and cost-effective designs help us offer an integrated platform to our clients.

***Stable portfolio with inherent growth prospects.***

Our Initial Portfolio Assets are located in India, the fifth largest economy, in the world and is expected to become a US $5 trillion economy by 2025. Despite global factors including escalating international commodity prices and risk of recession, and instability in the global financial market, India is anticipated to experience 7% growth in 2024. On the contrary, it is anticipated that the government's emphasis on capital expenditure and exports will bolster aggregate demand and increase production capacity, thereby exerting a positive influence on the GDP. Demand for warehousing and logistics assets is anticipated to increase in the near future. The government has been continuously trying to improve the logistics infrastructure and investments. Accordingly, occupiers aim to achieve operational efficiencies and rationalize costs through a multi-user and large-scale warehouse service provider. India has a per capita warehousing stock of 4.5 sq. ft. Even in terms of transactions volumes, in 2023, approximately 195.2 million sq. ft. of warehousing space was transacted across 10 key US cities, whereas approximately 30 million sq. ft. was transacted across 8 key Indian cities. The growth of the warehousing market is directly correlated to the consumption base of an economy. (*Source: CBRE Report*)

Approximately 41% of our lessee base comprises of clients from the industrial sector, a key factor that contributes to our engagement in long-term lease agreements. This industrial presence emphasizes the stability and reliability of our rental income as well as strengthens strong relationships with our clients. These long-term leases create a high level of client retention and consequently, we witness consistent high occupancy rates, which are crucial for sustainable business growth and operational stability.

We believe that our Portfolio is well-positioned for strong growth through a combination of contractual rent escalations and re-leasing at higher market rents. We have an approximately 5% annual contractual escalation.

We continuously achieve rental growth by re-leasing space to our lessees. In case existing leases expire, we expect to generate additional rental revenue by re-leasing space to lessees at market rents. We actively track upcoming vacancies and proactively engage with existing and prospective lessees in order to minimize downtime periods between successive leases. As of September 30, 2024, our Portfolio had under-development area of 1.98 msf representing 19% of our total Leasable Area. We believe that the under-development area can be leased out in the near-term based on high demand for warehousing space, the high quality of our Portfolio and our strong lessee relationships.

Our clients' repeated trust in our services is a testament to our capability. Nearly 34% of our existing clients are tenants in at least two of our locations, demonstrating the value we bring across multiple sites. This strong client retention enables us to offer a truly PAN-India solution, aligning our growth strategies with our clients' evolving aspirations and ensuring long-term partnerships.

***Modern warehousing and industrial parks with infrastructure connectivity strategically located in key warehousing and industrial micro-markets.***

We have 18 parks in total with operational area of approximately 8.68 msf across 14 locations and an area of 1.98 msf under development, as at September 30, 2024.

Our parks are built as per market dynamics and are designed to be commercially viable without compromising on the relevant compliance requirements and quality. This provides us with the ability to lease our parks as soon as they are built.

***Diversified lessee base of marquee clients across multiple sectors, consistent occupancy and proven track record of high client retention***.

As of September 30, 2024, our Portfolio has a marquee lessee roster of 30 multinationals and Indian corporates. We have a diversified client portfolio and cater to a wide range of end-user industry spread across various sectors including industrial, 3PL, auto and auto ancillary, electronic etc. The details of lease expansion within the portfolio assets is provided in the table below:

| Sector in which the lessee operates | First lease commencement date | Area leased as at first lease (sq. ft.) | Area leased as of September 30, 2024 (sq. ft.) | Growth (First to current)* |
|---|---|---|---|---|
| 3PL | January 1, 2017 | 94,955 | 20,87,596 | 21.99x |
| e-commerce | June 23, 2018 | 1,93,756 | 11,47,327 | 5.92x |
| Industrial | October 1, 2009 | 59,985 | 1,17,469 | 1.96x |
| Industrial | October 24, 2020 | 1,22,976 | 6,04,045 | 4.91x |
| Industrial | June 1, 2021 | 4,07,029 | 4,53,711 | 1.11x |
| 3PL | September 20, 2020 | 10,000 | 22,531 | 2.25x |
| 3PL | October 1, 2019 | 30,558 | 59,568 | 1.95x |

** Growth in terms of area leased as part of the first lease deed vis-à-vis area leased as a part of the current lease deed*

Tenure of some of the leases entered into with our lessees range from 10 to 20 years. Over the years, we have been the continued choice of warehouse partners for several of our lessee, reflecting their trust in us. Some of our key clients have expanded their

business with us over the years, with some lessees expanding close to five times while some expanding close to twenty times. The table below indicates the list of our current key clients operating in various sectors who have been or will be associated with us for five years or more:

| S. No. | Project Location | Sector in which the client operates | Lease Start Date | Lease Expiry Date |
|---|---|---|---|---|
| 1. | Chakan | Industrial | September 4, 2022 | September 3, 2027 |
| 2. | Chakan | 3PL | August 1, 2020 | July 31, 2025 |
| 3. | Chakan | 3PL | July 1, 2023 | June 30, 2028 |
| 4. | Chakan | 3PL | August 1, 2023 | July 31, 2028 |
| 5. | Vaipur | 3PL | January 1, 2020 | December 31, 2029 |
| 6. | Vaipur | Industrial | October 1, 2019 | September 30, 2024* |
| 7. | Singadivakkam Phase II | Industrial | June 1, 2021 | July 31, 2031 |
| 8. | Hosur Park 1 Phase 1 | 3PL | April 1, 2023 | May 14, 2038 |
| 9. | Bhubaneshwar | 3PL | July 15, 2022 | July 14, 2027 |
| 10. | Bhubaneshwar | FMCG/D | June 1, 2018 | May 31, 2027 |
| 11. | Bhubaneshwar | 3PL | September 20, 2020 | August 31, 2025 |
| 12. | Thally I | e-commerce | September 1, 2019 | October 31, 2024** |
| 13. | Thally I | Industrial | October 24, 2020 | December 23, 2040 |
| 14. | Thally I | 3PL | October 1, 2022 | September 30, 2027 |
| 15. | Thally II | Industrial | July 7, 2022 | July 6, 2037 |
| 16. | Redhills | e-commerce | April 21, 2021 | March 20, 2031 |
| 17. | Redhills | FMCG/D | June 1, 2021 | May 31, 2026 |
| 18. | Redhills | Auto & Auto Ancillary | July 20, 2021 | July 19, 2027 |
| 19. | Redhills | 3PL | May 9, 2024 | May 8, 2029 |
| 20. | Coimbatore | Industrial | February 1, 2021 | June 30, 2031 |
| 21. | Coimbatore | e-commerce | December 5, 2020 | March 7, 2026 |
| 22. | Madurai | FMCG/D | July 25, 2024 | July 24, 2029 |
| 23. | Madurai | 3PL | November 6, 2023 | November 5, 2028 |
| 24. | Sulur | FMCG/D | May 9, 2023 | May 9, 2032 |
| 25. | Sulur | 3PL | January 12, 2024 | January 11, 2033 |
| 26. | Sulur | FMCG/D | June 1, 2024 | May 31, 2029 |
| 27. | Sulur | FMCG/D | July 1, 2024 | June 30, 2029 |
| 28. | Sulur | FMCG/D | July 25, 2024 | July 24, 2029 |
| 29. | Sulur | FMCG/D | May 8, 2023 | May 7, 2029 |
| 30. | Sullurpet | Industrial | December 15, 2021 | November 30, 2033 |
| 31. | Siliguri | e-commerce | September 8, 2021 | September 7, 2030 |
| 32. | Pillaipakkam | Industrial | August 16, 2024 | August 15, 2034 |

** The lease deed has expired on September 30, 2024*
*** The lease deed has expired on October 31, 2024*

***Strong focus on asset management and maintenance by the Sponsor***

Over the years, we have placed a strong emphasis on asset management and maintenance, recognizing their critical role in our business' success. We have developed in-house teams that are dedicated to upholding the relevant standards in every aspect of our operations.

Our projects team works toward ensuring that all the warehousing parks are constructed in line with our standard specifications, regulatory requirements and client-specific needs. The operations team focuses on maintaining each park well and in an optimal working condition, ensuring seamless functionality. Our business development team plays a crucial role in understanding the right fitment of clients for each park, aligning with long-term business objectives of both the parties. Their strategic efforts ensure that we attract lessees from the relevant industries. By understanding market trends, client needs and leveraging our well-maintained assets, we are able to ensure that our parks remain the preferred choice for all our clients.

***Growth potential backed by strong support from a renowned and experienced Sponsor***.

The Sponsor is TVSILP which has a sound-track record of over 19 years in the development and management of multiple industrial and logistics parks, under the infrastructure sector. Since its inception, the Sponsor has developed 20 Parks in various locations across India, as of September 30, 2024.

We believe we have benefited immensely from the rich experience of the Sponsor Group. We believe our lineage empowers us in leveraging its long-standing brand heritage, in-depth understanding of multi-sector dynamics and local markets, operational experience, corporate governance standards, values and trust. Additionally, the recognition and credibility of our Sponsor Group position us to attract talent, retain customers and network partners. Pursuant to the ROFO Agreement, we have a 'right of first

offer' to acquire certain assets from the Sponsor. For details in relation to the ROFO Agreement, please see the section entitled "*Formation Transactions In Relation To The Trust - Acquisition of the future assets by the Trust*" on page 32.

***Skilled and experienced management team with extensive industry experience.***

Our management team comprises of skilled professionals with extensive experience in the infrastructure sector, which positions us well to pursue our growth strategies seamlessly. We also benefit from the expertise of our Board of Directors and key managerial personnel, who bring with them knowledge in business strategy, logistics, operations and financial management.

The combined experience of our management team, including both the Investment Manager and Project Manager, ensures that the Project SPVs/ Holdco and the Trust are managed efficiently. To uphold the principles of good corporate governance and effective management of the Trust, the Investment Manager has established various committees and adopted corporate governance policies. We are confident that our governance framework promotes fairness, transparency, professionalism and accountability, while enhancing the effective management and operational efficiency of our businesses.

The extensive experience of the Investment Manager's team enables the development of a tailored business strategy for the Trust, providing valuable support in governance, engineering, and operations. Accordingly, we expect to benefit from their industry knowledge and strategic insights, which will enable overall growth of the Trust.

***Attractive Industry with Attractive Government Policies***

Demand for warehousing and logistics assets is anticipated to increase in the near future due to occupiers adopting a multipolar supply chain strategy and continuing government impetus to improve logistics infrastructure and investments. Additionally, occupiers shall aim to achieve operational efficiencies and rationalize costs through a multi-user and large-scale warehouse service provider. In the year 2020 there was a slight slump in supply and demand owing to worldwide pandemic scenario causing construction delays coupled with deferment in absorption of warehouse space which was already pre-committed in the market. 2021 witnessed the largest supply influx owing to increased demand from E-commerce, 3PL & retail tenant sectors due to the pandemic and spillover demand from 2020. (*Source: CBRE Report*).

The GoI has formulated a logistic vision: "To develop an integrated cost–effective, reliable, sustainable and digitally–enabled logistics ecosystem in the country for accelerated and inclusive economic growth". To support its vision, the Government has provided the logistics sector with an initial impetus by granting it an 'infrastructure status', allowing developers to finance projects through international funding and reduced interest rates. Besides this, the GOI has also introduced various policies like Make in India, the National Industrial Corridor Development Programme, Aatmanirbhar Bharat, Sagarmala Pariyojana, to bolster the sector. (*Source: CBRE Report*)

***Corporate Finance Capabilities***

Our robust corporate finance capabilities have fostered strategic partnerships with leading financial institutions. These strengths, coupled with our strong business fundamentals, have empowered our team to consistently secure capital at some of the most favorable terms in the sector, ensuring sustained growth and competitiveness in the sector.

***Strong focus on governance and ESG***.

Sustainable practices are the forefront of our business and has always been a part of our strategy and business decisions with continued efforts towards reducing carbon footprint and lowering energy consumption. The Sponsor has almost all facilities under the globally recognized EDGE Certification and has been certified as an EDGE champion.

Our Investment Manager is proposing to adopt an environment, health and safety policy ("**EHS Policy**") on behalf of the Trust. This EHS Policy will provide for a framework for the Trust and its Project SPVs/Holdco, and the Investment Manager to safeguard their employees from occupational hazards and illness, while also striving to protect the environment and preserve the natural resources. The EHS Policy shall be applicable to the Trust, the Project SPVs/Holdco and the Investment Manager. Some of the indicative key compliance requirement, as per the EHS Policy, will include amongst others:

- Compliance with applicable environmental, health, safety, security, legal, and other requirements as per applicable law while efficiently utilizing natural resources, and providing a safe, healthy, and environment-friendly workplace for all employees and associated people;
- The management of the Trust, the Project SPVs/ Holdco, and the Investment Manager shall be committed to abiding by the applicable legal requirements and regulations, including complying with the health, safety, security, and environment requirements prescribed by the applicable environment and safety laws and regulations;
- Ensuring that the machinery, equipment, vehicles, safety equipment, safety systems, electrical equipment, tools, temporary structures, inspection and monitoring equipment, communication system and miscellaneous equipment (ladders, working platform, ramps and safety signages) deployed are safe and is in compliance with established safe working procedures and practices;

- Ensuring that each activity is carried out with proper risk management to minimize associated hazards, develop and implement appropriate occupational health, safety, security, and environment procedures while promoting safe working practices and inculcating a safety culture among all interested parties pertaining to our business; and

Further, approximately 24% of our portfolio is occupied by clients based in the sectors which focus on environment conservation with close to 17% from renewable energy space and close to 7% from electronic vehicle space, some of these clients being Ather Energy Private Limited (electronic vehicles) and Indutch Composites Technology Private Limited (wind energy), and a client in the solar energy space, amongst others. Basis our current rentals, our top 10 clients are as follows:

| S. No. | Sector in which our clients operate | No. of clients | (%) of our Portfolio's gross rentals |
|---|---|---|---|
| 1. | Industrial | 7 | 43.14% |
| 2. | 3PL | 1 | 20.45% |
| 3. | e-commerce | 2 | 19.08% |
| 4. | Others | 20 | 17.33% |

**Our Strategies**:

***Optimizing asset utilization through proactive project management, reliance on experience and focusing on value creation.***

We shall focus on continuing to achieve operational excellence by implementing the approach of maximizing the utilization and productivity of the parks thereby enhancing overall profitability. This will involve a comprehensive focus on optimizing the performance of physical assets such as buildings, equipment and using new technology while reducing the operating costs.

The Project Manager shall undertake operations and management of the Initial Portfolio Assets pursuant to execution of the Project Implementation and Management Agreement. Through our Project Manager, which has extensive experience in project and asset management, we intend to institute and implement modern and leading processes and practices across our current and future assets.

Further, we intend to monetize any opportunities that may be available for generating additional revenue from non-warehousing business operations that leverage our warehousing assets. We believe that such opportunities may be available in relation to, amongst others, renting of the roof top, installation of solar power panels to produce and sell electricity or renting out additional space of the Parks for non-warehousing activities.

***Continue to pursue accretive growth***

We intend to capitalize on these sectoral tailwinds to grow our operations by leveraging the value accretive acquisition strategy of our Investment Manager:

- *Inorganic Expansion*

  We aim to focus on acquiring more Parks in accordance with our investment objectives. We also propose to invest in Parks in other locations to increase our presence pan-India. In addition to acquisitions, we intend to undertake strategic expansions within our existing assets to enhance the value of our Portfolio leading to lessee retention. We believe that owning the best warehousing assets in India's top sub-markets will allow us to generate robust cash flow growth with strong long-term returns.

  We plan to grow our Portfolio by developing and folding operational assets into the Trust.

- *Geographic Diversification*

  We plan to pursue geographic expansion by establishing new Parks in the under-served market of India, where there is a notable demand-supply gap. This strategic move aims to meet the growing needs of these underserved markets, ensuring efficient distribution and enhanced service delivery to clients. By addressing this gap, we can capitalize on the rising demand, drive business growth and reinforce our presence in these key areas.

- *Land Acquisition*

  Acknowledging suitable land acquisition as one of the most critical aspects associated with our business growth, our Sponsor will strategically focus on acquiring land from State Governments. By focusing on acquiring land from State

Governments, we can achieve cost efficiencies, secure strategic locations, benefit from regulatory support, contribute to local economic development and mitigate risks, all of which will drive our growth and operational success.

***Target new customers and diversify customer base.***

We believe that our pan-India network positions us well to capture growing demand for warehousing services from clients belonging to almost all sectors *viz.* 3PL, industrial, auto and auto ancillary, etc. We intend to actively market our Assets to new customers to generate additional sources of revenue and cash flows over time. Long-term rentals help in bringing stability to our portfolio and also ensures expected returns for our investors. On the other hand, the occupiers prefer long-term leases since it safeguards their investment in our facilities. Our preferred sectors are primarily industrial players and our USP is providing customized integrated solutions to them. While we do not limit ourselves to a particular sector, we believe in partnering with the emerging sectors like e-commerce, EV and other alternative energy sectors, etc.

***Increase revenue by providing ancillary services.***

We are a tech-enabled infrastructure solutions provider who provides various set of services to our clients. We intend to provide facilities management services to our lessees that are designed to provide comprehensive and industry specific solutions such as maintenance services, security services, etc. Our fully integrated professional facilities management services will be designed to provide solutions that enhance the operational efficiency of our lessees' facilities.

***Institute and maintain prudent capital management***.

Low leverage provides flexibility for growth through value accretive acquisitions. We seek to achieve an optimal capital structure for our Parks and will seek to source funds from multiple sources, including from domestic and international markets. Immediately on completion of the Offer, our aggregate consolidated borrowings and deferred payments net of cash and cash equivalents will be below 49% of the total value of the InvIT Assets, as prescribed under the InvIT Regulations and we seek to ensure that the Trust has a debt structure to support the capital available with the Trust. Our low leverage will also result in better credit rating for our Trust, thus allowing us favourable financing terms and cost. ICRA Limited has assigned a "Provisional ICRA AAA (Stable)" rating for the Trust, in its credit rating rationale, taking into account the Initial Portfolio Assets, subject to the terms set out therein.

We have the potential to increase our borrowings in the future to up to 70% of the value of our assets under management while maintaining a AAA credit rating, obtaining unitholders approvals and complying with certain other conditions and we intend to optimize our leverage to retain enough flexibility to provide sustainable and predictable cash flows, while evaluating potential acquisition or development opportunities in the future. We will seek to employ appropriate financing and borrowing policies and also diversify our funding sources with one of the primary objective of minimizing our overall cost of capital. Further, we believe that our low leverage will provide us with a significant advantage in acquiring projects that meet our investment objectives. We intend to leverage our robust corporate finance capabilities and strong lender relationships with leading financial institutions, to continually optimize our financing structure and maintain a well-diversified capital pool.

***Continued focus on automation and modernization of Parks assets using latest technology.***

We shall endeavor to carry out technological/structural advancements of the Parks, taking into consideration the ever-evolving business landscape, where required. For example, few of our parks are equipped with automated storage and retrieval systems ("**AS/RS**"), an automation technology specifically designed to buffer, store and retrieve product and inventory on demand. This enables significant operational efficiencies, in areas such as in-ward speed, order picking time, processing speed.

**Our Portfolio**

Asset-wise project details

***1.*** *Name of Project*: *Chakan Park, Maharashtra*

*Asset description*:

Chakan Park was constructed in 2006 and is the first corporate-owned, high-quality warehousing facility in India and first of its kind in Chakan (*Source: CBRE Report*). It is spread across 17.10 acres of land, with 0.37 MSF of area dedicated to leasable areas across two Parks with clear height of the Park of 12.30 m. The Park is EDGE certified to foster environmentally sustainable principle, including, energy-efficient design, water management systems, and green belt development. Chakan Park's design emphasizes on optimal area utilization, incorporating advanced amenities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

Chakan is a prominent industrial centre in western India, home to several major automotive manufacturers and suppliers. Chakan Park is strategically located within the Chakan industrial area, it is suitable for warehousing and light industrial operations. The region's increasing population and the establishment of IT companies have driven demand for e-commerce services. Chakan Warehouse benefits from this growth by offering essential resources such as skilled labour, raw materials, and efficient transportation. The warehouse's convenient access to major transportation routes, including the Pune-Nashik highway, and the planned expansion of infrastructure in the area enhance its connectivity. Combined with its commitment to quality standards, these factors make the warehouse an attractive option for businesses requiring reliable and efficient logistics solutions. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Durgeshwari Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2006 |
| **State** | Maharashtra |
| **City** | Chakan |
| **Site Area (Acres)** | 17.10 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 2.57 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.37 |
| **Operational Area (msf) (including** | 0.37 (Built-up Area: 0.33; Other Area: 0.4) |

| | |
|---|---|
| **details of built-up area and other area, separately) (as on September 30, 2024)** | |
| **Under Development Area (msf) (as on September 30, 2024)** | - |
| **Average in-place rent on chargeable area (₹ psf)** | 27.4 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 99.40% | 98.00% | 97.00% |
| **Number of Lessees** | 5 | 5 | 4 | 5 |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | Industrial | 1,069 |
| 2. | 3PL | 305 |
| 3. | 3PL | 1,370 |
| 4. | 3PL | 1,401 |
| 5. | 3PL | 670 |

*Lessee profile*: As at September 30, 2024, Chakan Park had 5 lessees operating in 3PL and industrial sectors and accounted for 6.47% of our Portfolio's monthly Gross Rentals.

***2.*** *Name of Project*: *Vaipur (Oragadam) Park, Tamil Nadu ("**Vaipur (Oragadam) Park**")*

*Asset description*:

The warehouse is located in Eraiyur village near the Oragadam SIPCOT (*Source: CBRE Report*). It is spread over 10.23 acres of freehold land and features amenities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures. Vaipur (Oragadam) Park caters to warehousing requirements of auto, auto components and manufacturing companies in the Oragadam and sub-markets.

The Oragadam Industrial Corridor is a prominent manufacturing hub in Chennai, well-connected through State Highway 48, National Highway 48, and the outer ring road. It is home to several major automotive and component manufacturers. The warehouse is located in Eraiyur village, near the Oragadam SIPCOT. This location offers convenient access for automotive, component, and other manufacturing companies operating in the Oragadam region. Furthermore, the state government is actively promoting this location as a hub for medical equipment manufacturing. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Durgeshwari Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2009 |
| **State** | Tamil Nadu |
| **City** | Oragadam |
| **Site Area (Acres)** | 10.23 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 2.94 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.21 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 0.21 (Built-up Area: 0.21; Other Area: NIL) |
| **Under Development Area (msf) (as on September 30, 2024)** | - |
| **Average in-place rent on chargeable area (₹ psf)** | 40.2 |

| Details | As of September 30, 2024 | As of March 31, 2024 | As of March 31, 2023 | As of March 31, 2022 |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | 100.00% | 100.00% |
| **Number of Lessees** | 2 | 2 | 2 | 2 |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| S. No. | Sector in which the client operates | Remaining term of the lease (as of September 30, 2024) (in days) |
|---|---|---|
| 1. | 3PL | 1,919 |
| 2. | Industrial | 1,188 |

*Lessee profile*: As at September 30, 2024, the Vaipur (Oragadam) Park had 2 lessees operating in 3PL and industrial sectors and accounted for 5.49% of our Portfolio's monthly Gross Rentals.

***3.*** *Name of Project*: *Singadivakkam (Sungavarchatram, Kanchipuram) Park, Tamil Nadu*

*Asset description*:

The Park is situated in Singadivakkam village, which is part of the Sunguvarchatram market. It comprises two warehouse facilities designed to accommodate the warehousing requirements of the manufacturing and electronics sectors. (*Source: CBRE Report*). Our Park is spread across 10.73 acres of land and has EDGE certified buildings which offer amenities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures. The park offers convenient access to both seaports and airports through National Highway 48 and State Highway 48.

Sunguvarchatram, situated in Kanchipuram district, is a prominent industrial centre along the Chennai-Bangalore Industrial Corridor (CBIC). The region hosts several large-scale manufacturing companies. Sunguvarchatram enjoys excellent connectivity to other industrial hubs, such as Oragadam and Sriperumbudur, via National Highway 48. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Durgeshwari Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2017 |
| **State** | Tamil Nadu |
| **City** | Kancheepuram |
| **Site Area (Acres)** | 10.73 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 6.84 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.45 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 0.45 (Built-up Area: 0.23; Other Area: 0.22) |
| **Under Development Area (msf) (as on September 30, 2024)** | - |
| **Average in-place rent on chargeable area (₹ psf)** | 14.6 |

| Details | As of September 30, 2024 | As of March 31, 2024 | As of March 31, 2023 | As of March 31, 2022 |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | 100.00% | 96.00% |
| **Number of Lessees** | 1 | 1 | 1 | 1 |

*Details of key customers:* Please see below details of our key customer operating in industrial sector:

| S. No. | Sector in which the client operates | Remaining term of the lease (as of September 30, 2024) (in days) |
|---|---|---|
| 1. | Industrial | 2,496 |

*Lessee profile*: As at September 30, 2024, the Singadivakkam (Sungavarchatram, Kanchipuram) Park had 1 lessee operating in industrial sector and accounted for 2.56% of our Portfolio's monthly Gross Rentals.

***4.*** *Name of Project*: *Hosur Park, Tamil Nadu*

*Asset description*:

Hosur Park is spread across 29.83 acres of land, consisting of three fully constructed covered warehouses, leased to our lessees spanning across 3PL sector. Hosur Park is EDGE certified with range of amenities including provision for free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, sewage treatment plant as per applicable Pollution Control Board norms, fire tank capacity conforming to 2 hour fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures. Hosur Park also caters to diverse sectors including 3PL sector.

Hosur, a satellite town of Bangalore, is strategically located in Tamil Nadu. Its position along National Highway 44 provides seamless connectivity to major cities such as Bangalore, Chennai, and Coimbatore, making it a prime distribution hub. Additionally, as part of the Chennai-Bangalore Industrial Corridor, Hosur offers convenient access to key markets, facilitating efficient goods transportation. The warehouse is situated in Mathagondapalli village between Hosur and Thally, offering convenient access to the airport, located 87 kilometers away. The upcoming Satellite Town Ring Road is expected to further enhance Hosur's prominence, making it an attractive location for e-commerce companies. Its strategic position near the Tamil Nadu-Karnataka border provides access to a large consumer base. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Durgeshwari Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2018 |
| **State** | Tamil Nadu |
| **City** | Hosur |
| **Site Area (Acres)** | 29.83 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 4.03 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 1.20 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 1.20 (Built-up Area: 0.69; Open Area: 0.51) |
| **Under Development Area (msf) (as on September 30, 2024)** | - |

| | |
|---|---|
| **Average in-place rent on chargeable area (₹ psf)** | 19.4 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | 95.00% | 50.00% |
| **Number of Lessees** | 1 | 1 | 1 | 2 |

*Details of key customers:* Please see below details of our key customer operating in 3PL sector:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | 3PL | 4,975 |

*Lessee profile*: As at September 30, 2024, the Hosur Park had 1 lessee operating in 3PL sector and accounted for 11.10% of our Portfolio's monthly Gross Rentals.

***5.*** *Name of Project*: *Bhubaneswar Park, Odisha*

*Asset description*:

The Park consists of two warehouses designed to meet the needs of logistics, fast-moving consumer goods, and manufacturing companies (*Source: CBRE Report*). Our warehouses are spread across an area of 10.67 acres and are EDGE certified featuring amenities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

Bhubaneswar, the capital of Odisha, is a significant commercial centre in eastern India. The region's steel and aluminium industries have fostered the growth of supporting businesses throughout the state. Bhubaneswar benefits from its proximity to ports and major transportation routes, facilitating connectivity to nearby cities such as Cuttack. The city's strategic location and industrial activity have made it an attractive destination for warehousing and logistics operations. Bhubaneswar and Cuttack together form a major consumption market in eastern India, underscoring the region's importance for warehousing. (*Source: CBRE Report*)

Areas such as Bhubaneswar-Cuttack Road, Tangi, Pitapalli, and Chandaka primarily concentrate the warehousing market in Bhubaneswar. While most warehouses in the region are locally developed and offer standard features, the Park represents a higher-quality option with modern amenities. Located in the Godi Bari area of Kantabada village, the Park offers premium warehouse spaces within a thriving industrial environment. Its proximity to the airport and its position along the state highway connecting Bhubaneswar and Cuttack make it easily accessible for a variety of industries. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Durgeshwari Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2018 |
| **State** | Odisha |
| **City** | Bhubaneshwar |
| **Site Area (Acres)** | 10.67 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 3.26 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.23 |
| **Operational Area (msf) (including** | 0.23 (Built-up Area: 0.21; Other Area: 0.02) |

| | |
|---|---|
| **details of built-up area and other area, separately) (as on September 30, 2024)** | |
| **Under Development Area (msf) (as on September 30, 2024)** | - |
| **Average in-place rent on chargeable area (₹ psf)** | 21.5 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | 98.00% | 100.00% |
| **Number of Lessees** | 5 | 5 | 4 | 3 |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | 3PL | 1,018 |
| 2. | Others | 2,527 |
| 3. | FMCG/D | 974 |
| 4. | 3PL | 336 |
| 5. | Others | 3,074 |

*Lessee profile*: As at September 30, 2024, the Bhubaneswar Park had 5 lessees operating in 3PL and fast moving consumer goods sectors and accounted for 3.14% of our Portfolio's monthly Gross Rentals.

***6.*** *Name of Project*: *Coimbatore Park, Tamil Nadu*

*Asset description*:

Coimbatore Park is spread across 26.40 acres of land, catering to lessees in industrial and e-commerce sectors. Our Park is EDGE certified with range of facilities including free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, sewage treatment plant as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

Coimbatore, the second largest consumption hub in Tamil Nadu, is a significant part of the Coimbatore-Tirupur-Erode Industrial Corridor, housing numerous small and medium-sized enterprises. It is a preferred location for the automotive and auto component industries and has been identified as a key node in the Tamil Nadu Defence Industrial Corridor. The city's proximity to Kerala makes it a suitable location for distribution centers. With excellent connectivity through NH-544, linking it to ports and southern Tamil Nadu via NH 83, Coimbatore has emerged as a major hub for manufacturing, education, and healthcare, ranking among India's fastest-growing Tier-II cities. The region boasts over two lakh ten thousand two hundred and twenty-two small, medium, and large industries, with engineering and textiles as primary sectors. (*Source: CBRE Report*)

The warehouse is located in Sellakkarachal Village, Sulur Taluka, a prominent industrial and manufacturing center with convenient access to the airport. Its strategic position attracts businesses from manufacturing, third-party logistics, and fast-moving consumer goods sectors. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Marudhamalai Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2021 |
| **State** | Tamil Nadu |
| **City** | Coimbatore |
| **Site Area (Acres)** | 26.40 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 5.25 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.98 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 0.98 (Built-up Area: 0.68; Other Area: 0.30) |
| **Under Development Area (msf) (as on September 30, 2024)** | - |

| | |
|---|---|
| **Average in-place rent on chargeable area (₹ psf)** | 22.4 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | - | - |
| **Number of Lessees** | 2 | 2 | - | - |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | Industrial | 2,465 |
| 2. | e-commerce | 524 |

*Lessee profile*: As at September 30, 2024, the Coimbatore Park had 2 lessees operating in industrial and e-commerce sectors and accounted for 11.58% of our Portfolio's monthly Gross Rentals.

***7.*** *Name of Project*: *Thally Park 1 & Thally Park 2, Tamil Nadu*

*Asset description*:

The warehouses are situated in Mathagondapalli village between Hosur and Thally, offering convenient access to the airport, located 87 kilometers away (*Source: CBRE Report*). Thally Park 1 and Thally Park 2 are spread across 37.39 acres and 10.83 acres respectively, which consists of four fully constructed covered leased to our lessees spanning across e-commerce, 3PL, FMCG and industrial sectors. Our Parks are EDGE certified with range of amenities including provision for free movement type-2 flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient electrical system with applicable safety measures.

Hosur, a satellite town of Bangalore, is strategically located in Tamil Nadu. Its position along National Highway 44 provides seamless connectivity to major cities such as Bangalore, Chennai, and Coimbatore, making it a prime distribution hub. Additionally, as part of the Chennai-Bangalore Industrial Corridor, Hosur offers convenient access to key markets, facilitating efficient goods transportation. The upcoming Satellite Town Ring Road is expected to further enhance Hosur's prominence, making it an attractive location for e-commerce companies. Its strategic position near the Tamil Nadu-Karnataka border provides access to a large consumer base. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Maragathammbal Industrial and Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2019 |
| **State** | Tamil Nadu |
| **City** | Thally |
| **Site Area (Acres)** | 37.39 (Thally Park 1) and 10.83 (Thally Park 2) |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 2.30 years (Thally Park 1) and 12.78 years (Thally Park 2) |
| **Leasable Area (msf) (as on September 30, 2024)** | 1.15 (Thally Park 1) and 0.48 (Thally Park 2) |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 1.15 (Built-up Area: 1.05; Other Area: 0.10) (Thally Park 1); and<br>0.48 (Built-up Area: 0.20; Other Area: 0.28) (Thally Park 2) |
| **Under Development Area (msf) (as on September 30, 2024)** | - |

| | |
|---|---|
| **Average in-place rent on chargeable area (₹ psf)** | 19.3 |

| **Details** | **As of September 30, 2024** | | **As of March 31, 2024** | | **As of March 31, 2023** | | **As of March 31, 2024** | |
|---|---|---|---|---|---|---|---|---|
| | **Thally Park 1** | **Thally Park 2** | **Thally Park 1** | **Thally Park 2** | **Thally Park 1** | **Thally Park 2** | **Thally Park 1** | **Thally Park 2** |
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | NA |
| **Number of Lessees** | 3 | 1 | 3 | 1 | 3 | 1 | 3 | 1 |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | e-commerce | 32* |
| 2. | Industrial | 5,929 |
| 3. | 3PL | 1,096 |
| 4. | Industrial | 4,663 |

* *The lease deed has expired on October 31, 2024.*

*Lessee profile*: As at September 30, 2024, the Thally Park 1 & Thally Park 2 had 4 lessees operating in e-commerce, 3PL and industrial sectors and accounted for 17.72% (Thally Park 1 – 14.91% and Thally Park 2 – 2.80%) of our Portfolio's monthly Gross Rentals.

***8.*** *Name of Project*: *Red Hills Park, Tamil Nadu*

*Asset description*:

Red Hills Park has an area of more than 33.18 acres. The buildings incorporate amenities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable pollution control board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas.

Red Hills has historically served as a warehousing hub for Chennai's goods distribution. The emergence of e-commerce and online platforms has further elevated its importance. This location has consistently been preferred for fulfilling the warehousing requirements of FMCG, e-commerce, and third-party logistics companies. The park is strategically located in Thamaraipakkam Village, offering convenient access to airports within a forty-five-kilometer radius and seaports within forty kilometers. The park enjoys excellent connectivity through SH 114, linking to NH16, NH716A, and SH50A, ensuring smooth goods transportation. These transportation advantages contribute to the location's popularity among prominent FMCG, e-commerce, and third-party logistics companies. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Siruvapuri Murugan Industrial and Logistics Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2021 |
| **State** | Tamil Nadu |
| **City** | Redhills |
| **Site Area (Acres)** | 33.18 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 4.50 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 1.12 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 1.04 (Built-up Area: 0.70; Other Area: 0.34) |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.07 |
| **Average in-place rent on chargeable area (₹ psf)** | 17.1 |

| Details | As of September 30, 2024 | As of March 31, 2024 | As of March 31, 2023 | As of March 31, 2022 |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 96.60% | 100.00% | 100.00% | 100.00% |
| **Number of Lessees** | 5 | 5 | 5 | 3 |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| S. No. | Sector in which the client operates | Remaining term of the lease (as of September 30, 2024) (in days) |
|---|---|---|
| 1. | e-commerce | 2,363 |
| 2. | FMCG/D | 609 |
| 3. | Auto and auto ancillary | 1,023 |
| 4. | FMCG/D | 995 |
| 5. | 3PL | 1,682 |

*Lessee profile*: As at September 30, 2024, the Red Hills Park had 5 lessees operating in e-commerce, 3PL, FMCG/D and auto and auto ancillary sectors and accounted for 9.55% of our Portfolio's monthly Gross Rentals.

***9.*** *Name of Project*: *Coimbatore (Sulur)Park, Tamil Nadu*

*Asset description*:

Coimbatore Park is spread across 22.10 acres of land. The buildings have been provided with preliminary EDGE certificates and features amenities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable pollution control board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

The warehouse is located in Sellakkarachal Village, Sulur Taluka, a prominent industrial and manufacturing center with convenient access to the airport. Its strategic position attracts businesses from manufacturing, third-party logistics, and fast-moving consumer goods sectors. (*Source: CBRE Report*)

Coimbatore, the second largest consumption hub in Tamil Nadu, is a significant part of the Coimbatore-Tirupur-Erode Industrial Corridor, housing numerous small and medium-sized enterprises. It is a preferred location for the automotive and auto component industries and has been identified as a key node in the Tamil Nadu Defence Industrial Corridor. The city's proximity to Kerala makes it a suitable location for distribution centers. With excellent connectivity through NH-544, linking it to ports and southern Tamil Nadu via NH 83, Coimbatore has emerged as a major hub for manufacturing, education, and healthcare, ranking among India's fastest-growing Tier-II cities. The region boasts over two lakh ten thousand two hundred and twenty-two small, medium, and large industries, with engineering and textiles as primary sectors. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Durgeshwari Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2023 |
| **State** | Tamil Nadu |
| **City** | Sulur |
| **Site Area (Acres)** | 22.10 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 5.03 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.61 |
| **Operational Area (msf) (including details of built-up area and other area,** | 0.61 (Built-up Area: 0.49; Other Area: 0.11) |

| | |
|---|---|
| **separately) (as on September 30, 2024)** | |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.01 |
| **Average in-place rent on chargeable area (₹ psf)** | 19.2 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | - | - |
| **Number of Lessees** | 7 | 3 | - | - |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| S. No. | Sector in which the client operates | Remaining term of the lease (as of September 30, 2024) (in days) |
|---|---|---|
| 1. | FMCG/D | 2,779 |
| 2. | 3PL | 3,026 |
| 3. | FMCG/D | 1,705 |
| 4. | FMCG/D | 1,735 |
| 5. | FMCG/D | 1,759 |
| 6. | 3PL | 46* |
| 7. | FMCG/D | 1,681 |

* *The lease deed has expired on November 14, 2024.*

*Lessee profile*: As at September 30, 2024, the Coimbatore (Sulur) Park had 7 lessees operating in fast moving consumer goods and 3PL sectors and accounted for 6.60% of our Portfolio's monthly Gross Rentals.

***10.*** *Name of Project*: *Madurai Park, Tamil Nadu*

*Asset description*:

Madurai Park is spread across 16.02 acres of land. Our Park has been provided with a preliminary EDGE certificate and features a range of facilities including free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

The warehouse is strategically located in Vairavanatham village, seventeen kilometers from Madurai's city center and thirty kilometers from the airport. Its proximity to NH 44, connecting to the Nilakottai SIPCOT Industrial complex and other manufacturing areas, makes it suitable for warehousing needs of manufacturing and auto ancillary companies. (*Source: CBRE Report*)

As the cultural capital of Tamil Nadu, Madurai is the state's third-largest consumption center. It is also a significant industrial hub, home to various automobile, rubber, and chemical industries. Madurai's strategic location benefits from excellent connectivity through National Highways 7, 45B, and 85, providing easy access to major cities like Chennai, Coimbatore, and Trichy. These well-connected highways facilitate efficient goods movement, enhancing Madurai's appeal as a distribution hub. Nearby industrial centers such as Dindigul, Virudhunagar, and Tirunelveli contribute to the region's demand for warehousing services. These cities serve as crucial links in the supply chain, solidifying Madurai's position as a strategic warehousing destination in southern India. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Sri Meenatchi Industrial and Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2022 |
| **State** | Tamil Nadu |
| **City** | Madurai |
| **Site Area (Acres)** | 16.02 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 2.98 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.43 |
| **Operational Area (msf) (including details of built-up area and other area,** | 0.34 (Built-up Area: 0.30; Other Area: 0.04) |

| | |
|---|---|
| **separately) (as on September 30, 2024)** | |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.09 |
| **Average in-place rent on chargeable area (₹ psf)** | 17.7 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 93.40% | 99.40% | 95.00% | 100.00% |
| **Number of Lessees** | 5 | 3 | 2 | 1 |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | FMCG/D | 1,759 |
| 2. | FMCG/D | 1,759 |
| 3. | FMCG/D | 701 |
| 4. | 3PL | 1,498 |
| 5. | FMCG/D | 305 |

*Lessee profile*: As at September 30, 2024, the Madurai Park had 5 lessees operating in fast moving consumer goods and 3PL sectors and accounted for 3.26% of our Portfolio's monthly Gross Rentals.

***11.*** *Name of Project*: *Sullurpet Park, Andhra Pradesh*

*Asset description*:

Sullurpet Park is spread across 44.10 acres of land. Our Park is equipped with advanced features such as free movement (Type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures. Sullurpet Park hosts Indutch Composites Technology Private Limited, a wind energy blade manufacturing and allied component manufacturing company.

The Park is strategically positioned in Sullurpet, equidistant from Krishnapatnam and Ennore ports, and within 95 kilometers of an airport. Its location on NH16 and proximity to industrial centers like Sri City and Chennai make it a significant trade hub. The Park houses a leading wind blade manufacturing company serving global multinational corporations. (*Source: CBRE Report*)

Sullurpet, situated in Andhra Pradesh, is experiencing rapid growth in the warehousing and industrial sectors due to its strategic location along National Highway 16. This key transportation route connects Chennai and Kolkata, making Sullurpet a crucial transit point for goods. The proximity to major ports like Chennai and Krishnapatnam further enhances its importance for import-export activities. The region's expanding industrial base, encompassing textiles, pharmaceuticals, and automotive components, drives the demand for warehousing facilities to store raw materials and finished products. Ongoing infrastructure development, such as improvements to NH-16 and the construction of dedicated freight corridors, is enhancing Sullurpet's connectivity and attractiveness as a manufacturing location. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Revanza Sullurpet Industrial Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2022 |
| **State** | Andhra Pradesh |
| **City** | Sullurpet |
| **Site Area (Acres)** | 44.10 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 9.18 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 1.37 |
| **Operational Area (msf) (including** | 0.87 (Built-up Area: 0.37; Other Area: 0.51) |

| | |
|---|---|
| **details of built-up area and other area, separately) (as on September 30, 2024)** | |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.50 |
| **Average in-place rent on chargeable area (₹ psf)** | 28.1 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | 100.00% | - |
| **Number of Lessees** | 1 | 1 | 1 | - |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | Industrial | 3,349 |

*Lessee profile*: As at September 30, 2024, the Sullurpet Park had 1 lessee operating in industrial sector and accounted for 13.97% of our Portfolio's monthly Gross Rentals.

***12.*** *Name of Project*: *Pillaipakkam Park, Sriperumbudur*

*Asset description*:

Pillaipakkam Park is spread across 17.00 acres of land. Our Park is EDGE certified and features facilities like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

The warehouse is strategically located on leasehold land in SIPCOT Pillaipakkam, approximately 44 kilometers from Chennai's city center and 27 kilometers from the airport.

Pillaipakkam is strategically located within the Sriperumbudur Industrial Corridor, a region characterized by strong connectivity and industrial growth. Situated along National Highway 48, the area offers efficient transportation links to major cities and ports. Its proximity to the Chennai-Bangalore Industrial Corridor enhances its appeal as a warehousing hub, providing access to a thriving industrial region with substantial investment opportunities. The presence of nearby industrial estates and parks further drives the demand for warehousing solutions as businesses seek to optimize their supply chain operations. Sriperumbudur has established itself as a Special Economic Zone (SEZ) with significant investments from automotive and electronics companies. The construction of a new greenfield airport in close proximity to Sriperumbudur will further enhance the region's connectivity. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Ramanujar Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2024 |
| **State** | Tamil Nadu |
| **City** | Pillaipakkam |
| **Site Area (Acres)** | 17.00 |
| **Freehold/ Leasehold** | Leasehold |
| **WALE (as on September 30, 2024)** | 9.88 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.68 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | 0.57 (Built-up Area: 0.36; Other Area: 0.21) |

| | |
|---|---|
| **Under Development Area (as on September 30, 2024)** | 0.11 |
| **Average in-place rent on chargeable area (₹ psf)** | 17.0 |

| **Details** | **As of September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | - | - | - |
| **Number of Lessees** | 1 | - | - | - |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | Industrial | 3,607 |

*Lessee profile*: As at September 30, 2024, the Pillaipakkam Park had 1 lessee operating in industrial sector and accounted for 6.10% of our Portfolio's monthly Gross Rentals.

***13.*** *Name of Project*: *Siliguri Park, West Bengal*

*Asset description*:

*Siliguri Park* is spread across 5.66 acres of land. Our Park incorporates amenities like free movement (Type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

The warehouse is located 17 kilometers from the city and 13 kilometers from New Jalpaiguri railway station. Bagdogra International Airport is 25 kilometers away. (*Source: CBRE Report*)

Siliguri, a major Tier 2 city in West Bengal, spans the Darjeeling and Jalpaiguri districts and serves as the "Gateway to North-East India". Traditionally known for tea, timber, and tourism, the city has experienced significant growth in transportation in recent times. Its strategic location in West Bengal, with proximity to international borders with China, Nepal, Bangladesh, and Bhutan, makes it a crucial trading hub. Excellent air and rail connectivity further enhance its importance. The city's growing educational sector attracts a young population from North Bengal and the Northeast, contributing to its emergence as a consumption center. Siliguri also aims to establish itself as an IT hub in the future. (*Source: CBRE Report*)

Siliguri, the commercial capital of North Bengal, boasts an extensive transportation network. Its proximity to industrial areas in Cooch Behar and Jalpaiguri positions it as a potential service provider to key industries such as food processing, retail, e-commerce, logistics, pharmaceuticals, fast-moving consumer goods, and hospitality. The city's connectivity through NH 27, part of the Asian Highway 2 project, enhances its accessibility. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Presidency Barter Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | 2021 |
| **State** | West Bengal |
| **City** | Siliguri |
| **Site Area (Acres)** | 5.66 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | 5.94 years |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.14 |
| **Operational Area (msf) (including** | 0.14 (Built-up Area: 0.14; Other Area: NIL) |

| | |
|---|---|
| **details of built-up area and other area, separately) (as on September 30, 2024)** | |
| **Under Development Area (msf) (as on September 30, 2024)** | - |
| **Average in-place rent on chargeable area (₹ psf)** | 22.0 |

| **Details** | **As on September 30, 2024** | **As of March 31, 2024** | **As of March 31, 2023** | **As of March 31, 2022** |
|---|---|---|---|---|
| **Weighted Average Occupancy through the year (%)** | 100.00% | 100.00% | - | - |
| **Number of Lessees** | 1 | 1 | 1 | - |

*Details of key customers:* Please see below details of our key customers operating in various sectors:

| **S. No.** | **Sector in which the client operates** | **Remaining term of the lease (as of September 30, 2024) (in days)** |
|---|---|---|
| 1. | e-commerce | 2,169 |

*Lessee profile*: As at September 30, 2024, Siliguri Park had 1 lessee operating in e-commerce sector and accounted for 2.07% of our Portfolio's monthly Gross Rentals.

***14.*** *Name of Project*: *Vijayawada Park, Andhra Pradesh*

*Asset description*:

Vijayawada Park is spread across 12.68 acres of land. Our Park has been provided with a preliminary EDGE certificate. It also proposes to have enhanced security features like free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

The warehouse is strategically located in Kankipadu village, approximately fourteen kilometers from Vijayawada's city center and eleven kilometers from its airport, making it an ideal location for logistics operations. (*Source: CBRE Report*)

Vijayawada, centrally located in Andhra Pradesh, is a significant warehousing hub in South India due to its strategic position and excellent transportation links. The city's central location provides easy access to major cities like Hyderabad, Chennai, and Bengaluru, facilitated by the extensive network of national highways including NH16, NH65, and NH30. Furthermore, the Vijayawada railway junction and the Krishna River offer additional transportation options. Vijayawada's growing industrial sector, encompassing agriculture, food processing, textiles, and pharmaceuticals, creates a substantial demand for warehousing to store various products. The city's proximity to ports like Krishnapatnam and the upcoming Machilipatnam Port enhances its importance as a logistics center for import and export activities. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Tarkeshwar Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | Yet to be operationalized |
| **State** | Andhra Pradesh |
| **City** | Vijayawada |
| **Site Area (Acres)** | 12.68 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | - |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.29 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | - |

| | |
|---|---|
| **Under Development Area (msf) (as on September 30, 2024)** | 0.29 |

***15.*** *Name of Project*: *Vishakapatnam Park, Andhra Pradesh*

*Asset description*:

Vishakapatnam Park is spread across 16.80 acres of freehold land. Our Park will prioritize sustainability with a rooftop solar power setup provisions and rainwater harvesting systems. Vishakhapatnam Park is proposed to have free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2 hour fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

The warehouse is strategically located in Gurrampalem village, 20 kilometers from Visakhapatnam's city center and 14 kilometers from the airport. The facility offers both ready-to-occupy spaces and build-to-suit options to accommodate diverse business needs. (*Source: CBRE Report*)

Vishakapatnam, located in Andhra Pradesh, is experiencing significant growth in the warehousing sector due to several factors. The city's strategic position along National Highways 16 and 26, combined with its proximity to the Visakhapatnam Port, makes it an ideal location for warehousing operations. The thriving industrial sector, encompassing pharmaceuticals, petrochemicals, steel, and textiles, drives the demand for storage and distribution facilities. Furthermore, excellent connectivity through road, rail, and air networks, including National Highways 16 and 26 and Vishakapatnam International Airport, facilitates efficient transportation of goods, enhancing the city's attractiveness as a warehousing hub. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Tarkeshwar Industrial & Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | Yet to be operationalized |
| **State** | Andhra Pradesh |
| **City** | Vishakapatnam |
| **Site Area (Acres)** | 16.80 |
| **Freehold/ Leasehold** | Freehold |
| **WALE (as on September 30, 2024)** | - |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.41 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | - |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.41 |

***16.*** *Name of Project*: *Cuttack Park I (Banipada)*

*Asset description*:

Cuttack Park I (Banipada) is spread across 14.43 acres of leasehold land. Our buildings are planned to have free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable pollution control board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

Cuttack, an industrious city in Odisha, boasts a thriving warehousing industry due to its strategic location and well-developed infrastructure. Situated along major highways like NH-16 and NH-53, Cuttack offers convenient access to important cities and ports, facilitating smooth transportation of goods. Its proximity to the Chennai-Vizag Industrial Corridor (CVIC) and Kolkata-Visakhapatnam Industrial Corridor (KVIC) further solidifies its position as a regional logistics hub. Cuttack is home to various industrial clusters, particularly in textiles, metalworking, and manufacturing. Combined with Bhubaneswar, located just 30 kilometers away, the region constitutes a major consumption center in Eastern India, second only to Kolkata. This burgeoning demand fuels the need for warehousing facilities. The Choudwar industrial area, on Cuttack's outskirts, houses numerous steel, aluminum, and chemical production units, further stimulating demand for warehousing to store raw materials and finished products. Cuttack's proximity to major ports like Paradip and Dhamra also renders it attractive for warehousing related to import and export activities. Warehouses in Cuttack are strategically positioned along NH-16, NH-53, and other main roads to cater to diverse business needs. (*Source: CBRE Report*)

*Key information in relation to the asset*:

| | |
|---|---|
| **Name of SPV** | Jagannath Industrial and Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | Yet to be operationalized |
| **State** | Odisha |
| **City** | Cuttack |
| **Site Area (Acres)** | 14.43 |
| **Freehold/ Leasehold** | Leasehold |
| **WALE (as on September 30, 2024)** | - |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.33 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | - |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.33 |

***17.*** *Name of Project*: *Cuttack Park II (Indranipatna)*

*Asset description*:

Cuttack Park II (Indranipatna) is spread across 8.00 acres of leasehold land. Our buildings are proposed to have free movement (type-2) flooring with 5 tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable pollution control board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

Cuttack, an industrious city in Odisha, boasts a thriving warehousing industry due to its strategic location and well-developed infrastructure. Situated along major highways like NH-16 and NH-53, Cuttack offers convenient access to important cities and ports, facilitating smooth transportation of goods. Its proximity to the Chennai-Vizag Industrial Corridor (CVIC) and Kolkata-Visakhapatnam Industrial Corridor (KVIC) further solidifies its position as a regional logistics hub. Cuttack is home to various industrial clusters, particularly in textiles, metalworking, and manufacturing. Combined with Bhubaneswar, located just 30 kilometers away, the region constitutes a major consumption center in Eastern India, second only to Kolkata. This burgeoning demand fuels the need for warehousing facilities. The Choudwar industrial area, on Cuttack's outskirts, houses numerous steel, aluminum, and chemical production units, further stimulating demand for warehousing to store raw materials and finished products. Cuttack's proximity to major ports like Paradip and Dhamra also renders it attractive for warehousing related to import and export activities. Warehouses in Cuttack are strategically positioned along NH-16, NH-53, and other main roads to cater to diverse business needs. (*Source: CBRE Report*)

*Key information in relation to the asset*:

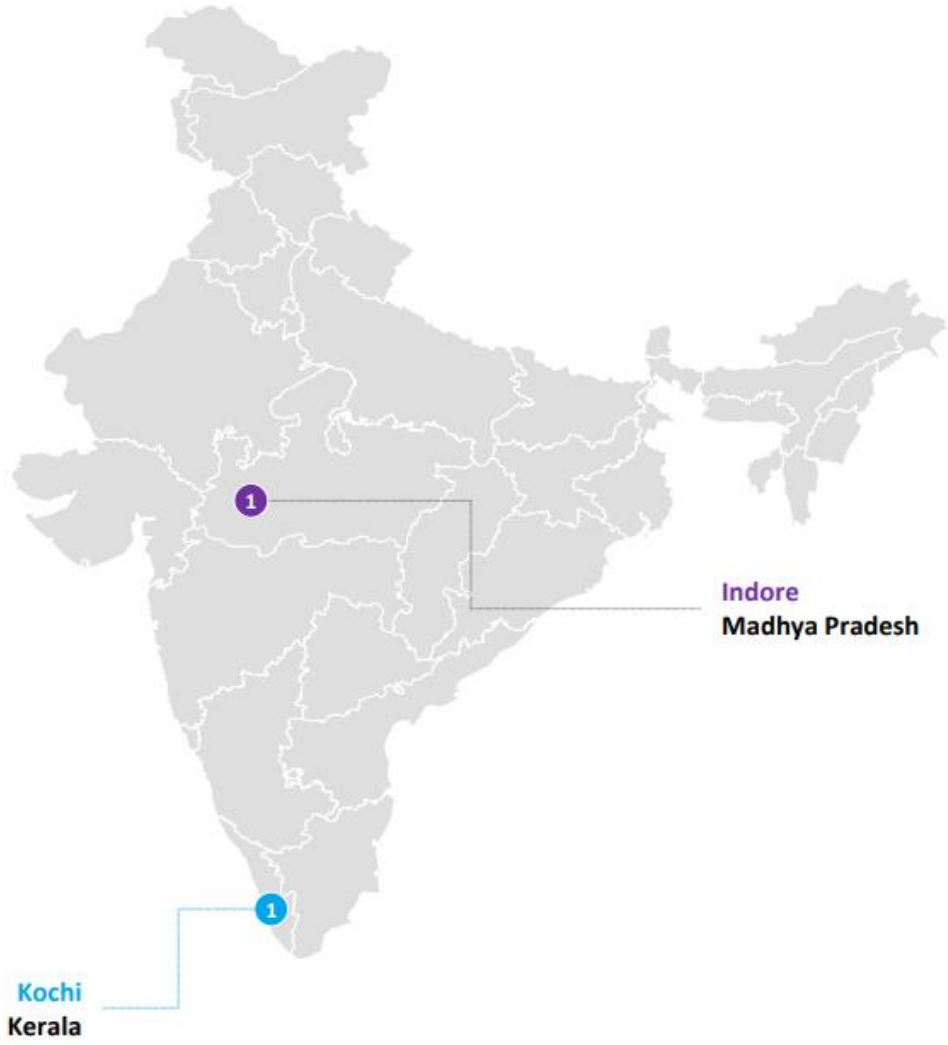
| | |
|---|---|
| **Name of SPV** | Jagannath Industrial and Logistics Parks Private Limited |
| **Interest proposed to be owned by Trust (%)** | 100.00% |
| **Year of commencement of operations** | Yet to be operationalized |
| **State** | Odisha |
| **City** | Cuttack |
| **Site Area (Acres)** | 8.00 |
| **Freehold/ Leasehold** | Leasehold |
| **WALE (as on September 30, 2024)** | - |
| **Leasable Area (msf) (as on September 30, 2024)** | 0.15 |
| **Operational Area (msf) (including details of built-up area and other area, separately) (as on September 30, 2024)** | - |
| **Under Development Area (msf) (as on September 30, 2024)** | 0.15 |

**ROFO Assets**

Set forth below is a brief description of the ROFO Assets:

| S. No. | Asset Name | Location | Approximate leasable area (sq. ft.) | Land area (acres) |
|---|---|---|---|---|
| 1. | Kochi Park | Kerala | 2,62,161 | 9.51 |
| 2. | Indore Park | Madhya Pradesh | 4,95,263 | 20.00 |

The Sponsor currently holds 100.00% equity shareholding in each of the 2 ROFO Assets. The following map shows the location of the potential ROFO Assets:




**Lease Agreements and Lease Management**

The lease agreements that we enter into with our lessees contain terms and conditions in relation to, amongst others, the leased area, term of the lease, lock-in period, details with respect to security deposit, provisions of sub-lease and events of defaults. Certain lease agreements also contain clauses which provide rent-free period for a particular duration to our certain lessees.

We typically enter into medium to long-term leases with our lessees. Our lease agreements also include a refundable security deposit, which is generally paid by the lessee upon signing of letter of intent or the lease agreement. The rent is generally payable in advance on a monthly basis. Rentals under our lease agreements are a function of various factors, including prevailing market rentals, client specific enhancements, rent-free period, security deposits, space availability and occupancy at the relevant asset.

Sub-letting to the lessee's affiliate companies or subsidiary generally does not require consent, however, a prior intimation to the lessor is required. Further, sub-letting to unrelated third parties would generally require a prior consent from the relevant lessor. In case of the latter, the original lessee would also continue to be responsible for the performance of the obligations under the relevant agreements.

Our lease agreements generally contain common termination provisions such as termination upon default of the counterparty. Leases typically have a lock-in period during which the lessee is not allowed to exit unless there is a breach by the lessor of the terms of the lease agreement. The option to terminate the lease agreement on expiry of the lock-in period, and in accordance with the terms of the relevant lease agreement, is generally with both the parties. Further, certain of our agreements contain indemnity clause wherein the lessee will indemnify the lessor and its officers and employees from and against liabilities, losses, damages, claims, liens, costs and expenses, including reasonable attorney fees, which the lessor may suffer, sustain or incur as a result of any negligent act or omission of lessee, its officers, employees or contractors in the leased premises.

Our lease agreement generally contains provision wherein the lessor inter alia is responsible for obtaining insurance of the leased premises only (lessor is not liable for the goods/material stored in the leased premises) and requires the lessor to take insurance that covers the cost of warehousing facilities, such as risk of fire, earthquake, floods and special perils. In addition, the lease agreement with our lessees also generally restricts the parties to the lease agreement from disclosing or transferring any confidential information to any third party. Further, the lease agreements also provide for responsibility of the lessee for obtaining valid insurance in respect of the stock, merchandise, furniture and fixtures of the lessee in the leased premises and all other equipments installed by the lessee.

**Environment, Health and Safety**

We are committed to ensure that our business activities are conducted in a safe, healthy and secure workplace. The Initial Portfolio Assets also adhere to various labour and workplace related laws and regulations in India. The Initial Portfolio Assets have procedures in place to ensure that the operation of the Projects conform to existing health, safety and environmental regulatory standards. Some of the key requirements in terms of the health safety security environment policy ("**EHS Policy**") includes, a) compliance with applicable environmental, health, safety, security, legal and other requirements; b) compliance with health safety security environment requirements prescribed as per the environment and safety laws and regulations; c) prevent pollution, property damage and injury; d) develop and implement appropriate occupational health, safety, security and environment procedures and promote safe working practices and inculcate safety culture among all interested parties pertaining to our business; e) maintain all workplaces in construction site under control in a condition that is safe, secured and stable without any risk to health and environment; and f) conduct continuous training and periodic inspection as and when required to ensure adherence to health, safety, security and environment.

We believe that our health, safety and environment systems enable us to remain in compliance in all material respects with Indian legislation in relation to environment laws and regulations and employee health and safety. For further details, please see the section entitled "*Regulations and Policies*" on page 494.

**Employees**

Our employees contribute significantly to the business operations of the Initial Portfolio Assets. As of September 30, 2024, the Initial Portfolio Assets, Project Manager and Investment Manager had a total of 145 permanent employees in various departments including administration, finance, human resources, legal and compliance, operations, and technology. The number of personnel deployed on this basis varies from time to time based on the nature and extent of work contracted.

**Approvals**

For details on the status of approvals required for the operation of our Parks, please see the section entitled "*Regulatory Approvals*" on page 500.

**Insurance**

Our business operations are subject to hazards inherent in providing warehousing facilities, such as risk of fire, earthquake, floods and special perils. The Project SPVs/ Holdco's principal types of insurance coverage include, amongst others, Standard Fire and Special Perils Policy and Contractors Plant and Machinery Insurance. The Investment Manager and the Trustee confirm that the amount of insurance that each Project SPV presently maintains represents an adequate and appropriate level of coverage required to insure its business and operations and assets.

**Competition**

Our primary competitors may include domestic and foreign developers in the infrastructure, logistics and warehousing spaces, who may also have access to financial, operational, marketing, personnel and other resources which are comparable to us. We may compete across a number of factors, including access to land, reputation and track record, feedback from government

authorities, access to capital and control, control over quality, and efficiency and reliability in project operations.

## INFORMATION CONCERNING THE UNITS

**Unitholding of the Trust:**

| Particulars | Number of Units |
|---|---|
| Units issued and outstanding prior to this Offer | Up to [●]* |
| Units issued and outstanding after this Offer | Up to [●]* |

* *To be updated in the Final Placement Memorandum to be filed with SEBI and Stock Exchange.*

Unitholders holding more than 5% of the Units

| Sr. No. | Name of the Unit Holders | Pre-Offer | | Post Offer* | |
|---|---|---|---|---|---|
| | | Number of Units | Percentage of holding (%) | Number of Units | Percentage of holding (%) |
| 1. | [●] | [●] | [●] | [●] | [●] |

* *To be updated in the Final Placement Memorandum to be filed with SEBI and Stock Exchange.*

**Unitholding of the Sponsor, Sponsor Group, Investment Manager and Trustee**

The Sponsor shall be allotted Units of the Trust pursuant to the Share Purchase Agreements, after Bid/Offer Closing Date and prior to Allotment of Units in the Offer. TVS Industrial & Logistics Parks Private Limited, being the Sponsor, proposes to offer a portion of its unitholding in the Offer for Sale, subject to the Sponsor and the Sponsor Group, collectively, holding not less than 15% on a post-Offer basis. Such Units required to be held in terms of the InvIT Regulation shall be locked-in and shall not be encumbered.

The Sponsor Group, Trustee and Investment Manager do not hold any Units and shall not acquire any Units in this Offer.

**Unitholding of the directors of the Investment Manager**

Except as disclosed below, as on the date of this Draft Placement Memorandum, none of the directors of the Investment Manager hold any Units or propose to hold any Units in the Trust.

**Sponsor and Sponsor Group lock-in**

Under the InvIT Regulations, the Sponsor and Sponsor Group are required to, collectively, hold a minimum of 15% of our Units on a post-Offer basis, aggregating up to [●] Units, for a minimum period of three years from the date of listing pursuant to the initial offer and the balance of their unitholding in the Trust is required to be locked in for a period of not less than one year from the date of listing of the Units. Further, in accordance with the InvIT Regulations, the Sponsor and the Sponsor Group are required to lock-in our Units as follows:

| | |
|---|---|
| From the beginning of 4$^{th}$ year after the date of listing pursuant to the initial offer and till the end of 5$^{th}$ year from the date of listing pursuant to the initial offer | 5% of total Units or ₹ 500 crores, whichever is lower* |
| From the beginning of 6$^{th}$ year after the date of listing pursuant to the initial offer and till the end of 10$^{th}$ year from the date of listing pursuant to the initial offer | 3% of total Units or ₹ 500 crores, whichever is lower* |
| From the beginning of 11$^{th}$ year after the date of listing pursuant to the initial offer and till the end of 20$^{th}$ year from the date of listing pursuant to the initial offer | 2% of total Units or ₹ 500 crores, whichever is lower* |
| After completion of the 20$^{th}$ year from the date of listing pursuant to the initial offer | 1% of total Units or ₹ 500 crores, whichever is lower* |

** Provided that the maximum value of Units to be held by the Sponsor and Sponsor Group for compliance with the above shall not exceed ₹500 crores or such other value as may be decided by SEBI from time to time wherein such valuation shall be based on the latest available asset value of the Trust.*

In terms of the InvIT Regulations, the Sponsor and the Sponsor Group shall hold not less than 15% of Units and accordingly shall hold [●] units (being, [●]% of the unitholding). 15% of the Units held by Sponsor and Sponsor Group shall be locked-in for a period of three years from the date of listing of the Units. Further, the Sponsor and the Sponsor Group undertakes and agrees to lock-in its unitholding in the manner specified above for the period subsequent to the three years after Listing, in the manner as may be mutually agreed. Additionally, any unitholding held by the Sponsor and Sponsor Group exceeding the 15% of Units set out above, shall be locked in for a period of not less than one year from the date of listing of the Units. Any person other than the Sponsor holding units of the Trust prior to initial offer shall hold the units for a period of not less than one year from the date of listing of the Units.

## USE OF PROCEEDS

The Offer comprises a Fresh Issue of up to [●] Units by the Trust aggregating up to ₹ 10,500.00 million and an Offer for Sale of up to [●] Units by the Selling Unitholder aggregating up to ₹ 2,500.00 million.

**The Offer for Sale**

The Selling Unitholder will be entitled to the proceeds of the Offer for Sale. The Trust will not receive any proceeds from the Offer for Sale.

**The Fresh Issue**

The proceeds of the Fresh Issue available to the Trust will be up to ₹ 10,500.00 million (the "**Fresh Issue Proceeds**").

The Fresh Issue Proceeds will be utilised towards:

(i) providing loans to the Project SPVs/ Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/pre-closure charges, and any other refinancing related costs;

(ii) general corporate purposes; and

(iii) Offer expenses.

**Requirements of Funds**

The Fresh Issue Proceeds are proposed to be utilised in accordance with the details provided in the following table:

*(In ₹ million)*

| S. No. | Particulars | Estimated Amount |
|---|---|---|
| (i) | Providing loans to the Project SPVs/ Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/pre-closure charges, and any other refinancing related costs* | 9,500.00 |
| (ii) | General corporate purposes* | [●] |
| (iii) | Offer expenses* | [●] |
| | **TOTAL** | 10,500.00 |

**To be updated in the Final Placement Memorandum prior to filing with SEBI and the Stock Exchange.*

The Investment Manager believes that providing a loan to the Project SPVs/ Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/pre-closure charges, and any other refinancing related costs, will help reduce outstanding indebtedness of the Trust on a consolidated basis and assist the Trust in maintaining a favourable debt-equity ratio, which will enable the Trust to raise further resources in the future to fund potential business development opportunities and plans to grow and expand its business in the future, thereby enabling the Trust to meet its commitment towards distributions to Unitholders.

The fund requirements mentioned above and the proposed deployment are based on the estimates of the Investment Manager and have not been appraised by any bank, financial institution or any other external agency. The fund requirements may vary, including due to factors beyond the Investment Manager's control, such as market conditions, competitive environment, interest rate and exchange rate fluctuations. Consequently, the fund requirements are subject to revisions, in the future, at the discretion of the Investment Manager.

In case of a shortfall in Fresh Issue Proceeds, the Investment Manager may, in compliance with the InvIT Regulations, have the flexibility to meet such shortfall including, by utilising the Trust's internal accruals or availing facilities from lenders and financial institutions. The Investment Manager, in accordance with the Investment Objectives of the Trust, policies of its board of directors of the Investment Manager and the InvIT Regulations, will have flexibility in utilising any surplus amounts.

**Details of Utilisation of the Fresh Issue Proceeds**

The details of utilisation of the Fresh Issue Proceeds are set forth herein below:

***(i) Providing loans to the Project SPVs/ Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued***

***interest, closure/ pre-closure charges, and any other refinancing related costs.***

The Trust proposes to utilise an estimated aggregate amount of ₹ 9,500.00 million from the Fresh Issue Proceeds for repayment or pre-payment of debt, in full or part, including any accrued interest, availed by the Project SPVs/ Holdco from the Sponsor, and certain banks and financial institutions, as described below:

| Sr. no. | Particulars of the Project SPVs/ Holdco | Name of the lender | Nature of Borrowing | Total outstanding amount as of December 31, 2024 (in ₹ lakhs) |
|---|---|---|---|---|
| 1. | Durgeshwari Industrial & Logistics Parks Private Limited | NIIF Infrastructure Finance Limited | Secured | 44,608.73 |
| 2. | Durgeshwari Industrial & Logistics Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 603.57 |
| 3. | Durgeshwari Industrial & Logistics Parks Private Limited | HDFC Bank Limited | Secured | 17,267.61 |
| 4. | Maragathammbal Industrial and Logistics Park Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 6,835.59 |
| 5. | Maragathammbal Industrial and Logistics Park Private Limited | Axis Bank Limited | Secured | 17,359.59 |
| 6. | Marudhamalai Industrial and Logistics Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 5,353.76 |
| 7. | Siruvapuri Murugan Industrial and Logistics Private Limited | NIIF Infrastructure Finance Limited | Secured | 19,953.00 |
| 8. | Siruvapuri Murugan Industrial and Logistics Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 269.69 |
| 9. | Sri Meenatchi Industrial and Logistics Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 2,347.55 |
| 10. | Sri Meenatchi Industrial and Logistics Parks Private Limited | HDFC Bank Limited | Secured | 6,118.26 |
| 11. | Revanza Sullurpet Industrial Parks Private Limited | State Bank of India | Secured | 10,480.86 |
| 12. | Revanza Sullurpet Industrial Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 10,107.98 |

| | | | | |
|---|---|---|---|---|
| 13. | Jagannath Industrial and Logistics Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 2,426.46 |
| 14. | Ramanujar Industrial & Logistics Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 2,391.34 |
| 15. | Ramanujar Industrial & Logistics Parks Private Limited | HDFC Bank Limited | Secured | 8,845.23 |
| 16. | Tarkeshwar Industrial & Logistics Parks Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 14,597.78 |
| 17. | Presidency Barter Private Limited | TVS Industrial & Logistics Parks Private Limited | Unsecured | 1,605.78 |
| 18. | Marudhamalai Industrial and Logistics Parks Private Limited | Axis Bank Limited | Secured | 12,587.00 |
| | **Total** | | | **1,83,759.79** |

For further details on borrowing availed by the Project SPVs/ Holdco and the loan proposed to be provided to the Project SPVs/ Holdco by the Trust, please see the section entitled "*Financial Indebtedness*" on page 463.

The repayment or prepayment of indebtedness availed by Project SPVs/ Holdco, as set out above, shall be based on various factors, including: (i) any conditions attached to the loan or the consent issued by the lender in relation to such pre-payment or repayment, restricting the Trust's ability to repay or prepay the debt and time taken to fulfil such requirements; (ii) provisions of any laws, rules, regulations and contracts governing such borrowings; and (iii) other commercial considerations, including the interest rate on the debt securities and the amount outstanding (including interest accrued till date of repayment). As on the date of this Draft Placement Memorandum, the Project SPVs/ Holdco have applied for necessary consents from their existing lenders in relation to such pre-payment or repayment.

***(ii) General corporate purposes***

In terms of the InvIT Regulations, the Investment Manager on behalf of the Trust shall, at its discretion, deploy the balance Fresh Issue Proceeds (excluding the Offer Expenses) aggregating up to ₹ [●] million towards general expenses for the operation of the Trust, subject to such utilization not exceeding 10% of the Fresh Issue Proceeds, in compliance with the InvIT Regulations. The general corporate purposes for which the Trust proposes to utilise Fresh Issue Proceeds include meeting exigencies and expenses incurred in the ordinary course of business, including payment of interest on loan proposed to be availed by the Trust and upfront fee/processing fee payable on loan proposed to be availed by the Trust. In addition, the Trust may utilise the Fresh Issue Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved by the Investment Manager or the Trustee, as the case may be, subject to compliance with applicable law.

***(iii) Offer Expenses****

The total expenses of this Offer are estimated to be up to ₹ [●] million ("**Offer Expenses**"). The Offer Expenses consist of fee and commissions payable to the Lead Managers, fee payable to legal counsels, fee payable to Escrow Collection Bank, fees payable to SEBI and the Stock Exchange in relation to the Offer, fee payable to Trustee, Valuer, independent architect, Statutory Auditor and Credit Rating Agency, stamp duties payable on issuance of units, Registrar and Unit Transfer Agent and all other incidental and miscellaneous expenses for undertaking the formation transactions and for listing the Units on the Stock Exchange. The Offer Expenses shall be borne by the Trust. For ease of operations, if required, the expenses in relation to the Offer as stated above, at the outset, may be borne by the Sponsor or the Investment Manager on behalf of the Trust, and the Investment Manager (on behalf of the Trust) agrees that it will reimburse the Sponsor or the Investment Manager for all such expenses as may be incurred by the Sponsor or the Investment Manager.

Any changes in the utilization of Fresh Issue Proceeds, shall be made by the Investment Manager in accordance with

applicable law and in compliance with InvIT Regulations.

**We propose to pay issue management fee to Axis Capital Limited ("**Axis Capital**") from the Fresh Issue Proceeds. While Axis Capital is an affiliate of the Trustee, it is not an associate of the Trust in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. There is no conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations and current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee. The current disclosure is being made to ensure disclosure of all transactions with affiliate of the Trustee.*

## FINANCIAL INDEBTEDNESS

The details of indebtedness of the Project SPVs/ Holdco as at December 31, 2024, together with a brief description of certain material covenants of the relevant financing agreements, are provided below:

*(Amounts in ₹ lakh)*

| Category of Borrowing | Pre-Offer Amount outstanding, as on December 31, 2024** | Post-Offer Amount outstanding* |
|---|---|---|
| **Project SPVs/ Holdco** | | |
| **Maragathambal Industrial and Logistics Park Private Limited** | | |
| Secured borrowings | 17,359.59 | [●] |
| Unsecured borrowings | 6,835.59 | [●] |
| **Total Borrowings** | **24,195.18** | [●] |
| | | |
| **Marudhamalai Industrial & Logistics Parks Private Limited** | | |
| Secured borrowings | 12,587.00 | [●] |
| Unsecured borrowings | 5,353.76 | [●] |
| **Total Borrowings** | **17,940.76** | [●] |
| | | |
| **Siruvapuri Murugan Industrial and Logistics Private Limited** | | |
| Secured borrowings | 19,953.00 | [●] |
| Unsecured borrowings | 269.69 | [●] |
| **Total Borrowings** | **20,222.69** | [●] |
| | | |
| **Sri Meenatchi Industrial and Logistics Parks Private Limited** | | |
| Secured borrowings | 6,118.26 | [●] |
| Unsecured borrowings | 2,347.55 | [●] |
| **Total Borrowings** | **8,465.81** | [●] |
| | | |
| **Revanza Sullerpet Industrial Parks Private Limited** | | |
| Secured borrowings | 10,480.86 | [●] |
| Unsecured borrowings | 10,107.98 | [●] |
| **Total Borrowings** | **20,588.84** | [●] |
| | | |
| **Durgeshwari Industrial & Logistics Parks Private Limited** | | |
| Secured borrowings | 61,876.34 | [●] |
| Unsecured borrowings | 603.57 | [●] |
| **Total Borrowings** | **62,479.91** | [●] |
| | | |
| **Jagannath Industrial and Logistics Parks Private Limited** | | |
| Secured borrowings | Nil | [●] |
| Unsecured borrowings | 2,426.46 | [●] |
| **Total Borrowings** | **2,426.46** | [●] |
| | | |
| **Ramanujar Industrial & Logistics Parks Private Limited** | | |
| Secured borrowings | 8,845.23 | [●] |
| Unsecured borrowings | 2,391.34 | [●] |
| **Total Borrowings** | **11,236.58** | [●] |
| | | |
| **Tarkeshwar Industrial & Logistics Parks Private Limited** | | |
| Secured borrowings | Nil | [●] |
| Unsecured borrowings | 14,597.78 | [●] |
| **Total Borrowings** | **14,597.78** | [●] |
| | | |
| **Presidency Barter Private Limited** | | |
| Secured borrowings | Nil | [●] |
| Unsecured borrowings *** | 1,605.78 | [●] |
| **Total Borrowings** | **1,605.78** | [●] |
| | | |
| **Total** | **1,83,759.79** | **[●]** |

** Will be determined upon completion of the Offer. To be updated in the Final Placement Memorandum prior to filing with SEBI and the Stock Exchange.*
*** Excluding Ind AS adjustments*
**** MILP, being Holdco, has availed borrowing from the Sponsor and further lent to PBPL.*

***Principal terms of the borrowings availed by the Project SPVs/ Holdco from banks and financial institutions***:

1. ***Interest***: In terms of the loans availed by the Project SPVs/ Holdco, the interest rate is typically a summation of the base rate of a specified lender and spread. The spread varies between different loans for different banks. Some of the

borrowings also provide for additional interest in the event of any specific instances including non-compliance with the financing arrangements. Some of the loans have fixed interest rates ranging from 7.15% p.a. to 8.5% p.a.

2. ***Term***: The terms of the loans availed by the Project SPVs/ Holdco typically range from 5 years to 18 years.

3. ***Security****:* The borrowings availed by the Project SPVs/ Holdco are secured by, amongst others:

   (i) mortgage of identified immovable assets of the Project SPVs/ Holdco;

   (ii) hypothecation of tangible and movable assets of relevant Project SPVs/ Holdco;

   (iii) charge over intangible assets of certain Project SPVs/ Holdco; and

   (iv) charge over accounts of relevant Project SPVs/ Holdco, including escrow accounts and sub-accounts maintained in accordance with the financing arrangements, accounts created for maintaining reserves such as major maintenance reserves, debt service reserve account and any other bank accounts of the Project SPVs/ Holdco and all their receivables.

4. ***Repayment***: Certain lenders typically have a right to accelerate the repayment of the loan in one lump sum or monthly instalments.

5. ***Prepayment****:* Pre-payment of loans is typically permitted with certain lenders charging a pre-payment penalty of up to 2.00% of the amount outstanding or proposed to be prepaid. Certain lenders may waive the pre-payment penalty if the prepayment is made through the internal accruals of the Project SPVs/ Holdco or through the partners' own sources. Loans may be prepaid without any penalty depending on certain events. Certain Project SPVs/ Holdco may also be required to mandatorily prepay the loans in full or part on certain events.

6. ***Restrictive Covenants****:* The borrowing arrangements entered into by the Project SPVs/ Holdco contain standard restrictive covenants affecting the Project SPVs/ Holdco, which prevent them from undertaking certain actions, under certain scenarios, including:

   (i) effecting changes in their control or capital structure without the prior approval of certain lenders;

   (ii) making any 'restricted payments' which include amongst other things, payment of dividends, distributions, returns on equity, repayment or redemption for value and payment of interests

   (iii) declaring of any dividend on equity or preference shares for any year except out of the profits relating to that year and subject to no default in payment/repayment obligation to the lender, without the prior written consent of certain lenders;

   (iv) amending their constitutional documents without the prior consent of certain lenders;

   (v) change its Fiscal Year or change the accounting methods or policies followed by it;

   (vi) transferring of or creating any charge, mortgage, pledge, lien or any encumbrance in respect of any of the secured properties under the relevant loan agreement without the prior consent of certain lenders;

   (vii) undertaking voluntary liquidation, dissolution or winding up of its affairs or passing any resolution or otherwise to such effect without the prior consent of certain lenders;

   (viii) settling or agreeing/authorising to settle any litigation/arbitration having any material adverse effect without the prior consent of certain lenders;

   (ix) paying any commission/brokerage or fees to their promoters, directors, guarantors or security providers without the prior consent of certain lenders

   (x) undertaking any fresh expansion without the prior consent of certain lenders;

   (xi) taking any action towards amalgamation, reconstruction, merger, consolidation or re-organisation without the prior consent of certain lenders; and

   (xii) availing any further loan or facility on the security of the lease receivables without the prior written consent of the lenders.

7. ***Events of Default****:* Borrowing arrangements entered into by the Project SPVs/ Holdco contain standard events of default affecting the Project SPVs/ Holdco, including, amongst others:

(i) failure to pay/default in payment of any sum payable under the financing agreement;

(ii) breach of provisions of the financing agreements or any misrepresentations thereunder;

(iii) a cross-default by the Project SPVs/ Holdco under any of their other financing documents;

(iv) the security interest provided to the lenders being in jeopardy, in the opinion of the lenders;

(v) initiation of insolvency or other analogous proceedings against the Project SPVs/ Holdco; and

(vi) cessation of business of the Project SPVs/ Holdco.

8. ***Consequences of default***: In terms of the borrowing arrangements entered into by the Project SPVs/ Holdco, the following, amongst others, are the consequences of default:

(i) cancellation or suspension of the available commitments;

(ii) acceleration of repayment obligations and declaration of amounts outstanding to be forthwith due and payable;

(iii) enforcement of security interests; and

(iv) exercise of other remedies as permitted or available under the borrowing arrangements.

This is an indicative list of the terms of the borrowings availed by the Project SPVs/ Holdco and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by the Project SPVs/ Holdco. Where applicable and in relation to any debentures issued by the Project SPVs/ Holdco, the term 'lenders' may include the relevant debenture trustee and/or the debenture holders.

Given the nature of these borrowings and the terms of prepayment, the aggregate outstanding borrowing amounts may vary from time to time. In addition to the above, the Project SPVs/ Holdco may, from time to time, enter into re-financing arrangements and draw down funds thereunder, prior to the filing of the Placement Memorandum.

**Principal terms of the borrowings by the Project SPVs/Holdco from the Trust**

The proceeds from the Trust Loan will be an estimated amount of ₹ [●] million (the "**Trust Loan Proceeds**"). The Trust Loan Proceeds will be utilised by the Project SPVs and HoldCo for repayment or pre-payment of debt, including any accrued interest, availed by them from the Sponsor and certain external lenders.

The Trust Loan Proceeds are proposed to be utilised in accordance with the details provided in the following table:

*(In ₹ million)*

| S. No. | Particulars | Amount |
|---|---|---|
| 1. | Providing loans to the Project SPVs/Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/pre-closure charges, and any other refinancing related costs | [●] |

*Trust Loan Agreement*

Upon the Listing of the Units, Trust shall utilize the Fresh Issue Proceeds, as set out above, to provide loans to the Project SPVs/Holdco ("**Trust Loans**") through facility agreements dated [●] to be entered into between the Trustee (on behalf of the Trust), the Investment Manager, and the Project SPVs/Holdco (the "**Trust Loan Agreements**").

The key terms of the Trust Loan Agreements include:

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| **Lender** | TVS Infrastructure Trust ("**Trust**") acting through its trustee and/or through its Investment Manager ("**Lender**"). |
| **Nature of the debt** | Unsecured Rupee Term Loan from the Trust to the Borrower(s) (the "**Trust Loan**") |
| **Transaction Documents/Financing** | The Trust Loan Agreement |

| | |
|---|---|
| **Documents** | |
| **Drawdown** | **1.** The Term Loan shall be disbursed by the Lender to the Borrower upon receipt of written request from the Borrower (the "**Drawdown Date**") by wire transfer/cheque of immediately available funds to the escrow / current account of the Borrower, the details of which shall be notified by the Borrower to the Investment Manager and the Trustee on the Drawdown Date.<br><br>**2.** The Borrower may make subsequent drawdown requests in writing to the Investment Manager ("**Subsequent Drawdown**") up to the available limit of the Term Loan. However, the Subsequent Drawdown is not a binding obligation of the Lender and shall be at the sole discretion of the Investment Manager (on behalf of the Lender). Any Subsequent Drawdown would be notified to the Trustee by the Investment Manager. Further, any Subsequent Drawdown shall be on the terms and conditions as indicated in the trust loan agreement, unless mutually agreed otherwise, in writing.<br><br>**3.** The Term Loan, including any Subsequent Drawdowns, may be drawn down in one or more tranches, at such intervals as may be agreed between the Lender and the Borrower. |
| **Term** | Until the last date on which the principal, interest and all other amounts payable by the Borrower shall be discharged/repaid |
| **Purpose** | 1. Providing loans to the Project SPVs/Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/pre-closure charges, and any other refinancing related costs;<br><br>2. Funding of the Project capital expenditure;<br><br>3. General corporate purpose and working capital requirements;<br><br>4. any other purpose as mutually agreed between the Borrower and the Trust; and<br><br>5. onward infusion into subsidiaries by HoldCo in form of share capital contribution / loan. |
| **Repayment** | The Borrower shall repay the principal amount to the Trust on such date(s) on a periodic basis, ("Repayment Amount"). The final repayment date of the Trust Loan shall be no later than the period described in the trust loan agreement, or as may be mutually discussed amongst the parties to the trust loan agreement. |
| **Prepayment** | The Trustee or the Investment Manager (on behalf of the Trust) may require the Borrower to prepay all outstanding amounts under the trust loan agreement upon the occurrence of an event of default (no pre-payment penalty to be applicable).<br><br>The Borrower may, at any time, during subsistence of the trust loan agreement prepay the whole/part of the outstanding loan amount, subject to mutual agreement between the Trustee or the Investment Manager and the Borrower. |
| **Interest rate provisions** | 1. The Term Loan shall carry interest at the rate as indicated in the trust loan agreement, at an arm's length basis, based on cash flows, subject to revisions as may be mutually agreed between the parties, from time to time ("**Interest**").<br><br>2. Interest on the Term Loan shall be due and payable, and the Borrower shall be required to make payment towards Interest to the maximum of the accrued interest subject to withholding of applicable taxes *only if* (a) on the Interest Payment Date, surplus cash is available with the Borrower (which is available and permitted to be utilised towards payment of such Interest, without such utilisation being in or resulting in a breach of the financing documents); and (b) the Lender has sent a letter to the Borrower requesting it to make payment in full or in part.<br><br>3. For the purpose of calculating such Interest, a period as indicated in the trust loan agreement, |

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| | shall be considered.<br><br>4. The Borrower's inability to pay any portion of the accrued Interest and the Repayment Amount in accordance with the Financing Documents, due to the unavailability of surplus cash, including single or multiple such events, shall not be a default or an Event of Default in relation to the Term Loan. |
| **Condition Precedents to the Term Loan** | 1. The obligations of the Lender to disburse the Term Loan shall be effective upon the receipt of all the following documents and other evidence by the Trustee:<br><br>a) Execution of the trust loan agreement in a form and manner satisfactory to the Trustee; and<br><br>b) A certified true copy of a resolution of the board of directors of the Borrower approving the terms of, and the transactions contemplated by the trust loan agreement and execution of the transaction documents.<br><br>2. The obligations of the parties under the trust loan agreement shall be effective upon the receipt of the proceeds pursuant to the offer by the Lender. |
| **Conditions Subsequent to the Term Loan** | The following shall be conditions subsequent, the fulfilment of which forms the basis of the grant of the drawdown under the trust loan agreement including amongst others:<br><br>1. The borrower shall endeavour to repay the existing lenders as soon as possible post the Drawdown Date and maximum within such days as indicated in the trust loan agreement, and shall submit a no dues certificate from existing lender post closure of such loan.<br><br>2. Any charge created/ registered for the existing debt, in the registrar of companies and local sub registrar office will be released as soon as possible, and in no scenario later than the timelines, if any, as would be stipulated by the lender for the debt financing at the Trust level. |
| **Events of default** | The occurrence of any of the following events or circumstances shall constitute an event of default ("Event of Default"):<br><br>**1.** any misrepresentation by the Borrower, which is not cured within such period as indicated in the trust loan agreement;<br><br>**2.** breach of covenants by the Borrower, which is not cured within such period as indicated in the trust loan agreement;<br><br>**3.** cancellation of any material approvals/licenses/permits required to conduct the business operations of the Borrower or premature termination of any agreement that may have a material adverse impact on the operation of the Borrower, entered into by the Borrower or the occurrence of a default thereunder;<br><br>**4.** any defaults in the payments, when due, to the Lender of any other amounts due and payable under the trust loan agreement and which default is not cured within such period as indicated in the trust loan agreement;<br><br>**5.** an event of default (howsoever defined or described) occurs and is continuing under any financing document;<br><br>**6.** an order for winding up, approval of a resolution plan, or initiation of insolvency or liquidation, or an order for appointment of a liquidator or insolvency resolution professional against the Borrower;<br><br>**7.** an application is made to the National Company Law Tribunal for initiation of the corporate insolvency resolution process against the Borrower; and<br><br>**8.** it is or becomes unlawful for the Borrower or any person to perform any of its obligations under the trust loan agreement or any financing document. |
| **Consequences of event** | If an event of default has occurred, the Trust (acting through the Trustee or Investment Manager), |

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| **of default** | may exercise any one or more of the following rights, including but not limited to:<br><br>(a) acceleration of repayment of the Term Loan by delivery of a written notice to the Borrower;<br><br>(b) conversion of debt into equity;<br><br>(c) declaring all outstanding amounts payable by the Borrower to be due and payable immediately; and<br><br>(d) Any other recourse available under Applicable Law.<br><br>On receipt of notice of an event of default from the Borrower, the Trust may, at its discretion, decide to waive such an event of default in writing and communicated to the Borrower. |
| **Covenants** | So long as any obligation of the Borrower under the trust loan agreement remains undischarged or unsatisfied, the Borrower shall at all times:<br><br>(a) Comply with all Applicable Laws;<br><br>(b) Obtain all approvals, licenses and registrations required to conduct business operations to the extent as may be required;<br><br>(c) Maintain proper books and records, and the Trust and the Investment Manager shall have a right to inspect the same;<br><br>(d) Preserve and maintain its corporate existence, legal structure, legal name, rights and privileges;<br><br>(e) Permit the Investment Manager or its agents or representatives to examine the records, registers and books of account and visit and inspect any of the properties of the Borrower and discuss the affairs, finances and accounts of the Borrower with, and be advised as to the same by, any officers or directors and auditors of the Borrower. All costs of such inspection shall be borne by the Borrower; and<br><br>(f) immediately inform the Investment Manager and the Trustee (i) if it has notice of any event which constitutes or might constitute an Event of Default, specifying the nature of such Event of Default and any steps the Borrower has taken or proposes to take to remedy the same, (ii) of any application having been made for its winding up or insolvency or any statutory notice of its winding up or insolvency under the provisions of the Companies Act, 2013 having been received, or other legal process intended to be filed or initiated against the Borrower and affecting the title to the Borrower's material properties or if a receiver is appointed of any of its properties or any part of its business or undertaking, and (iii) any proposal by any Government Authority to compulsorily acquire the Borrower.<br><br>So long as any obligation of the Borrower under the trust loan agreement remains undischarged or unsatisfied, the Borrower shall not, without the prior approval of the Trustee (in its capacity as the trustee to the Trust) and the Investment Manager:<br><br>(a) issue fresh equity shares or undertake any form of capital raising;<br><br>(b) acquire any fresh asset or initiate any substantial capital expenditure;<br><br>(c) create any additional encumbrance on the Borrower's assets;<br><br>(d) raise further indebtedness; and<br><br>(e) enter into any arrangement to sell, transfer or otherwise dispose of any asset owned by the Borrower or amend the Transaction Documents. |

| | |
|---|---|
| **Security** | Unsecured |
| **Tax & Costs** | Unless otherwise agreed to by the Investment Manager, or the Trustee, at the discretion of the Investment Manager, the Borrower shall:<br><br>(a) during the currency of the Term Loan bear all such imposts, duties and taxes (including interest and other taxes, if any) as may be levied from time to time by any Government Authority, pertaining to or in respect of the Term Loan; and<br><br>(b) reimburse the Trust for all costs and expenses, if any, incurred by them in connection with the Term Loan, including but not limited to processing fees, asset securitization fees, legal, insurance, other lenders' advisors' fees, whether or not the Term Loan proceeds to signing. The Borrower will also bear its own expenses. Any outstanding fee can be set-off against the proceeds of the Term Loan.<br><br>The interest payments by the Borrower shall be subject to withholding of taxes, if any. |
| **Governing Law** | The financing documents shall be governed by Indian Law. |

***Leverage***

In accordance with and subject to the InvIT Regulations, the provisions of the Trust Deed, and the borrowing policy adopted by the Investment Manager, the aggregate consolidated borrowings and deferred payments of the Trust may be up to 70.00% of the aggregate of the InvIT Assets.

**Post-Offer Indebtedness of the Trust**

The post-Offer consolidated borrowings and deferred payments of the Trust will be formulated and approved by the Investment Manager in accordance with the Borrowing Policy. Upon full utilization of the Fresh Issue Proceeds, and drawdown of additional debt, the indebtedness and deferred payments of the Trust, net of cash and cash equivalents, on a consolidated basis, shall not exceed 49% of the aggregate value of the InvIT Assets, subject to any additional indebtedness incurred after listing of Units in accordance with applicable law.

***Status of lender consents***

The Project SPVs/ Holdco have availed debt from relevant third-party lenders and consents from some of the respective lenders are required for and in connection with the Offer. As on the date of this Draft Placement Memorandum, the Project SPVs/ Holdco have applied for consents from the relevant lenders in relation to the Offer. For further details, please see the section entitled "*Risk Factor - We may be subject to certain restrictive covenants and variable interest rates under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets, and cause our debt service obligations to increase significantly*" on page 153.

***Borrowing Policy***

The Investment Manager shall ensure that all funds borrowed in relation to the Trust are in compliance with the InvIT Regulations. Accordingly, the Investment Manager has formulated a borrowing policy to outline the process for borrowing monies in relation to the Trust. For further details, please see the section entitled "*Corporate Governance – Investment Manager – Policies of the Board of Directors of the Investment Manager in relation to the Trust – Borrowing Policy*" on page 227.

## DISTRIBUTIONS

*Statements contained in this section that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those that may be projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Trust, the Trustee, the Sponsor, the Sponsor Group, the Investment Manager, the Lead Managers or any other person. Bidders are cautioned not to place undue reliance on these forward-looking statements that are stated only as at the date of this Draft Placement Memorandum. For details in relation to such forward-looking statements, please see the section entitled "Forward-Looking Statements" on page 20.*

The net distributable cash flows of the Trust (the "**Distributable Income**") are based on the cash flows generated from the underlying operations undertaken by the Project SPVs and the Holdco held by the Trust. For details of the business and operations presently undertaken by the Project SPVs/ Holdco, please see the section entitled *"Our Business and Properties*" on page 416. Currently, cash flows receivable by the Trust may be in the form of dividend, buy-back or capital reduction from any InvIT Assets, and/or interest income or principal repayment received from the Project SPVs/ Holdco in relation to any debt sanctioned by the Trust, or a combination of both. Further, distributions may be made from the monies received by the Trust in accordance with the provisions of the Investment Management Agreement, the Trust Deed and applicable law.

In terms of the InvIT Regulations, not less than 90% of the net distributable cash flows of the Project SPVs/ Holdco, shall be distributed to the Holdco or the Trust, as applicable, subject to applicable provisions in the Companies Act, 2013, as amended.

The Holdco shall distribute 100% cash flows received from underlying SPVs to the Trust. Additionally, at least 90% of net distributable cash flows generated directly by the Holdco shall be distributed to the Trust.

The Trust shall declare and distribute at least 90% of the Distributable Income to the Unitholders. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year and shall not exceed six months in the event the Trust gets converted to a public listed infrastructure investment trust. However, if any infrastructure asset is sold by the Trust or the Project SPVs/ Holdco, or if the equity shares or interest in the Project SPVs/ Holdco are sold by the Trust and if the Trust proposes to re-invest the sale proceeds into another infrastructure asset within one year, it shall not be required to distribute any sales proceeds to the Trust or to the Unitholders, as the case may be. Further, if the Trust proposes not to invest the sale proceeds into any other infrastructure asset within one year, it shall be required to distribute the same in the manner specified above and in accordance with the InvIT Regulations. In accordance with the InvIT Regulations, distributions by the Trust shall be made within five working days from the record date where the record date shall be two working days from the date of the declaration of distribution, excluding the date of declaration and the record date. All distribution to the Unitholders shall be in compliance with the InvIT Regulations, Income Tax Act, 1961 and other applicable law. Further, any amount remaining unclaimed or unpaid out of the distributions declared by the Trust, shall be transferred to the Investor Protection and Education Fund constituted by the SEBI in terms of Section II of the Securities and Exchange Board of India Act, 1992, in such manner as may be prescribed. The distribution, when made, shall be made in Indian Rupees. For details on the risks relating to distribution, please see the section entitled "*Risk Factors*" on page 137.

### Distribution Policy

#### *Method of calculation of Distributable Income*

The Distributable Income of the Trust shall be calculated in accordance with the InvIT Regulations. The Trust proposes to calculate Distributable Income in the manner provided below:

(a) Calculation of the net distributable cash flows at HoldCo/Project SPV level:

| **Description** |
|---|
| **Cash flow from operating activities as per Cash Flow Statement of HoldCo/ SPV** |
| Add: Cash Flows received from SPV's which represent distributions of NDCF computed as per relevant framework (refer note 1 and 9 below) (relevant in case of Hold Cos) |
| Add: Treasury income / income from investing activities (interest income received from FD, tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis) |
| Add: Proceeds from sale of infrastructure investments, infrastructure assets or shares of SPVs or Investment Entity adjusted for the following:<br>• Applicable capital gains and other taxes;<br>• related debts settled or due to be settled from sale proceeds;<br>• directly attributable transaction costs;<br>proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations or any other relevant provisions of the InvIT Regulations. |
| Add: Proceeds from sale of infrastructure investments, infrastructure assets or sale of shares of SPVs or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations, if such proceeds are not intended to be invested subsequently. |

| Description |
|---|
| Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss Account and any shareholder debt / loan from Trust |
| Less: Debt repayment (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt, in any form or equity raise as well as repayment of any shareholder debt / loan from Trust) |
| Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with banks / financial institution from whom the Trust or any of its SPVs/ HoldCos have availed debt, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, (iv). agreement pursuant to which the SPV/ HoldCo operates or owns the infrastructure asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations; or – (refer note 2) |
| Less: any capital expenditure on existing assets owned / leased by the SPV or Holdco, to the extent not funded by debt / equity or from reserves created in the earlier years (refer note 10) |

*Note: Distribution of up to 90% of the above NDCF as per the InvIT Regulations is subject to compliance of Companies Act.*

(b) Calculation of the net distributable cash flows at the Trust level:

| Description |
|---|
| **Cashflows from operating activities of the Trust** |
| Add: Cash flows received from SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework (refer note 1 and 9 below) |
| Add: Treasury income / income from investing activities of the Trust (interest income received from FD, any investment entities as defined in Regulation 18(5), tax refund, any other income in the nature of interest, profit on sale of Mutual funds, investments, assets etc., dividend income etc., excluding any Ind AS adjustments. Further clarified that these amounts will be considered on a cash receipt basis) |
| Add: Proceeds from sale of infrastructure investments, infrastructure assets or shares of SPVs/Holdcos or Investment Entity adjusted for the following:<br>• applicable capital gains and other taxes;<br>• related debts settled or due to be settled from sale proceeds;<br>• directly attributable transaction costs;<br>proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations or any other relevant provisions of the InvIT Regulations |
| Add: Proceeds from sale of infrastructure investments, infrastructure assets or sale of shares of SPVs/ Hold cos or Investment Entity not distributed pursuant to an earlier plan to re-invest as per Regulation 18(7) of InvIT Regulations or any other relevant provisions of the InvIT Regulations, if such proceeds are not intended to be invested subsequently. |
| Less: Finance cost on Borrowings, excluding amortisation of any transaction costs as per Profit and Loss account of the Trust |
| Less: Debt repayment at Trust level (to include principal repayments as per scheduled EMI's except if refinanced through new debt including overdraft facilities and to exclude any debt repayments / debt refinanced through new debt in any form or funds raised through issuance of units) |
| Less: any reserve required to be created under the terms of, or pursuant to the obligations arising in accordance with, any: (i). loan agreement entered with financial institution, or (ii). terms and conditions, covenants or any other stipulations applicable to debt securities issued by the Trust or any of its SPVs/ HoldCos, or (iii). terms and conditions, covenants or any other stipulations applicable to external commercial borrowings availed by the Trust or any of its SPVs/ HoldCos, or (iv). agreement pursuant to which the Trust operates or owns the infrastructure asset, or generates revenue or cashflows from such asset (such as, concession agreement, transmission services agreement, power purchase agreement, lease agreement, and any other agreement of a like nature, by whatever name called); or (v). statutory, judicial, regulatory, or governmental stipulations; - (refer note 2) |
| Less: any capital expenditure on existing assets owned / leased by the InvIT, to the extent not funded by debt / equity or from contractual reserves created in the earlier years (refer note 10) |

*Notes/ Other Rules:*

1. *NDCF computed at SPV level for a particular period to be added under this line item, even if the actual cashflows from SPV to InvIT has taken place post that particular period, but before finalization and adoption of accounts of the InvIT.*

2. *The specified agreements could be for either PPP or non-PPP projects. The Trust retains the option to distribute any surplus amounts, unless such surplus is required to create reserves for any subsequent period.*

3. *The option to retain 10% distribution under Regulation 18(6) needs to be computed by taking together the retention done at SPV level and Trust level.*

4. *Further, Trust along with its SPVs needs to ensure that minimum 90% distribution of NDCF be met for a given financial year on a cumulative periodic basis as specified for mandatory distributions in the InvIT regulations*
   *(subject to provisions of Note 1 above)*

5. *Surplus cash available in SPVs due to:*

   a. *10% of NDCF withheld in line with the Regulations in any earlier year or half year or*

   b. *Such surplus being available in a new SPV on acquisition of such SPV by InvIT*

c. *Any other reason, excluding if such surplus cash is available due to any debt raise could be considered for distribution by the SPV to the InvIT, or by the Trust to its Unitholders in part or in full, but needs to be disclosed separately in the NDCF computation and Distribution.*

6. *Similarly, any restricted cash (disclosed as such) should not be considered for NDCF computation by the SPV or InvIT (e.g. unspent CSR balance for any year deposited in a separate account as per Companies Act which will be utilized in subsequent years, DSRA reserve, major maintenance reserve etc).*

7. *Further, it is expressly provided that no Trust or SPVs can distribute any cashflows by obtaining external debt, except to the extent clarified in note 2 above (this will exclude any working capital / OD facilities obtained by Trust/ SPVs as part of Treasury management / working capital purposes as long as they are squared off within the quarter).*

8. *Further, it is also clarified that Proceeds from sale of infrastructure investments, infrastructure assets or shares of SPVs or Investment Entity adjusted for transaction costs or repayment of debt taken for such assets or other items as mentioned above which is intended to be reinvested or planned to be reinvested as per Regulation 18(7) of InvIT Regulations, could be temporarily parked in Overdraft accounts or used to repay any additional/ unrelated debt. Further if such proceeds are not intended to be reinvested as per the timeline provided in the Regulations and such fresh issue proceeds are to be distributed back to Unitholders, then redrawing such temporarily parked funds to distribute such fresh issue proceeds will not be considered as a contravention of note 7 above.*

9. *Cash flows received from SPV's / Investment entities which represent distributions of NDCF computed as per relevant framework at the Trust level for further distribution to Unitholders shall exclude any such cash flows used by the Trust for onward lending to any other SPVs / Investment entities to meet operational / interest expenses or debt servicing of such other SPVs / Investment entities.*

10. *Capital expenditure include amounts incurred and paid towards asset enhancement and are capitalized to asset value in the financial statements including lease payments. It is further clarified that Existing Assets as referred to in this line item includes any new structure / building / other infrastructure constructed on an existing infrastructure as set which is already a part of the InvIT.*

In terms of the InvIT Regulations, if the distribution is not made within five working days from the record date where the record date shall be two working days from the date of the declaration of distribution, excluding the date of declaration and the record date, the Investment Manager shall be liable to pay interest to the Unitholders at the rate of 15% (fifteen per cent) per annum or such other rate as may be specified under applicable law, till the distribution is made. Such interest shall not be recovered in the Management Fees of the Investment Manager or in the form of fee or any other form payable to the Investment Manager by the Trust. For risks in relation to distribution, please see the section entitled "*Risk Factors*" on page 137.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FACTORS AFFECTING THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of our financial condition, results of operations and cash flows in conjunction with the sections entitled "Summary Combined Financial Information of the Trust" and "Special Purpose Combined Financial Statements" on pages 35 and Annexure B, respectively. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 137. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer to the section entitled "Forward-Looking Statements" on page 20.*

*The Special Purpose Combined Financial Statements are prepared in accordance with Ind AS, which differs in certain respects from Indian GAAP, International Financial Reporting Standards and U.S. GAAP. Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve-month period ended March 31 of that year. For the sole purposes of the Special Purpose Combined Financial Statements, references to "we", "us" and "our" is to the Initial Portfolio Assets on a combined basis.*

**Overview**

The Trust, is an Indian infrastructure investment trust, sponsored by TVS Industrial & Logistics Parks Private Limited. The Sponsor settled the Trust on March 26, 2024 and the Trust was registered with SEBI on April 22, 2024 as an InvIT in accordance with the InvIT Regulations.

The Sponsor is part of the TVS Mobility Group, which is one of the leading automotive conglomerate in India with a wide array of diversified business interests. The Sponsor has a sound-track record of over 19 years in the infrastructure sector which includes development and management of multiple industrial and logistics parks. Since its inception, the Sponsor has developed 20 Parks in various locations across India, as of September 30, 2024.

The Trust, subject to receipt of certain approvals, will hold 100.00% equity interest in each of the nine Project SPVs and one Holdco. The Initial Portfolio Assets are currently held by the Sponsor and have a potential of 10.67 msf. Our Initial Portfolio Assets are located across five states in India with an average operating history of approximately 6 years. Our lessee base comprising marquee clients with an average occupancy of ~100% and WALE of 5.48 years across all Initial Portfolio Assets, provides substantial stability to our Portfolio. Other factors that contribute to the stability of our Initial Portfolio Assets is the nature of our clients. Approximately, 41% of our clients are in the industrial sector and such clients typically tend to further enhance the infrastructure assets by investing in it.

The warehousing industry in India has become an attractive investment opportunity due to the country's expanding economy and nearly 1.4 billion consumers. In conjunction with the exponential growth of e-commerce, 3PL, and modern retail, the implementation of GST has caused the demand for warehousing in India to increase at a CAGR of approximately 12% between FY 2015 and FY 2023. (***Source**: CBRE )*

The Sponsor established its first Park in Chakan, Maharashtra, in 2006, which has an operational area of 0.37 msf. The Sponsor developed about 1.13 msf of assets between 2009 and 2018, with Parks spread over Chakan in Maharashtra; Vaipur, Singdivakkam and Hosur in Tamil Nadu; and Bhubaneshwar in Odisha. Building upon the knowledge and capabilities developed during these years, the Sponsor underwent a strategic expansion phase. New developments included a second Park in Hosur, Tamil Nadu in 2019, Coimbatore, Tamil Nadu in 2020, Red Hills, Tamil Nadu in 2021 and further expansions into Madurai, Singdivakkam, and Sulur in 2022, all being through development, at Sullurpet in 2023 and at Siliguri, Kochi and Indore in 2024, respectively, by way of an acquisition. As of September 30, 2024, the Sponsor owns five Parks which have an operational area of over 0.80 msf each. We believe that this track record underscores the proficiency and experience of the Sponsor in the development and management of industrial and logistics Parks in the infrastructure sector.

The Investment Manager of the Trust will be responsible for managing the Initial Portfolio Assets as well as undertaking investment and management decisions in relation to our assets. Our Investment Manager is supported by a highly experienced board and senior management with extensive experience in the warehousing and industrial park space. The Sponsor is benefitting from the significant experience of the members of the board of directors of the Sponsor. The directors on the Board of the Investment Manager have extensive relevant experience and the Investment Manager believes that the Trust will continue to benefit from the same. The Sponsor will act as the Project Manager of the Trust, relying on its track record of executing, operating and managing one of the largest portfolios of warehouses and industrial parks in India.

The Trustee, Axis Trustee Services Limited is a trusteeship company which has been registered with SEBI as a debenture trustee under the SEBI Debenture Trustee Regulations since January 31, 2014. It is a wholly owned subsidiary of Axis Bank Limited.

The revenue from operations of the Initial Portfolio Assets on a combined basis for the six month period ended September 30, 2024 and the Financial Years ending March 31, 2024, March 31, 2023, and March 31, 2022 was ₹ 989.42 million, ₹1,874.64

million, ₹1,560.51 million, and ₹1,027.10 million respectively.

The tables below provide brief details in relation to our Initial Portfolio Assets as of September 30, 2024:

**Operational Assets:**

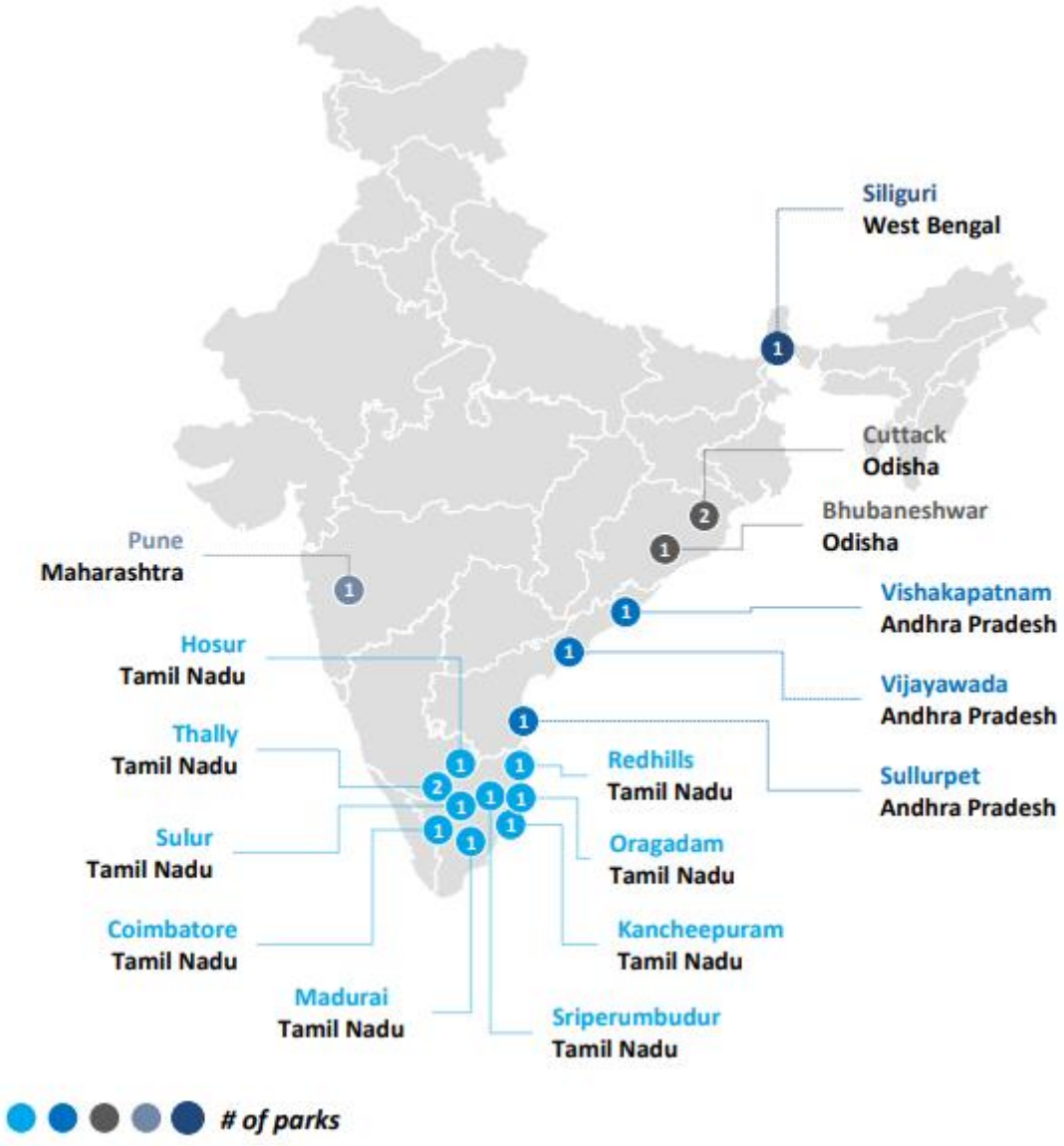
| SPV | State | Micro-market | Year of Commencement | Operational Area | Under Development Area | FY2024 Average Occupancy | WALE | In-place Rent on Chargeable Area | Stabilized Total Monthly Rental |
|---|---|---|---|---|---|---|---|---|---|
| | | | | MSF | MSF | % | Years | INR psf pm | INR Mn |
| DILP | Maharashtra | Chakan | 2006 | 0.37 | - | 99.40% | 2.57 | 27.4 | 10.09 |
| DILP | Tamil Nadu | Vaipur | 2009 | 0.21 | - | 100.00% | 2.94 | 40.2 | 8.56 |
| DILP | Tamil Nadu | Singadivakkam | 2017 | 0.45 | - | 100.00% | 6.84 | 14.6 | 3.99 |
| DILP | Tamil Nadu | Hosur | 2018 | 1.21 | - | 100.00% | 4.03 | 19.4 | 17.32 |
| DILP | Odisha | Bhubaneshwar | 2018 | 0.23 | - | 100.00% | 3.26 | 21.5 | 4.90 |
| MRILP | Tamil Nadu | Thally 1 | 2019 | 1.16 | - | 100.00% | 2.30 | 19.3 | 23.35 |
| MRILP | Tamil Nadu | Thally 2 | 2019 | 0.48 | - | 100.00% | 12.78 | 19.3 | 4.30 |
| SMILP | Tamil Nadu | Redhills | 2021 | 1.05 | 0.07 | 100.00% | 4.50 | 17.1 | 15.52 |
| SRMILP | Tamil Nadu | Madurai | 2022 | 0.34 | 0.09 | 99.40% | 2.98 | 17.7 | 5.09 |
| DILP | Tamil Nadu | Coimbatore Sulur | 2023 | 0.60 | 0.01 | 100.00% | 5.03 | 19.2 | 10.30 |
| MILP | Tamil Nadu | Coimbatore | 2021 | 0.98 | - | 100.00% | 5.25 | 22.4 | 18.06 |
| RSIPPL | Andhra Pradesh | Sullurpet | 2022 | 0.88 | 0.50 | 100.00% | 9.18 | 28.1 | 21.80 |
| MILP | West Bengal | Siliguri | 2021 | 0.14 | - | 100.00% | 5.94 | 22.0 | 3.23 |
| RMILP | Tamil Nadu | Pillaipakkam | 2024 | 0.57 | 0.11 | 100.00% | 9.88 | 17.0 | 9.51 |
| **Total** | | | | **8.68** | **0.78** | **100.00%** | **5.48** | **19.8** | **156.04** |

**Under Development Assets:**

| SPV | State | Micro-market | Year of Commencement | Operational Area | Under Development Area | FY2024 Average Occupancy | WALE | In-place Rent on Built-Up Area | Stabilized Total Monthly Rental |
|---|---|---|---|---|---|---|---|---|---|
| | | | | MSF | MSF | % | Years | INR psf pm | INR Mn |
| TILP | Andhra Pradesh | Vijayawada | - | - | 0.29 | - | - | - | - |
| JGILP | Odisha | Cuttack 1 | - | - | 0.34 | - | - | - | - |
| JGILP | Odisha | Cuttack 2 | - | - | 0.15 | - | - | - | - |
| TILP | Andhra Pradesh | Vishakapatnam | - | - | 0.42 | - | - | - | - |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Total | | | | - | **1.20** | - | - | - | - |

The map below illustrates the locations of the Projects:




**Factors Affecting Results of Operations**

The Project SPVs/ Holdco's business, prospects, results of operations and financial condition are affected by a number of factors, including the following key factors:

- ***political, macroeconomic, demographic and other changes***: Our Portfolio is located in India. Consequently, our performance and the market price of the Units may be affected by interest rates, government policies, taxation, and other social, political and economic developments affecting India;

- ***failure to meet working capital or capital expenditure***: Factors such as decrease in the market rates for development projects, delays in the release of finances for certain projects in order to take advantage of future periods of more robust property demand; decrease in rental or occupancy rates for the commercial properties; financial difficulties of key contractors resulting in construction delays; and financial difficulties of key lessees in properties could impact the availability of credit. Our inability to raise adequate finances may result in our results of operations, cash flows and business prospects being materially and adversely affected;

- ***dependency of rental rates upon various factors***: The rental rates of the Portfolio depend upon various factors, including, but not limited to prevailing supply and demand conditions as well as the quality and design of the Portfolio. We cannot assure you that the demand for our properties will grow, or will remain stable, in the future. Our lessees'

ability to generate anticipated revenues is subject to their underlying business performances and overall volatility in the economies, as well as seasonality in the lessees' business, if any, which can have an impact on their ability to pay rents to us. There is no assurance that we will be able to procure new leases or renew existing leases at prevailing market rates; and

- ***failure to undertake future strategic acquisitions of warehouses, industrial spaces etc.***: Our ability to identify and acquire suitable locations for our projects is dependent on factors that are beyond our control such as the price and availability of suitable existing warehouses, industrial spaces and other spaces at our assets, the willingness of owners of identified spaces to sell on terms acceptable to us, the availability and cost of financing, the terms of the existing leases of lessees leasing space within such spaces, as well as consents and approvals.

**Basis of Preparation and Purpose, and Presentation of Special Purpose Combined Financial Statements**

The Special Purpose Combined Financial Statements have been prepared in connection with the proposed initial private placement of units of Trust under the regulation. In reference to private placement, as per regulation and Master Circular for Infrastructure Investment Trusts (InvITs) No: SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 ("Master circular"), the Special Purpose Combined Financial Statements of the Trust is required to be included in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum which will be filed with Stock Exchanges and with SEBI under the Regulations. Accordingly, these Special Purpose Combined Financial Statements of the Trust prepared by the Investment Manager are being prepared for the purpose of inclusion in Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum for filing with SEBI . As a result, this Special Purpose Combined Financial Statements may not be suitable for another purpose.

This Special Purpose Combined Financial Statement were approved for issue by the Board of Directors of the Investment Manager in their meeting held on 27th January, 2025 for inclusion in Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum for filing with SEBI and Stock Exchanges.

The Combined Financial Statements of the Group comprise the Combined Balance Sheets as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31 2022 , the Combined Statements of Profit and Loss (including Other Comprehensive Income), the Combined Cash Flow Statements, the Combined Statements of Changes in Equity for the Six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31 2023 and March 31, 2022, the Combined Statement of Net Assets at Fair Value as at September 30, 2024, the Combined Statement of Total Returns at Fair Value for the six months period ended September 30, 2024 and for the year ended March 31, 2024 and notes to the special purpose combined financial statements including a Summary of material Accounting Policies and Other Explanatory Information (collectively, the "Special Purpose Combined Financial Statements").

The Special Purpose Combined Financial Statements have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder ("InvIT Regulations"), as amended from time to time, and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India ("Guidance Note"). The Special Purpose Combined Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements / information of all the Group are transferred and used for the purpose of combination and are drawn up to the same reporting date i.e. for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31,2023, and March 31, 2022 . The Special Purpose Combined Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 – Consolidated Financial Statements and the Guidance Note, to the extent applicable. However, unlike consolidated financial statements, the Special Purpose Combined Financial Statements does not have any parent company. Further, the requirements of Schedule III notified under the Companies Act, 2013 are not applicable to these Special Purpose Combined Financial Statements and hence these Special Purpose Combined Financial Statements are not prepared in accordance with those requirements. Specific attention is drawn to the following aspects:

- In preparing these Special Purpose Combined Financial Statements, "Equity Share Capital" represent shareholder's investment in the Group.
- The number of units that Trust will issue to the TVS ILP is not presently ascertainable. Hence, the Earnings per unit could not be computed.

The special purpose financial statement of the Group for the six months period ended September 30, 2024 and general purpose financial statements of SPVs except for RSIPPL and PBPL for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are audited by us. General Purpose financial statements of RSIPPL for the years ended March 31, 2023 and March 31, 2022 and general purpose financial statements of PBPL for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are audited by other auditors. The Investment Manager has converted these general purpose financial statements into special purpose financial statements of RSIPPL and PBPL in accordance with accounting standards notified in Companies (Accounting Standards) Rules, 2015 ("Ind AS") under generally accepted auditing standards in India. PKF Sridhar

& Santhanam LLP has audited Ind AS adjustments and overall disclosure and presentation of special purpose financial statements prepared by the Investment Manager.

Further, as required by the InvIT regulations, the Special Purpose Combined Financial Statements are prepared,based on an assumption that 100% stake in all SPVs is held by Trust for such period when the Trust was not in existence.

Further, in accordance with section 3.3.4 of SEBI Master Circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 the Special Purpose Combined Financial Statements have been presented after making necessary adjustments and accordingly, these may be different from the general purpose audited financial statements of the SPVs . Refer Note 41 for details of adjustments made in this Special Purpose Combined Financial Statement.

The Special Purpose Combined Financial Statements are presented in INR, which is the functional currency of the Trust. The Trust do not have any foreign operation and has assessed the functional currency to be INR. All values are rounded to the nearest Lakh rupees, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Special Purpose Combined Financial Statements correspond to classification provisions contained in Ind AS 1 'Presentation of Financial Statements'. These Special Purpose Combined Financial Statements have been prepared on a historical cost convention and on an accrual basis except for certain financial assets (refer accounting policy regarding financial instruments).

The procedures for preparing Special Purpose Combined Financial Statements are stated below –

i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Group.
ii. The financial statements of SPVs were combined based on the assumption that all the SPVs were part of a single group for the entire period presented pursuant to the requirements as per SEBI circular.
iii. Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between the Group are eliminated in full.
iv. Considering that all the shareholders of the SPVs, will also be transferring their stake to the Trust, Non-controlling interest is not applicable.

The Special Purpose Combined Financial Statements of the SPV Group and Holdco comprise the Combined Balance Sheets as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 , the Combined Statements of Profit and Loss (including Other Comprehensive Income), the Combined Cash Flow Statements, the Combined Statements of Changes in Equity for the Six months ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the Combined Statement of Net Assets at Fair Value as at September 30, 2024, the Combined Statement of Total Returns at Fair Value for the six months period ended September 30, 2024 and for the years ended March 31, 2024 and a Summary of Material Accounting Policies and Other Explanatory Information (collectively, the "**Special Purpose Combined Financial Statements**").

This Special Purpose Combined Financial Statement were approved for issue by the Board of Directors of the Investment Manager in their meeting held on January 27, 2025 for inclusion in Draft Placement Memorandum.

The Special Purpose Combined Financial Statements have been prepared by the Investment Manager to meet the requirements of the SEBI InvIT Regulations for inclusion in this Draft Placement Memorandum prepared by the Investment Manager in connection with the proposed private placement of units of the TVS Infrastructure Trust to be listed on the Stock Exchange. As a result, the Special Purpose Combined Financial Statements may not be suitable for any other purpose.

The Special Purpose Combined Financial Statements have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder ("**InvIT Regulations**"), as amended from time to time, and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India ("**Guidance Note**"). The Special Purpose Combined Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements / information of all the SPV's and Holdco are transferred and used for the purpose of combination and are drawn up to the same reporting date i.e. for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31,2023, and March 31, 2022.

The Special Purpose Combined Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 – Consolidated Financial Statements and the Guidance Note, to the extent applicable. However, unlike consolidated financial statements, the Special Purpose Combined Financial Statements does not have any parent company. Further, the requirements of Schedule III notified under the Companies Act, 2013 are not applicable to these Special Purpose Combined Financial Statements and hence these Special Purpose Combined Financial Statements are not prepared in accordance with those requirements.

The Investment Manager has converted these general purpose financial statements into special purpose financial statements of RSIPPL and PBPL in accordance with accounting standards notified in Companies (Accounting Standards) Rules, 2015 ("Ind AS") under generally accepted auditing standards in India

Special Purpose Combined Financial Statements are prepared, based on an assumption that 100% stake in all SPV entities is held by Trust for such period when the Trust was not in existence. Further, in accordance with section 3.3.4 of SEBI Master Circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated 06 July 2023 the Special Purpose Combined Financial Statements have been presented after making necessary adjustments and accordingly, these may be different from the general purpose audited financial statements of the Carve Out Business, SPV Group and Holdco.

The Special Purpose Combined Financial Statements are presented in INR, which is the functional currency of the Trust. The Trust do not have any foreign operation and has assessed the functional currency to be INR. All values are rounded to the nearest Lakh rupees, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

**Demerger of certain projects of TVS Industrial & Logistics Parks Private Limited ("Sponsor") into DILP:**

On 19th June 2023, the Board of Directors of the Sponsor has approved the Scheme of demerger ("Scheme") for transfer of the "Leasing Business" (Demerged Undertaking of Sponsor) into DILP ("Wholly Owned Subsidiary of Sponsor ") in terms of the provision of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and in accordance with the provisions of the Income-tax Act, 1961. The Sponsor had filed the Scheme before Hon'ble National Company law Tribunal ("NCLT"), Mumbai with Appointed date fixed as at April 01, 2023. NCLT has approved this Scheme on 26th March 2024. The certified copy of the order of the NCLT has been filed with the Registrar of Companies at Mumbai, Maharashtra on 28th March 2024 and the Scheme has become effective from 28th March 2024 (with appointed date being April 1, 2023).

All the assets, liabilities of the Demerged Undertaking of the Sponsor (including employees) have been transferred in their existing form and at their carrying amounts/ book values as at the Appointed Date of April 1, 2023 under the respective assets and liabilities accounts except amount related to revaluation reserve that has been reversed in the books of the Sponsor on account of Scheme as on April 1,2023. The difference between assets and liabilities is credited to capital reserve as at April 1, 2023 as per the Scheme. Further the difference between assets and liabilities of the Demerged Undertaking of the Sponsor for the financial year ended March 31,2024 is shown as amount payable by Sponsor to DILP, this is mainly due to invoicing is done from TVSILP (carve out part) and money is received by the Sponsor.

The Scheme inter-alia provide, on the effective date, issue of 74,03,846 number of Fully Paid up 0.001% Non Cumulative Compulsory Convertible Preference shares of ₹ 10 each of DILP to the shareholders of Sponsor in the ratio of 4 (four) CCPS of Rs. 10 each fully paid up of the DILP for every 10 (ten) Equity Shares of Rs. 10 (Rupees ten only) each fully paid up held in the Sponsor. Accordingly the DILP has issued 74,03,846 number of Fully Paid up 0.001% Non Cumulative Compulsory Convertible Preference shares of ₹ 10 each as consideration and excess of Rs. 2,979.58 Lakhs is considered as capital reserve in the books of DILP.

**Principal Components of Combined Statement of Profit and Loss**

**Income**

Our total income consists of revenue from operations and other income.

**Revenue from operations**

Revenue from operations primarily comprises revenue from the following sources: (i) lease rentals and allied services income; and (ii) facility management charges.

- ***Revenue from lease rentals and allied services***: Revenue from lease rentals represents rental income earned from (i) the leasing of our assets, which typically comprises lease rentals payable by the lessees on monthly basis based on the area leased and as per the lease agreements entered into with our lessees; (ii) the power consumption invoices which are raised for the relevant lessee on a monthly basis, and (iii) income received from the relevant lessee for common area maintenance.

- ***Facility management charges***: Revenue from facility management charges comprises the additional services provided to the relevant lessee basis their requirement for carrying out their operations at the relevant site.

The following table sets forth a breakdown of our revenue from operations for the periods indicated:

*(in ₹ lakhs)*

| Revenue from operations | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| **Sale of services** | | | | |
| Lease rentals and allied services income | 9,824.82 | 18,586.49 | 15,519.56 | 10,109.18 |
| Facility management charges | 69.37 | 159.90 | 85.55 | 161.81 |
| **Total revenue from contract with customers** | **9,894.19** | **18,746.39** | **15,605.11** | **10,270.99** |

The following table sets forth contribution made by each Project SPV/Holdco in the revenue for the periods indicated:

*(in ₹ lakhs)*

| Name of the Project | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| **DILP** | 3,756.12 | 7,022.81 | 4,816.87 | 4,287.81 |
| **MILP** | 1,198.85 | 2,615.48 | 2,362.64 | 2,411.22 |
| **MRILP** | 1,967.49 | 3,678.46 | 3,104.43 | 2,452.27 |
| **SMILP** | 953.67 | 2,111.50 | 1,990.92 | 950.94 |
| **SRMILP** | 323.13 | 482.44 | 303.41 | 15.73 |
| **RSIPPL** | 1,487.32 | 2,420.27 | 2,675.28 | - |
| **TILP** | - | - | - | - |
| **RMILP** | - | - | - | - |
| **JGILP** | - | - | - | - |
| **PBPL** | 207.62 | 415.44 | 351.56 | 153.02 |
| **Total Amount** | 9,894.20 | 18,746.39 | 15,605.11 | 10,270.99 |

**Other income**

Other income primarily consists of interest income, which comprises interest on loans and advances, fixed deposit, income tax refund, and on electricity security deposit, along with gains on sale of mutual fund and scrap sales.

**Expenses**

Our expenses consist of finance costs, depreciation and amortization expense, employee benefits expenses, sub-contracting expenses and other expenses.

- ***Finance costs***: Finance costs primarily comprise interest on term loans, interest on overdraft, interest on security deposit, interest on unsecured loans, and finance charges.

- ***Depreciation and amortization expenses***: Depreciation and amortization expenses comprise the depreciation of property, plant and equipment.

- ***Other expenses***: Other expenses primarily comprise, amongst others, management fees, power and fuel, rates and taxes including, property taxes, legal and professional charges, insurance and repairs and maintenance.

**Result of Operations**

The following table sets forth certain information with respect to the results of operations of the Project SPVs/ Holdco for the periods indicated:

*(in ₹ lakhs)*

| Particulars | For the six months ended September 30, 2024 | Percentage of Total Income (%) | For the year ended March 31, 2024 | Percentage of Total Income (%) | For the year ended March 31, 2023 | Percentage of Total Income (%) | For the year ended March 31, 2022 | Percentage of Total Income (%) |
|---|---|---|---|---|---|---|---|---|
| Revenue from operations (I) | 9,894.19 | 96.31 | 18,746.39 | 97.75 | 15,605.11 | 98.95 | 10,270.99 | 99.09 |
| Other income (II) | 379.41 | 3.69 | 431.04 | 2.25 | 165.77 | 1.05 | 94.72 | 0.91 |
| **Total Income (III) (I+II)** | **10,273.60** | **100.00** | **19,177.43** | **100.00** | **15,770.88** | **100.00** | **10,365.71** | **100.00** |
| **Expenses (IV):** | | | | | | | | |
| Sub-contracting expenses | 3.84 | 0.04 | 23.89 | 0.12 | 33.01 | 0.21 | 127.45 | 1.23 |
| Employee benefits expense | 61.99 | 0.60 | 358.97 | 1.87 | 320.63 | 2.03 | 175.51 | 1.69 |
| Other expenses | 2,129.66 | 20.73 | 3,800.07 | 19.82 | 1,801.06 | 11.42 | 978.12 | 9.44 |
| **Total Expenses** | **2,195.49** | **21.37** | **4,182.93** | **21.81** | **2,154.70** | **13.66** | **1,281.08** | **12.36** |
| **Earnings before finance costs, depreciation, amortization, exceptional items, and tax (V) (III-IV)** | **8,078.11** | **78.63** | **14,994.50** | **78.19** | **13,616.18** | **86.34** | **9,084.63** | **87.64** |
| **Finance Cost & Depreciation and amortization (VI)** | | | | | | | | |
| Finance Cost | 4,650.15 | 45.26 | 8,532.25 | 44.49 | 6,798.80 | 43.11 | 4,910.84 | 47.38 |
| Depreciation and amortization expense | 2,309.00 | 22.48 | 4,302.55 | 22.44 | 3,797.63 | 24.08 | 2,300.01 | 22.19 |
| | **6,959.15** | **67.74** | **12,834.80** | **66.93** | **10,596.43** | **67.19** | **7,210.85** | **69.57** |
| **Profit / (loss) before tax (VII) (V-VI)** | **1,118.96** | **10.89** | **2,159.70** | **11.26** | **3,019.75** | **19.15** | **1,873.78** | **18.08** |
| **Tax expense (VIII)** | | | | | | | | |
| Current tax | 43.74 | 0.43 | 28.95 | 0.15 | - | - | - | - |
| Adjustment of tax relating to earlier year/ period | - | 0.00 | (0.16) | (0.00) | 0.16 | 0.00 | 0.27 | 0.00 |
| Deferred tax charge / (credit) | 231.74 | 2.25 | 501.65 | 2.62 | 755.67 | 4.79 | 504.98 | 4.87 |
| **Total tax expense** | **275.48** | **2.68** | **530.44** | **2.77** | **755.83** | **4.79** | **505.25** | **4.87** |
| **Profit/ (loss) after tax (IX) (VI – VIII)** | **843.48** | **8.21** | **1,629.26** | **8.50** | **2,263.92** | **14.36** | **1,368.53** | **13.20** |
| **Other Comprehensive Income (X)** | | | | | | | | |
| Items that will not be reclassified to profit and loss and its related income tax effect: | | | | | | | | |
| i) Re-measurement of the Defined Benefit plan | 0.32 | 0.00 | (0.06) | (0.00) | (0.06) | (0.00) | 0.12 | 0.00 |
| ii) Income tax on the above | (0.08) | (0.00) | 0.01 | 0.00 | 0.01 | 0.00 | (0.03) | (0.00) |
| **Other Comprehensive Income for the year/ period** | **0.24** | **0.00** | **(0.05)** | **0.00** | **(0.05)** | **0.00** | **0.09** | **0.00** |
| **Total Comprehensive Income for the year/ period (XI) (IX + X)** | **843.72** | **8.21** | **1,629.21** | **8.50** | **2,263.87** | **14.36** | **1,368.62** | **13.20** |

***Six months period ended September 30, 2024***

**Total Income**

Our total income for the six months period ended September 30, 2024, was ₹ 10,273.60 lakhs, primarily comprising of income received from the lease rentals and allied services, and other income.

***Revenue from operations***

Our revenue from operations for the six months period ended September 30, 2024, was ₹ 9,894.19 lakhs, primarily comprising of lease rentals and allied services income in accordance with the terms of the relevant lease agreements.

***Other income***

Other income for the six months period ended September 30, 2024, was ₹ 379.41 lakhs, primarily generated through interest income on loans given, interest income on fixed deposit, debt instruments, gains on sale of mutual funds, fair value gain on mutual fund.

**Total Expenses**

Total expenses for the six months period ended September 30, 2024, were ₹ 2,195.49 lakhs, primarily consist of employee benefits expenses and management fees, power and fuel, rates and taxes covered under other expenses.

***Finance costs***

Finance costs for the six months period ended September 30, 2024, was ₹ 4,650.15 lakhs, primarily attributable to interest on term loans and interest on security deposit.

***Depreciation and Amortization Expense***

Depreciation and amortization for the six months period ended September 30, 2024, was ₹ 2,309.00 lakhs, which primarily comprised of depreciation expense on property, plants and equipment.

***Other expenses***

Other expenses for the six months period ended September 30, 2024, were ₹ 2,129.66 lakhs, primarily includes management fees, power and fuel cost, outsourced services and rates and taxes.

**Profit before tax**

Our profit before tax for the six months period ended September 30, 2024, was ₹ 1,118.96 lakhs.

**Profit after tax**

Our profit after tax for the six months period ended September 30, 2024, was ₹ 843.48 lakhs.

***Financial year ended March 31, 2024 compared to financial year ended March 31, 2023***

**Total Income**

Total income increased by 21.60% from ₹ 15,770.88 lakhs in Fiscal 2023 to ₹ 19,177.43 lakhs in Fiscal 2024, primarily due to increase in area under operations along with increase in other incomes.

***Revenue from operations***

Revenue from operations increased by 20.13% from ₹ 15,605.11 lakhs for Fiscal 2023 to ₹ 18,746.39 lakhs for Fiscal 2024, primarily due to increase in operational area by approx. 11% as at end of FY 2024 in comparison to FY 2023 along with increase in rental escalation in accordance with the terms of the relevant lease agreements.

***Other income***

Other income increased by 160.02% from ₹ 165.77 lakhs for Fiscal 2023 to ₹ 431.04 lakhs for Fiscal 2024, primarily on account of increase in interest income on fixed deposit, debt instruments, gains on sale of mutual funds, fair value gain on mutual fund and profit on sale of unquoted shares.

**Total Expenses**

Total expenses increased by 94.13% from ₹ 2,154.70 lakhs for Fiscal 2023 to ₹ 4,182.93 lakhs for Fiscal 2024, which is explained head-wise as follows. .

***Finance costs***

Finance costs increased by 25.50% from ₹ 6,798.80 lakhs for Fiscal 2023 to ₹ 8,532.25 lakhs for Fiscal 2024, primarily attributable to the increase in borrowings during FY 2024 as against end of FY 2023 along with increase in interest on unsecured loan.

***Depreciation and Amortization Expense***

Depreciation and amortization increased by 13.30% from ₹ 3,797.63 lakhs for Fiscal 2023 to ₹ 4,302.55 lakhs for Fiscal 2024, on account of increase in asset base.

***Other expenses***

Other expenses increased by 110.99% from ₹ 1,801.06 lakhs for Fiscal 2023 to ₹ 3,800.07 lakhs for Fiscal 2024, primarily due to a change in the approach to billing project site monthly electricity charges to customers. While reimbursement debit notes were issued in FY 2023, tax invoices are being raised on to customer for sharing site electricity cost in FY 2024. This shift has led to higher power and fuel expenses. Additionally, other expenses such as outsourced services expenses have increased as well.

**Profit before tax**

Our profit before tax decreased by 28.48% from ₹ 3,019.75 lakhs for Fiscal 2023 to ₹ 2,159.70 lakhs for Fiscal 2024. While EBITDA for FY 2024 saw a 10% growth compared to FY 2023, profit before tax declined due to a proportionally higher rise in interest and depreciation expenses during the same period.

**Profit after tax**

As a result of foregoing our profit after tax decreased by 28.03% from ₹ 2,263.92 lakhs for Fiscal 2023 to ₹ 1,629.26 lakhs for Fiscal 2024.

***Financial year ended March 31, 2023 compared to financial year ended March 31, 2022***

**Total Income**

Total income increased by 52.14% from ₹ 10,365.71 lakhs in Fiscal 2022 to ₹ 15,770.88 lakhs in Fiscal 2023, primarily due to income received from the lease rentals and allied services, and other income, on account of increase in operational area by 37%

***Revenue from operations***

Revenue from operations increased by 51.93% from ₹ 10,270.99 lakhs for Fiscal 2022 to ₹ 15,605.11 lakhs for Fiscal 2023, primarily due to an increase in operational space and rental escalation in accordance with the terms of the relevant lease agreements.

***Other income***

Other income increased by 75.01% from ₹ 94.72 lakhs for Fiscal 2022 to ₹ 165.77 lakhs for Fiscal 2023, primarily on account of interest income on fixed deposit and income tax refund.

**Total Expenses**

Total expenses increased by 68.19% from ₹ 1,281.08 lakhs for Fiscal 2022 to ₹ 2,154.70 lakhs for Fiscal 2023, on account of increase in the employee benefit expenses, depreciation and amortization expense, financial costs and other expenses.

***Finance costs***

Finance costs increased by 38.44% from ₹ 4,910.84 lakhs for Fiscal 2022 to ₹ 6,798.80 lakhs for Fiscal 2023, primarily attributable to the increase in borrowing during FY 2023 as against end of FY 2022. ***Depreciation and Amortization Expense***

Depreciation and amortization increased by 65.11% from ₹ 2,300.01 lakhs for Fiscal 2022 to ₹ 3,797.63 lakhs for Fiscal 2023, on account of increase in asset base.

***Other expenses***

Other expenses increased by 84.13% from ₹ 978.12 lakhs for Fiscal 2022 to ₹ 1,801.06 lakhs for Fiscal 2023, primarily due to increase in brokerage expenses, management fees, outsourced services and insurance expenses.

**Profit before tax**

Our profit before tax increased by 61.16% from ₹ 1,873.78 lakhs for Fiscal 2022 to ₹ 3,019.75 lakhs for Fiscal 2023.

**Profit after tax**

Our profit after tax increased by 65.43% from ₹ 1,368.53 lakhs for Fiscal 2022 to ₹ 2,263.92 lakhs for Fiscal 2023.

**Cash Flows**

The following table sets forth certain information relating to the cash flows of the Initial Portfolio Assets on a combined basis for the periods indicated:

(*In ₹ lakhs*)

| Particulars | Six months period ended September 30, 2024 | Financial Year ended March 31, | | |
|---|---|---|---|---|
| | | 2024 | 2023 | 2022 |
| Net cash flow from operating activities | 12,359.21 | 794.74 | 9,424.12 | 2,815.67 |
| Net cash used in investing activities | (19,592.98) | (22,929.46) | (27,981.02) | (31,633.10) |
| Net cash used from financing activities | 12,306.08 | 25,041.98 | 18,417.03 | 28,978.74 |

***Net cash flow from operating activities***

Net cash flow from operating activities for the six months period ended September 30, 2024, was ₹ 12,359.21 lakhs, primarily arising out of financial liabilities, trade payables and other assets.

Net cash flow from operating activities for Fiscal 2024 was ₹ 794.74 lakhs, primarily arising out of financial liabilities, trade payables and other assets.

Net cash flow from operating activities for Fiscal 2023 was ₹ 9,424.12 lakhs, primarily arising out of financial liabilities, trade payables, trade receivables, current assets and other assets.

Net cash from operating activities for Fiscal 2022 was ₹ 2,815.67 lakhs, primarily arising out of financial liabilities, trade payables, trade receivables, other current liabilities and provisions and other assets.

***Net cash used in investing activities***

Net cash flowing from investing activities for the six months period ended September 30, 2024, was ₹ (19,592.98) lakhs, primarily due to purchase/ development of property, plant and equipment, loans and purchase of current investments.

Net cash flowing from investing activities for Fiscal 2024 was ₹ (22,929.46) lakhs, primarily due to purchase/ development of property, plant and equipment and intangible assets, and purchase of current investments.

Net cash used in investing activities for Fiscal 2023 was ₹ (27,981.02) lakhs, primarily due to purchase/ development of property, plant and equipment and intangible assets and equipment, and proceeds of fixed deposits.

Net cash flowing from investing activities for Fiscal 2022 was ₹ (31,633.10) lakhs, primarily due to purchase of property, plant and equipment and intangible assets, and sale of property, plant and equipment.

***Net cash used from financing activities***

Net cash used from financing activities for the six months period ended September 30, 2024, was ₹ 12,306.08 lakhs, primarily due to proceeds from long term borrowings, repayment of long-term borrowings, increase in short term borrowings.

Net cash used from financing activities for Fiscal 2024 was ₹ 25,041.98 lakhs, primarily due to proceeds from long term borrowings, repayment of long term borrowings, increase in short term borrowings.

Net cash used from financing activities for Fiscal 2023 was ₹ 18,417.03 lakhs, primarily due to proceeds issue of share capital, proceeds from long term borrowings and repayment of long term borrowings.

Net cash used from financing activities for Fiscal 2022 was ₹ 28,978.74 lakhs, primarily due to change in capital, proceeds from long term borrowings, repayment of long term borrowings and increase in short term borrowings.

**Capital Expenditure**

The Initial Portfolio Assets capital expenditure has historically been principally due to purchase of property, plant and equipment. In the six months period ended September 30, 2024, and for the Fiscals 2024, 2023 and 2022, the combined capital expenditure of the Initial Portfolio Assets was as follows:

(*In ₹ lakhs*)

| Particulars | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| Property, Plant and Equipment | 1,36,449.26 | 1,30,182.65 | 1,13,144.83 | 86,208.95 |
| Capital work in progress | 33,060.10 | 29,408.98 | 24,540.17 | 27,808.92 |

**Indebtedness**

The following table provides the types and amounts of the Initial Portfolio Assets outstanding indebtedness as of September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022:

(*In ₹ lakhs*)

| Particulars | As at September 30, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|
| **Non-Current Financial Liabilities** | | | | |
| *Term Loan* | | | | |
| - From banks (secured) | 67,866.84 | 57,736.14 | 62,479.60 | 42,013.67 |
| - From financial institution (secured) | 63,365.52 | 64,061.17 | 39,091.55 | 39,903.89 |
| - 0.001% non-cumulative compulsorily convertible preference shares (debt component) | 115.62 | 110.12 | - | - |
| | | | | |
| **Total Non-Current Borrowings** | 1,31,347.98 | 1,21,907.43 | 1,01,571.15 | 81,917.56 |
| | | | | |
| **Current Financial Liabilities** | | | | |
| Unsecured loan from Sponsor | 47,120.94 | 38,675.87 | 20,397.36 | 20,929.32 |
| Unsecured loan from others | 0.29 | 210.48 | 239.24 | 624.63 |
| Unsecured loan from promoters cum directors | - | - | 1,106.99 | 1,034.00 |
| Unsecured loan from parent company of RSIPPL | - | - | 3,483.48 | 3,696.93 |
| Bank overdraft | - | 1,085.87 | 1,181.96 | - |
| | | | | |
| **Current Maturities of Long Term Debt** | | | | |
| - From banks (secured) | 3,385.81 | 3,067.79 | 3,398.74 | 1,566.99 |
| - From financial institution (secured) | 1,404.18 | 1,406.30 | 810.00 | 405.00 |
| | | | | |
| **Total Current Borrowings** | 51,910.93 | 44,446.31 | 30,617.77 | 28,256.87 |

**Sufficiency of Working Capital**

The Trust will raise funds through appropriate manner to meet its working capital requirements. The Investment Manager confirms that the Trust will have the ability to meets its working capital requirements for at least 12 months from the date of allotment of the Units through such fund raise.

**Related Party Transactions**

We have in the past engaged, and in the future may engage, in related party transactions. For a description of our related party transactions, see the section entitled "*Related Party Transactions*" on page 487.

**Seasonality**

Our business is not subject to material seasonal fluctuations.

**Unusual or Infrequent Events or Transactions**

Except as disclosed in this Draft Placement Memorandum, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

**Total Turnover of each Major Industry Segment in which we operate**

We have one primary business segment, namely the warehousing sector. For further information, please see the section entitled "*Industry Overview*" and "*Our Business and Properties*" on pages 236 and 416, respectively.

**Known Trends or Uncertainties**

Other than as described in the section entitled "*Risk Factors*" on page 137 and this section entitled "*Management's Discussion and Analysis of Factors Affecting the Financial Condition, Results of Operations and Cash Flows*" on page 473, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income from continuing operations.

**Quantitative and Qualitative Disclosure about Market Risks**

The Initial Portfolio Assets' activities expose them to a variety of financial risks, including market risk, credit risk and liquidity risk. The Initial Portfolio Assets' primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Initial Portfolio Assets' risk management assessment and policies and processes are established to identify and analyses the risks faced by the Initial Portfolio Assets, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and the Initial Portfolio Assets' board of directors have overall responsibility for the establishment and oversight of the Initial Portfolio Assets' risk management framework. This section presents information about the risks associated with their financial instruments, the Initial Portfolio Assets' objectives, policies and processes for measuring and managing risk, and the Initial Portfolio Assets' management of capital.

***Credit Risk***

The Trusts' exposure to credit risk primarily relates to investments, accounts receivable and cash equivalents. The Trust monitors and limits its exposure to credit risk on a continuous basis.

***Liquidity risk***

The Trust is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Trust monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Trust has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Trust's liquidity risk, the Trust's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Trusts' reputation.

**Market Risks**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, bank deposits and investments in short-term mutual funds. Financial instruments affected by market risk include loans and borrowings, deposits. However, we did not have any unhedged currency risk as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.

**Future Relationships between Expenditure/Costs and Income**

Other than as described in the sections "*Risk Factors*" and "*Management's Discussion and Analysis of Factors Affecting the Financial Condition, Results of Operations and Cash Flows*" on pages 137 and 473, to our knowledge there are no known factors which will have a material adverse impact on our operations or finances.

**New Services or Business**

Other than as described in the section entitled "*Our Business and Properties*" on page 416, there are no new services or business in which we operate.

**Competitive Conditions**

We expect competitive conditions in our industry to intensify further as new entrants emerge and as existing competitors seek to emulate our Trust business model and offer similar services and investment opportunities. For further details, please refer to the sections "*Risk Factors*" and "*Our Business and Properties*" on pages 137 and 416, respectively.

**Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in this section and in "*Risk Factors*", "*Industry Overview*" and "*Our Business and Properties*" on pages 137, 236 and 416 respectively, there have been no significant economic changes that materially affected or are likely to affect income from continuing operations.

**Significant Developments after September 30, 2024**

To our knowledge, there has been no material development after the date of the Special Purpose Combined Financial Statements.

Except as disclosed above and elsewhere in this Draft Placement Memorandum, there is no subsequent development after the date of our financial statements contained in this Draft Placement Memorandum which we believe has affected, or is likely to affect, materially and adversely, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

The Trust and the Investment Manager confirm that there has been no material change in the contingent liabilities since September 30, 2024, being the date of latest financial information included in this Draft Placement Memorandum.

Except as disclosed above, the Trust and the Investment Manager confirm that there has been no material change in the capital and other commitments since September 30, 2024, being the date of latest financial information included in this Draft Placement Memorandum.

The month-wise revenue for the Project SPVs/ Holdco from the date of the latest financial statements included in this Draft Placement Memorandum until the completed month before the filing of this Draft Placement Memorandum has been provided below:

(*In ₹ lakhs*)

| S. No. | Name of the Project SPV/ Holdco | Revenue generated in October 2024 | Revenue generated in November 2024 | Revenue generated in December 2024 | Revenue generated in January 2025 |
|---|---|---|---|---|---|
| **1.** | **DILP** | 651.64 | 614.81 | 612.67 | 648.33 |
| **2.** | **MILP** | 199.37 | 199.42 | 198.24 | 198.19 |
| **3.** | **MRILP** | 271.47 | 355.75 | 349.60 | 343.61 |
| **4.** | **SMILP** | 138.30 | 202.38 | 176.24 | 218.21 |
| **5.** | **SRMILP** | 65.05 | 64.94 | 64.67 | 65.34 |
| **6.** | **RSIPPL** | 215.92 | 213.14 | 213.14 | 217.57 |
| **7.** | **TILP** | - | - | 2.40 | 11.33 |
| **8.** | **RMILP** | 373.98 | 134.24 | 130.23 | 114.56 |
| **9.** | **JGILP** | - | - | - | - |
| **10.** | **PBPL** | 34.61 | 34.60 | 34.60 | 34.60 |

## RELATED PARTY TRANSACTIONS

In terms of Regulation 2(1)(zv) of the InvIT Regulations, related parties to the Trust, shall be as defined as under the Companies Act, 2013 or under the applicable accounting standards and shall also include: (i) Parties to the Trust; and (ii) promoters, directors, and partners of the Parties to the Trust. Further, related parties also include such persons and entities as defined in terms of the applicable accounting standards, being Ind AS 24 on "*Related Party Disclosures*" in relation to related party transactions ("**Related Parties**"). Additionally, the transactions between the Trust and one or more infrastructure investment trusts having a common investment manager or sponsor, or a transaction where any of the Investment Manager or the Sponsor are an Associate of the investment manager or sponsor of the other infrastructure investment trust(s), shall be deemed to be related party transactions for such parties. The Parties to the Trust, may, from time to time, enter into related party transactions, in accordance with applicable law.

The list of related parties included in the Special Purpose Combined Financial Statements attached hereto as Annexure B, include the related parties as a result of the combination of the financials of the Project SPVs and the Holdco, the Parties to the Trust and their respective promoters and directors. However, please note that the Related Parties to the Trust will be determined on the basis of applicable law from time to time, post-listing. For details, please refer to the Special Purpose Combined Financial Statements attached hereto as Annexure B.

**Procedure for dealing with Related Party Transactions**

To ensure proper approval, supervision and reporting of the transactions between the Trust and its Related Parties, the board of directors of the Investment Manager has adopted the Policy in relation to Related Party Transactions and conflict of interests (the "**RPT Policy**"), pursuant to its resolution dated January 27, 2025, to regulate the transactions between the Trust and its Related Parties. The key terms of the RPT Policy are provided below:

(i) In accordance with the InvIT Regulations, the Investment Manager will ensure that all future Related Party Transactions shall be:

  (a) on an arm's length basis;

  (b) in accordance with the relevant accounting standards;

  (c) in the best interest of the Unitholders;

  (d) consistent with the strategy and investment objectives of the Trust; and

  (e) compliant with applicable law, including the InvIT Regulations.

(ii) The Investment Manager will ensure that if the total value of all the Related Party Transactions in a financial year pertaining to acquisition or sale of assets, whether directly or through a holding company or Project SPV, or investments into securities, exceeds 5% of the value of the assets of the Trust or any other threshold prescribed by the InvIT Regulations, approval from the Unitholders shall be obtained prior to entering into any such subsequent transaction with any Related Party, in accordance with Regulation 22 of the InvIT Regulations.

(iii) The Investment Manager will ensure that if the value of the funds borrowed from Related Parties in a financial year exceeds 5% of the total consolidated borrowings of the Trust, HoldCo and the Project SPV, or any other threshold prescribed by the InvIT Regulations, approval from the Unitholders shall be obtained prior to entering into any such subsequent transaction with any Related Party, in accordance with Regulation 22 of the InvIT Regulations.

(iv) The Investment Manager will establish an internal control system to ensure that all future Related Party Transactions are compliant with the InvIT Regulations and applicable accounting standards. Further, the Investment Manager shall convene meetings of the Unitholders in accordance with Regulation 22 of the InvIT Regulations, and maintain records pertaining to such meetings in the manner prescribed. The Investment Manager shall also ensure compliance with any additional guidelines issued in this regard by SEBI and other regulatory, statutory or governmental authorities from time to time.

(v) In addition to any other requirement that may be prescribed in terms of the InvIT Regulations or other applicable laws, all Related Party Transactions to be entered into in the future will be:

  (a) decided by the Board after the examination of the nature of the transaction and its supporting documents; and

  (b) such other data as may be deemed necessary by the Board.

(vi) As a general rule, the Investment Manager must demonstrate to the Board that future Related Party Transactions satisfy the criteria set out in the RPT policy at the time of recommending the same for the approval of the Board.

(vii) The Investment Manager will maintain records of all Related Party Transactions entered into by the Trust and the basis on which they are entered into.

(viii) The Investment Manager will also incorporate into its internal audit plan a review of all material Related Party Transactions entered into by the Trust during each financial year, including a review of the implementation of the relevant agreements, including any right of first offer or right of first refusal arrangements, to acquire assets from the Sponsor.

(ix) The Board shall review the Related Party Transactions within a prescribed timeline, as per the InvIT Regulations and applicable law, to ascertain that the guidelines and procedures established to monitor the Related Party Transactions have been complied with.

(x) The review by the Board will include the examination of the nature of the transaction and its supporting documents or such other data as may be deemed necessary by the Board.

(xi) While considering a Related Party Transaction, any director on the Board who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion, review and voting on the Related Party Transaction, in terms of the InvIT Regulations and applicable law. Further, while considering voting on a Related Party Transaction which requires approval of the Unitholders, voting by any person who is a Related Party in such transaction as well as Associate of such person(s) shall not be considered on the specific issue.

*Potential Conflict of Interest*

(i) Subject to applicable law, all resolutions in writing of the Board in relation to matters concerning related party transactions of the Trust must be approved by a majority of the Directors of the Investment Manager.

(ii) Where matters concerning the Trust relate to transactions entered into or to be entered into by the Investment Manager for and on behalf of the Trust with a Related Party, the Board is required to consider the terms of the transactions to satisfy itself that the transactions are conducted in accordance with the parameters set out in the RPT Policy.

(iii) As part of its review of the internal audit reports, the Board will review the internal audit reports of the implementation of the agreements to acquire assets from the Sponsor to ensure compliance. The review will include an examination of supporting documents and such other data deemed necessary to the Board.

*Disclosure and Reporting*

(i) The Investment Manager shall submit to the Trustee, quarterly reports on the activities of the Trust, including the status of compliance with the requirements specified under the InvIT Regulations in relation to Related Party Transactions, within such time as may be prescribed in the InvIT Regulations and applicable law.

(ii) Related Party Transactions shall be disclosed: (a) in the offer document with respect to any such transactions entered into prior to the offer of units and any such proposed transactions subsequent to the offer; and (b) to the Stock Exchange and the Unitholders periodically, in accordance with the InvIT Regulations and the agreements to be entered into with the Stock Exchange in relation to the listing of the Units. The Investment Manager shall adequately disclose the details of any fees or commissions received or to be received by such Related Party(ies) to the Stock Exchange.

(iii) In accordance with the InvIT Regulations, the annual report and the half-yearly report to be submitted by the Investment Manager to all Unitholders, electronically or by physical copies, and to the Stock Exchange within three months from the end of the financial year, shall contain, inter alia, details of all related party transactions, including acquisitions or disposal of any projects, directly or through the HoldCos or SPVs during the year, the value of which exceeded five percent of the value of the assets of the Trust.

**Related Party Transactions**

***Present and on-going Related Party Transactions***

*Related Party Transactions of the Trust in relation to the setting up of the Trust and this Offer*

A number of present and on-going transactions with certain Related Parties have been, or will be, entered into in relation to the setting up of the Trust. The Trustee and the Investment Manager confirm that the following related party transactions have been, or shall be, entered into, on an arm's length basis in accordance with the relevant accounting standards, in the best interest of the Unitholders, consistent with the strategy and investment objectives of the Trust:

**(A) Share Purchase Agreements**

Please see the section entitled "*Related Party Transactions – Acquisition of the Project SPVs and Holdco by the Trust*" on page 489 for a description of the terms of the Share Purchase Agreements proposed to be executed with the Sponsor and other stakeholders.

**(B) Trust Deed**

Please see the section entitled "*Parties to the Trust – Key Terms of the Trust Deed*" on page 180 for a description of the terms of the Trust Deed. The Trustee has received a sum of ₹ 0.01 million towards the initial settlement of the Trust from the Sponsor.

**(C) Investment Management Agreement**

Please see the section entitled "*Parties to the Trust – Key Terms of the Investment Management Agreement*" on page 194 for a description of the terms of the Investment Management Agreement.

**(D) Project Implementation and Management Agreement**

Please see the section entitled "*Parties to the Trust – Key terms of the Project Implementation and Management Agreement*" on page 206 for a description of the terms of the Project Implementation and Management Agreement.

The Securities Purchase Agreements, the Investment Management Agreement and the Project Implementation and Management Agreement will take effect prior to the Allotment of Units.

**(E) Trust Loan Agreement**

Please see the section entitled "*Financial Indebtedness – Trust Loan Agreement*" on page 465 for a description of the terms of the Trust Loan Agreement.

For details of risks involved with respect to such related party transactions, please see the section entitled "*Risk Factors – We and our Project SPVs have entered into and may in the future enter into related party transactions, the terms of which may be unfavourable to us or could involve conflicts of interest. The Investment Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Investment Manager or the Sponsor on more favourable terms than those provided to us.*" on page 149.

The Share Purchase Agreements, the Project Implementation and Management Agreement and the Trust Loan Agreement will take effect prior to the Allotment of Units.

***Acquisition of the Project SPVs and Holdco by the Trust***

***Share Purchase Agreements***

The Sponsor and other shareholders of the Project SPVs and Holdco ("**Seller**"), the Trustee (acting on behalf of the Trust), the Investment Manager, and the Project SPVs and Holdco will enter into several share purchase agreements ("**SPAs**") in order for the Trust to purchase, and the relevant Seller to sell, the entire issued, subscribed and paid-up share capital of the relevant Project SPVs and Holdco ("**Sale Shares**") prior to the Allotment of Units. Key terms of the SPAs are as follows:

1. *Sale and purchase*:

   (i) Subject to the terms and conditions of the SPAs, the Trust (acting through the Trustee) agrees and undertakes to purchase from the Seller, and the Seller agrees and undertakes to sell to the Trust, on the Closing Date (as defined in the SPAs), the Sale Shares, on a spot delivery basis, free and clear of any Encumbrances and together with all rights attaching thereto, such that the Trust shall, upon transfer of the Sale Shares on the Closing Date (as defined in the SPAs), receive full legal and beneficial ownership of the Sale Shares and all rights, title and interest thereto and therefrom right to receive all dividends and distributions declared, paid or made in respect of the Sale Shares.

   (ii) The aggregate consideration payable by the Trust to the Seller shall be such number of Units payable against the purchase of the Sale Shares as determined upon the finalization of the Offer Price and Tax collected at source as per the provisions of Section 206C(1H) of the IT Act, if applicable, in accordance with the provisions of the SPA.

2. *Conditions precedent*:

   (i) The completion of the sale and purchase of the Sale Shares shall be conditional on the satisfaction of the conditions precedent (or waiver of the condition precedent by the Trust in writing where such waiver is permitted under Applicable Law) set out in the SPAs, to the reasonable satisfaction of the Trust and the Investment Manager.

   (ii) The Seller shall, upon satisfaction of the last of the conditions precedent, issue the conditions precedent satisfaction letter to the Trust and the Investment Manager enclosed by certified true copies of all the

necessary documents evidencing fulfilment of each of the Conditions Precedent.

(iii) The Trust, upon receipt of the conditions precedent satisfaction letter from the Seller, shall (in consultation with the Investment Manager) address a letter to the Seller communicating their acceptance of the satisfaction of the conditions precedent to the extent they so accept it.

(iv) The Seller shall notify the Trust in writing promptly upon becoming aware (i) that any of the conditions precedent have become incapable of satisfaction; or (ii) of any delay in achieving satisfaction of the conditions. The Trust may, in consultation with the Investment Manager, exempt the Seller, in writing, from the satisfaction of any of the unachievable conditions.

3. *Closing:*

(i) Closing shall occur upon the satisfaction or waiver, as the case may be, of the conditions precedent set out in the SPA, at the registered office of the Trust or at such other time and place and/or on such other date as the parties may mutually agree. The date on which the closing occurs shall be referred to as the "**Closing Date**".

(ii) All transactions contemplated by the SPAs to be completed on the Closing Date shall be deemed to occur simultaneously and no transaction shall be consummated unless all such transactions are consummated simultaneously.

(iii) The Trust and the Seller shall fulfil the requirements, as mentioned in the SPA, on or prior to the Closing Date.

4. *Representations and Warranties*:

(i) The Sellers have represented and warranted to the Trust as of the closing date that, amongst other things:

(a) each of the Seller and the relevant Project SPV or Holdco is duly incorporated and validly existing under the laws of India, and has the right, power and authority to enter into, execute, deliver and perform the SPA and each of the other transaction documents to which it is a party.

(b) the execution, delivery and performance under the SPA and other transaction documents by the Seller and the relevant Project SPV or Holdco have been duly and validly authorized by all necessary corporate action on the part of the Seller and the relevant Project SPV or Holdco and does not require any further authorization or consent of any third party.

(c) the SPA and other transaction documents constitute a legal, valid and binding obligation, enforceable against the Seller and the relevant Project SPV or Holdco in accordance with its terms.

(d) the Seller has good and valid title to and beneficial ownership of the Sale Shares, free and clear of any encumbrances.

(e) the execution, delivery and performance of the SPA and other Transaction Documents, and the compliance with the provisions of the SPA will not result in:

(i) a breach of, or constitute a default under, any Material Contract to which any of them is a party or by which any of them is bound;

(ii) the creation of any Encumbrance upon the share capital, in whole or in part, of the relevant Project SPV or Holdco or upon the Sale Shares; or

(iii) violate their memorandum or articles of association or contravene any provision of any Law, or any order, writ, injunction or decree of any court or governmental authority to which they are subject.

(f) no liquidation, dissolution, winding up, commencement of bankruptcy, insolvency, liquidation or similar proceedings, whether voluntary or involuntary, with respect to the Seller or the relevant Project SPV or Holdco is pending or has been pending, or to the best of knowledge of the Seller, threatened.

(g) no writ, judgment, injunction, decree, or similar order of any court or other governmental authority or law restraining or otherwise preventing the consummation of the Transaction Documents Closing is pending.

(h) there have not been any breaches by the relevant Project SPV or Holdco of its constitutional documents.

(i) the sale shares represent 100% of the issued and outstanding equity shares of the relevant Project SPV or Holdco.

(j) the seller is the legal and beneficial owner of the Sale Shares, which are free of all encumbrances, and has all related rights thereto.

(k) as of the Closing Date, all of the outstanding and issued Shares are duly authorised, validly issued and fully paid-up.

(l) the accounts of the relevant Project SPV or Holdco have been prepared in accordance with applicable law;

(m) the accounts give a true and fair view of the assets, liabilities and state of financial affairs of the relevant Project SPV or Holdco at the accounts date and of the profits or losses of the relevant Project SPV or Holdco for the period concerned.

(n) the relevant Project SPV or Holdco is in compliance with all applicable law, decree, decision or judgement of any governmental authority.

(o) the relevant Project SPV or Holdco has not received any notice or communication with respect to alleged, actual or potential violation and/or failure to comply with applicable law.

(p) the relevant Project SPV or Holdco has full right, title and interest to all the assets and immovable property owned by it and there exist no eminent domain proceedings or threatened expropriation over them that would materially affect any of the assets.

(q) the litigations relating to the relevant Project SPV or Holdco disclosed through the disclosure letter is complete, true and correct and discloses all material litigation, proceedings, arbitration proceedings by or against the relevant Project SPV or Holdco.

(r) all material contracts of the relevant Project SPV or Holdco are valid, binding and the relevant Project SPV or Holdco is not in default or breach of any material obligations of any of them.

(s) except as disclosed in this draft placement memorandum, the relevant Project SPV does not have any subsidiaries or hold any interest, control, in any corporation, partnership, association, joint venture or other person.

(t) all material insurable risks in respect of the business of the relevant Project SPV or Holdco are covered by appropriate insurance policies according to the customary practice of the businesses and operations of the relevant Project SPV or Holdco.

(u) the relevant Project SPV or Holdco is in material compliance with all environmental laws, received all environmental permit required for the operation of the business of the relevant Project SPV or Holdco and there have been no environmental investigation/proceedings against them.

(v) the relevant Project SPV or Holdco validly owns or has a license to use all intellectual property currently owned or used by it without any suit, claim for infringement of the same by it.

(w) all the debt receivable or due to the relevant Project SPV or Holdco or which have subsequently arisen have realised or are potentially realizable in the normal course of collection of their full value as included in their accounts after taking into account the provision for bad and doubtful debts made in the accounts.

(x) as on the closing date, there have been no breach or default under any financing arrangement entered into by the relevant Project SPV or Holdco.

(y) there are no liabilities, whether actual or contingent, of the relevant Project SPV or Holdco other than (i) liabilities disclosed or provided for in the accounts; (ii) liabilities incurred after the accounts date, which is not disclosed in the disclosure letter.

(ii) The Trust represents and warrants to the Seller as on the date of execution of the SPA, and the Closing Date that, amongst other things:

(a) it is duly incorporated and validly existing under the laws of India, and has the right, power and authority to execute, deliver and perform its obligations under the SPA.

(b) the execution, delivery and performance under the SPA and other transaction documents by the Trust have been duly and validly authorized by all necessary corporate action on the part of the Trust and

does not require any further authorization or consent of any third party.

(c) the SPA and other transaction documents constitute a legal, valid and binding obligation, enforceable against the Trust in accordance with its terms.

(d) its execution, delivery and performance by the Trust of the SPA and other transaction documents**,** and the compliance by it with the provisions contemplated under the SPA and the other transaction documents will not result in:

(i) a breach of, or constitute a default under, any, agreement or instrument to which the Trust is a party or by which the Trust is bound; or

(ii) violate the Trust Deed or contravene any provisions of any applicable law by which it is governed or decree of any court or governmental authority**.**

(e) no liquidation, dissolution, winding up, commencement of bankruptcy, insolvency, liquidation or similar proceedings, whether voluntary or involuntary, with respect to the Trust is pending or has been pending, or to the best of knowledge of the Trust, threatened.

5. *Indemnity*:

(i) Seller ("**Indemnifying Party**") agrees to indemnify, defend and hold harmless the Trust and the Investment Manager and their respective officers, directors and representatives ("**Indemnified Party**"), promptly upon demand at any time and from time to time, from and against losses which relate to or is directly arising out of, resulting from, or relating to any breach of the seller warranties or breach of any covenant of the Seller in the SPA, or any of the matters specifically set out in the provisions of the SPA.

(ii) A claim for indemnity against the Indemnifying Party pursuant to the SPA may be brought by the Indemnified Party according to the provisions of the SPA.

6. *Term and Termination*:

(i) the SPA shall be effective from the date of the agreement and shall continue to be valid and in full force and effect unless terminated in accordance with the provisions of the SPA.

(ii) Subject to the provisions as set out in the SPA, the SPA :

(a) may be terminated by mutual consent of the parties in writing;

(b) shall be terminated automatically if closing does not occur by such date as mentioned in the SPA or such other date as may be mutually agreed by the parties.

***Proposed related party transactions***

**ROFO Agreement:**

Please see the section entitled "*Formation Transactions in relation to the Trust - Acquisition of the future assets*" on page 32 for a description of the terms of the ROFO Agreement.

***Borrowings from and to Related Parties***

The Trust proposes to infuse funds, by way of debt, into the Project SPVs/ Holdco in accordance with the Trust Loan Agreements. For further details, please see the section entitled "*Use of Proceeds – Details of Utilisation of Fresh Issue Proceeds – Providing loans to the Project SPVs/ Holdco for repayment or pre-payment of debt, in full or part, availed by the Project SPVs/ Holdco from the Sponsor, and certain other lenders and financial institutions, including any accrued interest, closure/ pre-closure charges, and any other refinancing related costs"* on page 459.

There are certain inter corporate loans provided by certain Project SPVs/ Holdco to their Related Parties (apart from other Project SPVs), which will be repaid (including interest accrued, if any) prior to closing of the Formation Transactions. For details, please see the section "*Use of Proceeds*" on page 459.

**Other related party transactions**

For details of other related party transactions entered into amongst the Related Parties inter-se for the six month period ended September 30, 2024 and for the FYs ended March 31, 2024, March 31, 2023 and March 31 2022 as per the InvIT Regulations, please see the Special Purpose Combined Financial Statements attached hereto as Annexure B.

The Trust and the Related Parties may also enter into related party transactions post-listing of the Trust. Please see the section entitled "*Formation Transactions in relation to the Trust*" and "*Risk Factors - We and our Project SPVs have entered into and may in the future enter into related party transactions, the terms of which may be unfavourable to us or could involve conflicts of interest. The Investment Manager may face conflicts of interests in choosing our service providers, and certain service providers may provide services to the Investment Manager or the Sponsor on more favourable terms than those provided to us.*" on pages 26 and 149, respectively.

**Potential Conflicts of Interest**

The Investment Manager has established certain procedures to deal with conflict of interest issues. For further details on management of potential conflicts of interest, please see the section entitled "– *Procedure for dealing with Related Party Transactions*" on page 487.

**Declaration from the Related Parties in relation to the related party transactions**

The Sponsor and other Related Parties may have interests in the business which directly compete with the activities of the Trust. The Related Parties shall perform their duties in relation to the Trust independent of the related business as stated above. For details of the proposed and potential related party transactions, please see the sections entitled "- *Proposed related party transactions"* and *"- Potential Conflicts of Interest"* on pages 492 and 493, respectively.

## REGULATIONS AND POLICIES

*Given below is an indicative summary of certain relevant laws, policies and regulations applicable to the Indian warehousing sector. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended by subsequent legislative, regulatory, administrative or judicial decisions.*

*For information on regulatory approvals obtained by us, please see the section entitled "Regulatory Approvals" on page* 500.

**Key Regulations Applicable to the Indian warehousing sector**

***A. Warehousing (Development and Regulation) Act, 2007***

The Warehousing Act, 2007, read with Registration of Warehouses Rules, 2017 prescribes, *inter alia*, the form, manner and process for registering a warehouse under the Warehousing Development and Regulatory Authority (the "**Authority**"). In terms of the Warehousing Act, a person who has been granted a certificate for carrying out the business of warehousing ("**Warehouseman**") is subject to certain duties and liabilities, including a liability in case of loss of, or injury to, goods caused by its failure to exercise care and diligence. In the event of such loss or damage, the Warehouseman is liable to pay a compensation of an amount equal to the value of the goods plus the loss of profit to the receipt holder. Further, a Warehouseman is required to maintain a complete and accurate set of records and accounts of all transactions pertaining to the operation of a warehouse, which is subject to periodic inspection of the Authority. The Warehousing Act also provides for provisions relating to issue, transferability, negotiability and liability in relation to the issue of warehouse receipts. Further, the Rules also lay down the eligibility requirements, performance requirements, process for cancellation of registration and the inspection requirements involved in the process of registering a warehouse. These rules aim to enable better and effective supervision and regulation of registered warehouses in India.

***B. Foreign Investment Regulations***

Foreign investment in Indian securities is governed by the provisions of the FEMA, read with the applicable FEMA Rules, the FEMA (Mode of payment and Reporting of Non-Debt Instruments) Regulations, 2019 and the consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India. Foreign investment is permitted (except in the prohibited sectors) either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made. Under the FEMA Rules and the current consolidated FDI Policy, effective from October 15, 2020, an infrastructure investment trust registered and regulated by the SEBI under the InvIT Regulations, being an 'investment vehicle', is permitted to receive foreign investment from a person resident outside India (subject to Press Note 3 (2020 series)), including an FPI or an NRI subject to the terms and conditions specified in the FEMA Rules.

Downstream investment by an infrastructure investment trust shall be regarded as indirect foreign investment if neither the sponsor nor the investment manager of such an infrastructure investment trust is Indian 'owned and controlled' as defined in FEMA Regulations.

Downstream investment by an 'investment vehicle' shall have to conform to the sectoral caps and conditions/restrictions, if any, as applicable to the company in which the downstream investment is made as per the FDI Policy. Foreign investment of up to 100% through the automatic route is permitted in the infrastructure sector in India. An infrastructure investment trust that receives foreign investment shall be required to make such report and in such format to the RBI or to the SEBI as may be prescribed by them, from time to time.

Further, any person who is a non-resident and holds units of an infrastructure investment trust in accordance with the FEMA Rules may pledge such units (i) in favour of a bank in India to secure the credit facilities being extended to the Indian company for bona fide purposes; (ii) in favour of an overseas bank to secure the credit facilities being extended to the person or a person resident outside India who is the promoter of the Indian company or the overseas group company of the Indian company; (iii) in favour of a Non-Banking Financial Company registered with the RBI to secure credit facilities being extended to the Indian company for bona fide purposes; and (iv) subject to the authorized dealer bank satisfying itself of the compliance of the conditions stipulated by the RBI in this regard.

***C. The Electricity Act, 2003 ("Electricity Act")***

The Electricity Act, 2003 (the "**Electricity Act**") is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity and prescribes technical standards in relation to the connectivity of generating companies with the grid. Under the Electricity Act, the transmission, distribution and trade of electricity are licensed activities that require licenses from the Central Electricity Regulatory Commission (the "**CERC**"), concerned State Electricity Regulatory Commissions (the "**SERCs**") or a joint commission (constituted by

an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be).

As per provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating companies may supply electricity to any licensee, or even directly to consumers subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the concerned electricity regulatory commission.

In accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a licence under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act. Under the Electricity Act, the SERCs are required to promote co-generation and generation of electricity from renewable sources of energy and sale of electricity to any person. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee.

Additionally, Electricity Rules, 2005 (the "**Electricity Rules**") also prescribe a regulatory framework for developing captive generating plants. Pursuant to the Electricity Rules, a power plant shall qualify as a captive power plant only if not less than 26% of ownership is held by captive users and not less than 51% of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for captive use. In case of a generating station owned by a company formed as a special purpose vehicle, the electricity required to be consumed by the captive user(s) are to be determined with reference to such unit or units in aggregate identified for captive use and not with reference to the generating station as a whole, and the equity shares to be held by the captive user(s) in the generating station must not be less than 26% of the proportionate equity of the company related to the generating unit or units identified as the captive generating plant.

Additionally, the Electricity (Amendment) Rules, 2023 were notified on June 30, 2023. The amendment introduces a rule pertaining to a person or entity functioning as a licensee under the previous act and continues to function as a licensee and where the duration of the license is not prescribed, in such cases the period of the license shall be 25 years from the date of the coming into force of the act. Further the license shall be renewed for a period of 25 years at a time or for a lesser period, if requested by the licensee.

### *D. National Building Code of India, 2016 ("NBC")*

The NBC provides guidelines for among others, regulating the building construction activities across the country and forms a model code for private and public entities engaged in construction of buildings. The NBC primarily contains administrative regulations, development control rules and general building requirements, fire safety requirements, stipulations regarding materials, structural design and construction (including safety), building and plumbing services, landscape development, signs and outdoor display structures, guidelines for sustainability, and asset and facility management. Further, the NBC provides the guidelines for the occupation and usage of the premises.

### *E. National Logistics Policy, 2022 (the "National Logistics Policy" or "NLP")*

The National Logistics Policy aims to create a seamless and integrated logistics systems in India, including improving efficiency and reducing costs in cargo delivery, increasing the share of logistics in the GDP, and creating employment opportunities in the sector. NLP includes the development of multi-modal transportation infrastructure, the creation of the National Logistics Portal for single-window access to all the logistics-related information, promoting e-commerce logistics solutions, and using technology for logistics operations. The multi-modal transportation system includes roads, railways, ports, airports, and inland waterways to improve the speed and efficiency of cargo delivery. The National Logistics Portal will provide a platform for all logistics related information, including tariffs ad regulations. The National Logistics Policy aims to transform the logistics sector in India into an efficient and cost effective system that drives growth and creates new employment opportunities.

### *F. PM Gati Shakti – National Master Plan for Multi-modal Connectivity*

The 'PM Gati Shakti –National Master Plan for Multi-modal Connectivity' was introduced on October 13, 2021. This is proposed to be implemented as a digital platform to bring 16 ministries together for integrated planning and coordinated implementation of infrastructure connectivity projects. The approach shall be driven by seven engines, namely, roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure for economic transformation, seamless multimodal connectivity, and logistics efficiency. The proposed policy aims to benefit the logistics industry by bringing the data exchange among all mode operators on a 'unified logistics interface platform' ("**ULIP**"), designed for 'application programming interface' ("**API**"). If implemented, this shall provide for efficient movement of goods through different modes, reducing logistics cost and time, assisting 'just-in-time' inventory management, and in eliminating tedious documentation. Further, this will provide real time information to all

stakeholders, and improve international competitiveness. Open-source mobility stack, for organizing seamless travel of passengers, will also be facilitated.

### *G. Freight Smart Cities Mission*

In July 2021, the Indian government introduced plans for 'Freight Smart Cities' to enhance urban freight efficiency and reduce logistics costs in an effort to recognise the need for managing movement of goods to improve the city freight traffic. Under the Freight Smart Cities initiative, city-level logistics committees are formed including member participation from the government and the private sector. These committees are to co-create 'City Logistics Plans' such as promoting electrification of urban freight, building peri-urban freight centres, developing truck routes and managing night-time deliveries to reduce congestion and pollution and improve the economic competitiveness.

### *H. Secured Logistics Document Exchange*

Secured Logistics Document Exchange ("**SLDE**"), launched by Government of India in 2021, with the aim of improving business, is a solution to replace the present manual process of generation, exchange and compliance of logistics documents with a digitized, secure and seamless document exchange system. SLDE will enable generation, storage and interchange of logistics-related documents digitally using Aadhaar and blockchain-based security protocols for data security and authentication, it also provides a complete audit trail of document transfer, faster execution of transaction, lower cost of shipping and overall carbon footprint, easy verification of authenticity of documents, lowered risk of fraud, etc. The initiative improves logistics efficiency, reduces logistics cost, and promotes multi –modality and sustainability.

### *I. Bharatmala Pariyojana*

Bharatmala Pariyojana program aims to optimize the efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International connectivity roads, Coastal and Port connectivity roads and Green-field expressways. The umbrella program of Bharatmala Pariyojana also focuses on enhancing effectiveness of already built infrastructure, multi–modal integration, bridging infrastructure gaps for seamless movement and integrating National and Economic Corridors. The program was conceptualized to attain optimal resource allocation for a holistic highway development/improvement initiative. Recently, the Government has extended the deadline of the first phase of the project to 2027-2028 and revised its estimated cost to nearly ₹ 11 trillion.

### *J. Multimodal Logistics Park*

Multimodal Logistics Parks ("**MMLP**") initiatives aim to provide the centralized and integrated logistics solutions to improve supply chain management. These parks bring together various modes of transportation, such as road, rail and air, to facilitate seamless goods movement and provide a hub for storage, distribution, and processing. MMLPs are equipped with state of the art infrastructure, including warehouse, container yards, and custom clearance centres, allowing companies to consolidate operations and streamline supply chains for reduced costs and improved delivery times. MPLs also offer value added services, including repair and maintenance facilities, training centres, and customs clearance services, making them a one-stop solution for all logistics needs.

### *K. Intellectual Property Laws*

Certain laws relating to intellectual property rights such as trademarks protection under the Trade Marks Act, 1999 (the "**Trade Marks Act**") and the Designs Act, 2000 (the "**Designs Act**") are applicable to us.

The Trade Marks Act provides for the process for making an application and obtaining registration of trademarks, better protection of trademarks and prevention of the use of fraudulent marks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description.

The Designs Act aims to consolidate and amend the law relating to protection of designs. The Designs Act regulates and protects the originality of an article's design and prohibits the piracy of registered designs. The Central Government also drafted the Designs Rules, 2001, under the authority of the Designs Act for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, register of designs, classification of goods, restoration of designs, etc.

### *L. Registration Act, 1908*

Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property. The Registration Act provides for registration of documents which gives them authenticity. Registering officers have been appointed in all the districts to facilitate the process of registration. The Registration Act also provides provisions related to the time and place of registration, effects of registration and non-registration, duties and powers of registering officers, fees for registration, etc.

***M. Indian Stamp Act, 1899***

Indian Stamp Act, 1899 was passed to consolidate and amend the law relating to Stamps. This act governs the stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments in the schedules of the respective legislations pertaining to stamp duty as applicable in the State. Stamp duty is required to be paid on all the documents that are registered and as stated above, the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in the respective state. Stamp duty is payable on the instruments at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

**LAWS RELATING TO ENVIRONMENT**

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

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

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

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

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

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

**LAWS RELATING TO EMPLOYMENT**

Certain other laws and regulations that may be applicable to the Indian warehousing sector include the following:

- Shops and Commercial Establishment Acts, where applicable;
- Contract Labour (Regulation & Abolition) Act, 1970;
- Ease of Compliance to maintain Registers under various Labour Laws Rules, 2017;
- Employees' Compensation Act, 1923;
- The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

- Employees' State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.
- The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the advisory board.
- The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.
- The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**Laws relating to Taxation**

Tax related laws that are pertinent, include the Income-tax Act, 1961, Income-tax Rules, 1962, various State taxes on Professions, Trades, Calling and Employments legislation, and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations and the Integrated Goods and Services Tax Act, 2017.

**Companies related legislation**

All of our Project SPVs/ Holdco are companies and are therefore, subject to the provisions of the Companies Act. The Companies Act, inter alia, regulates the incorporation of companies, prescribes the roles and responsibilities of directors, shareholders and key managerial personnel and the procedure for undertaking various corporate actions by the company. Declaration of dividends by companies is regulated, among other sections, under Section 123 of the Companies Act. One of the conditions stated therein is that dividend can be declared by a company out of profits for the year or out of profits for the previous financial year, subject to compliance with the specified conditions, or out of money provided by the state or central government for the payment of dividend by the company. Also, dividend can be declared and paid from the free reserves of the company. Similarly, a number of restrictions and conditions are set out in Section 68 of the Companies Act for undertaking a buy-back of securities by companies. For instance, a buy-back of securities can be conducted by a company only from its free reserves, securities premium account or from proceeds of the issue of any shares or other specified securities subject to compliance with specified conditions. Further, a company is not permitted to undertake a buy-back of securities of more than twenty five per cent of the aggregate of paid-up capital and free reserves of the company in a particular financial year and no offer or buy-back can be made within a period of one year from the date of closure of the preceding offer or buy-back, if any.

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

**OTHER LAWS APPLICABLE TO THE INDIAN WAREHOUSING SECTOR**

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

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

## REGULATORY APPROVALS

*Provided below are details in relation to the material consents, permissions, registrations and approvals from the Government, various governmental agencies and other statutory or regulatory authorities required to be obtained by the Trust or Project SPVs/ Holdco for carrying out their present businesses. Further, provided below are the approvals in relation to the Offer. In the event that any of the approvals and licenses that are required for the Initial Portfolio Assets' business operations expire in the ordinary course of business, the relevant Initial Portfolio Asset will apply for such renewal from time to time. For details in connection with the regulatory and legal framework within which the Trust and the Project SPVs/ Holdco operate, see "Regulations and Policies" on page* 494.

### A. Approvals in relation to the Trust

Certificate of registration dated April 22, 2024, bearing registration number IN/InvIT/24-25/0030 issued by SEBI to the Trust under Regulation 3 of the InvIT Regulations, for registration of the Trust as an infrastructure investment trust.

### B. Approvals in relation to the Offer

(i). Resolutions dated January 27, 2025, passed by the IM Board in relation to the Offer and other incidental matters and resolutions dated February 6, 2025, passed by the InvIT Committee of the IM Board approving the Draft Placement Memorandum and other incidental matters.

(ii). In-principle listing approval from the NSE dated [●].

### C. Material Business Approvals in relation to Project SPVs/ Holdco

In the ordinary course of business, the Project SPVs/ Holdco receive approvals, licenses, registrations and permissions from various authorities including statutory and regulatory authorities and governmental agencies ("**Material Business Approvals**"). The Material Business Approvals received by various projects held by the Project SPVs/ Holdco have been summarized below.

1. *Approvals received in relation to the Chakan Park*

(i). No objection certificate for ground water abstraction dated January 29, 2021, issued by Central Ground Water Authority, Nagpur and corrigendum in no objection certificate for enhancement in ground water abstraction, dated July 22, 2024, issued by Regional Director, Central Region, Central Ground Water Board, Nagpur;

(ii). Consent to operate under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974, Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Rule 6 of the Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016, dated October 27, 2023, issued by Sub-regional office, Maharashtra Pollution Control Board;

(iii). Shops & Establishments License under Maharashtra Shops and Establishments (Regulations of Employment and Conditions of Service) Act, 2017, dated August 14, 2024, issued by Office of the Deputy Commissioner of labour, Pune;

(iv). Final fire no objection certificate under Maharashtra Fire Prevention and Life Safety Measures Act, 2006, dated August 19, 2017, issued by Chief Fire Officer, Pune Metropolitan Region Development Authority, Pune;

(v). No objection certificate for taking electricity connection and water connection, dated January 3, 2011, issued by Sarpanch, Gram Panchayat Mahalunge, Khed, Pune; and

(vi). Development permit and commencement certificate dated September 16, 2017, issued by Chief Executive Officer, Pune Metropolitan Region Development Authority ("**PMRDA**").

*2.* *Approvals received in relation to the Singadivakkam (Sungavarchatram, Kanchipuram) Park*

(i). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 8, 2021, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(ii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 8, 2021, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(iii). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated August 27, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(iv). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated August 27, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(v). Panchayat approval letter dated September 28, 2018, and June 14, 2022, issued by Commissioner, Walajabad Panchayat Union and;

(vi). No objection certificate for drawal of groundwater, dated November 23, 2023, and May 17, 2023, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(vii). No objection certificate for formation of approach road, dated July 29, 2016, issued by Zonal Engineer (H) (C&M), Chengalpattu;

(viii). Fire no objection certificate dated March 14, 2016, and July 16, 2021, issued by District Officer, Fire & Rescue Services, Kanchipuram;

(ix). Registration certificate of establishment under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Kancheepuram; and

(x). Plan Approval dated July 26, 2018, and May 11, 2022, issued by Zonal Deputy Director of Town Planning, Chengalpattu and Deputy Director, District Town Planning Office, Kancheepuram, respectively.

3. *Approvals received in relation to Hosur Park*

(i). Municipal approval under Section 49 of Town and Country Planning Act, 1971, dated April 24, 2024, issued by Commissioner, Hosur Municipal Corporation;

(ii). Building permits and plan approvals dated July 29, 2019, and August 27, 2020, issued by Commissioner, Hosur City Municipal Corporation, Hosur;

(iii). Plan approval under Section 49 of the Town & Country Planning Act, 1971, and Tamil Nadu Combined Development and Building Rules, 2019, dated June 17, 2023, issued by Deputy Director, Hosur New Town Development Authority, District Town & Country Planning Office, Krishnagiri, Hosur;

(iv). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985 read with Tamil Nadu Fire Service Rules, 1990, dated April 22, 2024, issued by District Officer, Fire and Rescue Services Department, Krishnagiri;

(v). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Hosur;

(vi). No objection certificate from Department of Public Health and Preventive Medicine dated July 12, 2018, issued by Deputy Director of Health Services, Krishnagiri;

(vii). Lift License under Section 5(3) of the Tamil Nadu Lifts and Escalators Act, 1997, dated June 21, 2023, issued by Inspector of Lifts, Government of Tamil Nadu;

(viii). No objection certificate for drawal of groundwater dated August 11, 2023, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai; and

(ix). No objection certificate for approach road, dated July 4, 2018, issued by Assistant Divisional Engineer, Highways, Hosur.

*4.* *Approval received in relation to the Hosur Unit - II (Thally Park I and Thally Park II)*

(i). Public health sanitary certificate under Sections 44, 83 and 84 of the Tamil Nadu Public Health Act, 1939, dated November 21, 2024, issued by Deputy Director of Health Services, Krishnagiri;

(ii). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated May 26, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(iii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated May 26, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(iv). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated February 14, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(v). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated February 14, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(vi). Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated February 14, 2024, issued by Joint Chief Environmental Engineer – Monitoring, Tamil Nadu Pollution Control Board, Vellore;

(vii). No objection certificate for drawal of groundwater dated August 11, 2023 and July 1, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(viii). No objection certificate from Department of Public Health and Preventive Medicine dated April 4, 2019, and June 2, 2022, issued by Deputy Director of Health Services, Krishnagiri;

(ix). Panchayat plan approval dated October 6, 2022, issued by Commissioner, Panchayat Union, Thalli;

(x). Plan approval, dated August 10, 2022, issued by Joint Director, District Town and Country Planning, Krishnagiri District, Hosur;

(xi). Plan approval order under Tamil Nadu Combined Development and Building Rules, 2019, dated June 28, 2019, issued by Director, Town and Country Planning Dharmapuri;

(xii). No objection certificate to use land for industrial and commercial purposes dated December 31, 2020, and May 19, 2023, issued by Tahsildar, Denkanikottai;

(xiii). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated April 22, 2024, issued by District Officer, Fire and Rescue Services, Krishnagiri;

(xiv). Approval to construct culvert for using it as approach road, dated July 7, 2022, issued by Executive Engineer, WRD, Melpennaiyaru Basin Division, Dharmapuri;

(xv). Permission for usage of culvert as approach road, dated September 20, 2024, issued by Executive Engineer, WRD, Upper Pennaiyar Basin Division, Dharmapuri;

(xvi). Approval for approach road dated February 25, 2019, issued by Assistant Engineer, Denkanikottai; and

(xvii). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Hosur.

*5.* *Approvals received in relation to the Coimbatore Park*

(i). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, with Tamil Nadu Fire Service Rules, 1990 – Appendix – III dated December 2, 2024, issued by District Officer, Fire and Rescue Services, Coimbatore;

(ii). No objection certificate for drawal of groundwater dated February 21, 2024, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(iii). Fire no objection certificate, dated February 11, 2020, issued by District Officer, Tiruppur District, Fire-Rescue Services Department, Coimbatore;

(iv). Public health sanitary certificate under Public Health Act, 1939, dated September 28, 2024, issued by Block Health Supervisor, Government Primary Health Centre, V. Chandrapuram, Sulthanpet Block, Coimbatore;

(v). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Pollachi;

(vi). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated April 29, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(vii). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated April 29, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(viii). Plan approval dated January 7, 2020, issued by Joint Director, Town and Country Planning Office, Coimbatore;

(ix). Panchayat approval for plan layout dated February 15, 2021, issued by Panchayat, Appanayakampatti;

(x). No objection certificate from Tahsildar dated October 11, 2018, and March 5, 2020, issued by Tahsildar, Sulur; and

(xi). No objection certificate from Department of Public Health and Preventive Medicine dated November 27, 2020, issued by Deputy Director of Health Services, Coimbatore;

*6.* *Approvals received in relation to the Coimbatore (Sulur) Park*

(i). Approval from Panchayat dated November 28, 2022, issued by the President, Selakkaraichal Panchayat.;

(ii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated June 24, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(iii). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated June 24, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(iv). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated July 3, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(v). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated July 3, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(vi). No objection certificate dated April 13, 2022, and October 20, 2022, issued by Tahsildar Sulur;

(vii). No objection certificate for drawal of groundwater, dated March 7, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(viii). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated May 21, 2024, issued by District Officer, Fire and Rescue Services, Coimbatore;

(ix). Public health sanitary certificate under Public Health Act, 1939 dated November 18, 2024, issued by Block Health Supervisor, Government Primary Health Centre, V. Chandrapuram, Sulthanpet Block, Coimbatore;

(x). No objection certificate from Department of Public Health and Preventive Medicine dated June 30, 2022, issued by Deputy Director of Health Services, Coimbatore; and

(xi). Plan approval dated September 6, 2021, issued by Joint Director, Town and Country Planning Office, Coimbatore.

*7.* *Approvals received in relation to the Bhubaneshwar Park*

(i). Shop & Establishment certificate under the Orissa Shops & Commercial Establishments Act, 1956, dated November 25, 2020, issued by Divisional Labour Commissioner, Bhubaneshwar;

(ii). No objection certificate for abstraction of groundwater dated March 17, 2022, issued by Ministry of Jal Shakti, Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority;

(iii). Occupancy certificate dated June 18, 2021, issued by Assistant Town Planner, Bhubaneshwar Development Authority;

(iv). Fire safety recommendations under Rule 12(5) of the Odisha Fire Prevention and Fire Safety Rules, 2017, dated August 27, 2021, issued by Fire Deputy Director, Range Fire Officer, Central Range II, Bhubaneshwar;

(v). Fire safety certificate under Rule 13(3) of the Odisha Fire Prevention and Fire Safety Rules, 2017, dated March 27, 2023, and October 25, 2023, issued by Deputy Fire Officer, Bhubaneshwar Circle; and

(vi). Plan approval under Section 16(3) of the Orissa Development Authorities Act, 1982, dated July 17, 2020, and August 22, 2023, issued by Planning Member / Authorised Officer, Bhubaneshwar Development Authority.

*8.* *Approvals received in relation to the Madurai Park*

(i). Fire license under Section 13 of the Tamil Nadu Fire & Rescue Service Act, 1985, dated July 22, 2024, issued by District Officer, Fire & Rescue Services, Madurai;

(ii). Fire no objection certificate dated December 7, 2021, issued by District Officer, Fire Rescue Services Department, Theni, Madurai;

(iii). Panchayat plan approval, dated May 19, 2022, issued by the President, Vairavanatham Panchayat, Madurai West Panchayat Union;

(iv). No objection certificate from Tahsildar, dated July 27, 2021, issued by Tahsildar, Madurai;

(v). Sanitary certificate dated June 24, 2024, issued by Block Health Supervisor, Govt. Primary Health Centre, Samayanallur, Madurai;

(vi). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 7, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(vii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 7, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(viii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 18, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(ix). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 18, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(x). No objection certificate for construction of access road, dated April 5, 2024, issued by Divisional Engineer (highway), C & M Division, Madurai;

(xi). Plan approval under Section 49 of Town and Country Planning Act, 1971, dated April 8, 2022, issued by Assistant Director / Member Secretary, Town and Country Planning Office, Madurai;

(xii). No objection certificate for drawal of ground water dated March 11, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(xiii). Shops & Establishment certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated April 30, 2024, issued by Assistant Inspector of Labour, Madurai; and

*9.* *Approvals received in relation to the Red Hills Park*

(i). Health clearance certificate under Tamil Nadu Public Health Act, 1939, dated May 30, 2024, issued by District Health Officer, Thiruvallur;

(ii). No objection certificate to erect access road, dated February 17, 2020, issued by Divisional Engineer (Highway), C & M Division, Tiruvallur;

(iii). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated January 4, 2023, issued by Assistant Inspector of Labour, Thiruvallur;

(iv). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated January 25, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(v). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated January 25, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(vi). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated October 13, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(vii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated October 13, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(viii). No objection certificate from Department of Public Health and Preventive Medicine under the Tamil Nadu Public Health Act, 1939, dated September 30, 2019, and December 2, 2021, issued by Deputy Director of Health Services, Thiruvallur;

(ix). No objection certificate for extraction of ground water for domestic purpose under Section 5(4)(a)(i) of the Chennai Metropolitan Area Ground Water (Regulation) Act, 1987, dated November 29, 2024, issued by Revenue Divisional Officer, Tiruvallur;

(x). Fire license under Section 13 of the Tamil Nadu Fire & Rescue Service Act, 1985, dated January 12, 2024, issued by District Officer, Fire & Rescue Services, Thiruvallur;

(xi). Panchayat plan approval under Section 159, 160 and 161 of the Tamil Nadu Panchayats Act, 1994 and Tamil Nadu Panchayats Building Rules, 1997 dated and August 16, 2024, and March 21, 2022, issued by Commissioner, Ellapuram Panchayat Union;

(xii). Plan approval dated September 24, 2021, issued by Assistant Director, Town and Country Planning Office, Tiruvallur;

(xiii). Technical plan approval under Section 47(A) of Town and Country Planning Act, 1971, dated August 6, 2024, issued by Assistant Director, Town and Country Planning Office, Tiruvallur;

(xiv). No objection certificate from Tahsildar, dated January 21, 2019, issued by Tahsildar, Tiruvallur;

(xv). Approval for construction of small bridge and approach road, dated August 20, 2024, issued by Executive Engineer, Water Resources Department, Kosasthalaiyar Basin Division, Thiruvallur;

(xvi). Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated December 12, 2022, issued by Joint Chief Environmental Engineer-Monitoring, Tamil Nadu Pollution Control Board, Chennai; and

(xvii). Fire no objection certificate dated November 6, 2019, August 17, 2021, and December 6, 2021, issued by District Officer, Fire Rescue Services Department, Tiruvallur.

*10.* *Approvals received in relation to the Vaipur (Oragadam) Park*

(i). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated March 21, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(ii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated March 21, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(iii). Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated August 17, 2022, issued by Joint Chief Environmental Engineer-Monitoring, Tamil Nadu Pollution Control Board, Chennai;

(iv). Fire license under Section 13 of the Tamil Nadu Fire & Rescue Service Act, 1985, dated December 6, 2024, issued by District Officer, Fire & Rescue Services, Kanchipuram;

(v). Site plan approved dated April 24, 2023, issued by President, Eriyour Panchayat, Sriperumandur Panchayat Union and Commissioner, Panchayat Union, Sriperumbudur; and

(vi). No objection certificate for drawal of groundwater dated August 17, 2023, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai.

*11.* *Approvals received in relation to the Vijayawada Park*

(i). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Section 25 of Water (Prevention and Control of Pollution) Act, 1974, dated July 3, 2023, issued by Joint Chief Environmental Engineer, Zonal Office, Vijayawada;

(ii). Consent to operate under Section 25 and 26 of the Water (Prevention and Control of Pollution) Act, 1974, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Rule 6 of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated October 25, 2024 issued by Joint Chief Environmental Engineer, Andhra Pradesh Pollution Control Board, Zonal Office, Vijayawada

(iii). Provisional fire no objection certificate for construction dated June 28, 2023, issued by Director General, State Disaster Response & Fire Services, Andhra Pradesh, Vijayawada;

(iv). No objection certificate for drawal of groundwater dated June 19, 2023, issued by District Ground Water Officer, Ground Water and Water Audit Department, Machilipatnam, Krishna;

(v). No objection certificate for occupancy dated April 18, 2024, issued by Director General, State Disaster Response & Fire Services, Vijayawada;

(vi). Permission to widen the road stretch from single lane to multi lane, dated January 9, 2024, issued by Executive Engineer (R&B), Machilipatnam;

(vii). Occupancy certificate dated September 13, 2024, issued by Commissioner, Andhra Pradesh Capital Region Development Authority; and

(viii). Building permit order dated June July 31, 2023, issued by Commissioner, Andhra Pradesh Capital Region Development Authority.

*12.* *Approvals received in relation to the Cuttack Park I (Banipada)*

(i). Consent to Establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974 and Section 21 of Air (Prevention & Control of Pollution) Act, 1981, dated May 3, 2024, issued by Regional Officer, State Pollution Control Board, Odisha;

(ii). No objection certificate for ground water abstraction dated April 23, 2024, issued by Member – Secretary, Central Ground Water Authority, New Delhi;

(iii). Registration certificate under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970, dated April 10, 2024, issued by District Labour Officer, Cuttack;

(iv). Registration certificate under Section 7(3) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996, dated April 10, 2024, issued by District Labour Officer–cum–Licensing Officer under B&OCW Act, District Labour Office Cuttack;

(v). Registration certificate under Section 4(2)(a) of the Inter State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979, dated April 10, 2024, issued by Registering Officer –cum– District Labour Officer, Cuttack;

(vi). Environmental clearance dated January 21, 2025, issued by State Environmental Impact Assessment Authority (SEIAA), Odisha; and

(vii). Fire safety recommendation dated March 8, 2024, issued by Deputy Fire Officer, Cuttack circle.

13. *Approvals received in relation to the Pillaipakkam Park*

(i). Panchayat plan approval for constructing warehouse building dated March 15, 2024, issued by the President, Pillaipakkam Panchayat, Sriperumbudur Panchayat Union;

(ii). Registration certificate under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970, dated January 23, 2024, issued by Joint Director (BOCW), Industrial Safety & Health, Chennai;

(iii). Registration certificate under Section 4(2)(a) of the Inter State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979, dated January 23, 2024, issued by Joint Director (BOCW), Industrial Safety & Health, Chennai.

(iv). Provisional fire no objection certificate dated December 13, 2024 and October 6, 2023, issued by District Officer, Fire & Rescue Services, Kanchipuram;

(v). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated June 11, 2024, issued by District Officer, Fire and Rescue Services, Kanchipuram;

(vi). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 25, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(vii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated August 9, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(viii). Plan approval for industrial warehouse building, dated February 1, 2024, issued by Assistant Director / Deputy Director, District of Town & Country Planning Office, Kancheepuram District;

(ix). Health clearance certificate under Tamil Nadu Public Health Act, 1939, dated July 25, 2024, issued by District Health Officer, Kancheepuram;

(x). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 25, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(xi). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated August 9, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur; and

(xii). No objection certificate under Tamil Nadu Public Health Act, 1939, dated September 27, 2023, and December 17, 2024, issued by Deputy Director of Health Services, Kanchipuram and District Health Officer, Kancherpuram District, respectively.

14. *Approvals received in relation to the Siliguri Park*

(i). Certificate of occupancy, dated August 30, 2021, and August 5, 2022, issued by Karmadhyaksha, Jalpaiguri, Zilla Parishad and Member, Fulbari – II Gram Panchayat, respectively;

(ii). Fire safety certificate, dated July 27, 2022, issued by Director, West Bengal Fire & Emergency Services;

(iii). No objection certificate for sinking of new well under Section 7 of the West Bengal Ground Water Resources (Management, Control and Regulation) Act, 2005, dated September 6, 2021, issued by Member Secretary, District Level Ground Water;

(iv). Plan approval, dated June 17, 2022, issued by District Engineer, Jalpaiguri Zilla Parishad; and

(v). Fire safety recommendations, dated June 22, 2022, issued by Deputy Director, West Bengal Fire & Emergency Services.

15. *Approvals received in relation to the Vishakapatnam Park*

(i). Building permit order dated July 1, 2024, issued by Commissioner, Andhra Pradesh Industrial Infrastructure Corporation;

(ii). No objection certificate for drawal of groundwater, dated April 19, 2024, issued by District Ground Water Officer (FAC), Ground Water & Water Audit Department, Vishakhapatnam;

(iii). Provision fire no objection certificate dated August 7, 2024, issued by Director General, State Disaster Response & Fire Services, Andhra Pradesh, Vijayawada;

(iv). Certificate of registration under Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, dated August 7, 2024, issued by JCL, Visakhapatnam;

(v). Certificate of registration under Contract Labour (Regulation and Abolition) Act, 1970, dated August 10, 2024, issued by JCL, Visakhapatnam;

(vi). Certificate of registration under Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, dated August 10, 2024, issued by DCL, Visakhapatnam; and

(vii). Environmental clearance dated January 10, 2025, issued by Member Secretary, State Environment Impact Assessment Authority, Andhra Pradesh.

16. *Approvals received in relation to the Sullurpet Park*

(i). Provisional fire no objection certificate for construction of building, dated December 23, 2021, and September 11, 2023, issued by Director General, State Disaster Response and Fire Services, Vijayawada, Andhra Pradesh;

(ii). No objection certificate for drawal of groundwater for domestic greenery purposes, dated March 9, 2022, issued by Deputy Director, Groundwater and Water Audit Department, Nellore;

(iii). Building permit orders dated July 3, 2021, and January 31, 2023, issued by Vice Chairman, Nellore Urban Development Authority;

(iv). Certificate of registration under Contract Labour (Regulation and Abolition) Act, 1970, dated August 5, 2024, issued by DCL, Tirupati;

(v). Certificate of registration under Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, dated August 5, 2024, issued by DCL, Tirupati;

(vi). Certificate of registration of establishment under Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, dated July 1, 2024, issued by JCL, Kurnool; and

(vii). No objection certificate for access road, dated July 6, 2023, issued by Commissioner, Sullurpet Municipality;

**D. Approvals applied for, but not yet received**

Except as disclosed below, as of the date of this Draft Placement Memorandum, there are no approvals required by the Trust and the Project SPVs/ Holdco for which applications are applied for, but not yet received:

(i). Application dated February 9, 2024, for obtaining building plan approval in relation to Cuttack Park I (Banipada).

(ii). Application dated November 29, 2024, for obtaining consent to operate under Air Act and Water Act in relation to Coimbatore (Sulur) Park.

(iii). Application dated November 29, 2024, for no objection certificate from the Department of Public Health & Preventive Medicines in relation to Pillaipakkam Park Phase II.

(iv). Application for obtaining building plan approval from Directorate of Town and Country Planning in relation to Pillaipakkam Park Phase II.

(v). Application dated January 22, 2025, for obtaining building permit approval in relation to Cuttack Park II (Indranipatna).

**E. Approvals for which applications are yet to be made**

Except as disclosed below, as of the date of this Draft Placement Memorandum, there are no approvals required by the Trust and the Project SPVs/ Holdco for which applications are yet to be made:

(i) Consent to establish in relation to Vishakapatnam Park;

(ii) Consent to operate in relation to Vishakapatnam Park;

(iii) Shops and establishment certificate in relation to Vishakapatnam Park;

(iv) Hazardous waste authorisation in relation to Vishakapatnam Park;

(v) Fire license in relation to Vishakapatnam Park;

(vi) Hazardous waste authorisation in relation to Madurai Park;

(vii) Shops and establishment certificate in relation to Vijayawada;

(viii) Shops and establishment certificate in relation to Cuttack Park I (Banipada);

(ix) Fire license in relation to Cuttack Park I (Banipada);

(x) Consent to operate in relation to Cuttack Park I (Banipada);

(xi) Municipal approval in relation to Cuttack Part I (Banipada);

(xii) Shops and establishment certificate in relation to Pillaipakkam Park;

(xiii) Shops and establishment certificate in relation to Sullurpet Park;

(xiv) Fire license in relation to Sullurpet Park Phase II;

(xv) Consent to establish for expansion in relation to Sullurpet Park;

(xvi) Shops and establishment certificate in relation to Coimbatore (Sulur) Park; and

(xvii) Hazardous waste authorisation in relation to Coimbatore (Sulur) Park.

## LEGAL AND OTHER INFORMATION

*Except as stated in this section, there are no material civil proceedings, criminal litigation or actions by regulatory authorities, in each case against the Trust (including Project SPVs/ Holdco), the Sponsor, the Investment Manager, the Project Manager, or any of their respective Associates, the Sponsor Group and the Trustee, that are currently pending as on the date of this Draft Placement Memorandum.*

*For the purpose of this section, details of all regulatory actions that are currently pending against the Trust (including Project SPVs/ Holdco), the Sponsor, the Investment Manager, the Project Manager and any of their respective Associates, the sponsor Group and the Trustee have been disclosed. All criminal litigation involving the Trust (including Project SPVs/ Holdco), the Sponsor, the Investment Manager, the Project Manager and any of their respective Associates, the Sponsor Group and the Trustee that are currently pending have been disclosed. Further, any civil proceedings involving an amount equivalent to, or more than, the amount as disclosed below, in respect of the Trust (including Project SPVs/ Holdco), the Sponsor, the Project Manager, the Investment Manager and each of their respective Associates, the Sponsor Group and the Trustee has also been disclosed.*

*In relation to the Trust (including Project SPVs/ Holdco), the outstanding civil cases involving an amount equivalent to or exceeding ₹ 95.89 million (being 5% of the total revenue as per the Special Purpose Combined Financial Statements for FY 2024 of the Project SPVs/ Holdco) have been considered material. All outstanding cases involving the Trust (including the Project SPVs/Holdco) where the amount is not ascertainable, but considered material, have also been disclosed.*

*In respect of the Sponsor and Project Manager and their Associates (including the Sponsor Group and excluding Project SPVs/ Holdco), all outstanding civil cases which involve an amount equivalent to or exceeding ₹ 46.27 million (being 1% of the consolidated net-worth of the Sponsor as on March 31, 2024) have been considered material. All outstanding cases involving the Sponsor and its Associates (including the Sponsor Group and excluding Project SPVs/ Holdco) where the amount is not ascertainable, but considered material, have also been disclosed.*

*In respect of the Investment Manager and its Associates, all outstanding civil cases which involve an amount equivalent to or exceeding ₹ 6.00 million (being 5% of the net-worth of the Investment Manager as on March 31, 2024) have been considered material. All outstanding cases involving the Investment Manager and its Associates where the amount is not ascertainable, but considered material, have also been disclosed.*

*In relation to the Trustee, all litigation involving an amount equivalent to or exceeding ₹ 12.33 million (being 5% of the profit after tax for FY 2024 based on the audited standalone financial statements of the Trustee for FY 2024) have been considered material. All outstanding cases where the amount is not ascertainable, but considered material, have also been disclosed.*

*In relation to entities which are common Associates of the Sponsor, the Investment Manager and/or the Project Manager, where the above-mentioned materiality thresholds in relation to the Sponsor, the Investment Manager and the Project Manager apply, the higher of the thresholds applicable to the Sponsor, the Investment Manager and the Project Manager have been considered material.*

### I. Title disclosures (including title litigation) pertaining to the Project SPVs/ Holdco and the Sponsor

For the purpose of this section, details of all pending litigations pertaining to the Project SPVs/ Holdco and Sponsor have been disclosed. Other than as disclosed below, there are no pending litigations pertaining to the Project SPVs/ Holdco and Sponsor as of the date of this Draft Placement Memorandum:

***(i) Jagannath Industrial and Logistics Parks Private Limited ("JGILP") (Village: Banipada, Cuttack, Odisha)***

A civil case bearing Civil Suit No. 950/2024, titled as "*Jayanta Kumar Swain and others v. State of Odisha and Others*" is currently pending adjudication before the Learned Civil Judge (Junior Division), 1st Court, Cuttack. JILPPL has been impleaded as one of the defendants / respondents along with Odisha Industrial Infrastructure Development Corporation ("**IDCO**"), and other government bodies (such as Collector, Revenue Commissioner, Tehsildar etc.) to this suit. The said suit has been filed by five (5) plaintiffs, all residents of Village – Banipada, who purportedly initiated the proceedings on behalf of the villagers, asserting communal rights over approximately 80 acres land. The plaintiffs claim that the land is intended for community purposes such as cremation, playground for children and grazing field for animals. The subject property is a small portion of the aforementioned land parcel being part of the suit. As on date, no stay or adverse order has been passed against any of the respondents (including IDCO and JGILP) concerning the subject property.

***Our rights and interests in relation to certain of our Initial Portfolio Assets may be subject to the following uncertainties or defects:***

***Durgeshwari Industrial & Logistics Parks Private Limited ("DILP") (Bhubaneswar, Odisha)***

(i) The mutation to record the name of the DILP as the owner of the property in the revenue records is pending.

(ii) The subject property was owned by M/s. TVS Industrial & Logistics Parks Private Limited ("**TVSILP**"), pursuant to a sanctioned scheme of demerger between TVSILP and DILP, and their respective shareholders, and the subsequent order dated March 26, 2024 passed by the NCLT, Mumbai Bench – III, the subject property was transferred in favour of DILP. The aforesaid order was duly stamped and registered vide 'Deed of Confirmation' dated December 13, 2024, before the Sub- Registrar of Khed- 3 (Pune) under Serial No. 11357/2024. Pursuant to the aforesaid, the transfer deed in relation to the subject property in favour of DILP is pending to be executed and registered with the jurisdictional Sub-Registrar of Assurances.

(iii) The subject property has been mortgaged by TVSILP in favour of HDFC Bank and the same is subsisting**.**

***Jagannath Industrial and Logistics Parks Private Limited (Village: Indranipatna, Cuttack, Odisha)***

(i) JGILP currently holds a valid license right and interest in respect of the subject property by way of a registered license agreement executed by IDCO. Subsequently, JGILP will acquire leasehold rights in the subject property after execution of a duly stamped and registered lease deed at a later stage in its favour, subject to the fulfilment of all obligations by JGILP as mentioned in the aforesaid license agreement.

***Jagannath Industrial and Logistics Parks Private Limited (Village: Banipada, Cuttack, Odisha)***

(i) JGILP currently holds a valid license right and interest in respect of the subject property by way of a registered license agreement executed by IDCO. Subsequently, JGILP will acquire leasehold rights in the subject property after execution of a duly stamped and registered lease deed at a later stage in its favour, subject to the fulfilment of all obligations by JGILP as mentioned in the aforesaid license agreement.

***Presidency Barter Private Limited ("PBPL") (Jalpaiguri, West Bengal)***

(i) Upon searches undertaken in the offices of the jurisdictional Sub-Registrar of Assurances, it appears that certain entries maybe adverse to the title of PBPL to the subject property, however, it is not possible to ascertain the extent of area comprised in the plots corresponding to such entries.

(ii) It is not ascertainable whether certain land parcels forming part of the subject property held by PBPL have been acquired on leasehold basis in part or in full.

(iii) Certain parcels of land have devolved in favour of legal heirs of erstwhile owners upon their death. We are not in possession of legal heirship certificates / Faraznamas belonging to such erstwhile owners required to ascertain whether there were any other legal heirs (other than the persons made parties to the relevant sale deeds).

(iv) We are not in possession of certain antecedent title documents pursuant to which certain erstwhile owners have acquired some parcels of land and have relied on the revenue records in this regard.

(v) Certain antecedent sale transactions have been consummated by *de facto* guardians on behalf of minors in respect of certain land parcels without such persons being the executors of the will of the father or paternal grandfather or being appointed as guardian by the relevant courts. Given that these transactions date back 17 years and 28 years, any dispute or claim regarding the validity of PBPL's title in respect of the aforesaid land parcels may be barred by limitation. Further, registered deeds of declaration have also been executed by the minors (after obtaining majority), confirming the said sale transactions executed by their *de facto* guardians, and confirming that they have no right, title, interest and/or any claim of any nature over any part or portion of the said land parcels.

***Durgeshwari Industrial & Logistics Parks Private Limited (Chakan, Maharashtra)***

(i) We are not in possession of certain antecedent title documents pursuant to which certain erstwhile owners have acquired some parcels of land and have relied on the revenue records in this regard.

(ii) The subject property has been mortgaged by TVSILP in favour of Catalyst Trusteeship Limited and the same is subsisting**.**

***Tarkeshwar Industrial & Logistics Parks Private Limited ("TILP") (Vishakapatnam. Andhra Pradesh)***

(i) TILP currently holds right and interest in respect of the subject property to implement the proposed project by way of a registered agreement for sale of land dated February 21, 2024 executed by Andhra Pradesh Industrial Infrastructure Corporation Limited ("**APIIC**") and TILP will acquire freehold rights in the subject property after execution of a duly stamped and registered sale deed at a later stage in its favour by APIIC after fulfilment of all obligations by TILP as specified in the aforesaid agreement for sale of land.

(ii) We are not in possession of adangals for the past 30 (thirty) years with respect to the subject property.

***Tarkeshwar Industrial & Logistics Parks Private Limited (Vijayawada, Andhra Pradesh)***

(i) We are not in possession of adangals for the past 30 (thirty) years (except for the year 2023) to corroborate the title flow from the predecessors-in- title in respect of the TILP and have reviewed only the title documents executed in favour of predecessors in title of TILP in this regard.

(ii) The larger land including the subject property was partitioned between a joint family (*i.e.*, between father and children) by way of a partition deed in the year 1970 and certain individuals (being the daughters) were not parties to the aforesaid partition deed. Given that these transactions date back nearly 55 years, any dispute or claim filed by the individuals who not parties to the partition deed challenging TILP's title in respect of the aforesaid land parcels may be barred by limitation.

***Revanza Sullurpet Industrial Parks Private Limited ("RSIPPL") (Sullurpet, Andhra Pradesh)***

(i) We are not in possession of certain antecedent title documents pursuant to which certain erstwhile owners have acquired some parcels of land.

(ii) We are not in possession of adangals for the past 30 (thirty) years (except for the years 2021 to 2024) to corroborate the title flow in respect of the subject property and have reviewed only the title documents executed in favour of predecessors in title of RSIPPL in this regard.

(iii) Certain unregistered agreements for sale have been executed in the year 2007 by predecessors in title with a third party (other than the individuals forming part of the title chain) in respect of certain land parcels forming part of the subject property and it unclear whether the said agreements for sale have been cancelled.

(iv) Certain land parcels have devolved in favour of legal heirs of erstwhile owners upon death. We are not in possession of legal heirship certificates belonging to such erstwhile owners required to ascertain whether there were any other legal heirs having claims over the said land parcels. Given that these transactions date back nearly 19 years, any dispute or claim regarding the validity of RSIPPL's title in respect of the aforesaid land parcels may be barred by limitation.

(v) We are not in possession of any declarations filed by the predecessors in title and any orders passed in respect of the predecessors in title in relation to the subject property declaring that the land falls within the ceiling limits as prescribed under the Andhra Pradesh Land Reforms (Ceiling on Agricultural Holdings) Act, 1973.

(vi) RSIPPL had entered into a construction and lease agreement with respect to the subject property in favour of Indutch Composites Technology Private Limited and same is subsisting.

(vii) The subject property has been mortgaged by RSIPPL in favour of State Bank of India and the same is subsisting.

***Durgeshwari Industrial & Logistics Parks Private Limited (assets located in Coimbatore, Kancheepuram, Krishnagiri,)***

(i) The subject properties: (i) land measuring 22 acres 10.2 cents situated at Selakarichal Village, Sulur Taluk, Coimbatore District along with the structure/warehouse constructed thereon comprising of 50,038.80 square metres of built-up area; (ii) land measuring 10.73 acres situated at Singadivakkam Village, Kancheepuram Taluk, Kancheepuram District along with the structure/warehouse constructed thereon comprising of 27,178.07 square metres of built-up area; (iii) land measuring 10.23 Acres situated at Vaipur 'B' Block – Eraiyur Village, Kundrathur Taluk (previously Sriperumbudur Taluk) along with the structure/warehouse admeasuring 1,97,148 sq.ft.; and (iv) land measuring 29.83 acres situated at Mathigiri village, Hosur Taluk, Krishnagiri District along with the structure/warehouse constructed thereon comprising of 68,533.315 square metres of built-up area, were all owned by TVSILP and subsequent to an order dated March 26, 2024 whereby the NCLT sanctioned scheme of arrangement (demerger), was transferred to DILP. The payment of stamp duty and registration of the scheme of merger is pending and DILP has initiated the process of completing the stamping and registration.

(ii) The revenue records are yet to be mutated in the name of the present owner, DILP, subsequent to the aforementioned demerger.

(iii) The names of the erstwhile landowners from whom the title has been traced are not recorded in the UDR A Register (revenue record maintained in 1980s) and the UDR 'A' Register records a different name in relation to (i) Survey No. 228/4, Survey No. 228/5A and Survey No. 251/7B2 situated in Vaipur 'B' Block – Eraiyur Village, Kundrathur Taluk, Kancheepuram District; and (ii) Survey No. 581/2A situated at Singadivakkam Village, Kancheepuram Taluk, Kancheepuram District. We are not in possession of the documents evidencing the manner in which the erstwhile landowners acquired right, title and interest from the individuals mentioned in the UDR 'A' Register in relation to the aforesaid parcels. However, TVSILP and its successor-in-title, DILP have been in peaceful continuous possession for more than 18/10 years in most cases and no claims have been made in this period.

(iv) Certain parcels of land have devolved upon legal heirs upon the death of the original owners. We were not able to trace death certificates issued to confirm the death of the individual and/or legal heirship certificates issued in such cases, which are required to ascertain the legal heirs of such deceased owners (to confirm that no persons, other than the persons made parties to the relevant onward transactions, were excluded from these transactions). We have however, relied on the family history and the available title documents/revenue records in this regard to ascertain the death and identify the missing heirs, if any. In most cases, the sales by the relevant legal heirs were concluded 17/9 years ago and no claims have been made in the intervening period.

(v) DILP has created a mortgage upon the subject property *viz.* (i) land measuring 22 acres 10.2 cents situated at Selakarichal Village, Sulur Taluk, Coimbatore District along with the structure/warehouse constructed thereon comprising of 50,038.80 square metres of built-up area in favour of HDFC Bank Limited; (ii) land measuring 10.73 acres situated at Singadivakkam Village, Kancheepuram Taluk, Kancheepuram District along with the structure/warehouse constructed thereon comprising of 27,178.07 square metres of built-up area in favour of Catalyst Trusteeship Limited; (iii) land measuring 10.23 Acres situated at Vaipur 'B' Block – Eraiyur Village, Kundrathur Taluk in favour of Catalyst Trusteeship Limited; and (iv) land measuring 29.8250 acres situated at Mathigiri village, Hosur Taluk, Krishnagiri District along with the structure/warehouse constructed thereon comprising of 68,533.315 square metres of built-up area in favour of Catalyst Trusteeship Limited. These mortgages are subsisting as on date.

***Sri Meenatchi Industrial and Logistics Parks Private Limited ("SRMILP") (Madurai, Tamil Nadu)***

(i) The names of the erstwhile landowners from whom the title has been traced are not recorded in the UDR 'A' Register (revenue record maintained in 1980s) and the UDR 'A' Register records a different name. We are not in possession of the documents evidencing the manner in which the erstwhile landowners acquired right, title and interest from the individuals mentioned in the UDR 'A' Register in relation to Survey Nos. 78/3H, 78/3I, 78/3J, 76/3, 76/4, 76/5A, 76/5B, 78/3A, 78/3C, 78/3F and 78/3G situated at Vairavanatham Village, Madurai. However, the erstwhile owners from whom the title has been traced and their successors-in-title including MILP have been in peaceful continuous possession for more than 30 years and no claims have been made in this period.

(ii) SRMILP has created a mortgage upon the subject property measuring 16.0257 acres out of a total land of 16.038 acres situated at Vairavanatham Village, Madurai North Taluk, Madurai District in favour of HDFC Bank Limited. This mortgage is subsisting as on date.

***Maragathammbal Industrial & Logistics Park Private Limited ("MRILP") (Krishnagiri, Tamil Nadu)***

(i) Certain land parcels have devolved on legal heirs upon the death of the original owners. We are not able to trace legal heirship certificates issued in such cases, which are required to ascertain the legal heirs of such deceased owners (to confirm that no persons, other than the persons made parties to the relevant onward transactions, were excluded from these transactions). We have however, relied on the family history and the available title documents/revenue records in this regard to identify the missing heirs, if any. In most cases, the sales by the relevant legal heirs were concluded 20/18/6 years ago, and no claims have been made in the intervening period.

(ii) MRILP has created a mortgage upon the subject property measuring 48 acres 22.5 cents together with the structure constructed thereon admeasuring 2,06,604.62 square metres of built-up area situated at Mathagondapalli village, Denkanikotta Taluk, Krishnagiri District in favour of Axis Bank Limited. This mortgage is subsisting as on date.

***Marudhamalai Industrial and Logistics Parks Private Limited (Coimbatore, Tamil Nadu)***

(i) The revenue records are yet to be mutated in the name of the present owner Marudhamalai Industrial and Logistics Parks Private Limited, subsequent to the conversion of the Marudhamalai Industrial and Logistics Parks LLP into a company *viz.* Marudhamalai Industrial and Logistics Parks Private Limited and continue to reflect the previous owner, Marudhamalai Industrial and Logistics Parks LLP.

(ii) The erstwhile landowner from whom the land in Survey No. 383 situated at Appanaickenpatti village, Sulur Taluk, Coimbatore District was purchased by Marudhumalai Industrial and Logistics Parks Private Limited, was reflected as the owner in revenue records since he had possession of the land parcel. However, he had not acquired right, title and interest to the land parcel under any title document. The sale has been concluded 6 years ago, no claims have been made in the intervening period and no adverse transactions are recorded in the searched conducted at the jurisdictional Sub-Registrar of Assurances.

(iii) Marudhumalai Industrial and Logistics Parks Private Limited has created a mortgage upon the subject property measuring 26 Acres 45 ½ Cents all situated at Appanaickenpatti and Selakarichal villages, Sulur Taluk, Coimbatore District in favour of Axis Bank Limited. This mortgage is subsisting as on date.

***Siruvapuri Murugan Industrial and Logistics Private Limited ("SMILP") (Thiruvallur, Tamil Nadu)***

(i) Certain parcels of land have devolved on legal heirs of upon the death of the original owners. We were not able to trace legal heirship certificates issued in such cases, which are required to ascertain the legal heirs of such deceased owners (to confirm that no persons, other than the persons made parties to the relevant onward transactions, were excluded from these transactions). We have however, relied on the family history and the available title documents/revenue records in this regard to identify the missing heirs, if any. In most cases, the sales by the relevant legal heirs were concluded 6 years ago, and no claims have been made in the intervening period.

(ii) The revenue records are yet to be mutated in the name of the present owner SMILP, subsequent to the conversion of the Siruvapuri Murugan Industrial and Logistics LLP into a company *viz.* SMILP and continue to reflect the previous owner, Siruvapuri Murugan Industrial and Logistics LLP.

(iii) SMILP has created a mortgage upon the subject property measuring 33 Acres 13.24 Cents situated at Agaram and Sethupakkam Village, Thiruvallur Taluk and District along with the structure constructed thereon comprising 31,398.92 square metres of built-up area in favour of Catalyst Trusteeship Limited. This mortgage is subsisting as on date.

***Ramanujar Industrial & Logistics Parks Private Limited (Kancheepuram, Tamil Nadu)***

RMILP has created a mortgage upon the subject property measuring 17 acres all situated at Pillaipakkam village, Sriperumbudur Taluk, Kancheepuram District in favour of HDFC Bank Limited. This mortgage is subsisting as on date.

**II. Litigation and regulatory action in relation to matters involving the Project SPVs/ Holdco**

**1. Durgeshwari Industrial and Logistics Parks Private Limited**

(i) Durgeshwari Industrial and Logistics Parks Private Limited (matter transferred post demerger from TVS Industrial and Logistic Parks Private Limited (the "**Plaintiff**") filed a suit for declaration and injunction against Maharashtra Industrial Development Corporation (the "**Defendant**" / "**MIDC**") before the Court of Civil Judge, Junior Division, Khed. The Plaintiff had purchased a land bearing Gat No. 338 Hissa No. 1, Mhalunge, Khed, Pune (the "**Suit Property**") vide a sale dated October 7, 2005. After the purchase of the Suit Property, Plaintiff obtained necessary permits for carrying out construction of warehouse thereon and subsequently let out the said warehouse to M/s TVS Logistics (the "**Tenant**"). A public road is abutting to the Suit Property on its southern side, for which MIDC vide its letter dated November 6, 2006, intimated the Plaintiff to pay an amount of Rs. 1,17,44,000 for processing the request of access to the Suit Property. The Plaintiff has replied to MIDC's letter, intimating MIDC, that Plaintiff is not liable to pay any amount, as demanded by MIDC. In spite of receipt of such notice, few unidentified persons came to the Suit Property on January 13, 2007 and dug the abutting public road. The Tenant of the Plaintiff immediately lodged a police complaint in this regard to the Chakan Police Station for further investigation. The Plaintiff was granted an interim relief by the Civil Judge, Junior Division, Khed. This matter is currently pending.

**III. Litigation and regulatory action in relation to matters involving the Sponsor and Project Manager**

Nil

## IV. Litigation and regulatory action in relation to matters involving the Sponsor Group

1. TVS Supply Chain Solutions Limited and Ramachandhran Dinesh, have received show cause notices dated January 31, 2020 and February 5, 2020 from the Pimpri Chinchwad Mathadi and Unprotected Workers Board alleging *inter alia* contravention of certain provisions of the Pimpri Chinchwad Mathadi Hamal and Other Manual Workers (Regulation of Employment & Welfare) Scheme, 1992 and Maharashtra Mathadi Hamal and Other Manual Workers (Regulation of Employment and Welfare) Act, 1969 in relation to not obtaining registration with the relevant Mathadi board and employing certain unregistered workers ("**SCNs**"). TVS SCS has also received letters from the Secretary and Government Labour Officer, Pune and the Inspector, Maharashtra Mathadi Hamal and Other Working Workers (Job Regulation and Welfare) Act 1969 dated January 3, 2020, January 7, 2020, and January 17, 2020 and an inspection report dated January 16, 2020 in this regard was issued to the Company. Pursuant to the SCNs and letters, a complaint dated September 29, 2020, has been filed on behalf of Pimpri Chinchwad Mathadi and Unprotected Workers Board against the Company, Ramachandhran Dinesh and one of the employees at the Company's warehouse before the Maharashtra Labour Court at Pune. The matter is currently pending.

## V. Litigation and regulatory action in relation to matters involving the Investment Manager

Nil

## VI. Litigation and regulatory action in relation to matters involving the Associates of the Sponsor and Project Manager and the Investment Manager

*Litigation involving TVS Supply Chain Solutions Limited ("**TVS SCS**")*

Outstanding Civil Matters by TVS SCS

1. TVS Supply Chain Solutions Limited ("**Petitioner**") filed an appeal under Section 34 of the Arbitration and Conciliation Act, 1996 before the District Court, Tiruchirappalli challenging the arbitral award granted by the sole arbitrator against the Petitioner. The Petitioner was awarded a rate contract for providing all India transportation services to Bharat Heavy Electricals Limited ("**BHEL**/**Defendant**"), Trichy. Subsequently, a letter of intent ("**LOI**") was issued to the Petitioner in order to operate transportation services with a condition to open a branch office at Trichy. However, the Petitioner was unable to fulfill the obligations provided in the LOI due to the prevailing market conditions and inconsistent market rates. Upon not fulfilling the obligations provided in the LOI, BHEL initiated arbitration proceedings against the Petitioner and thereby invoked risk purchase clause demanding a payment of Rs.146.50 lakhs. The sole arbitrator passed an arbitral award in favour of the Defendant. The matter is currently pending at the hearing stage before the District Court, Tiruchirappalli.

Outstanding Civil Matters against TVS SCS

1. Speed Wings Logistics Solutions ("**Petitioner**") filed a suit for recovery against TVS Supply Chain Solutions Limited ("**Defendant**") before the Special Judge Commercial Court, District and Session Court Complex, Gurugram which has now been transferred to Commercial Court, Gurugram whereby it has been alleged that the Defendant has not cleared certain invoices for *inter alia*, diesel hike, empty running of vehicles, rate difference and minimum kilometers amounting to Rs. 91.83 lakhs. In addition to the unpaid amount the Petitioner has claimed an interest at the rate 18% per annum amounting to Rs 14.98 lakhs from January 21, 2017 till November 17, 2017. The matter is currently pending for adjudication before the Commercial Court, Gurugram.

2. Century Road Transport ("**Petitioner**") filed a suit for recovery against TVS Supply Chain Solutions Limited ("**Defendant**") before City Civil and Sessions Court, Mumbai whereby it has been alleged that the Defendant has not cleared certain invoices amounting to Rs. Rs. 91.61 lakhs. In addition to the unpaid amount the Petitioner has claimed an interest at the rate 21% from the date of filing. The matter is currently pending for adjudication.

Criminal litigation against TVS SCS

1. Sukanti Das ("**Complainant**") filed FIR against Pabitra Pradhan ("**Contractor**") and an authorized officer of TVS Supply Chain Solutions Limited ("**Defendant**") before Khamar police station, Anugul, Odisha *inter alia*, alleging negligence on the part of the Contractor at the workplace. The Complainants son was engaged by Contractor for high-voltage electric work at Gunupur. While performing the said work he fell and sustained injuries. The Defendant has not received any notice in the matter yet.

Regulatory proceedings against TVS SCS

**1.** TVS Supply Chain Solutions Limited ("**Petitioner**") was assessed by Provident Fund Authority ("**PFA**") for provident fund contribution of employees from April 2011 to October 2013 and a demand was raised for Rs 124,909,185 alleging that all the allowances being paid to employees should be included in 'wage' for the purpose

of calculating the provident fund contribution at the statutory rate. Aggrieved by this, the Petitioner filed a writ petition before the High Court of Madras whereby the Hon'ble High Court ordered that the EPF authorities can make the assessment, but no demand can be made till a similar case pending before the Hon'ble Supreme Court of India is decided. Subsequently, the Hon'ble Supreme Court of India passed a judgment in favour of the authorities. However, it was stated in the order that till a reassessment is done no demand can be raised. Thereby, the Petitioner filed a petition with the Regional PF Commissioner ("**RPFC**") seeking a re-assessment of provident fund contribution in view of the decision of the Apex Court. Additionally, the Petitioner also filed a writ petition in the High Court of Madras for reassessment of the contributions by the RPFC in lieu of the judgement passed by the Apex Court whereby the court has passed an order directing PF Authorities not to raise any demand till a reassessment is done. The matter is currently pending adjudication.

Regulatory proceedings against British International Investment plc

**1.** British International Investment plc ("**BII**") is a party to an ongoing litigation (under section 9 of the Arbitration and Conciliation Act, 1996) before the Delhi High Court, where the CFO of the investee company is seeking reliefs regarding event of default under a shareholder's agreement relating to his alleged removal. While general reliefs are sought against respondents (i.e. connected to preservation of CFO's rights under the SHA, amongst others), there are no specific reliefs sought against BII. Further, there are no monetary reliefs claimed. The matter is currently pending.

## VII. Litigation and regulatory action in relation to matters involving the Trust

Nil

## VIII. Litigation and regulatory action in relation to matters involving the Trustee

*Regulatory actions involving Trustee:*

1. An administrative warning was issued by SEBI vide its letter dated November 14, 2013 read together with the letter dated January 1, 2014 in relation to the inspection of books and records of debenture trustee business.

2. An administrative warning was issued by SEBI vide its letter dated August 14, 2017 in relation to the inspection of books and records of debenture trustee business.

3. An administrative warning was issued by SEBI vide its letter dated May 31, 2019 in relation to the inspection of books and records of debenture trustee business.

4. An administrative warning and deficiency letter was issued by SEBI vide its letter dated May 31, 2022 in relation to the inspection of books and records of debenture trustee business.

5. An administrative was issued by SEBI vide its letter dated June 9, 2023 in relation to the inspection conducted by SEBI for one of the Trustee's infrastructure investment trust client.

6. An advisory was issued by SEBI vide its letter dated June 12, 2023 in relation to the inspection conducted by SEBI for one of the Trustee's real estate investment trust client.

7. An administrative warning and advisory, vide letters dated August 8, 2023,and September 12, 2023, respectively, was issued by SEBI in relation to thematic inspection on debenture trustees.

8. An administrative warning issued by SEBI vide letter dated September 28, 2023,in relation to non-submission of information to SEBI as required under Regulation 10(18)(a) of Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014, as amended, by one of the Trustee's real estate investment trust client.

9. An administrative warning was issued by SEBI vide letter dated October 23, 2023,in relation to thematic inspection on debenture trustees with respect to creation of charge on the security for the listed debt securities as required under SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020.

10. A deficiency letter issued by SEBI vide letter dated January 11, 2024, in relation to thematic inspection of Real Estate Investment Trusts ("**REITs**") –Compliance with REIT Regulations with respect to submission of quarterly reports by Manager of the REIT to the Trustee.

11. An administrative warning, deficiency letter and advisory issued by SEBI vide letter dated June 28, 2024 in relation to inspection of the Trustee for the inspection period from July 01, 2021 to August 30, 2023.

12. Administrative warning issued by SEBI vide letter dated November 14, 2024, in relation to Examination with respect to recording and verification of Cash flow information in the Securities and Covenant Monitoring (SCM) system by Axis Trustee Services Limited, (ATSL) for the secured listed ISINs.

13. An adjudication Order bearing number EAD/PM-AA/AO/17/2018-19 dated July 11, 2018, was issued by SEBI under Section 15-I of Securities and Exchange Board of India Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and imposing penalties by Adjudicating Officer) Rules, 1995, as amended.

14. A settlement Order bearing number EAD-3/JS/GSS/80/2018-19 dated April 2, 2019,issued by SEBI under SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014 and SEBI (Settlement Proceedings) Regulations, 2018, both as amended from time to time.

15. An administrative warning was issued by SEBI vide letter dated March 31, 2022, to Prashant Joshi, one of the Director of the Trustee in relation to violation of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 in the matter of Axis Bank Limited

## IX. Taxation Proceedings

The details of all outstanding tax disputes involving the Project SPVs/ Holdco and against the Trust, the Sponsor, the Project Manager, the Investment Manager, their respective Associates, the Sponsor Group, and the Trustee, are set forth below:

| | Name of the entity | Number of Proceedings | Amount Involved (in ₹ million)* |
|---|---|---|---|
| **Direct tax** | | | |
| i. | Trust | Nil | NA |
| ii. | Sponsor / Project Manager | 3 | 28.91 |
| iii. | Sponsor Group** | 5 | 518.07 |
| iv. | Investment Manager | Nil | NA |
| v. | Associates of Sponsor/Project Manager/Investment Manager | 3 | 7.95 |
| vi. | Project SPVs/ Holdco | 2 | 2.40 |
| vii. | Trustee | Nil | NA |
| | | | |
| **Indirect Tax** | | | |
| i. | Trust | Nil | NA |
| ii. | Sponsor/ Project Manager | Nil | NA |
| iii. | Sponsor Group** | 2 | 139.11 |
| iv. | Investment Manager | Nil | NA |
| v. | Associates of Sponsor/Project Manager/Investment Manager | Nil | NA |
| vi. | Project SPVs/ Holdco | 6 | 704.67 |
| vii. | Trustee | Nil | NA |
| | **Total** | **21** | **1,401.11** |

* *The amounts mentioned above are litigation amounts and the financial impact shall not be the same as litigation amount since in many cases the impact may be Nil and / or the litigation amount has already been paid. Additionally, in 2 out of the 5 direct tax proceedings outstanding against the Sponsor Group, there is no quantifiable litigation amount.*

*** Tax litigations of Sponsor Group does not include tax litigations of the Sponsor. Tax litigations involving the Sponsor are disclosed separately at s. no. ii.*

## SECURITIES MARKET OF INDIA

*The information in this section has been extracted from documents available on the website of SEBI and the stock exchanges and has not been prepared or independently verified by the Parties to the Trust or the Lead Managers or any of their respective affiliates or advisors.*

### The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE, together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

### Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the SCR (SECC) Regulations, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes and sweat equity stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies, research analysts and other capital market participants have been notified by the relevant regulatory authority.

### Listing and Delisting of Units

The InvIT Regulations provide for listing and delisting of units of infrastructure investment trusts on the stock exchanges.

### BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India. The BSE provides a market for trading in equity. Currencies, debt instruments, derivatives and mutual funds. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, BSE was incorporated as a company under the Companies Act, 1956. The equity shares of BSE were listed on NSE on February 3, 2017.

### NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. Presently, the products on the exchange are organized into three assets classes for trading, namely (i) equity and equity-linked products such as stocks, IDRs, ETFs and units of closed ended mutual fund schemes, (ii) derivates and (iii) fixed income securities and debt products, including corporate bonds, sovereign gold bonds and other debt securities.

### Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

### Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. 1ST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m. that has been introduced recently). The NSE and the BSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives

segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

**Trading Procedure**

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen-based trading in securities and was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

**Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

## SELLING AND TRANSFER RESTRICTIONS

*The distribution of this Draft Placement Memorandum and the offer, sale or delivery of the Units is restricted by law in certain jurisdictions. Persons who may come into possession of this Draft Placement Memorandum are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Draft Placement Memorandum may not be used for the purpose of an offer or Invitation in any circumstances in which such offer or Invitation is not authorized. Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Units or making any resale, pledge or transfer of the Units.*

*Each purchaser of the Units in this Offer will be deemed to have made acknowledgments and agreements as described under the section entitled "Notice to Eligible Investors – Representations by the Eligible Investors" on page 2 of this Draft Placement Memorandum.*

**Republic of India**

This Draft Placement Memorandum may not be distributed directly or indirectly in India or to residents of India and any Units may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible Investors and is not an offer to the public. This Draft Placement Memorandum is neither a public issue nor a prospectus under the Companies Act, 2013 or an advertisement and should not be circulated to any person other than to whom this Offer is made. The Placement Memorandum and Final Placement Memorandum has not been and will not be registered as a prospectus with any Registrar of Companies in India.

No action has been taken or will be taken by the Trust, the Investment Manager or the Lead Managers that would permit a public offering of the Units to occur in any jurisdiction, or the possession, circulation or distribution of this Draft Placement Memorandum or any other material relating to the Trust or the Units in any jurisdiction where action for such purpose is required. Accordingly, the Units may not be offered or sold, directly or indirectly, and this Draft Placement Memorandum, any offering materials and any advertisements in connection with the offering of the Units may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Offer will be made in compliance with the applicable InvIT Regulations. Each purchaser of the Units in this Offer will be deemed to have made acknowledgments and agreements as described under the section entitled "*Notice to Investors*" on page 1, "*Notice to Eligible Investors - Representations by the Eligible Investors*" on page 2 and these Selling and Transfer Restrictions.

All Non-Resident Investors should note that, any future transfer of ownership of the Ordinary Units, directly or indirectly, must be in compliance with the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, including Press Note No.3 (2020 Series), dated April 17, 2020 issued by the DPIIT, to the extent applicable

**Australia**

This Draft Placement Memorandum:

1. does not constitute a product disclosure document or prospectus under Chapter 6D.2 of the Corporations Act, 2001 (Cth) ("**Australian Corporations Act**");

2. has not been, and will not be, lodged with the Australian Securities and Investments Commission ("**ASIC**"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D of the Australian Corporations Act;

3. does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of Australian Corporations Act and applicable regulations) in Australia; and

4. may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, or Exempt Investors, available under section 708 of the Australian Corporations Act.

The Units may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Units may be issued, and no draft or definitive placement memorandum, advertisement or other offering material relating to any Units may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Australian Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Units, you represent and warrant to us that you are an Exempt Investor.

As any offer of Units under the Placement Memorandum will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Units you undertake to the InvIT, the Investment Manager and the Lead Managers that you will not, for a period of 12 months from the date of issue of the Units, offer, transfer, assign or otherwise alienate those securities to any person in Australia except in circumstances where disclosure to such person is not required under Chapter

6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

**Bahrain**

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Draft Placement Memorandum has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. The InvIT has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Draft Placement Memorandum will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, this Draft Placement Memorandum or the marketing of Units in the Kingdom of Bahrain. Accordingly, Units may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

**British Virgin Islands**

The Units are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on the behalf. The Units may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "**BVI Company**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Draft Placement Memorandum has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered prospectus has been or will be prepared in respect of the Units for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

**Cayman Islands**

No offer or invitation to subscribe for Units may be made to the public in the Cayman Islands to subscribe for any of the Units but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the "**SIBL**"), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL.

**Dubai International Financial Centre**

This Draft Placement Memorandum relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority ("**DFSA**") Rulebook. This Draft Placement Memorandum is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Draft Placement Memorandum nor taken steps to verify the information set forth herein and has no responsibility for this Draft Placement Memorandum. The securities to which the Draft Placement Memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Draft Placement Memorandum you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre, this Draft Placement Memorandum is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the Dubai International Financial Centre.

**European Economic Area**

In relation to each member state of the European Economic Area and the United Kingdom (each, a "**Relevant State**"), no Units have been offered pursuant to the Offer to the public in that Relevant State prior to the publication of a prospectus in relation to the Units that has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

a. to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Lead Managers for any such offer; or

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

provided that no such offer of the Units shall require the Trust or any Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Units in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Units to be offered

so as to enable an investor to decide to purchase or subscribe to any Units, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

**Hong Kong**

(i) The Units have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO.

(ii) No advertisement, invitation or document relating to the Equity Shares has been or will be issued for the purposes of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

**Kuwait**

The Units have not been authorised or licensed for offering, marketing or sale in the State of Kuwait. The distribution of this Draft Placement Memorandum and the offering and sale of the Units in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

**Malaysia**

No prospectus or other offering material or document in connection with the offer and sale of the Units has been or will be registered with the Securities Commission of Malaysia ("Commission") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Draft Placement Memorandum, and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Units may not be circulated or distributed, nor may the Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Units, as principal, if the offer is on terms that the Units may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Units is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Draft Placement Memorandum is subject to Malaysian laws. This Draft Placement Memorandum does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

**Mauritius**

The Units may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Draft Placement Memorandum nor any offering material or information contained herein relating to the offer of the Units may be released or issued to the public in Mauritius or used in connection with any such offer. This Draft Placement Memorandum does not constitute an offer to sell the Units to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

**Sultanate of Oman**

This Draft Placement Memorandum and the Units to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority ("**CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of Units, no prospectus has been filed with the CMA. The offering and sale of Units described in this Draft Placement Memorandum will not take place inside Oman. This Draft Placement Memorandum is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

**Qatar (excluding the Qatar Financial Centre)**

The Units have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Draft Placement Memorandum has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Draft Placement Memorandum is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than the recipient thereof.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Draft Placement Memorandum, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Draft Placement Memorandum. Prospective purchasers of the Units offered hereby should conduct their own due diligence on the accuracy of the information relating to this Draft Placement Memorandum. If you do not understand the contents of this Draft Placement Memorandum, you should consult an authorized financial adviser.

**Qatar Financial Centre**

This Draft Placement Memorandum does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Center ("**QFC**"), and accordingly should not be construed as such. This Draft Placement Memorandum has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Draft Placement Memorandum is strictly private and confidential and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. The Trust has not been approved or licensed by or registered with any licensing authorities within the QFC.

**Saudi Arabia**

This Draft Placement Memorandum may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("**CMA**") pursuant to resolution number 2-11-2004 dated October 4, 2004 as amended by resolution number 1-28-2008, as amended (the "**CMA Regulations**"). The CMA does not make any representation as to the accuracy or completeness of this Draft Placement Memorandum and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Draft Placement Memorandum. Prospective purchasers of the Units offered hereby should conduct their own due diligence on the accuracy of the information relating to the Units. If you do not understand the contents of this Draft Placement Memorandum, you should consult an authorized financial adviser.

**Singapore**

This Draft Placement Memorandum has not been and will not be registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Draft Placement Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Units may not be circulated or distributed, nor may the Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, (Chapter 289), of Singapore as modified and amended from time to time (the "**Securities and Futures Act**")) pursuant to Section 274 of the Securities and Futures Act, (ii) to a relevant person (as defined in Section 275(2) of the Securities and Futures Act) pursuant to Section 275(1) of the Securities and Futures Act, or any person pursuant to Section 275(1A) of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Units are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Units pursuant to an offer made under Section 275 of the Securities and Futures Act except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the Securities and Futures Act; or

(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: The Trust determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Units are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAAN16: Notice on Recommendations on Investment Products).

**Taiwan**

The Units have not and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Units in Taiwan.

**United Arab Emirates (excluding the Dubai International Financial Centre)**

This Draft Placement Memorandum does not constitute or contain an offer of securities to the general public in the United Arab Emirates ("**UAE**"). No offering, marketing, promotion, advertising or distribution (together, "**Promotion**") of this document or the Units may be made to the general public in the UAE) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to non-natural persons "Qualified Investors" (as such term is defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

**United Kingdom**

This Draft Placement Memorandum is only directed at, and will only be provided to, persons to whom interests may lawfully be promoted pursuant to section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"). In particular, this Draft Placement Memorandum is only directed at, and will only be provided to, investment professionals ("**Relevant Persons**") within the meaning of article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("**FPO**"). Any investment or investment activity to which this Draft Placement Memorandum relates is available only to Relevant Persons and dealings hereunder will be made only with Relevant Persons. Persons who are not investment professionals within the meaning of article 19 of the FPO should not rely on this Draft Placement Memorandum.

This Draft Placement Memorandum has not been delivered for approval to the United Kingdom Financial Conduct Authority in the United Kingdom or to an authorized person within the meaning of the FSMA. No approved prospectus within the meaning of section 85 of the FSMA or of the Prospectus Regulation has been published or is intended to be published in relation to the Offer. This Draft Placement Memorandum does not constitute a prospectus for the purposes of the FSMA or the Prospectus Regulation.

**United States of America**

Each purchaser or subscriber of Units acknowledges and represents that:

i. it understands and agrees that the Units have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state, territory or other jurisdiction of the United States and may not be offered, resold, pledged or otherwise transferred, except (1) in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S, (2) pursuant to an exemption from the registration requirements of the Securities Act, or (3) pursuant to an effective registration statement under the Securities Act and (4) in accordance with all applicable securities laws of any state, territory or other jurisdiction of the United States;

ii. it understands that in the event Units are held in certificated form, such certificated Units will bear a legend substantially to the following effect:

"THE SECURITY EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), ANY STATE SECURITIES LAWS IN THE UNITED STATES OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT: (A) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER

THE SECURITIES ACT; (B) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT; OR (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED UNDER THE SECURITIES ACT FOR RESALES OF THIS SECURITY.";

iii. any resale made other than in compliance with the above stated restrictions shall not be recognised by the Trust;

iv. it agrees that it will give to each person to whom it transfers Units notice of any restrictions on transfer of such Units;

v. it agrees that neither it, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act with respect to the Units; and

vi. it acknowledges that the Trust, the Sponsor and the Lead Managers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements deemed to have been made by virtue of its purchase of Units are no longer accurate, it will promptly notify the Trust, the Sponsor and the Lead Managers, and if it is acquiring any Units as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

**Other Jurisdictions**

The distribution of Placement Memorandum and the offer and sale of the Units may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Memorandum comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## RIGHTS OF UNITHOLDERS

*The rights and interests of Unitholders are included in this Draft Placement Memorandum and the InvIT Regulations. Under the Trust Deed and the Investment Management Agreement, these rights and interests are safeguarded by the Trustee and the Investment Manager, respectively. Any rights and interests of Unitholders as specified in this Draft Placement Memorandum would stand qualified by and deemed to be amended to the extent of any amendment to the InvIT Regulations.*

***Beneficial Interest***

Each Unit represents an undivided beneficial interest in the Trust. The beneficial interest of each Unitholder shall be equal and limited to the proportion of the number of Units held by the Unitholder to the total number of Units. A Unitholder has no equitable or proprietary interest in the InvIT Assets and is not entitled to transfer of the InvIT Assets (or any part thereof) or any interest in the InvIT Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

***Ranking***

No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes. However, subordinate Units may be issued only to the Sponsor, its Associates and the Sponsor Group, in compliance with the InvIT Regulations, where such subordinate units of the Trust shall be deemed to be a part of the consideration for acquisition of the infrastructure project from such Sponsor, its Associates and Sponsor Group. However, the subordinate units shall not carry any voting rights or distribution rights.

***Redressal of grievances***

The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the InvIT in accordance with the InvIT Regulations and Applicable Law. Also, the Trustee shall periodically review the status of the Unitholders' complaints and their redressal undertaken by the Investment Manager, in accordance with the InvIT Regulations. For details, please see the section entitled "*Corporate Governance*" on page 219.

***Distribution***

The Unitholders shall have the right to receive distribution in accordance with the InvIT Regulations and in the manner provided in this Draft Placement Memorandum. For details, please see the section entitled "*Distributions*" on page 470.

***Meeting of Unitholders***

The Investment Manager shall convene meetings of the Unitholders and maintain records pertaining to the meetings in accordance with the InvIT Regulations. The Investment Manager acknowledges that matters brought to vote at a meeting of the Unitholders shall require approval of such percentage of Unitholders, present and voting, in accordance with the InvIT Regulations.

*Passing of resolutions*

1. With respect to any matter requiring approval of the Unitholders:

    (i) a resolution shall be considered as passed when the votes cast by Unitholders, so entitled and voting, in favour of the resolution exceed a certain percentage as specified in the InvIT Regulations, of votes cast against;

    (ii) the voting may be done by postal ballot or electronic mode;

    (iii) a notice of not less than 21 days shall be provided to the Unitholders;

    (iv) voting by any Unitholder (including, the Sponsor in its capacity as a Unitholder), who is a Related Party in such transaction, as well as associates of such Unitholder(s) shall not be considered on the specific issue; and

    (v) the Investment Manager shall be responsible for all the activities pertaining to conducting of meeting of the Unitholder, subject to oversight by the Trustee. However, for issues pertaining to the Investment Manager, including a change in the Investment Manager, removal of Investment Manager or change in control of Investment Manager; the Trustee shall convene and handle all activities pertaining to conduct of the meetings. Additionally, for issues pertaining to the Trustee, including change in Trustee, the Trustee shall not be involved in any manner in the conduct of the meeting.

2. For the Trust:

    (i) an annual meeting of all Unitholders shall be held not less than once a year within 120 days from the end of each financial year and the time between two meetings shall not exceed 15 months;

(ii) with respect to the annual meeting of Unitholders,

a) any information that is required to be disclosed to the Unitholders and any issue that, in the ordinary course of business, may require approval of the Unitholders may be taken up in the meeting including:

- latest annual accounts and performance of the Trust;
- approval of auditor and fee of such auditor, as may be required;
- latest valuation reports;
- appointment of valuer, as may be required; and
- any other issue; and

b) for any issue taken up in such meetings which require approval from the Unitholders other than as specified in Regulation 22(6) of the InvIT Regulations and paragraph 4 below, votes cast in favour of the resolution shall be more than the votes cast against the resolution.

3. Notwithstanding generality of the foregoing, in case of the following, approval from the Unitholders shall be required where the votes cast in favour of the resolution shall be more than the votes cast against the resolution:

(i) any approval from the Unitholders required in terms of Regulation 18 (*Investment conditions and dividend policy)*, Regulation 19 (*Related Party Transactions*) and Regulation 21 *(Valuation of assets*) of the InvIT Regulations to the extent applicable;

(ii) any borrowings, in excess of the limits specified under Regulation 20(3)(a) of the InvIT Regulations;

(iii) any transaction, other than any borrowing, the value of which is equal to or greater than 25% of the InvIT Assets;

(iv) increasing period for compliance with investment conditions to one year in accordance with Regulation 18(5)(c) of the InvIT Regulations;

(v) any issue of units after initial public offer by an InvIT, in whatever form, other than any issue of units which may be considered by the SEBI under Regulation 22(5) of the InvIT Regulations;

(vi) any issue, in the ordinary course of business, which in the opinion of the Sponsor or the Trustee or the Investment Manager, is material and requires approval of the Unitholders, if any; and

(vii) any issue for which SEBI or the designated stock exchange requires approval.

4. In case of the following, approval from the Unitholders shall be required where the votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution:

(i) any issue, not in the ordinary course of business, which in the opinion of the Sponsor or Investment Manager or the Trustee requires approval of the Unitholders;

(ii) any change in investment manager including removal of the investment manager or change in control of the investment manager;

(iii) sponsor(s) or trustee and investment manager proposing to seek delisting of units of the InvIT under Regulation 17(1)(e) of the InvIT Regulations;

(iv) any issue for which SEBI or the designated stock exchange requires approval; and

(v) any material change in investment strategy or any change in the management fees of the Trust;

(vi) any issue taken up on request of the Unitholders including:

a) removal of the Investment Manager and appointment of another investment manager to the Trust;

b) removal of the Auditor and appointment of another auditor to the Trust;

c) removal of the Valuer and appointment of another valuer to the Trust;

d) delisting of the Trust, if the Unitholders have sufficient reason to believe that such delisting would act in the interest of the Unitholders;

e) any issue which the Unitholders have sufficient reason to believe that is detrimental to the interest of the Unitholders; and

f) change in the Trustee, if Unitholders have sufficient reason to believe that acts of the Trustee are detrimental to the interest of Unitholders.

With respect to the rights of the Unitholders under clause 4(vi) above:

(i) save as set out in (iii) below, not less than 25% of the Unitholders by value, other than any party related to the transactions and its associates, shall apply, in writing, to the Trustee for the purpose;

(ii) on receipt of such application, the Trustee shall require, with the Investment Manager to place the issue for voting in the manner as specified in the InvIT Regulations;

(iii) with respect to clause 4(vi)(f) above, not less than 60% of the Unitholders by value shall apply, in writing, to the Trustee for the purpose;

(iv) any change in investment manager including removal of the investment manager or change in control of the investment manager;

(v) any material change in investment strategy or any change in the management fees of the Trust; and

(vi) the Trustee and Investment Manager proposing to seek delisting of units of the Trust as per the InvIT Regulations.

***Information rights***

The Investment Manager, on behalf of the Trust, shall also submit such information to the Stock Exchange and the Unitholders, on a periodical basis as may be required under the InvIT Regulations and the Listing Agreement to be entered into with the Stock Exchange. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, the Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI. The Investment Manager, on behalf of the Trust, shall also provide disclosures or reports specific to the sector or sub-sector in which the Trust has invested or proposes to invest, in the manner as may be specified by SEBI.

***Nomination Rights***

Unitholders holding minimum 10% of the Units shall have right to nominate one director on the board of Investment Manager, in accordance with the Trust Deed and the InvIT Regulations.

***Buyback of Units***

Any buyback of Units shall be in accordance with the Trust Deed and the InvIT Regulations.

***De-listing of Units***

Any delisting of Units shall be in accordance with the Trust Deed and the InvIT Regulations

## DILUTION

Dilution is the amount by which the Offer Price exceeds the net asset value ("**NAV**") per Unit, immediately after the completion of this Offer. NAV per Unit is determined by subtracting the total liabilities of the Trust from the total assets of the Trust and dividing by the number of Units issued and outstanding immediately before this Offer. There was no *pro forma* NAV before this Offer for the Units.

The Trust will issue [●] Units at an Offer Price of ₹ [●] for each Unit, resulting in a combined NAV of the Trust of approximately ₹ [●] million or ₹ [●] per Unit based on total number of Units outstanding after the completion of this Offer. This represents an immediate dilution in combined NAV of approximately ₹ [●] per Unit to the Unitholders, subscribing in this Offer. The following provides the per Unit dilution as on [●]:

| | |
|---|---|
| **Combined NAV per Unit before this Offer** | [●] |
| **Combined NAV per Unit after this Offer** | [●] |
| **Dilution in NAV per Unit to the Sponsor attributable to the Sponsor** | [●] |
| **Dilution in NAV per Unit to Unitholders (other than the Sponsor)** | [●] |
| **Dilution to Unitholders (other than the Sponsor) as a percentage of the Offer Price** | [●] |

## OFFER STRUCTURE

Initial offer of up to [●] Units through a private placement at a price of ₹ [●] per Unit, aggregating up to ₹ 13,000.00 million and comprising a fresh issue of up to [●] Units aggregating up to ₹ 10,500.00 million by the Trust and an offer for sale of up to [●] Units aggregating up to ₹ 2,500.00 million by the Selling Unitholder. In accordance with Regulation 14(1A) of the InvIT Regulations, this Offer shall constitute at least, 25% of the total outstanding Units of the Trust on a post-Offer basis.

| Particulars | Details |
|---|---|
| Number of Units available for Allotment/allocation | Initial offer of up to [●] Units comprising a fresh issue of up to [●] Units by the Trust and an offer for sale of up to [●] Units by the Selling Unitholder |
| Basis of Allotment/allocation | Discretionary |
| Minimum Bid | Such number of Units that the Bid Amount is not less than ₹ [●] million, and in multiples of [●] Units thereafter |
| Maximum Bid | Such number of Units (in multiples of [●] Units) not exceeding the size of this Offer, subject to applicable investment limits |
| Mode of Allotment | Compulsorily in dematerialised form |
| Bid Lot | A minimum of [●] Units, and in multiples of [●] Units thereafter |
| Allotment Lot | A minimum of [●] Units, and in multiples of [●] Units thereafter |
| Trading Lot (1) | Upon listing, such number of Units, the value of which is, or exceeds, ₹ [●] million |
| Arrangements for Disposal of Odd Lots | The Stock Exchange will provide for an odd lot window to facilitate the trading of odd lots of Units that may be created from time to time on account of various events, including instances such as declaration of NAV and any distributions in respect of the Units |
| Who can apply | (i) Institutional Investors; and<br>(ii) Bodies Corporate<br>as defined in InvIT Regulations |
| Terms of Payment | Entire Bid Amount shall be payable along with the Application Form |

(1) *The trading lot post-listing of the Units may be modified in accordance with the InvIT Regulations and other applicable law.*

In accordance with the InvIT Regulations, the maximum subscription from any investor other than the Sponsor, its Related Parties and its associates shall not be more than 25% of the total outstanding Units on a post-Offer basis. For details in relation to the lock-in of Units by Sponsor and Sponsor Group, please see the section titled "*Information Concerning the Units*" on page 458.

### Indicative Offer Timeline

| Event | Indicative Date |
|---|---|
| Bid/Offer Opening Date | [●] |
| Bidders to submit completed Application Forms | [●] |
| Bid/Offer Closing Date | [●] |
| Dispatch of CANs to successful Bidders | On or about [●] |
| Closing Date | On or about [●] |
| Designated Date | On or about [●] |
| Initiation of refunds, if any, in the event of any failure to obtain final listing and trading approval within 30 Working Days from the date of Allotment | On or about [●] |
| Listing Date | On or about [●] |

The above timetable is indicative and does not constitute any obligation or liability on the Trust, the Sponsor, the Investment Manager, the Trustee, the Selling Unitholder or the Lead Managers.

**While the Investment Manager shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Units on NSE is completed within thirty Working Days from the date of Allotment, the timetable may change due to various factors, such as, any extension of the Bid/Offer Period by the Investment Manager or any delay in receiving the final listing and trading approval from NSE. The commencement of trading of the Units will be entirely at the discretion of the NSE and in accordance with applicable law.**

**The Selling Unitholder confirms that it shall extend all reasonable co-operation required by the Trust, the Investment Manager and the Lead Managers for the completion of the necessary formalities for listing and commencement of trading of the Units offered by the Selling Unitholder in the Offer for Sale on the Stock Exchange within thirty Working Days from the date of allotment.**

## OFFER PROCEDURE

*Below is a summary, intended to provide a general outline of the procedures for the bidding, application, payment, Allocation and Allotment of the Units to be offered pursuant to the Offer.*

*Eligible Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them under applicable law to which they are subject, and should consult their respective advisors in this regard. Eligible Investors that apply in this Offer will be required to confirm, and will be deemed to have represented to the Trustee the Sponsor, the Investment Manager, the Lead Managers, the Selling Unitholder and their respective directors, officers, agents, affiliates and representatives, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Units. The Investment Manager, the Sponsor, the Selling Unitholder and the Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Units.*

### Authority for the Offer

The Trust is making this Offer in accordance with Regulation 14(2) of the InvIT Regulations. The Offer and the Fresh Issue was authorised and approved by the board of directors of the Investment Manager on January 27, 2025. This Draft Placement Memorandum has been approved by the Board in its meeting dated January 27, 2025 and by the InvIT Committee, constituted by the Board, on February 6, 2025.

The Offer for Sale has been authorized by the board of directors of the Selling Unitholder on January 27, 2025. Further, with respect to the Units offered by the Selling Unitholder in the Offer for Sale, the Selling Unitholder has held equity shares of the Project SPVs and the Holdco, against which such Units have been allotted to the Selling Unitholder, for a period of at least one year immediately preceding the date of the Draft Placement Memorandum.

The Trust will receive the in-principle approval from NSE, for listing of the Units on NSE. The Investment Manager has filed a copy of this Draft Placement Memorandum, and will file a copy of the Placement Memorandum and the Final Placement Memorandum with the SEBI and the Stock Exchange, in compliance with the provisions of the InvIT Regulations.

Neither the Trust, Trustee, Project Manager, Investment Manager or any of its directors have been declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016, as amended.

**The Units have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable law of such jurisdiction. The Units shall not be offered or sold where such offer or sale would require registration, qualification or listing.**

**The Eligible Investors should note that Allotment to successful Bidders will only be in the dematerialised form. Application Forms which do not have the details of the Bidders' demat accounts including DP ID, PAN and Client ID will be treated as incomplete and rejected. Bidders will not have the option of receiving Allotment in physical form. On Allotment, the Units will be traded only on the dematerialised segment of the Stock Exchange.**

### Offer Procedure

1. The Lead Managers, in consultation with the Investment Manager and Sponsors shall electronically circulate serially numbered copies of the Placement Memorandum and the Application Form to Eligible Investors. The Application Form will be specifically addressed to each Eligible Investor. The list of Eligible Investors to whom the serially numbered copies of the Placement Memorandum and the Application Form will be circulated shall be determined by the Investment Manager and Sponsors, in consultation with the Lead Manager.

2. **Unless a serially numbered Placement Memorandum along with an Application Form is addressed to a particular Eligible Investor, no invitation to subscribe shall be deemed to have been made to such Eligible Investor.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or Invitation to offer shall be deemed to have been made to such person and such person shall not be eligible to participate in the Offer.

3. Bidders may submit an Application Form to the Lead Managers only during the Bid/Offer Period and not later than the Bid/Offer Closing Date.

4. Bidders will be required, inter alia, to indicate the following in the Application Form:

   (a) a representation that it is acquiring the Units in an "offshore transaction", as defined in, and in reliance on, Regulation S and it has agreed to certain other representations set forth in the sections entitled "*Notice to*

*Investors - Representations by Eligible Investors"* on page 2 and *"Selling and Transfer Restrictions"* on page 520 and certain other representations made in the Application Form;

(b) name of the Bidder to whom the Units are to be Allotted;

(c) number of Units Bid for;

(d) details of the Bid Amount deposited by the Bidder into the Designated Account;

(e) details of the demat accounts to which the Units should be credited;

(f) a representation that such person is an "Institutional Investor" or a "Body Corporate" in terms of the InvIT Regulations;

(g) the details of Bidder's bank account along with fund transfer details, in case of any refund;

(h) that it is permitted to acquire the Units under the laws of any applicable jurisdiction and that it has necessary capacity and authority, and have obtained all necessary consents and authorisations to enable it to commit to this participation in the Offer and to perform its obligations in relation thereto (including, without limitation, on behalf of any person) and honour such obligations;

(i) it is eligible to invest in India and in the Units under applicable law, including the FEMA Rules, and has not been prohibited by SEBI or any regulatory authority from buying, selling or dealing in units or securities; and

(j) any other information which may be relevant to the Bid.

*Note*: Bids made by asset management companies or custodians of Mutual Funds, as permitted under applicable law, shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Units that can be held by them under applicable law and the InvIT Regulations.

5. Each Bidder shall be required to make payment of the entire Bid Amount for the Units at the Offer Price, only through electronic transfer to the Designated Account during the Bid/Offer Period, prior to the closure of the Bid/Offer Period.

6. No payment shall be made by Bidders in cash. Please note that any payment of Bid Amount for Units shall be made from the bank account of the relevant Bidder applying for Units and the Lead Managers, on behalf of the Investment Manager, shall keep a record of the bank account from where such Bid Amounts have been received. The Bid Amount payable on Units to be held by joint holders shall be paid from the bank account of the person whose name appears first in the completed Application Form. Pending listing of the Units, all Bid Amounts received from Bidders shall be kept in the Cash Escrow Account.

7. Once a duly completed Application Form is submitted by a Bidder on the basis of disclosures in the Placement Memorandum, such Application Form constitutes an irrevocable offer and cannot be withdrawn.

8. Upon receipt of the completed Application Form and the receipt of the Bid Amount in the Designated Account, the Investment Manager and Sponsors shall, after Bid/Offer Closing Date, determine the number of the Units to be Allotted pursuant to the Offer, in consultation with the Lead Manager.

9. Upon determination of the Bidders to whom Allocation shall be made, the Lead Managers, on behalf of the Investment Manager and the Selling Unitholder, will send the CANs, along with a serially numbered Final Placement Memorandums to the Bidders who have been Allocated Units. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract in respect of the number of Units Allocated to the Bidder. **Please note that the Allocation and Allotment will be at the absolute discretion of the Investment Manager and the Sponsors, in consultation with the Lead Managers, and in accordance with the InvIT Regulations.**

10. Upon the dispatch of the CAN to successful Bidders, the Selling Unitholder and the Investment Manager shall Allot Units of the Trust as per the details in the CAN sent to the successful Bidders. The Investment Manager will intimate the Stock Exchange about the details of the Allotment and apply for approvals of the Units for listing and trading of the Units on the Stock Exchange after the credit of Units into the demat accounts of the successful Bidders.

11. Allottees are advised to instruct their respective Depository Participants' to accept the Units that may be Allotted to them pursuant to the Offer into their respective demat accounts.

12. In the event the Investment Manager and the Selling Unitholder are unable to Allot the Units, in full or in part, or upon cancellation of the Offer, the Investment Manager and the Selling Unitholder shall be liable to refund the Bid Amounts

with interest to the Bidders in accordance with applicable law. For each Bidder to whom any amounts are to be refunded, the refund shall be made to the same bank account from which the Bid Amount was remitted by such Bidder.

13. The Units that have been credited to the demat accounts of the Bidders shall be listed and eligible for trading on the Stock Exchange only upon the receipt of final listing and trading approvals from the Stock Exchange. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchange or the Investment Manager.

14. The Bid Amounts will be transferred to the account of the Trust and the Selling Unitholder from the Cash Escrow Account only after receipt of the final listing and trading approval for the Units from Stock Exchange.

**Who can Bid?**

Each Bidder should check if it is eligible to Bid for Units in this Offer under applicable laws. Furthermore, certain categories of Bidders may not be permitted to Bid in the Offer or hold Units in excess of the limits specified under applicable law.

Only Institutional Investors and Bodies Corporate are eligible to participate in the Offer.

An Institutional Investor is defined in Regulation 2(1)(ya) of the InvIT Regulations.

A Body Corporate is defined in Section 2(11) of the Companies Act, 2013 to include a company incorporated outside India, but does not include (i) a co-operative society registered under any law relating to co-operative societies; and (ii) any other body corporate (not being a company as defined in the Companies Act, 2013) which the Central Government may, by notification, specify in this regard.

Bodies Corporate incorporated outside India are permitted to participate in the Offer subject to compliance with Schedule VIII of the Foreign Exchange Management (Non-debt Instrument) Rules, 2019, as amended.

All Non-Resident Investors should note that, in accordance with the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, including Press Note No.3 (2020 Series), dated April 17, 2020 issued by the DPIIT, where the beneficial owner of a proposed investment into India is situated in or is a citizen of a country that shares land border with India (but is not a multilateral bank or fund of which India is a member), approval of the Government will be required prior to such investment.

**The Trustee, the Valuer and the employees of the Valuer, who were involved in the valuation of the Project SPVs/ Holdco are not permitted to Bid in the Offer.**

***Bids by FPIs***

Foreign Portfolio Investors (other than individuals, corporate bodies and family offices) are permitted to participate in the Offer subject to compliance with Schedule VIII and other applicable provisions of the of the Foreign Exchange Management (Non-debt Instrument) Rules, 2019, as amended. In case of Bids by FPIs, the payment should be made as inward remittance from abroad through banking channels or out of funds held in accounts maintained in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016, along with documentary evidence in support of the remittance. In case of Bids made by FPIs, a certified true copy of the certificate of registration issued by the designated depository participant under the SEBI FPI Regulations is required to be attached along with the Application Form, failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

***Bids by SEBI registered VCFs and AIFs***

The SEBI VCF Regulations prescribe, amongst others, the investment restrictions on VCFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Further, VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations. VCFs and AIFs are subject to certain investment restrictions, including with respect to the percentage of investible funds held in each investee entity. Allotments made in respect of Bids by VCFs and AIFs in the Offer shall be subject to the rules and regulations that are applicable to each of them respectively. In case of Bids made by VCFs or AIFs, a certified true copy of the registration certificate issued by SEBI is required to be attached along with the Application Form failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

***Bids by Banking Companies***

Bids may be made by banks, as permitted by the RBI, and are subject to the conditions specified in the Prudential Guidelines – Banks' investment in units of REITs and InvITs dated April 18, 2017. In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form. Failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

***Bids by Provident Funds/Pension Funds***

On March 2, 2015, the Ministry of Finance issued a notification allowing investments by non-government provident funds, superannuation funds and gratuity funds up to 5% in infrastructure investment trusts, as specified. On May 29, 2015, the Ministry of Labour and Employment issued a notification allowing investments by provident funds up to 5% in infrastructure investment trusts, as specified. However, such investments by provident funds and superannuation funds and gratuity funds will be subject to, amongst others, the sponsors entity of the Trust having a minimum of AA or equivalent rating in the applicable rating scale from at least two credit rating agencies registered with SEBI. In case of Bids made by provident funds, subject to applicable law, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form. Failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

***Bids by NPS Schemes***

The Pension Fund Regulatory and Development Authority ("**PFRDA**") issued circulars dated June 3, 2015 and September 2, 2015, respectively, allowing investments by national pension fund schemes (other than corporate central government schemes, corporate state government schemes, central government sector schemes, state government sector schemes, NPS Lite Schemes of NPS and Atal Pension Yojana schemes) ("**Non- Govt. NPS Schemes**") and corporate central government schemes, corporate state government schemes, central government sector schemes, state government sector schemes, NPS Lite Schemes of NPS and Atal Pension Yojana schemes ("**Govt. NPS Schemes**" and together with the Non-Govt NPS Schemes, the "**NPS Schemes**") to invest in the units of infrastructure investment trusts that are listed or proposed to be listed. The cumulative investment in units and debt instruments of InvITs and REITs by NPS Schemes is not permitted to exceed 3% of the assets under management of the relevant pension fund at any time. Non-Gov. NPS Schemes are also not permitted to invest more than 5% of the units issued by a single InvIT. Such investment will be subject to, amongst others conditions, (i) for Govt. NPS Schemes, the units being rated AAA (or equivalent) in the applicable rating scale of the Trust from at least two credit rating agencies registered with SEBI ("**CRAs**") and the rating of the sponsor floating the trust being AAA (or equivalent) in the applicable rating scale of the Trust from at least two CRAs, and (ii) for Non-Govt. NPS Schemes, such securities being rated AA (or equivalent) in the applicable rating scale of the Trust from at least two CRAs. In case of Bids made by NPS Schemes, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Application Form, failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

***Bids by Mutual Funds***

Bids may be made by mutual funds under all its schemes, existing and future, subject to the investment conditions and other restrictions prescribed under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (including, the circular on mutual funds dated February 28, 2017 and any other circulars, notifications and guidelines issued thereunder). In case of Bids made by Mutual Funds, a certified true copy of the issued by SEBI is required to be attached along with the Application Form, failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

***Bids by Eligible NRIs***

In accordance with Schedule IV of the FEMA Rules, Eligible NRIs, including companies, trusts and partnership firms incorporated outside India which are owned and controlled by NRIs, are permitted to purchase units issued by an 'investment vehicle' without any limit, either on the stock exchange or outside it. The FEMA Rules define an 'investment vehicle' to mean an entity registered and regulated under the regulations framed by SEBI or any other authority designated for that purpose, including an InvIT governed by SEBI.

Investments by Eligible NRIs in the Units shall be on a non-repatriation basis, and shall be deemed to be domestic investment at par with investments made by residents of India.

***Bids by Insurance Companies***

Bids may be made by insurance companies as permitted by the Insurance Regulatory and Development Authority of India in terms of the Master Circular – Investments, 2016 and the circular issued by the IRDAI entitled, Investment in Units of Real Estate Investment Trusts (REIT) & Infrastructure Investment Trusts (InvIT) dated March 14, 2017.

***Bids under Power of Attorney***

In case of Bids made pursuant to a power of attorney by Institutional Investors or Bodies Corporate, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted along with the Application Form, failing which the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

The Investment Manager, in consultation with the Lead Managers, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

Allotments, if any, made to FVCIs in the Offer are subject to the respective rules and regulations that are applicable to each of them.

**All Non-Resident Investors including Eligible NRIs and FPIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/or commission.**

**There is no reservation for NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**The Parties to the Trust, the Selling Unitholder and the Lead Managers are not liable for any amendment or modification or change to applicable law or regulations, which may occur after the date of this Draft Placement Memorandum. Eligible Investors are advised to make their independent investigations and satisfy themselves that they are eligible to apply in the Offer. Eligible Investors are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Units that can be held by them under applicable law or regulation or as specified in the Placement Memorandum.**

*Note: Affiliates or associates of the Lead Managers who are Eligible Investors may participate in the Offer in compliance with applicable law.*

***Maximum and Minimum Bid Size***

(i) Each Bidder is required to Bid for a Minimum Bid Size of ₹ [●] million and in multiples of [●] Units, thereafter.

(ii) No Bidder shall Bid for that number of Units which exceeds the Offer size.

**Application Process**

***Application Form***

Bidders shall only use the serially numbered Application Forms provided by the Investment Manager for the purpose of making a Bid in terms of the Placement Memorandum.

A Bidder applying for the Units to be issued pursuant to the Offer must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of such Bidder.

By making a Bid for the Units through Application Forms, Bidders will be deemed to have made the following representations and warranties, respectively:

1. The Bidder confirms that it is an Institutional Investor or a Body Corporate, and is eligible to participate in the Offer;

2. The Bidder has deposited the Bid Amount in the Designated Account;

3. Subject to the terms of the Application Form and this Draft Placement Memorandum and applicable law, the Bidder has no right to withdraw its Bid once such Bid is submitted to the Lead Manager;

4. Revised Bids, if any, shall have been submitted during the Bid/Offer Period;

5. The Bidder confirms that it is eligible to apply for, and hold, any Units that may be Allotted to the Bidder pursuant to the Offer. The Bidder further confirms that any such Allotment of Units to, and the holding of Units by, the Bidder does not, and shall not, exceed the level permissible as per any law applicable to the Bidder;

6. The Bidder understands and agrees that the Units have not been and will not be registered under the Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Bidder confirms that it is purchasing the Units in an "offshore transaction" as defined in and in reliance on Regulation S under the Securities Act, and in either case is not our affiliate or a person acting on behalf of such an affiliate.

7. The Bidder further confirms that no offer or sale of the Units is the result of any "directed selling efforts" in the United States (as such term is defined in Regulation S) and that the Trust and the Lead Managers, and their respective affiliates and representatives (including legal counsels to each of the foregoing), will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agree that, if at any time any of the acknowledgements, representations, warranties and agreements made in connection with the Units is no longer accurate, it shall immediately notify the Trust and the Lead Managers in writing.

**ELIGIBLE INVESTORS MUST PROVIDE THEIR DEMAT ACCOUNT DETAILS, THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY**

**ACCOUNT NUMBER AND BANK ACCOUNT DETAILS IN THE APPLICATION FORM. ELIGIBLE INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEMAT ACCOUNT IS HELD.**

Demographic details such as address and bank account details will be obtained from the Depositories as per the demat account details given in the Application Form.

***Instructions for completing the Application Form***

Bidders may note that forms not filled completely or correctly as per instructions provided in the Placement Memorandum and the Application Form are liable to be rejected. The Bids should adhere to the following:

(i) Bids must be made only in the prescribed Application Form;

(ii) Application Form must be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein and in the Application Form. In case of incomplete Application Forms, the Investment Manager, in consultation with the Lead Managers, reserves the right to reject the Bid.

(iii) Bidders must provide details of valid and active DP ID, Client ID and PAN clearly and without error. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended shall not be considered for Allotment. Bidders should note that the Lead Managers, Registrar and the Investment Manager will not be liable for errors in data entry due to incomplete or illegible Application Forms; and

(iv) Bidders are required to sign the Application Form. Bidders should ensure that the thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India, are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

***Submission of Application Form***

All Application Forms must be duly completed with information including the name of the Bidder, the number of the Units applied for and the Bid Amount deposited in the Designated Account, and include details of the bank account from which payment of the Bid Amount was made. The Application Form shall be submitted to the Lead Managers either through electronic form or through physical delivery at the following address:

**Axis Capital Limited**
1st Floor, Axis House
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India
**Tel**.: +91 22 4325 2183
**E-mail**: tvsilp.invit@axiscap.in
**Investor Grievance E-mail**: complaints@axiscap.in
**Website**: www.axiscapital.co.in
**Contact Person**: Harish Patel
**SEBI Registration No**.: INM000012029

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC, Plot No. C-27, 'G' Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
**Tel**: +91 22 4336 0000
**E-mail**: tvsilp.invit@kotak.com
**Investor Grievance E-mail**: kmccredressal@kotak.com
**Website**: https://investmentbank.kotak.com
**Contact Person**: Ganesh Rane
**SEBI Registration No**.: INM000008704

The Lead Managers will not be required to provide any written acknowledgement of the Application Form.

***PAN***

**Each Eligible Investor must mention its Permanent Account Number ("PAN") allotted under the IT Act. Each Eligible Investor is required to submit a copy of its PAN card along with the Application Form**. Applications without this information will be considered incomplete and are liable to be rejected, unless the investor is not required to hold or specify a PAN under applicable law. Eligible Investors should not submit the general index registrar number ("**GIR**") instead of the PAN as the Application Form is liable to be rejected on this ground.

***Bank Account for Payment of Bid Amount***

The Investment Manager has opened the Designated Account and Cash Escrow Account with [●], acting as the Escrow Collection Bank in terms of the Cash Escrow Agreement. Bidders are required to deposit the entire Bid Amount during the Bid/Offer Period, together with the completed Application Form, in favour of "[●]".

If the payment of the Bid Amount is not made favouring the Designated Account within the Bid/Offer Period, the Application Form of the Bidder is liable to be rejected.

The Trustee and the Investment Manager shall utilize the amount deposited in the Designated Account only for the purposes of: (i) adjustment against Allotment; or (ii) refund of Bid Amount in case of any failure to allot Units in the Offer. For further details, please see the section entitled "*Offer Procedure – Refunds*" on page 539.

***Payment Instructions***

The payment of Bid Amount shall be made by the Bidders in the name of the Designated Account as per the payment instructions provided in the Placement Memorandum and the Application Form. Payments are to be made only through electronic fund transfer. Payments through cheques or cash or any mode other than electronic mode shall be rejected.

**Allocation**

The Bidders shall submit their Bids for the Units within the Bid/Offer Period to the Lead Manager. The book shall be maintained by the Lead Managers.

***Method of Allocation***

The Investment Manager shall determine the Allocation in consultation with the Lead Managers on a discretionary basis, subject to the InvIT Regulations, SEBI Guidelines and other Applicable Laws. After finalization of the Allocation, the Investment Manager will update the Placement Memorandum with the Offer details and file the Final Placement Memorandum with SEBI and the Stock Exchange, and dispatch the CAN, together with a serially numbered Final Placement Memorandum to each successful Bidder.

**THE DECISION OF THE INVESTMENT MANAGER, IN CONSULTATION WITH THE LEAD MANAGERS, IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF THE UNITS IS AT THE SOLE AND ABSOLUTE DISCRETION OF THE INVESTMENT MANAGER, IN CONSULTATION WITH THE LEAD MANAGERS, AND BIDDERS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS. NEITHER THE INVESTMENT MANAGER NOR THE LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY SUCH NON-ALLOCATION.**

The Units in the Offer will be Allotted in the following order: (i) first, 100% of the Units pursuant to the Fresh Issue shall be Allotted prior to any Units offered in the Offer for Sale ("**Offered Units**"); and (ii) second, the Units offered by the Sponsor received as consideration by the Sponsor for the transfer of its shareholding in certain Project SPVs and Holdco. In case of under-subscription in the Offer, the Units in the Fresh Issue will be Allotted prior to any Units in the Offer for Sale and the Units in the Offer for Sale shall be Allotted in the manner set out above.

**The Investment Manager in consultation with the Lead Managers reserve the right to withdraw the Offer any time after the Bid/Offer Opening Date but before the Allotment, without assigning any reasons whatsoever.**

**Confirmation of Allocation Note or CAN**

Based on the Application Forms and Bid Amounts received from Bidders, the Investment Manager, in consultation with the Lead Managers, in its sole and absolute discretion, will decide the Bidders to whom the serially numbered CANs shall be sent, pursuant to which the details of Units Allocated to them shall be notified to such Bidders. Further, details of the amounts payable for Allotment of the Units in their respective names shall be notified to such Bidders. Additionally, the CAN will include the probable designated date, being the date of credit of the Units to the respective Bidder's demat account ("**Designated Date**").

Bidders, who have been Allocated Units, would also be sent a serially numbered Final Placement Memorandum either in electronic form or by physical delivery along with the serially numbered CAN. The dispatch of the serially numbered Final Placement Memorandum and the CAN to Bidders shall be deemed a valid, binding and irrevocable contract in respect of the number of Units Allocated to each successful Bidder.

Bidders are advised to instruct their Depository Participant to accept the Units that may be Allotted to them pursuant to the Offer.

***Bidders' Demat Account and Bank Account Details***

Bidders should note that on the basis of Bidders' PAN, DP ID and Client ID provided by them in the Application Form, the Registrar will obtain from the Depository the demographic details including the Bidders' address and bank account details (including the nine-digit Magnetic Ink Character Recognition ("**MICR**") code as appearing on a cheque leaf) (the "**Demographic Details**"), from the Depository. The Demographic Details will be used for giving refunds (including through direct credit, NACH, NECS, NEFT and RTGS) to the Bidders. It is mandatory to provide the bank account details in the space provided in the Application Form and Application Forms that do not contain such details are liable to be rejected. Hence, Bidders are advised to immediately update their bank account details, PAN and Demographic Details as appearing in the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in credit of refunds to Bidders at their sole risk and none of the Lead Managers, the Registrar, the Escrow Collection Bank, the Investment Manager, the Selling Unitholder or the Trustee will have any responsibility or undertake any liability for this. Accordingly, Bidders should carefully fill in their demat account details in the Application Form.

By signing the Application Form, the Bidder is deemed to have authorized the Depositories to provide to the Registrar, on request, the required Demographic Details as available in their records.

***Closing Date and Allotment of the Units***

The Trustee and the Investment Manager will endeavour to complete the Allotment by the Closing Date.

In accordance with the InvIT Regulations, the Units will be issued and Allotment shall be made only in dematerialised form to the Allottees. The Investment Manager (on behalf of the Trust) and the Registrar have entered into:

(a) Agreement dated January 27, 2025 with NSDL; and

(b) Agreement dated January 31, 2025 with CDSL.

The Trustee and/or the Investment Manager, in consultation with the Lead Managers, at their discretion, reserve the right to cancel or withdraw the Offer at any time after the Bid/ Offer Opening Date but prior to the issuance of CAN, without assigning any reasons whatsoever.

Following the Allotment of Units, the Investment Manager will apply for final listing and trading approval from the Stock Exchange. The Investment Manager and the Lead Managers shall endeavour to list the Units on the Stock Exchange within six Working Days from date of the Bid/Offer Closing Date.

***Refunds***

In the event Investment Manager and the Selling Unitholder are unable to Allot or transfer the Units as the case may be, in full or part or upon cancellation of the Offer or if refunds are required to be made in accordance with Applicable Law, the Investment Manager and the Selling Unitholder shall be liable to refund the Bid Amounts with interest to the Bidders in accordance with applicable law. For each Bidder to whom any amounts are to be refunded, the refund shall be made to the same bank account from which the Bid Amount was remitted by such Bidder. In the event of non-receipt of listing permission from the Stock Exchange, the Units shall not be eligible for listing and the Trust shall be liable to refund the Bid Amounts to the Allottees immediately along with interest at the rate of 15% per annum, from the date of Allotment until such time prescribed under, and in compliance with, the InvIT Regulations or such other rate as prescribed under applicable law.

**Other Instructions**

***Right to Reject Applications***

The Investment Manager, in consultation with the Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of the Investment Manager and the Lead Managers in relation to the rejection of Bids shall be final and binding.

***Units in Dematerialised form with NSDL or CDSL***

The Allotment shall be only in dematerialised form (i.e., not in physical certificates but represented by the statement issued through the electronic mode).

A Bidder applying for the Units to be issued pursuant to the Offer must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of such Bidder.

Units in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. NSE has electronic connectivity with NSDL and CDSL. The trading of the Units would be in dematerialised form only for all Unitholders in the respective demat segment of NSE. For details in respect of the minimum trading lot, please see the section entitled "*Offer Structure*" on page 530.

The Trustee, the Investment Manager, the Sponsor, the Selling Unitholder or the Lead Managers, will not be responsible or liable for the delay in the credit of the Units to be issued and transferred pursuant to the Offer due to errors in the Application Form, delay in payment of Bid Amount or otherwise on part of the Bidders.

The Investment Manager undertakes that there shall be only one denomination for the Units of the InvIT. Further, the Investment Manager undertakes that it shall comply with such disclosure and accounting norms as specified by SEBI from time to time.

**STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO TVS INFRASTRUCTURE TRUST AND ITS UNITHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

To
**The Board of Directors**
**TVS Infrastructure Investment Manager Private Limited** (the "**Investment Manager**") in its capacity as an investment manager of the
TVS Infrastructure Trust
9th Floor, Iconic Building,
Urmi Estate, Lower Parel West,
Mumbai – 400 013
Maharashtra, India

Dear Sirs,

**Statement of Possible Tax Benefits available to TVS Infrastructure Trust and its unitholders under the Indian tax laws**

1. We hereby confirm that the enclosed Annexure, prepared by TVS Infrastructure Investment Private Limited (the "**Investment Manager**"), which states the possible tax benefits available to TVS Infrastructure Trust (the "**InvIT"**) and its unitholders under the Income-tax Act, 1961 ("**Act**") as amended by the Finance Act 2024, read with Income tax Rules, 1962, i.e. applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26.

2. These benefits, if any, are dependent on the InvIT or its unitholders fulfilling the conditions prescribed under the relevant provisions of the Tax Law. Hence, the ability of the InvIT or its unitholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the InvIT faces in the future, the InvIT or its unitholders may or may not choose to fulfil.

3. The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Investment Manager. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed issue of units by the InvIT in accordance with the provisions of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the guidelines an circulars issued thereunder **(''Offer'')**. We are neither suggesting nor advising the investors to invest in the Offering relying on this Statement.

4. Our views are based on the existing provisions of the tax laws and its interpretation, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update the Statement in case of any events subsequent to this date, which may have a material effect on the discussion herein.

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

   i. the InvIT or its unitholders will obtain / continue to obtain these benefits in future;
   ii. the conditions prescribed for availing the benefits have been / would be met with; and
   iii. the revenue authorities/courts will concur with the views expressed herein.

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

6. The benefits discussed in the enclosed Statement covers only the possible special tax benefits available to the InvIT and to the Unitholders of the InvIT and do not cover any general tax benefits available to the InvIT and its unitholders.

**Restriction on Use**

7. This statement may be relied on by the Lead Managers, their affiliates and legal counsel in relation to the Offer. This statement is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum and any other material used in connection with the Offer (together, the **"Offer Documents"**) which may be filed by the InvIT (acting through its Trustee) with Securities and Exchange Board of India **("SEBI")**, BSE Limited and National Stock Exchange of India Limited (collectively, the **"Stock Exchanges"**) and / or any other regulatory or statutory authority. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this statement is shown or into whose hands it may come, unless determined otherwise by any regulatory or statutory or judicial authority.

8. This Statement is prepared solely for the purpose of inclusion in the Offer Documents in connection with the Offering and is not to be used, referred to or distributed for any other purpose.

9. We confirm that we will immediately communicate any changes, once such changes are communicated to us in writing by the Management, to the Lead Managers until the Units allotted in the Offer commence trading on the relevant stock exchanges.

10. Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

11. This statement has not been prepared in connection with, nor is it intended for use in any connection with, any offer or sale of securities in United States of America. We will accept no duty or responsibility to and deny any liability to any party in respect of any use of this letter in connection with an offer or sale of the Securities in United States of America.

Yours faithfully,

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No.: 003990S / S200018

**Jinesh Damania**
Partner
Membership No.: 117595
UDIN: 25117595BMIWCP2181

Place: Mumbai
Date: February 06, 2025

**Annexure**

ANNEXURE TO STATEMENT OF POSSIBLE INCOME TAX BENEFITS AVAILABLE TO TVS INFRASTRUCTURE TRUST ('InvIT') AND ITS UNITHOLDERS UNDER THE APPLICABLE INCOME TAX LAWS IN INDIA

***I. Tax Implications and benefits in relation to InvITs***

TVS Infrastructure Trust (''InvIT'') has been constituted as an irrevocable determinate trust under the Indian Trusts Act, 1882. Further, the InvIT is registered with the Securities and Exchange Board of India (''SEBI'') as Infrastructure Investment Trust under the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended ("SEBI InvIT Regulations'').

The following implications/benefits under the Income- Tax Act, 1961 ('Act') are applicable/available to the InvIT after fulfilling conditions as per the applicable provisions of the Act and the SEBI InvIT Regulations.

1. Taxability of interest and dividend income in the hands of trust from Special Purpose Vehicle(s)

As per the provisions of section 10(23FC) of the Act, any income of a trust by way of interest and dividend received or receivable from a Special Purpose Vehicle (SPV) would be exempt from tax. For this purpose, SPV means an Indian company in which the business trust holds controlling interest and any specific percentage of shareholding or interest, as may be required by the regulations under which such trust is granted registration.

It is pertinent to note here that as per the provisions of section 14A of the Act, any expenditure incurred in relation to earning the above exempt income shall not be tax deductible. The provision of Rule 8D of the Income-tax Rules, 1962 read with section 14A of the Act shall be followed for calculating the quantum of disallowance.

In addition, section 193 and section 194A(3)(xi) of the Act do not require a SPV to deduct tax at source ('TDS') in respect of interest paid or payable to the InvIT. Further, second proviso to section 194 of the Act provides that no TDS is required to be deducted by a SPV in respect of dividend paid to the InvIT.

2. Taxability of income of trust in general unless exempted / specified otherwise under provisions of the Act

As per section 115UA(2) read with section 10(23FC) of the Act, the taxable total income of a business trust would be charged to tax at the maximum marginal rate ('MMR') i.e. the rates of income-tax (including surcharge and Cess on income-tax, if any) applicable in relation to the highest slab of income as specified in the relevant Finance Act in force except for the income chargeable to tax on transfer of short term capital assets as per section 111A and long term capital assets as per section 112 of the Act.

Please note that section 112A is not explicitly mentioned in section 115UA(2) and hence an ambiguity exists on the tax rate to be applicable on the gains referred to in section 112A of the Act earned by the trust. Therefore, long term capital gains on sale of listed securities will be taxable @ MMR in hands business trust since specific carve out has not been provided for section 112A of the Act under the provisions of section 115UA of the Act

Further, dividend and interest income earned by InvIT from company other than SPV, shall be taxable at MMR.

As per section 57 of the Act, no deduction shall be allowable against the dividend income (which is taxable in the hands of the InvIT) other than deduction on account of interest expense incurred wholly and exclusively for the purpose of earning such dividend and such interest expense shall not exceed 20% of the dividend income included in the total income for that year, without deduction under section 57 of the Act.

3. Taxability of Capital Gains in the hands of the InvIT

a. Period of Holding

Capital assets are classified as long-term capital assets ('LTCA') or short-term capital assets ('STCA'), based on the period of holding of these assets. Depending on the period of holding for which the shares and securities are held, the gains should be taxable as short- term capital gains or long-term capital gains. As per the provisions of section 2(42A) of the Act, a capital asset is regarded as short- term capital asset (**"STCA"**), if:

| **Sr. No.** | **Nature of asset** | **Period of holding before the date of the sale** |
|---|---|---|
| (i) | Securities listed in a recognised stock exchange in India or a unit of an equity- oriented fund or unit of the Unit Trust of India or Zero- coupon bond or units of business trust | 12 months or less |
| (ii) | Shares (other than listed in a recognised stock exchange in India) including those offered through offer for sale as part of initial public offer or an | 24 months or less |

| Sr. No. | Nature of asset | Period of holding before the date of the sale |
|---|---|---|
| | immovable property being land or building or both. | |

As per the provisions of section 2(29AA) of the Act, LTCA means a capital asset which is not a STCA. Please note that the Finance Act (No, 2), 2024 has made amendments in connection with the capital gains tax that accrue post 23rd July 2024.

b. Short-term capital gains

As per the provisions of section 111A of the Act, any income arising from transfer of STCA being an equity share in a company or a unit of an equity-oriented fund or a unit of a business trust pursuant to a transaction acted through a recognized stock exchange on or after 23rd July 2024 as amended by Finance Act (No.2) 2024 and subject to STT, will be taxable in the hands of the InvIT at a concessional rate of 20% (plus applicable surcharge and cess).For transfers before 23rd July 2024, tax rate will be 15% (plus applicable surcharge and cess). However, the condition of STT is not required if the transaction is undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency.

Short-term capital gains arising from transfer of STCA other than the shares and securities covered under section 111A of the Act, will be taxed at the MMR in force.

c. Long-term capital gains

As per the provisions of section 112 of the Act, gains arising on the transfer of LTCA shall be chargeable to tax in the hands of the InvIT at the rate of 12.5% (plus applicable surcharge and cess) on or after 23rd July 2024 as amended by Finance Act (No.2),2024. For transfers before 23rd July 2024, tax rate will be 10% (plus applicable surcharge and cess).

Further, as per section 112A of the Act, gains exceeding INR 0.125 million arising on the transfer of LTCA, being an equity share in a company or a unit of an equity-oriented fund or a unit of a business trust, through a recognized stock exchange and subject to STT, shall be chargeable to tax in the hands of the InvIT at the rate of 12.5% (plus applicable surcharge and cess) without applying the benefit under the first proviso to section 48 of the Act for transfers on or after 23rd July 2024 . Since specific carve out has not been provided under the provisions of section 115UA of the Act for section 112A of the Act, long term capital gains on account of sale of listed securities which is taxable @ 12.50% under section 112A (subject to certain conditions) of the Act may be taxable at MMR in the hands of business trust.

d. Cost of Acquisition

Section 48 of the Act prescribes the mode of computation of capital gains and provides for deduction of cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. In respect of long-term capital gains taxable under section 112 of the Act section 48 of the Act provides for substitution of cost of acquisition/improvement with indexed cost of acquisition/improvement, which adjusts the cost of acquisition/improvement by a cost inflation index as prescribed from time to time. Such adjustment of cost of acquisition/improvement by a cost inflation index has been removed *vide* the Finance (No. 2) Act, 2024 for transfers that take place on or after 23rd July 2024.

e. Deemed sales consideration

As per section 50CA of the Act, where the consideration on transfer of unquoted shares of a company, is less than the fair market value of such share determined in such manner as may be prescribed, the value so determined shall for the purpose of section 48 of the Act, be deemed to the full value of consideration.

4. Income from buy back of shares by SPV

As per Finance Act (No.2), 2024, the tax treatment of consideration received upon buy back of shares of a company has been amended. Section 2(22)(f) of the Act provides that, with effect from 1st October 2024, any payment made by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 68 of the Companies Act shall be treated as dividend.

In absence of any clarity by the CBDT with respect to treatment of such dividend in case of InvIT, taxability of such dividend in the hands of InvIT should be in a similar manner, as in the case of normal dividend as discussed in Point '1' above.

Additionally, with effect from 1st October 2024, any consideration received on buyback of shares shall be considered as NIL, as per proviso to section 46A of the Act. The cost of acquisition of such shares shall be allowable as capital loss to the trust which will be eligible to be carried forward in accordance with the provisions of the Act.

5. Set off and carry forward of capital losses

As per section 70 read with section 74 of the Act, long-term capital loss, if any arising during the year can be set-off only against long- term capital gain and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed. The brought forward long-term capital loss can be set off only against long-term capital gains.

As per section 70 read with section 74 of the Act, short-term capital loss, if any arising during the year can be set-off against short-term capital gain as well as against the long-term capital gains and shall be allowed to be carried forward up to eight assessment years immediately succeeding the assessment year for which the loss was first computed. The brought forward short-term capital loss can be set off against capital gains (both long-term and short-term capital gains).

***II. Tax Implications and benefits in relation to all unitholders***

Following tax benefit is specifically available to the unitholders of the InvIT subject to the fulfilment of the conditions specified in the Act and the SEBI Regulations:

a. Tax exemption in respect of income distributed by InvIT

As per the provisions of section 115UA(1) of the Act, the income distributed by the InvIT shall be deemed to be of the same nature and in the same proportion in the hands of the unitholders as if such income was received by or accrued to the InvIT.

As per the provisions of section 10(23FD) of the Act, any income referred to in section 115UA(1) of the Act and distributed by the InvIT shall not be included in the total income of the unitholders except for the following income:

- Interest referred to in Section 10(23FC) of the Act; and
- Specified dividend i.e., dividend income received in cases where SPV has exercised the option under section 115BAA of the Act.

SPVs have the option, subject to certain condition, to choose a concessional tax rate of 22 percent (plus 10% surcharge and 4% cess) under section 115BAA of the Act. In case, SPV has exercised the option under section 115BAA of the Act, any dividend distributed by the InvIT out of the dividend paid by such SPV shall be taxable in the hands of unitholder. In other cases, the dividend distributed by InvIT out of the dividend paid by SPV which has not exercised the option under section 115BAA of the Act, shall be exempt in the hands of unitholders under section 10(23FD) of the Act.

The Finance Act, 2023 has amended section 56(2) of the Act to add a new clause (xii) which provides that any distribution received by unitholders that is not covered under section 10(23FC) or 10(23FCA) of the Act and that which is not chargeable to tax under section 115UA(2) of the Act shall be charged to tax as 'income from other sources' provided such amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units are issued by the InvIT, as reduced by the amount which was charged to tax earlier under this provision. Such income shall be chargeable to tax at the rates applicable based on the status of the unitholder.

b. Implications on transfer of shares held by Sponsor in Project SPVs to trust

According to section 47(xvii) of the Act, any transfer of a capital asset, being shares of an SPV to a business trust in exchange of units allotted by that trust to the transferor shall not be regarded as transfer and accordingly not be liable to capital gains tax.

According to section 49(2AC) of the Act, the cost of units acquired in lieu of shares in SPV shall be deemed to be cost of acquisition of shares in SPV.

As per clause (hc) of explanation 1 of section 2(42A) of the Act, for ascertaining the period of holding of such units, the period of holding of shares in SPV shall also be included.

***III. Tax Implications and benefits in relation to Resident unitholders***

a) As stated in Part II above, income distributed by the Business Trust being in the nature of dividend from SPVs which is not exempt under section 10(23FD) of the Act, interest from SPVs, and income chargeable to tax under section 56(2)(xii) of the Act, shall be taxable in the hands of resident unitholders as under:

| **Status of unitholder** | **Tax rate (exclusive of surcharge and education cess)** |
|---|---|
| Resident companies (Refer Note 1,2 and 3) | 30% |
| Firms / LLPs | 30% |
| Others (Refer Note 4) | As per applicable rates, for instance in case of individuals, income has to be taxed as per applicable slab rates, maximum |

| Status of unitholder | Tax rate (exclusive of surcharge and education cess) |
|---|---|
| | being 30% |

**Note 1**: As per the Finance Act, 2023, the tax rate of 25% (plus applicable surcharge and health and education cess) shall be applicable to a domestic company for Financial year 2024-25 if the total turnover or gross receipts of such company are not exceeding INR 4,000 million in the Financial Year 2022-23 (Assessment Year 2023-24).

**Note 2**: Further, the tax rates for resident companies exercising the option under section 115BAA and section 115BAB of the Act shall be chargeable to concessional tax rate of 22% and 15% respectively (plus surcharge at the rate of 10% and health and education cess at the rate of 4%), subject to fulfilment of conditions prescribed in the said sections.

**Note 3**: The Finance Act, 2020 has also inserted section 80M of the Act to eliminate the cascading tax effect in case of intercorporate dividends by providing a deduction in respect of dividends received from a company (including foreign company) and business trust to the extent such dividend is distributed before the specified time.

**Note 4**:

As per the Finance Act, 2023, section 115BAC of the Act has been amended to provide that the Individual, HUF, AOP (other than a co-operative society), BOI and AJP will be taxed on its total income at the reduced tax rates ('New Regime'). The income would however have to be computed without claiming prescribed deductions or exemptions. However, such person will have the option to be taxed on its total income as per the tax rates under the old regime. The option is required to be exercised – (i) on or before the due date specified under section 139(1) of the Act for furnishing the return of income for such assessment year, in case of a person having income from business or profession and such option once exercised shall apply to subsequent assessment years; or (ii) along with the return of income to be furnished under section 139(1) of the Act for such assessment year in case of a person not having income referred to in clause (i). A person having income from business or profession who has exercised the above option of shifting out of the New Regime shall be able to exercise the option of opting back to the New Regime only once. However, a person not having income from business or profession shall be able to exercise this option every year.

b) Income in nature of Capital gains on sale of units of the InvIT

Period of holding: Capital assets are classified as LTCA or STCA, based on the period of holding of these assets. The determinative period of holding for listed units of the InvIT held by the unitholders to qualify as LTCA is more than 12 months. The units held for less than 12 months would be STCA.

Taxation of capital gains on sale of units of the InvIT (for transfers which takes place on or after 23rd July 2024)

| Nature of capital gains | Tax rate (exclusive of surcharge and education cess) | | |
|---|---|---|---|
| | Unitholders resident companies | Unitholders resident LLPs | Other |
| Short-term capital gains on sale of units of the InvIT being a listed InvIT, subject to STT | 20% | 20% | 20% |
| Long-term capital gains on sale of units of the InvIT being a listed InvIT, subject to STT | 12.5% (on capital gains exceeding INR 0.125 million) | 12.5% (on capital gains exceeding INR 0.125 million) | 12.5% (on capital gains exceeding INR 0.125 million) |

As per the amendment made by the Finance Act, 2023, the amount of distribution to the extent not chargeable to tax under section 56(2)(xii) of the Act and not covered under sections 10(23FC), 10(23FCA) or 115UA(2) of the Act shall be reduced from the cost of units, for computing capital gains.

c) Set off of Losses: Please refer point 5 under *'Tax implications and benefits in relation to InvITs'.*

d) Applicability of Minimum Alternate tax (MAT)/ Alternate Minimum Tax (AMT)

In case of domestic companies that are liable to pay MAT under provisions of section 115JB of the Act, the gains arising, if any, on sale of units of trust are to be included as part of book profits for the purpose of computing MAT liability. MAT paid by such companies should be available as credit for set-off against future tax liability, provided such companies do not opt to be governed by the concessional tax rates u/s 115BAA or 115BAB of the Act. Companies exercising the option to be taxed as per section 115BAA and 115BAB of the Act have been excluded from the applicability of MAT.

However, as per clause (iie)/(fc) to explanation 1 to section 115JB of the Act, the following shall not be considered while computing book profits for levy of MAT:

- notional gain/loss on transfer of shares of SPV in exchange of units allotted by the business trust referred to in clause (xvii) of section 47; or

- notional gain/loss resulting from any change in carrying amount of said units; or

- gain/loss on transfer of units allotted by the business trust referred to in clause (xvii) of section 47.

Further, as per clause (k)/(iif) of explanation 1 to section 115JB of the Act, any gain/loss on transfer of units referred to in clause (xvii) of section 47 of the Act shall be considered while computing the book profit for levy of MAT by taking into account the cost of the shares exchanged with units referred to in the said clause or the carrying amount of the shares at the time of exchange where such shares are carried at a value other than the cost through statement of profit and loss, as the case may be.

In case of unitholders, other than companies, that are liable to Alternate Minimum Tax (AMT) under provisions of section 115JC of the Act, the gains arising, if any, on sale of units of InvIT are to be included as part of adjusted total income for the purpose of computing AMT liability. AMT paid by such unitholders should be available as credit for set-off against future tax liability, provided they do not opt to be governed by the concessional tax rates u/s 115BAC or 115BAD of the Act.

e) Other income (income other than interest or dividend income or income chargeable to tax under section 56(2)(xii) of the Act) received from InvIT

Other income (income other than interest or dividend income or income chargeable to tax under section 56(2)(xii) of the Act) such as treasury income earned by InvIT and distributed to unitholder shall be exempt in hands of unitholders as the same shall be taxable in the hands of InvIT. Further, there shall be no withholding on distribution of such other income by the InvIT to the unitholders.

***IV. Tax benefits/ provisions applicable to Non-resident Unitholders***

1. As per section 2(30) of the Act, non-resident is defined to mean a person who is not a "resident".

   A non-resident unit holder should be subject to taxation in India only if:

   - it is regarded a tax resident of India; or

   - being a non-resident in India, it derives: (a) if any income is received / deemed to be received in India; or (b) if any income has accrued or arisen / deemed to have accrued or arisen in India in terms of the provisions of the Act.

   Section 6 of the Act provides that a foreign company should be treated as a tax resident in India if its place of effective management ('POEM') is in India in that year. POEM has been defined to mean a place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance made.

2. As per section 90(2) of the Act, the provisions of the Act should apply to the extent they are more beneficial than the provisions of the Double Taxation Avoidance Agreement ('tax treaty') between India and the country of residence of the offshore unit holder to the extent of availability of tax treaty benefits to the offshore unit holders. However, no assurance can be provided that the treaty benefits should be available to the offshore unit holder or the terms of the tax treaty will not be subject to amendment or reinterpretation in the future.

3. The taxability of income of non-resident unit holders on different income streams, should be as per the provisions of the Act or tax treaty (whichever is beneficial) as discussed below. However, for claiming the tax treaty benefit, the non-resident would have to provide relevant documents/declarations viz. tax residency certificate, etc. as per the requirements of the Act/tax treaty.

   a) Dividend which is not exempt under section 10(23FD) of the Act (where dividend received by the InvIT from the SPV who has exercised the option under section 115BAA of the Act)

   The dividend income will be taxable at the rate of 20% (plus applicable surcharge and cess) under the Act. This is subject to benefits, if any, under the applicable tax treaty.

   b) Interest income distributed by the InvIT earned from the SPV

   Interest income earned from the SPV and distributed by InvIT to non-resident unitholder is not exempt under section 10(23FD) of the Act in the hands of unit holder and would be taxable at 5% (plus applicable surcharge and cess). This is subject to benefits, if any, under the applicable tax treaty.

c) Other distribution by the InvIT not covered under section 115UA(2) of the Act

As per newly inserted section 56(2)(xii) of the Act, any distribution received by unitholders that is not covered under section 10(23FC) or 10(23FCA) of the Act and that which is not chargeable to tax under section 115UA(2) of the Act shall be charged to tax as 'income from other sources' provided such amount received (including similar distributions in earlier years to the same unitholder or any other unitholder) is in excess of the amount at which units are issued by the InvIT, as reduced by the amount which would have been charged to tax earlier under this provision. This is subject to benefits, if any, under the applicable tax treaty.

Such income shall be chargeable to tax at the rates applicable based on the status of the unitholder.

| **Status of unitholder** | **Tax rate (exclusive of surcharge and education cess)** |
|---|---|
| Non-resident companies | 35% |
| Firms / LLPs | 30% |
| Others | As per applicable rates, for instance in case of individuals income has to be taxed as per applicable slab rates |

d) Capital gains on sale of units of the InvIT

Period of holding: Capital assets are classified as LTCA or STCA, based on the period of holding of these assets. The determinative period of holding for listed units of the InvIT (being a business trust) held by the unitholders to qualify as LTCA is more than 12 months. The units held for less than 12 months would be STCA. While determining the period of holding for units of business trust allotted pursuant to exchange of shares of SPV as per clause (hc) of explanation 1 to section 2(42A) of the Act, the period of holding for the units shall include the period for which the shares were held in the SPV.

Depending on the classification of capital gains, the non-resident unit holders should be chargeable to tax under the Act as under. This is subject to benefits, if any, under the applicable tax treaty. (in case of transfers made on or after 23rd July 2024, as amended by Finance Act (No.2), 2024

| **Nature of capital gains** | **Tax rate under the Act (excluding surcharge and cess)** |
|---|---|
| Short-term capital gains on sale of units of the InvIT being a listed InvIT, subject to STT | 20% |
| Long-term capital gains on sale of units of the InvIT being a listed InvIT, subject to STT | 12.5% |

As per the amendment by the Finance Act, 2023, the amount of distribution to the extent not chargeable to tax under section 56(2)(xii) of the Act and not covered under sections 10(23FC), 10(23FCA) or 115UA(2) of the Act, shall be reduced from the cost of units, for computing capital gains.

e) Set off of Losses: Please refer point 5 under *'Tax implications and benefits in relation to InvITs'*

4. Applicability of Minimum Alternate tax (MAT)

While computing book profits to determine the applicability of MAT, any income accruing or arising to a foreign company from (i) capital gains earned from sale of shares or other instruments that qualify as "securities" (as per the securities Contract (Regulation) Act, 1956) or (ii) interest, royalties or fees for technical services, and which are credited by the foreign company to its profit and loss account should be excluded.

The MAT provisions should not be applicable in case of foreign company:

- if such foreign company is a resident of a country with which India has entered into a tax treaty and such foreign company does not have a permanent establishment in India in terms of provisions of applicable tax treaty; or

- if such foreign company is a resident of a country with which India does not have an agreement of the nature referred to in above clause and such foreign company is not required to seek registration under any law for the time being in force relating to companies.

### *V. Special tax benefits/ provisions applicable to Foreign Institutional Investors ("FIIs") / Foreign Portfolio Investors ("FPIs")*

1. In case of FII or FPI registered under SEBI (Foreign Portfolio Investors) Regulations 2014 ('FII/FPI'), as per section 2(14) of the Act, shares/ securities (other than those held as stock in trade) which were invested in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 shall be deemed to be capital assets. Accordingly, any income from transfer of such capital assets shall be deemed as a capital gain.

2. Long term capital gains arising in hands of FPI or FII on transfer of units of the InvIT through a recognized stock exchange, on which STT is paid shall be taxable u/s 112A of the Act as stated above under 'III- Tax benefits/ provisions applicable to Non-resident Unitholders'.

3. Similarly, Short term capital gains on transfer of the units of the InvIT will be chargeable to tax at the rate of 20% (plus applicable surcharge and cess) as per the provisions of section 111A of the Act provided such transfer is made through a recognized stock exchange and the transaction is subject to STT, in case of transfers which take place on or after 23rd July 2024.

   However, as per section 115AD(1)(ii) of the Act, STCG arising to the FII/ FPI on transfer of units of the InvIT, which is not through a recognized stock exchange and not subject to STT, shall be chargeable at a rate of 30% (plus applicable surcharge and cess)

4. As per section 196D(2) of the Act, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD of the Act.

5. On any other income in respect of securities referred to in section 115AD(1)(a) of the Act, other than capital gains and interest income subject to TDS u/s 194LD of the Act, tax shall be withheld at lower of 20% as per section 196D of the Act or the rates provided in the tax treaty, subject to the following conditions:

   - Tax treaty exists between India and the respective jurisdiction of the FII/FPI; and

   - FII/FPI has furnished a TRC to the payer.

### *VI. Special tax benefits/ provisions applicable to Alternative Investment Fund (Category I and II)*

1. Under section 10(23FBA) of the Act, any income of an investment fund other than the income chargeable under the head "Profits and gains of business or profession" is exempt from income tax.

2. As per section 115UB (4) of the Act, the total income of the investment fund shall be charged to tax:

   a) at the rate or rates as specified in the Finance Act of the relevant year, where such fund is a company or a firm; or

   b) at maximum marginal rate in any other case

3. The losses incurred by AIF shall be treated in accordance with the provisions of section 115UB(2) and 115UB(2A) of the Act.

### *VII. Special tax benefits/ provisions applicable to unitholder being a Mutual Fund*

1. Exemption is provided under section 10(23D) of the Act in respect of income of:

   (a) Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder; and

   (b) Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

2. In light with the provisions of section 196 of the Act, no deduction of tax shall be made on any sum payable to a Mutual Fund specified under clause (23D) of section 10 of the Act. Accordingly, the InvIT is not required to withhold tax on any sum payable to Mutual Fund specified under section 10(23D) of the Act.

### *VIII. Special tax benefits/ provisions applicable to certain specified person*

1. As per section 10(23FE) of the Act, dividend, interest, income taxable under section 56(2)(xii) of the Act and long-term capital gains arising from investments made by 'specified person' in India, whether in the form of debt or share capital or unit, shall be exempt, if such investment is:

   - made on or after the 01 April 2020 but on or before the 31 March 2025

- is held for at least 3 years

- *inter alia*, is in a business trust

Further, such specified person (subject to certain conditions prescribed in section 10(23FE) of the Act) shall include:

a) Wholly owned subsidiary of Abu Dhabi Investment Authority (ADIA) which is a resident of United Arab Emirates ('UAE') and makes investment directly or indirectly, out of funds owned by Government of UAE

b) Sovereign Wealth Funds (SWF)

c) Pension funds (PF)

***IX. Specific provisions relating to Tax deduction at Source ('TDS')***

1. Withholding of tax by SPVs

The interest payable by SPV to the trust will not be subject to withholding tax as per section 193 and 194A of the Act.

As per section 194 of the Act, the SPVs will not be required to withhold taxes when they make payment of dividend to the InvIT.

2. Withholding of tax by trust

As per the provisions of section 115UA(1) of the Act, the income distributed by the InvIT shall be deemed to be of the same nature and in the same proportion in the hands of the unitholder as if such income was received by or accrued to the InvIT.

The distribution of income, in the nature of interest or dividend, by the trust to the unit holders, would be subject to withholding tax under section 194LBA of the Act at the time of credit of such payment to the account of the unitholder or at the time of payment thereof, whichever is earlier. The rate of withholding as per section 194LBA of the Act shall be as under

- On interest income:
    - 10% in case of resident unitholder; and
    - 5% (plus applicable surcharge and education cess) in case of non-resident unitholder
- On dividend income, being that proportion of dividend earned from an SPV which has exercised the option of beneficial tax regime under section 115BAA of the Act:
    - 10% in case of resident unitholder; and
    - 10% (plus applicable surcharge and education cess) in case of non-resident unitholder
- On dividend income, being that proportion of dividend earned from an SPV which has not exercised the option of beneficial tax regime under section 115BAA of the Act, no withholding tax is required.
- On certain distributions proposed to be considered as income for the unitholders under section 56(2)(xii), as per the amendment introduced in the Finance Act, 2023, it would be pertinent to note the Finance Act, 2023 has not introduced any separate withholding tax provisions with respect to such distributions. Thus, in case of such distributions to non-residents, the requirement to withhold tax under section 195 would have to be examined.
- As part of Finance Act 2023, section 197 of the Act has been amended to grant relief to taxpayers (such as SWF/ PF entities under section 10(23FE) of the Act) from withholding of taxes under section 194LBA of the Act, subject to such taxpayer obtaining Nil/ lower withholding certificate. An application will have to made by taxpayer to its Assessing Officer for grant of lower/ Nil withholding certificate.

3. Withholding of tax in case of transfer of shares/securities

No income tax is deductible at source from income by way of capital gains arising to a resident unitholder under the present provisions of the Act.

However, as per the provisions of section 195 of the Act, any income on transfer of unit of the InvIT by non-residents may be subject to withholding of tax at the rate under the domestic tax laws or under the DTAA, whichever is beneficial to the assessee (other than FPIs/ FIIs which are subject to provisions of section 196D(2) of the Act). Provision of section 196D of the Act have been covered under *'Part IV- Special tax benefits/ provisions applicable to Foreign Institutional Investors ("FIIs") / Foreign Portfolio Investors ("FPIs")'* of this document.

However, the non-resident investor will have to furnish a certificate of his being a tax resident in a country outside India and a suitable declaration for not having a fixed base/ permanent establishment in India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provision of section 90(4) of the Act.

Buyer and seller of unlisted shares/securities also need to check the applicability of TDS u/s 194Q of the Act read with provision of Tax Collection at Source (TCS) u/s 206C(1H) of the Act. As per the clarification issued by CBDT, the transaction in shares not taken place through recognized stock exchange/ recognised clearing corporations may also fall under the ambit of section 194Q/206C(1H) of the Act since CBDT has clarified that the said provisions of section 194Q/206C(1H) of the Act are not applicable to transactions in securities and commodities transacted through recognised stock exchanges/ recognised clearing corporations, including those located in International Financial Service Centre.

4. Withholding at higher rate where PAN details are not furnished- section 206AA of the Act

As per section 206AA of the Act, where a taxpayer does not possess a PAN, taxes have to be withheld on payment of income to the taxpayer (where chargeable to tax) at higher of the following:

- at the rate specified in the Act; or
- at the rate or rates in force; or
- at the rate of 20%

Further, CBDT has issued a notification no. 53/2016 for relaxation from deduction of tax at a higher rate under Section 206AA of the Act in the case of non-resident investor or a foreign company and not having PAN by inserting a new rule 37BC. The provisions of Section 206AA of the Act shall not apply in respect of payments in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, if the deductee furnishes certain details and specified documents to the deductor.

The Finance Act, 2021 had amended the aforesaid provision so as to provide that where the tax is required to be deducted under section 194Q of the Act and deductee has not furnished PAN to the deductor, then, the 5% should be considered as the rate for purpose of section 206AA of the Act and tax should be deducted accordingly.

Please note that similar provisions are there under section 206CC of the Act in relation to TCS.

5. Withholding at higher rate on non-filers of income tax return- section 206AB of the Act

The Finance Act, 2021 had introduced a new provision - section 206AB in the Act for deducting tax at higher rates on payments made to non-filers of income-tax returns. Section 206AB of the Act applies where any sum or income or amount is paid, or payable or credited, by a person to a specified person and tax is required to be deducted at source as per provisions of the Act (except under sections 192, 192A, 194B, 194BB, 194-IA, 194-IB, 194LBC, 194M or 194N of the Act).

Specified person means a person who has not filed the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted for which time limit for furnishing return of income under section 139(1) of the Act has expired and the aggregate of TDS and TCS is INR 50,000 or more in the said previous year. Further, specified person shall not include a non-resident who does not have a permanent establishment in India or any other person who is not required to furnish return of income and is notified by the Government in this regard.

In case the aforesaid section is applicable, tax shall be deducted at higher of the followings rates:

- twice the rate specified in the relevant provision of the Act; or
- twice the rate or rates in force; or
- the rate of 5%.

If provisions of section 206AA and section 206AB of the Act are applicable to a specified person, then, tax shall be deducted at higher of the two rates provided under the respective sections of the Act.

Please note that similar provisions are there under section 206CCA of the Act in relation to TCS.

**Notes to statement:**

**General tax rates and provisions:**

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

   **Rate of Surcharge:**

   **Domestic companies other than companies covered under section 115BAA and 115BAB of the Act, surcharge rates are as below:**

   a) If the total income does not exceed INR 10 million – Nil

   b) If the total income exceeds INR 10 million but does not exceed INR 100 million - 7 %

   c) If the total income exceeds INR 100 million - 12 %

   In case of domestic companies having income chargeable under Section 115BAA and 115BAB of the Act, surcharge of 10% is applicable irrespective of taxable income.

   **Foreign companies:**

   a) If the total income does not exceed INR 10 million - Nil

   b) If the total income exceeds INR 10 million but does not exceed INR 100 million – 2% c) If the total income exceeds INR 100 million – 5%

   **For individuals, Hindu Undivided Family, association of person, body of individuals (including non-resident)**

   a) If the total income does not exceed INR 5 million - Nil

   b) If the total income (including dividend income or capital gains on specified securities) exceeds INR 5 million but does not exceed INR 10 million – 10%

   c) If the total income (including dividend income or capital gains on specified securities) exceeds INR 10 million but does not exceed INR 20 million – 15%

   d) If the total income (excluding dividend income or capital gains on specified securities) exceeds INR 20 million but does not exceed INR 50 million – 25%

   e) If the total income (excluding dividend income or capital gains on specified securities) exceeds INR 50 million – 37%

   However, *in case total income includes any income by way of dividend or income referred to in section 111A or section 112 or section 112A of the Act, surcharge on such income shall not exceed 15%.*

   *The above surcharge is subject to marginal tax benefit as per the Act.*

   As per the Finance Act, 2023, in case of the Individual/HUF/AOP (other than co-operative)/ BOI/Artificial Juridical Person ('AJP') taxable under the New Regime prescribed under the Act, the surcharge on the amount of income-tax shall not exceed 25% where taxable income exceeds INR 20 million.

   As per the Finance Act, 2023, in the case of an AOP being a non-resident, and consisting of only companies as its members, surcharge shall be calculated at the rate of 10%, where the aggregate income exceeds INR 5 million but does not exceed INR 10 million; at the rate of 15%, where the aggregate income exceeds INR 10 million.

   **For Partnership or LLPs:**

   a) If the total income does not exceed INR 10 million – NIL b) If the total income exceeds INR 10 million - 12 %

   The above surcharge is subject to marginal tax benefit as per the Act

   Health and Education cess:

   In all cases, Health and education cess will be levied at the rate of 4 per cent of income-tax and surcharge.

2. The stated benefits will be available only to the sole/ first named holder in case the units are held by joint holders.

3. Please note that the TDS rates mentioned in the given document may be subject to any concessions introduced/ allowed by the Government under any policy, press release, etc. Also, the same may also be subject to lower/ nil withholding tax certificates which may be furnished by the unit holders.

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits

available under the applicable DTAA, if any, between India and the country in which the non-resident has fiscal domicile. Further, it is pertinent to meet the terms and condition viz. Principal purpose test, beneficial ownership test etc. as enacted in DTAAs entered into by India with various countries based on Multilateral Convention to implement tax treaty related measures to prevent Base Erosion and Profit Shifting ('MLI').

5. The tax implications/ benefits stated in this document are subject to General Anti Avoidance Rules (GAAR) provisions under the Act. GAAR may be invoked by the Indian income-tax authorities in case arrangements are found to be impermissible avoidance arrangements. Further, in case GAAR provisions are invoked, the onus to prove that the main purpose of an arrangement was not to obtain any tax benefit is on the taxpayer. Also, any resident or non-resident may approach the Authority for Advance Rulings to determine whether an arrangement can be regarded as an impermissible avoidance arrangement.

6. This statement does not discuss any tax consequences in the country outside India of an investment in the units of trust. The unit holders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

7. This statement is intended only to provide general information to the investors and is neither designed nor intended to be substituted for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

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

9. This statement of possible direct tax benefits enumerated above is as per the Act as amended by the Finance Act (No.2), 2024. This statement does not take into consideration any amendments proposed by the Finance Bill, 2025, as the same has not come into force as on date of this statement. The above statement of possible Direct-tax Benefits sets out the possible tax benefits available to the InvIT and its unitholders under the current tax laws presently in force in India. Several of these benefits available are dependent on the InvIT or its unitholders fulfilling the conditions prescribed under the relevant tax laws.

10. The information provided above sets out the possible tax benefits available to the unit holders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership, transfer and disposal of equity shares and units, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications arising on account of any investment in equity shares or units (including tax implications on account of any distributions by/ receipts from the InvIT), particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation impacting the benefits, which an investor can avail.

## LEGAL MATTERS

Cyril Amarchand Mangaldas, J Sagar Associates and Hogan Lovells Lee & Lee do not make, or purport to make, any statement in this Draft Placement Memorandum and are not aware of any statement in this Draft Placement Memorandum which purports to be based on a statement made by each of them, and they make no representation, express or implied, regarding, and to the extent permitted by law takes no responsibility for, any statement in or omission from this Draft Placement Memorandum.

## INDEPENDENT ACCOUNTANTS

The Special Purpose Combined Financial Statements are prepared in connection with the proposed private placement of units to be issued by the Trust as per InvIT Regulations and other relevant provisions relating to disclosures required as per the InvIT Regulations and prepared in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019), and the Guidance Note on Combined and Carve Out Financial Statements issued by the Institute of Chartered Accountants of India, using the recognition and measurement principles of Ind AS and other generally accepted accounting principles. The Special Purpose Combined Financial Statements included in this Draft Placement Memorandum have been audited by PKF Sridhar & Santhanam LLP, Chartered Accountants, the statutory auditor of the Trust, as stated in their audit report dated January 27, 2025 included in this Draft Placement Memorandum.

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, which are or may be deemed material have been entered or are to be entered into in due course. These contracts and also the documents for inspection referred to hereunder, may be inspected at the principal place of business of the Trust, from 10:00 A.M. to 5:00 P.M., on all Working Days from the date of filing the Placement Memorandum until the date of Bid/Offer Closing Date. Any of the contracts or documents mentioned in this Draft Placement Memorandum may be amended or modified at any time if so required in the interest of the Trust or if required by the other parties, without reference to the Unitholder, subject to compliance with applicable law and InvIT Documents.

1. Trust Deed entered into between the Sponsor and the Trustee dated March 26, 2024.

2. SEBI registration certificate for the Trust bearing number IN/InvIT/24-25/0030 dated April 22, 2024 as an infrastructure investment trust.

3. Investment management agreement dated March 26, 2024, entered into between the Trustee (acting on behalf of the Trust) and the Investment Manager.

4. Placement Agreement dated February 6, 2025 entered into among the Trust (acting through its Trustee), the Investment Manager, the Selling Unitholder, the Trustee, the Sponsor, the Project Manager and the Lead Managers.

5. Cash Escrow Agreement to be entered into among the Trust (acting through its Trustee), the Investment Manager, the Trustee, the Sponsor, the Selling Unitholder, the Lead Managers and the Escrow Collection Bank.

6. Unit Escrow Agreement to be entered into among the Trust (acting through its Trustee), the Investment Manager, the Trustee, the Selling Unitholder and the Unit Escrow Agent.

7. Tripartite agreement dated January 27, 2025, between NSDL, the Trust and the Registrar.

8. Tripartite agreement dated January 31, 2025, between CDSL, the Trust and the Registrar.

9. Certified copies of the updated Memorandum and Articles of Association of the Investment Manager, as amended from time to time.

10. Board resolution of the Investment Manager dated January 27, 2025, authorising this Offer.

11. Board resolution of the Investment Manager and InvIT Committee dated January 27, 2025 and February 6, 2025, respectively, approving the Draft Placement Memorandum.

12. Consents from the (i) Lead Managers; (ii) Legal counsel to the Trust, the Investment Manager and the Sponsor as to Indian law; (iii) Legal Counsel to the Lead Managers as to Indian Law; (iv) International Legal Counsel to the Lead Managers; (v) Valuer; (vi) Registrar; (vii) Compliance Officer of the Trust, (viii) Industry Consultant; (ix) Credit rating agency of the Trust; (x) Escrow Collection Bank; and (xi) Architect

13. Special Purpose Combined Financial Statements as at and for the six month period ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the report dated January 27, 2025 thereon.

14. Projections of Revenue from Operations and Cash Flow from Operating Activities and the report dated January 27, 2025 thereon.

15. The statement of possible tax benefits dated February 6, 2025 issued by the Statutory Auditor.

16. In-principle listing approval dated [●] issued by NSE.

17. Corporate governance policies of the Investment Manager.

18. Project implementation and management agreement to be entered into between the Trustee (acting on behalf of the Trust), the Investment Manager, the Project Manager, and the Project SPVs/ Holdco.

19. Trust loan agreement to be entered into between the Trustee (acting on behalf of the Trust), the Investment Manager, and the Project SPVs/ Holdco.

20. Right of First Offer Agreement to be entered between the Sponsor, the Trustee (acting in its capacity as trustee to the Trust) and the Investment Manager (acting in its capacity as investment manager to the Trust).

21. Observations issued by SEBI dated [●].

22. Share Purchase Agreement to be executed amongst the Investment Manager, the Trustee, Project SPVs/ Holdco and the Sponsor in relation to acquisition of securities of Project SPVs/ Holdco.

23. Architect certificates, each dated February 3, 2025, issued by Atelier NORD, independent architect, in relation to the Initial Portfolio Assets.

Any of the contracts or documents mentioned in this Draft Placement Memorandum may be amended or modified at any time if so required in the interest of the Trust or if required by the other parties, without reference to the Unitholders, subject to compliance with applicable law.

## DECLARATION

The Trustee (on behalf of the Trust) hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Trustee (on behalf of the Trust) further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **Axis Trustee Services Limited**

Sd/-

*(Authorised Signatory)*

**Date:** February 6, 2025

**Place:** Mumbai

## DECLARATION

TVS Industrial & Logistics Parks Private Limited, being a Selling Unitholder hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the applicable provisions of the InvIT Regulations, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Selling Unitholder further certifies that all the statements and disclosures in this Draft Placement Memorandum in relation to itself and the Units offered by it in the Offer for Sale are material, true, correct, not misleading and adequate in order to enable the investors to make an informed decision.

For **TVS Industrial & Logistics Parks Private Limited**

Sd/-

Ravikumar Swaminathan
*Director*

**Date**: February 6, 2025

**Place**: Mumbai

## DECLARATION

The Investment Manager hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI ACT and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Infrastructure Investment Manager Private Limited**

Sd/-

Palamadai Sundararajan Jayakumar
*Non-Executive Director*

**Date**: February 6, 2025

**Place**: Mumbai

## DECLARATION

The Investment Manager hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI ACT and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Infrastructure Investment Manager Private Limited**

Sd/-

Sargunaraj Ravichandran
*Non-Executive Director*

**Date**: February 6, 2025

**Place**: Chennai

## DECLARATION

The Investment Manager hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI ACT and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Infrastructure Investment Manager Private Limited**

Sd/-

Aditi Kumar
*Non-Executive Director*

**Date**: February 6, 2025

**Place**: London

## DECLARATION

The Investment Manager hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI ACT and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Infrastructure Investment Manager Private Limited**

Sd/-

Uma Shanmukhi Sistla
*Non-Executive & Independent Director*

**Date**: February 6, 2025

**Place**: Hyderabad

## DECLARATION

The Investment Manager hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI ACT and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Infrastructure Investment Manager Private Limited**

Sd/-

Anand Raghavan
*Non-Executive & Independent Director*

**Date**: February 6, 2025

**Place**: Chennai

## DECLARATION

The Investment Manager hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI ACT and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Infrastructure Investment Manager Private Limited**

Sd/-

Mahalingam Seturaman
*Non-Executive & Independent Director*

**Date**: February 6, 2025

**Place**: Chennai

## DECLARATION

The Sponsor, hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). We further certify that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Industrial & Logistics Parks Private Limited**

Sd/-

Ramachandhran Dinesh
*Director*

**Date**: February 6, 2025

**Place**: Chennai

## DECLARATION

The Sponsor, hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). We further certify that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Industrial & Logistics Parks Private Limited**

Sd/-

Ravikumar Swaminathan
*Director*

**Date**: February 6, 2025

**Place**: Mumbai

## DECLARATION

The Sponsor, hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). We further certify that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Industrial & Logistics Parks Private Limited**

Sd/-

Palamadai Sundararajan Jayakumar
*Director*

**Date**: February 6, 2025

**Place**: Mumbai

## DECLARATION

The Sponsor, hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). We further certify that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Industrial & Logistics Parks Private Limited**

Sd/-

Sargunaraj Ravichandran
*Director*

**Date**: February 6, 2025

**Place**: Chennai

## DECLARATION

The Sponsor, hereby declares and certifies that all relevant provisions of the InvIT Regulations, SEBI Act and rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Draft Placement Memorandum is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act, or rules, regulations, and guidelines issued thereunder (as the case may be). We further certify that all the statements and disclosures in this Draft Placement Memorandum are material, true, correct, appropriate, not misleading and are adequate in order to enable the investors to make an informed decision.

For **TVS Industrial & Logistics Parks Private Limited**

Sd/-

Ashish Kaushik
*Director*

**Date**: February 6, 2025

**Place**: London

**ANNEXURE A - VALUATION REPORT**

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# VALUATION REPORT

*Issued to:*

## TVS INFRASRUCTURE TRUST

## CHAKAN PARK

SPV

DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED/ TVS ILP

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

IVAS

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "client""), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other addressees named herein and the Instructing Party and the addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Chakan Park, Pune (the "Subject Asset") |
| Asset Address: | 338/1, Chakan, Taluka Khed, Mahalunge Village, Pune, Maharashtra - 410501 |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the sanctioned layout provided by the Client, it is understood that the total underlying land area of the Subject Asset is approx. 17.09 acres. |
| Brief Description: | Based on the review of sanctioned layout provided by the Client and subsequent site visit undertaken, the Subject Asset is an operational warehousing facility. The asset is located along Talwade-Chakan Road which further connects to Chakan-Talegaon Road, a prominent road in the micromarket. The industrial corridor extends from Chakan to Talegaon, an established industrial vector of Pune. The Subject Asset is located towards the North of Pune, in the vicinity of Chakan MIDC (Maharashtra Industrial Development Corporation) region. Further, the micromarket is well connected to important industrial hubs, other parts of Pune city via Chakan-Talegaon Road, and to other major cities via NH-4 & NH-50. Some of the prominent warehousing facilities in the micromarket include TVS Industrial and Logistics Parks (Subject Asset), Horizon Industrial Park, Indospace Industrial Park, KSH Infra Chakan Industrial Park, ESR Industrial and Logistics Park, etc. |

Further, based on the information provided by the Client, we understand that leasable area of the Subject Asset is as highlighted below:

| Particulars | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|
| Block 1 (Phase 1 and Phase 2) | 2,84,879 | 2,79,879 |
| Block 2 | 89,509 | 89,509 |
| Total | 3,74,388 | 3,69,388 |

*Source: Architect Certificate, rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise). Further, the above area is inclusive of block areas and open spaces*

The Subject Asset is located in Chakan an established industrial micromarket in Northern Pune. It is located at a distance of, approx. 7-8 kms from Chakan Chowk, approx. 11-12 kms from Pune-Mumbai expressway, approx. 14-15 kms from Talegaon Dabhade approx. 31-32 kms from Pune International Airport and approx. 31- 32 kms from Pune Central Railway Station.

| | |
|---|---|
| Statement of asset (sft): | Based on review of rent roll, lease deeds and area statement provided by the Client, the Subject Asset is an operational warehousing facility with approximately 0.37 msft leasable area (with three blocks I, II and III) which are currently fully occupied as on the date of valuation. |

| Blocks | Leasable area (sft) | Chargeable area (sft) | Built-up area (sft)* | Structure Type |
|---|---|---|---|---|
| Chakan Park Block 1 (Phase 1 and Phase 2) – Part 1 | 1,64,045 | 1,64,045 | 1,59,069 | Warehouse |
| Chakan Park Block 1 (Phase 2) - Part 2 | 22,345 | 22,345 | 21,667 | Warehouse |
| Chakan Park Block 1 - Part 3 (Open Space) | 6,000 | 2,500 | | Open Space |
| Chakan Park Block 1 - Part 4 (Open Space) | 5,000 | 3,500 | | Open Space |
| Chakan Park Block 1 - Part 5 (Open Space) | 16,002 | 16,002 | | Open Space |
| Chakan Park Block 1 (Phase 2) B | 71,487 | 71,487 | 69,318 | Warehouse |
| Chakan Park Block 2A - Part 1 | 50,013 | 50,013 | 48,496 | Warehouse |
| Chakan Park Block 2A - Part 2 | 15,297 | 15,297 | 14,833 | Warehouse |
| Chakan Park Block 2B - Part 1 | 9,555 | 9,555 | | Warehouse |
| Chakan Park Block 2B - Part 2 | 14,644 | 14,644 | 14,200 | Warehouse |
| | 3,74,388 | 3,69,388 | 3,27,583 | |

*Source: Architect Certificate, rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise). Further, the above area is inclusive of block areas and open spaces*

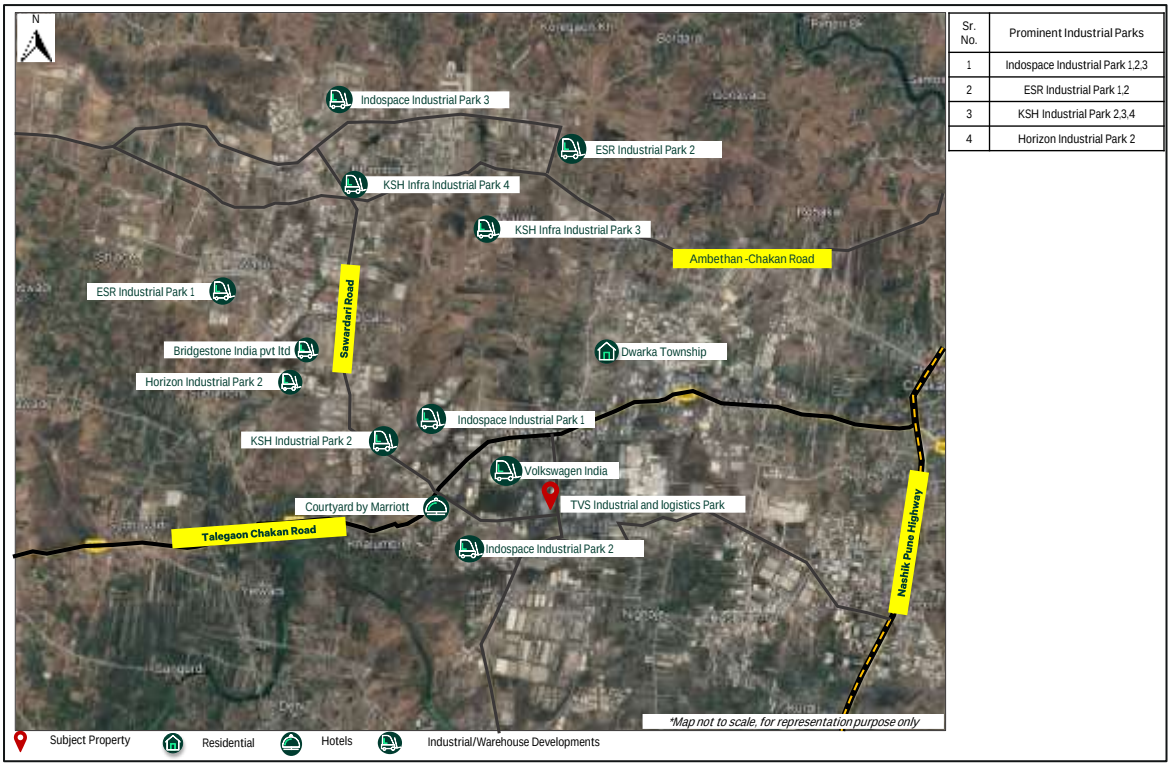
Summary of the above table basis the stage of construction is as follow:

| Block | Total Area (sft) | Operational Area (sft)* | Under construction Area (sft) | Proposed Area (sft) |
|---|---|---|---|---|
| Block 1 (Phase 1 and Phase 2) | 2,84,879 | 2,84,879 | NA | NA |
| Block 2 | 89,509 | 89,509 | NA | NA |
| Total | 3,74,388 | 3,74,388 | | |

*Source: Architect Certificate, rent roll provided by the client. * Area inclusive of open spaces in Block 1 (Phase 1 and Phase 2).*

Location Map:

Location Map for the Subject Asset




| Sr. No. | Prominent Industrial Parks |
|---|---|
| 1 | Indospace Industrial Park 1,2,3 |
| 2 | ESR Industrial Park 1,2 |
| 3 | KSH Industrial Park 2,3,4 |
| 4 | Horizon Industrial Park 2 |

*Source: Industry Assessment Report as of Q3 2024*

Tenancies

As of the valuation date the Subject Asset is fully let to 5 tenants at a total current annual rent of approx. 127.61 Mn. The tenant viz. Agricultural goods manufacturing company occupies the largest area viz. 186,390 sft (55% of the leasable area excluding open space) and accounts for approx. 58% of the current rent. The subject asset has a WALE of 2.56 years.

Key Assumptions:

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent | INR/ sf/ mth | 27.4 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 29.5 |
| Marginal rent – Open Space component | INR/ sf/ mth | 7.11* |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | |

| | | |
|---|---|---|
| Proposed Capex (Completed Blocks & Planned/Under Construction Blocks) | Quarter, Year | Refer to section 6.3.9.2 |
| Refurbishment Capex** | INR Mn | 122 |
| Other Financial Assumptions | | |
| Exit Cap rate | % | 7.75% |
| Discount rate (During operations) | % | 11.58% |
| Discount rate (During Under Construction/land stage) | % | N.A. |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 -Q3 2025) | INR Mn | 114.4 |
| Stabilized NOI[1] | INR Mn | 122.0 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report * weighted average rental adjusted as per contracted rental for open spaces ** Considering the age of the asset, and as per our discussion with the Client we have considered a refurbishment cost of INR 122Mn, please refer to section 6.3.9.2 for details*

| | |
|---|---|
| %stake proposed to be held in Asset SPV by TVS Infrastructure trust: | 100% |
| Date of Inspection: | 07th March 2024 |
| Date of Valuation: | 30th September 2024 |
| Purchase Price for the Asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document. |
| Ready Reckoner Rate (as per documents published by | INR 3,220 per sqm (Kindly refer Annexure Section 7.3) |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

State Government):

Market Value as of September 31st, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Chakan Park | Constructed - Operational | 1,670.87 |
| Total Value of the asset | | 1,670.87 |

*Source: Valuer's assessment*

Any matters which may affect the asset or its value:

Please refer section 7.7 of this report

Assumptions, Disclaimers, Limitations & Qualifications:

This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.

Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Construction Cost Volatility:

Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.

In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

Notice

This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation.

| | | |
|---|---|---|
| Valuer Declaration: | i. | The valuer is competent to undertake the valuation. |
| | ii. | The valuer is independent and has prepared the report on a fair and unbiased basis. |
| | iii. | The valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21 |

Prepared by: iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of an operational Warehousing asset located along the Talawade-Chakan Road, Mahalunge village, Khed Taluka, Pune District, Maharashtra.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 17.09 acres with a total leasable area admeasuring approx. 353,386 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Chakan Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Warehousing Facility | Chakan Pune | 17.09 Acres | 3 |

*Source: Client Inputs*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the" IPO") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Party to the Valuation report will be TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer / Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment

objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of Valuer where such consent to be given at the absolute, exclusive discretion of Valuer, which shall not be unreasonably withheld. Where they are to be used with the Valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by Valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without Valuer's prior written consent.

The Valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The Valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the Management has disclosed to the Valuer all information which may affect the Services. All opinions expressed by the Valuer, or its employees are subject to any conditions contained in the Valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and master's in Management studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the Subject Asset(s) has been defined as Chakan region and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of industrial segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Chakan Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Pune | Chakan |

*Source: Client Inputs*

## 2.7 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and Royal Institute of Chartered Surveyors (RICS) members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.8 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.

- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.

- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust, disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to

give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust
- the valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.9 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the Subject Asset. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation. |

| | |
|---|---|
| | We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation: | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the asset and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the Client, the Valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the asset and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Asset may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the lease deeds provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |

| | |
|---|---|
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br>All measurements, areas and ages quoted in our report are approximate.<br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials: | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works. |

| | |
|---|---|
| | Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br><br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests: | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Pune – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Pune and micromarket

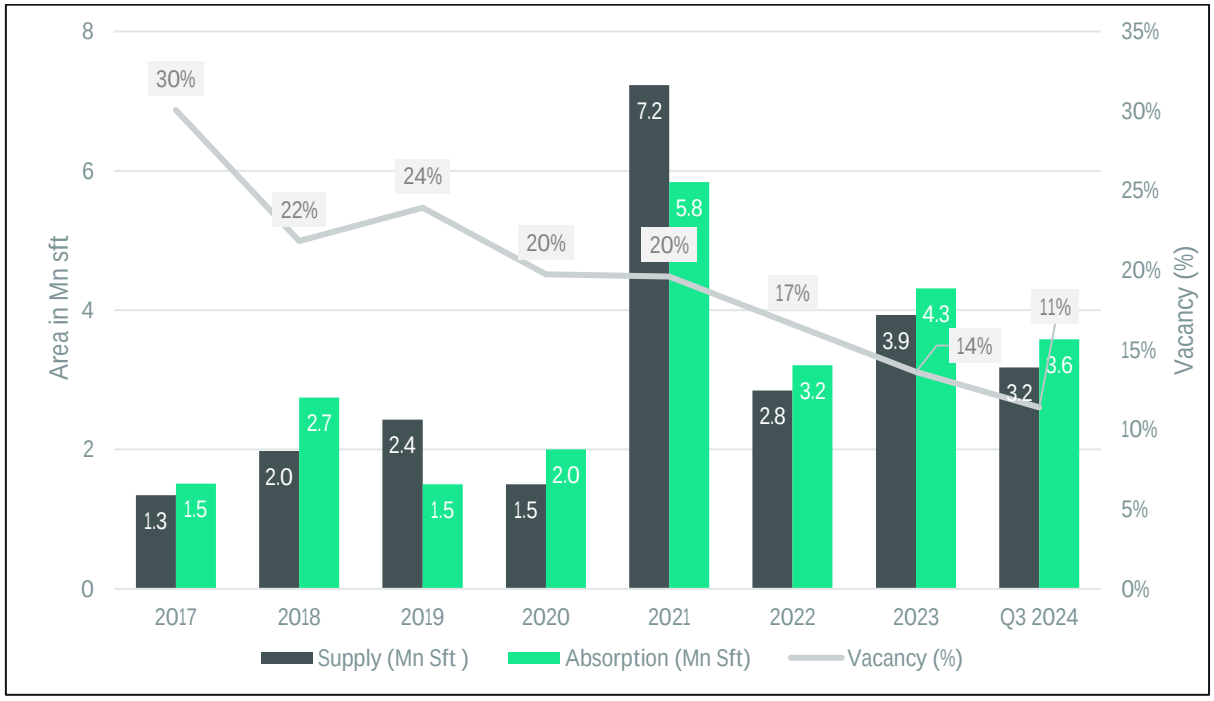
Total completed stock in Pune as of Q3, CY 2024 is 37.7 msf, out of which Chakan micromarket account for Approx. 22.5 msf.

| Building Name | Pune Overall | Chakan |
|---|---|---|
| Cumulative completed stock (Q3 2024) | Approx. 37.7 msf | Approx. 22.5 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 33.4 msf | Approx. 20.3 msf |
| Current vacancy (Q3 2024) | Approx. 11% | Approx. 10 % |
| Future supply (2024 – 2028) | Approx. 10.0 – 12.0 msf | Approx. 4.0-5.0 msf |

*Source: Industry Assessment Report dated of November 31st, 2024*

Chakan region is one of the prominent industrial belts promoted by MIDC (leasehold assets) as well as non-MIDC industrial zoned areas (freehold assets). Land acquisition for all the phases in Chakan MIDC has been completed and are fully operational. Activity in MIDC areas is primarily characterized by auto manufacturing (OEMs), heavy engineering, FMCG, etc. Chakan MIDC houses several well-known industries such as Bajaj Auto Limited, Volkswagen, Mercedes, Hyundai, Mahindra and Mahindra, Tetra Pak India, Forbes Marshall, Bridgestone, etc. The non MIDC areas within Chakan industrial belt is primarily characterized by logistics facilities (i.e., primarily warehousing and assembly line and light manufacturing facilities) and small-scale light engineering facilities.

Demand – Supply Dynamics of City: Pune




*Source: Industry Assessment Report*

We have perused the information regarding the demand and supply of leased industrial and warehousing spaces within the subject micromarket, as included in the Industry Assessment Report. All the completed, grade A and grade B, multi-tenanted warehousing facilities in the influence region i.e., Chakan are included while defining the sample set for the demand supply analysis. Based on the Industry Assessment Report we understand that the subject micromarket has a cumulative vacancy of approx. 7.0-8.0% in the Grade A supply while a vacancy of approx. 9.0-10.0% overall, including grade A and grade B developments. The graph above exhibits the demand and supply levels for the completed assets at the city level.

Pune city has an overall completed supply of approx. 37.7 Mn sft. spread across Grade A and Grade B warehousing facilities out of which 33.4 Mn sft. is leased as of Q3-2024. The supply in the city increased steadily by an average of approx. 1.9 – 2.0 Mn sft between the years 2017 to 2020. In the year 2021 there was a considerable influx of supply amounting to approx. 7.23 Mn sft, due to the completion of various phases in marquee assets like KSH Park II, Global Park II, Hiranandani Phase I, Embassy Park Phase II and Indospace Phase III. The higher quantum of supply in 2021 is a result of sporadic construction activity in the year 2020 due to the COVID-19 restrictions. The city saw a robust supply in 2022, 2023 and 2024 with approx. 2.85 Mn sft, approx. 3.93 Mn sft and approx. 3.2 Mn sft added respectively, showing higher levels of supply being induced vis-à-vis pre-COVID years.

Between the years 2017 to 2024, the demand had kept pace with the supply due to various E-Commerce and 3 PL firms showing significant interest in the Chakan micromarket. Some of the major leases in this tenure include firms like- Amazon, FirstCry, DHL, Big Basket, Flipkart, Delhivery etc. Further, considering an established manufacturing ecosystem in and around Pune, the demand for warehousing facilities in key micromarkets like Chakan and Talegaon have been driven by manufacturing firms like Lumax, Haier, BMW, Tata Autocomps, Vertiv etc. Companies like Indospace, embassy, Mahindra, Gensol are looking to invest in Chakan micromarket for setting up of warehousing facilities, EV/auto/components manufacturing plants, etc. The significant demand between 2021 to 2024 is primarily driven by the supply chain disruptions during the pandemic and the need for

warehouse spaces in proximity to the Point of Sale (POS). Hence it is evident from the data detailed previously, the absorption levels have surpassed the pre-COVID demand.

Chakan micromarket has been a major contributor in the demand and supply trends at city level with a share of approx. 70.0%. The subject micromarket has emerged as an attractive industrial destination primarily on account of presence of adequate infrastructure, excellent surface connectivity, access to low-cost manpower and ease of acquiring statutory approvals (on account of presence of MIDC). Chakan has evolved into a major industrial hub due to the presence of prominent Grade A developments with superior build quality vis-à-vis other micromarkets in the city. It has seen development activities from major players like Indospace, KSH, ESR, Horizon etc, thus attracting higher rentals and superior tenant mix.

Chakan has a cumulative supply of 22.5 Mn sft out of which grade A supply is approx. 13.1 Mn sft. The vacancy of the region stands at approx. 9.0- 10.0% as of Q3-2024. The amalgamation of all the factors detailed above viz. relatively low vacancy, superior quality tenants, marquee developments, location advantage, etc. has led to prominent investment in Chakan by firms like Ascendas and Mapletree.

#### 3.2.1.1 Key Developments in micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Development 1 | 2020 | 469,056 | 28 – 30 |
| Development 2 | 2023 | 367,820 | 31 – 32 |
| Development 3 | 2022 | 879,162 | 26 – 28 |
| Development 4 | 2019 | 1,376,178 | 29 – 31 |

*Source: Industry Assessment Report, Valuer research*

#### 3.2.1.2 Future Supply

Based on the Industry Assessment Report, we understand that the micromarket of Chakan has an upcoming supply of approx. 3.0 - 4.0 Mn sft expected to be completed in 2024, 2025 and 2026. The details of few of the upcoming supply is detailed in the table below:

| Building Name | Year of Completion | Status | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Development 1 | CY 2025 - 2026 | Planned | Chakan | 7,71,200 |
| Development 2 | CY 2025 – 2026 | Planned | Chakan | 7,62,475 |
| Development 3 | CY 2025 – 2026 | Planned | Chakan | 7,62,000 |
| Development 4 | CY 2025 - 2026 | Planned | Chakan | 1,50,000 |
| Development 5 | CY 2025 - 2026 | Planned | Chakan | 5,22,000 |

*Source: Industry Report and Valuer Research, based on valuer's research and interaction with market players we understand that the construction of planned supply is contingent on signing of LOIs on the precommitments of potential occupiers.*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Year of Transaction | Chargeable Area (sft) | Tenant Sector | Micro – Market | Total Rent (INR per sft per month) |
|---|---|---|---|---|
| Q4 2023 | 1,00,000 | Engineering & Manufacturing | Chakan | 27 – 28 |
| Q4 2023 | 1,50,000 | Engineering & Manufacturing | Chakan | 28 – 29 |
| Q1 2024 | 170,000 | Auto & Ancillary | Chakan | 28 – 29 |
| Q1 2024 | 500,000 | Others | Talegaon | 23 – 24 |
| Q1 2024 | 167,000 | Engineering & Manufacturing | Talegaon | 23 - 24 |
| Q2 2024 | 125,000 | Engineering & Manufacturing | Talegaon | 26 - 27 |
| Q2 2024 | 250,000 | 3PL | Ranjangaon | 22 – 23 |
| Q3 2024 | 240,000 | Auto & Ancillary | Chakan | 29 - 30 |
| Q3 2024 | 182,000 | Engineering & Manufacturing | Chakan | 22 - 23 |
| Q3 2024 | 175,000 | Engineering & Manufacturing | Chakan | 24 - 25 |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 22 – 30 /sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the micromarket is perceived as a one of the most notable destinations for various industry players owing to the excellent connectivity (via Pune-Nashik Highway and Pune-Mumbai Expressway) to the JNPT port and the industrial centres of PMR (Pune Metropolitan Region) and Mumbai, attractive rentals, availability of developable land parcels etc. Chakan has many small- and large-scale industries which has enabled it to develop as an industrial ecosystem. Prior to 2015, the majority of the supply in PMR was in the form of Grade B and Grade C assets; however, with the advent of E-Commerce, the auto industry and the third-Party Logistics sector, the market saw growth of Grade A developments. Increased interest from institutional players, combined with improved road infrastructure, drives demand for Grade A warehouses.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location (Talawade-Chakan Road), specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 28 - 30 / sft / month as on date of valuation.

# 4 Subject Asset – TVS Pune

## 4.1 Asset Description

The Subject Asset known as 'Chakan Park' is a completed and operational warehousing facility which is currently accessible via. Talawade-Chakan Road.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Chakan Park |
| Address | 338/1, Chakan, Taluka Khed, Mahalunge Village, Pune, Maharashtra- 410501 |
| Land Area | Based on review of the sale deed titled 'Conveyance Deed of Chakan' and title report, the Valuer understand that the total land area of the Subject Asset is approx. 17.09 acres |
| Leasable Area | 3,74,388 sft |

*Source: Client Inputs*

Based on the information provided by the Client, it is understood that the Subject Asset is a warehousing facility with land area admeasuring approx. 17.09 acres and leasable area admeasuring approx. 3,74,388 sft. The Subject Asset was constructed in three phases. According to the lease agreements and information provided by the Client, we understand that Phase-1 (Box 1) started operations in the year 2006, Phase-2 (Box 1) in 2009 and Phase-3 (Box 2) in the year 2011. The Subject Asset is understood to have a load bearing capacity of 5 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height of Box 1 is 9m and for Box 2 is 12m along with a lighting (lux level) of 250 lux.

Further, based on the site inspection conducted and as per the information received from the Client, we understand that the Subject Asset has a site office which includes an Administrative Office for day-to-day operations, a Conference Hall for meetings and two Security Cabins for site safety. The asset's fire safety system has a dual pump arrangement for hydrants and sprinklers, including two jockey pumps, two electric main pumps, and one diesel pump, all supported by a fire water sump. The facility is equipped with both external and internal hydrants, alongside automatic sprinkler system. Additionally, a FAFD system and portable fire extinguishers are installed throughout to ensure robust fire protection.

The Subject Asset provides DG for power backup, street lighting all around the park, and designated parking areas for trucks, Cars and Two wheelers. The park's landscaping provides a sustainable environment, while the asset is monitored completely with CCTV & security control to ensure safety.

The subject property is currently completely leased as on date of valuation with a WALE of 2.56 years.

### 4.1.1 Site Details

**Situation:** Subject Asset – 'Chakan Park' is an operational warehousing facility located along the Talawade-Chakan Road.

**Location:** The Subject Asset is located in Chakan towards the North of Pune. The Subject Asset is located in an established industrial micromarket of Pune viz. Talawade-Chakan Road which is an internal road emanating from Talegaon-Chakan Road (NH- 548D). Further, it is well connected to important industrial hubs & major cities via NH-48, NH-60 and other internal roads. Prominent industries present within the vicinity are Bajaj Auto, Volkswagen, Hindustan Petroleum Corporation, Indospace Rohan Industrial Park, SKODA Auto etc.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Chakan Junction (NH-50) | 12 – 13 |
| Mumbai-Pune Expressway | 18 – 19 |
| Pune Airport | 31 – 32 |
| Pune CBD (Peth Area) | 30 – 31 |
| Pune Railway Station | 31 – 32 |

*Source: Valuer's research*

**Catchment Analysis:** The primary catchment for the purpose of this valuation has been defined as Chakan and its adjoining micromarkets which are predominantly characterized by industrial and warehousing facilities. The micromarket is perceived as a favourable destination for various industry players owing to the excellent connectivity (via Pune-Nashik Highway and Pune-Mumbai Expressway), attractive rentals, availability of developable land parcels etc. Chakan has many small- and large-scale industries which has enabled it to develop as an industrial ecosystem. Further, owing to the growth of E-Commerce sector and its continuous demand from prominent cities like Pune, the requirement for warehousing facilities over the recent years has increased. Thus, the subject micromarket is expected to experience sustained demand and supply in the coming years.

**Surrounds:** The Subject Asset is surrounded as follows:

- North: Velangi Connectivity Pvt. Ltd.
- South: Primary access road
- East: Talawade-Chakan Road
- West: Ronch Polymers Pvt. Ltd.

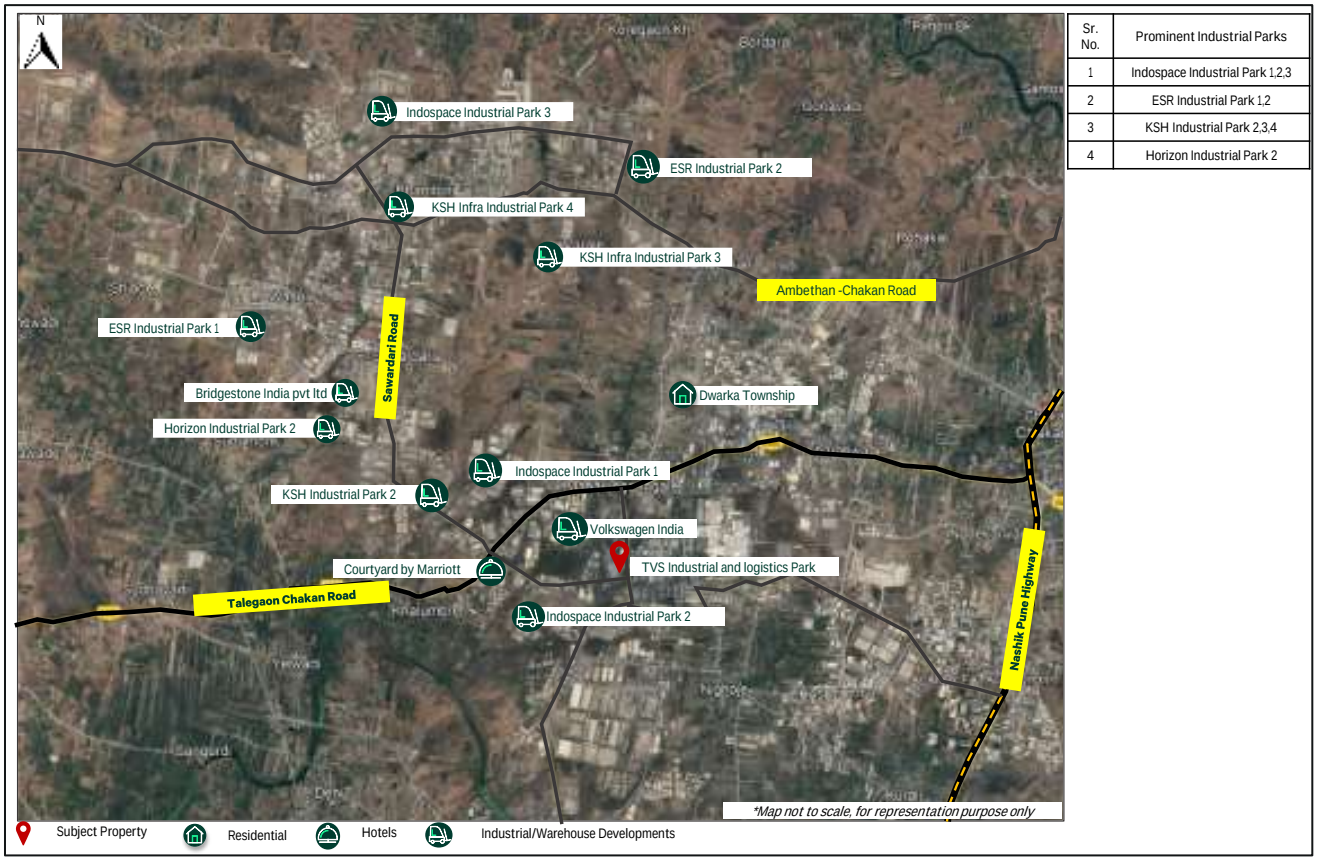
**Potential changes in surroundings:** The Subject Asset is located in close vicinity to NH-548D highway leading to micromarket such as Talegaon etc. where there is reasonable interest from developers to launch new assets comprising of largely industrial developments on the main arterial roads. The

upcoming PMRDA (Pune Metropolitan Region Development Authority) inner and outer ring road is further expected to enhance the connectivity of the region to the nearby cities.

| | |
|---|---|
| Suitability of existing use: | Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage. |

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




| Sr. No. | Prominent Industrial Parks |
|---|---|
| 1 | Indospace Industrial Park 1,2,3 |
| 2 | ESR Industrial Park 1,2 |
| 3 | KSH Industrial Park 2,3,4 |
| 4 | Horizon Industrial Park 2 |

*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is largely regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be on a higher elevation as abutting access roads and adjoining assets. Further, a gradient between Block 1 (Phase 1) and Block 2 at the Northern periphery of the subject property was observed during our site visit. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via approx. 30 m wide primary access road. By virtue of the same the asset enjoys excellent accessibility and frontage. |

Please refer Section 7.2 Exhibit & Addendums for the site plan of the Subject Asset.

### 4.1.2 Review of sale deed or Lease agreement

As per the sale deed, we understand that the exact address of the Subject Asset is 338/1, Chakan, Taluka Khed, Mahalunge Village, Pune, Maharashtra- 410501. Additionally, it is understood that the Subject Asset is owned by Durgeshwari Industrial & Logistics Parks Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly.

We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the Town Planning Zoning Classification certificate provided by the Client, we understand that the Subject Asset is zoned for "Industrial" Use. The current warehousing activity is permissible under the aforesaid zoning. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on copies of approved plans issued by PMRDA provided by the Client and visual inspection during our site visit, the Subject Asset is a completed and operational warehousing facility. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the Client, there are no other restrictions or constraints on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Chakan where the Subject Asset is located falls in Seismic Zone III with moderate risk. The city faces moderate risk in terms of high winds or cyclones too. The Subject Property is not likely to face any |

earthquake, cyclone or flooding risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.

Approvals: As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that the Subject Asset adheres to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (including One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the Client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC | Received | Pune Metropolitan Region Development Authority, Pune | 19-08-2017 |
| Ground Water Abstraction NOC | Received | Department of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Authority | 29-01-2021 |
| Land Use | Received | Joint Sub-Registrar of Khed | 13-11-2007 |
| Water Supply and Electricity NOC | Received | Mahalunge Gram Panchayat | 03-01-2011 |
| Structural Stability Certificate | Received | NA | 28-03-2023 |
| Consent to Operate | Received | Maharashtra Pollution Control Board | 27-10-2023 |
| Occupancy Certificate | Received | Pune Metropolitan Region Development Authority, Pune | 25-07-2018 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the Client, it is understood that there are no overdue periodic clearances pending as of the valuation date. Please refer to section 7.0 for any additional details.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Leased Area (sft)* | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block 1 (Phase 1 and Phase 2) | Block 1 (Phase 1) - 2006<br>Block 1 (Phase 2) - 2009 | Block 1 (Phase 1) – 18<br>Block 1 (Phase 2) – 15 | 2,50,054 | 2,50,054 | 2,84,879 | 2,79,879 |
| Block 2 | 2011 | 13 | 77,529 | 77,529 | 89,509 | 89,509 |

*Source: Architect Certificate, rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise). Further, the above area is inclusive of block areas and open spaces.*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area (sft) | Chargeable Area (sft) | Built-up area (sft)* | Structure Type |
|---|---|---|---|---|
| Chakan Park Block 1 (Phase 1 and Phase 2) – Part 1 | 1,64,045 | 1,64,045 | 1,59,069 | Warehouse |
| Chakan Park Block 1 (Phase 2) - Part 2 | 22,345 | 22,345 | 21,667 | Warehouse |
| Chakan Park Block 1 - Part 3 (Open Space) | 6,000 | 2,500 | | Open Space |
| Chakan Park Block 1 - Part 4 (Open Space) | 5,000 | 3,500 | | Open Space |
| Chakan Park Block 1 – Part 5 (Open Space) | 16,002 | 16,002 | | Open Space |
| Chakan Park Block 1 (Phase 2) B | 71,487 | 71,487 | 69,318 | Warehouse |
| Chakan Park Block 2A - Part 1 | 50,013 | 50,013 | 48,496 | Warehouse |
| Chakan Park Block 2A - Part 2 | 15,297 | 15,297 | 14,833 | Warehouse |
| Chakan Park Block 2B - Part 1 | 9,555 | 9,555 | | Warehouse |
| Chakan Park Block 2B - Part 2 | 14,644 | 14,644 | 14,200 | Warehouse |
| | 3,74,388 | 3,69,388 | 3,27,583 | |

*Source: Architect Certificate, rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise). Further, the above area is inclusive of block areas and open spaces*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks |
|---|---|
| Handover condition | Warm Shell |
| Type of Structure | PEB |
| Firefighting services | Provided. Fire NOC Available |
| Lift provision | No Lifts |
| Floor Finish | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm |
| Eave Height | Box 1 – 9 m and Box 2 – 12 m |
| Lighting (Lux Level) | 250 |
| Fire fighting | Dual pump arrangement for hydrants and sprinklers, including two jockey pumps, two electric main pumps, and one diesel pump, all supported by a fire water sump. The facility is equipped with both external and internal hydrants, alongside automatic sprinkler system. Additionally, a FAFD system and portable fire extinguishers are installed throughout to ensure robust fire protection. |
| Power Backup | DG Set 500 KVA |
| Floor Strength | 5 MT/Sqm |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and on the basis of our visual inspection during the site visit undertaken, it is understood that the Subject Asset is well maintained. However, considering the age of the warehousing facility and our subsequent discussion with the Client, an estimated refurbishment capex of INR 322 psf (on chargeable area) totalling to a total cost of INR 122.0 Mn has been considered in the cashflow. The same is deployed at the lease expiry of respective tenants. The capex cost includes cost for refurbishing Civil, MEP, PEB items for each block along with common infrastructure at the Subject Asset. The table below highlights the assumptions towards the refurbishment expenses/ infrastructure upgrade works in the Subject Asset:

| Expense Head | Total Cost (INR Mn) | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| Refurbishment capex | NA | 23.06 | 5.0 | 69.6 | 24.4 |

*Source: Valuer Estimate and Information provided by the Client*

### 4.1.9 Asset Photographs

Please refer to the Asset photographs highlighted below:

| Chakan Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the entrance gate of the Subject Asset |
| | |
| View of primary access road | View of primary access road |

*Source: iVAS site inspection conducted on 07th March 2024*

4.1.10 Details of the asset including whether the transaction is a related party transaction.

Please refer to the Annexure section 7.1

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of offer of units by Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Assets forming part of the portfolio.

## 5.2 Basis of Valuation

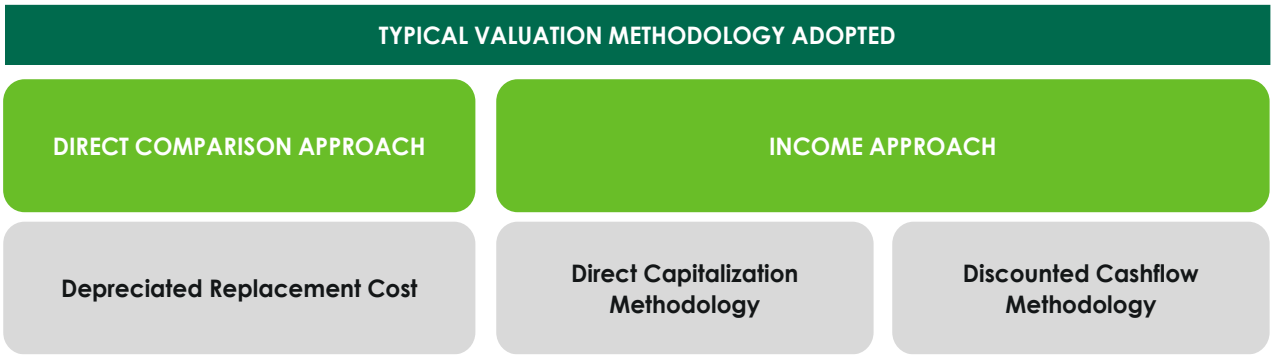
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and are in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and assesses the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Asset. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the asset and future economic conditions in the local market. The income and expense figures are projected with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Assets for the purpose of the IPO of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered with the lenders.
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations.
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year.

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue the current agreed terms. In the event the rent is higher than the

marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.
3. The Valuer has undertaken physical site inspections to assess the status of the Subject Asset in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing facilities in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Projections:

We have projected future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that a large number of leases at these assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period. It has also been witnessed that the market rent for some assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has projected the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

The asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan/Architect Certificate |
| | Achieved FSI | No. | Sanctioned Layout Plan/Architect Certificate |
| | FSI Area | Sft | Sanctioned Layout Plan/Architect Certificate |
| | Built-up Area (Covered) | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | Sft | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | Client |
| | Building Plan / Site Plan | NA | Client |
| | Floor Plans | NA | Not Provided |
| | Area proposed for Future development | NA | Not Applicable |
| | Fire NOC | NA | Client |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Occupancy Certificate | NA | Client |
| | Building Certification | NA | Not Provided |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | TR | Not Provided |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Not Applicable |
| | No. of staircase | No. | Not Applicable |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Not Applicable |
| | Total Budgeted Cost – Land Stage Block | INR Mn | Not Applicable |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Not Applicable |
| | Cost Already Incurred – Under Construction Block | INR Mn | Not Applicable |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Client/Valuer Estimate |
| | Maintenance Charges | INR psf | Client |
| | Margin on Maintenance | % of CAM Charges | Not Applicable |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Asset Management Fee | % of revenues | Client |
| | Brokerage on lease | No. of Months | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Not Applicable |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Not Applicable |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Not Applicable |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Not Applicable |
| | Construction Completion | Quarter, Year | Not Applicable |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of asset, etc. | Not applicable | Valuer' Assessment/ Industry Report |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Chakan Park | Discounted Cash Flow<br>(Using rent reversion approach) | N.A. |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

The table below highlights the area details of the completed blocks of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Leased Area (sft)* | Chargeable Area (sft)* |
|---|---|---|---|---|---|---|
| Block 1<br>(Phase 1 and Phase 2) | Block 1 (Phase 1) - 2006<br>Block 1 (Phase 2) - 2009 | Block 1 (Phase 1) – 18<br>Block 1 (Phase 2) – 15 | 2,50,054 | 2,50,054 | 2,84,879 | 2,79,879 |
| Block 2 | 2011 | 13 | 77,529 | 7,529 | 89,509 | 89,509 |

*Source: Architect Certificate, Sanctioned layout plan, lease agreements provided by the Client.*

| Property | Leased Area (sft) | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) |
|---|---|---|---|---|
| Chakan Park | 3,74,388 | 3,69,388 | 100% | 27.38 |

*Source: Architect Certificate, Lease deed, rent roll provided by the Client.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the Subject Asset:

| Particulars | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| Occupancy (completed blocks) | 33.0% | 33.0% | 94.0% | 100.0% |
| Pre-Commitment (under construction blocks) | NA | NA | NA | NA |

*Source: Information provided by the Client;*

### 6.3.2 Lease Rent Analysis

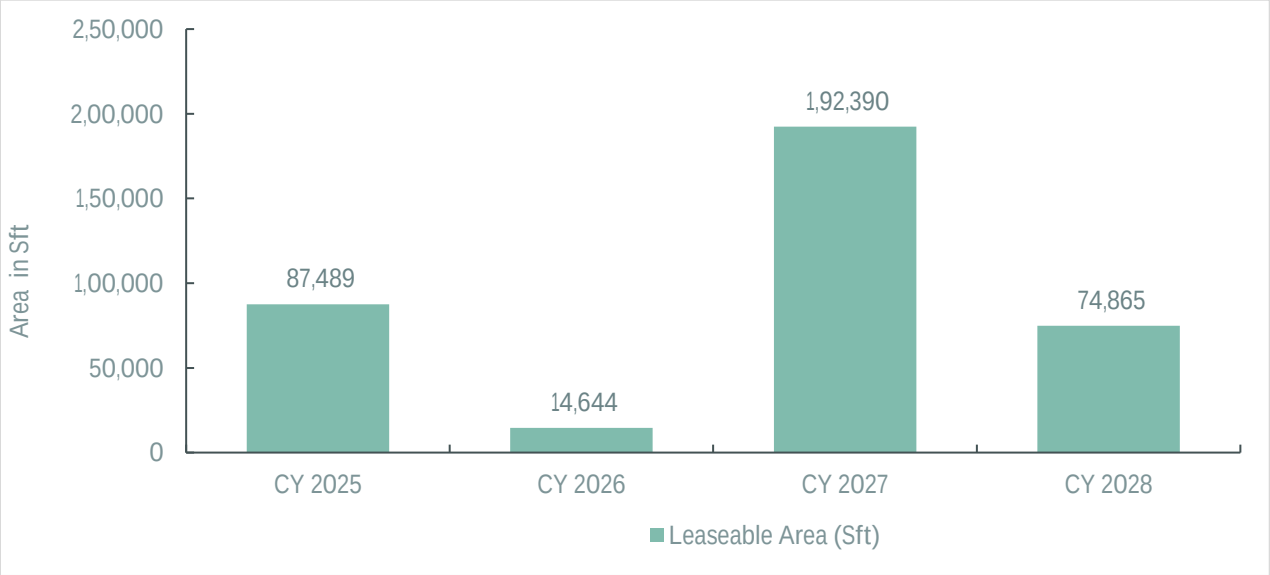
Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below

| Tenant | Particulars | Details |
|---|---|---|
| Tenant 1 | Lease Commencement Date | 04th September 2022 |
| | Rent Commencement Date | 04th September 2022 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Remaining Lease Tenure | 2.93 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Tenant 2 | Lease Commencement Date | 01st August 2020 |
| | Rent Commencement Date | 13st September 2020 |
| | Lock-in Period | 5 Years |
| | Lease Tenure | 5 Years |
| | Remaining Lease Tenure | 0.83 Years |
| | Lease Rent Escalation Terms | 4% every year |
| Tenant 3 | Lease Commencement Date | 01stJuly 2023 |
| | Rent Commencement Date | 01stJuly 2023 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Remaining Lease Tenure | 3.75 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Tenant 4 | Lease Commencement Date | 01st August 2023 |
| | Rent Commencement Date | 01st August 2023 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Remaining Lease Tenure | 3.83 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Tenant 5 | Lease Commencement Date | 01st August 2023 |
| | Rent Commencement Date | 01st August 2023 |
| | Lock-in Period | 1 Years |
| | Lease Tenure | 3 Years |
| | Remaining Lease Tenure | 1.83 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 2.56 years, with 80% of occupied area expiring between CY 2025 and CY 2027 as shown in the chart below.




*Source: Client Inputs – Rent roll provided by the Client.*

### 6.3.4 Tenant Obligations.

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | General Wear and Tear |
| 3 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

Contractual Rental Details

| Tenant | Leased Area (sft) | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|---|
| Tenant 1 | 1,86,390 | 1,86,390 | 50% | 30.9 | 5.77 |
| Tenant 1 | 6,000 | 11,000 | 2% | 5.7 | 0.03 |
| Tenant 2 | 71,487 | 71,487 | 19% | 25.3 | 1.81 |
| Tenant 3 | 50,013 | 50,013 | 14% | 29.4 | 1.47 |
| Tenant 3 | 9,555 | 9,555 | 3% | 6.5 | 0.06 |
| Tenant 4 | 15,297 | 15,297 | 4% | 25.7 | 0.39 |
| Tenant 5 | 14,644 | 14,644 | 4% | 30.8 | 0.45 |
| Tenant 5 | 16,002 | 16,002 | 4% | 8.0 | 0.13 |
| Total | 3,69,388 | 3,74,388 | | 27.38 | 10.11 |

*Source: Lease Deed and Information provided by the Client*

Basis the recent transaction witnessed in the micromarket as highlighted in the previous sections and transactions witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 28.5 – 29.5 per sf per month (say an average rental of INR 29.5 per sf per month on leasable area).

The open space area within the Subject Asset provides convenience to the tenants in the Subject Asset. Also, considering the existing leases within the subject micromarket, we have assumed lease rentals for Open Spaces in the range of INR 6.0 – 8.0 per sf per month (rental adjusted as per contracted rental for open spaces) as on date of valuation.

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

As per inputs provided by the Client, the asset was completed in a phase-wise manner with Phase 1 (Box 1) completed and operationalised in the year 2006, Phase 2 (Box 1) completed and operationalised in the year 2009) and Phase 3 (Box 2) completed and operationalised in year 2011.

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the Subject Asset is completely leased as on date of valuation.

### 6.3.7 Revenue Assumption

#### 6.3.7.1 Warehousing Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the Client. Further, the Valuer has undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space on lease expiries for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the Client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|---|
| Warehousing | 3,37,831 | 3,37,831 | 3,37,831 | Current Rent for Leased area | 27.87^ |
| | | | | Market rent for reversion/ vacant area | 29.5 |

*Source: Lease deed provided by the Client; Valuer's assessment*

The above market rent assumption is adopted for the entire Subject Asset. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected market rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the Client, it is understood that there is open space area measuring approx. 31,557 sft of which 100% is leased out.

The Valuers have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket and existing leases of Subject Asset. The same has been adopted for the vacant space at expiries for the purpose of this valuation exercise. Given the above, we have assumed market rent in the range of INR 6.0 to 8.0 psf pm (rental adjusted as per contracted rental for open spaces) as on date of valuation.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% after every year, which is in-line with the trend observed in the market. The same has been adopted for the contractual escalation at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum. However, based on the trend observed in the market, the valuer has considered a market escalation of 5% per annum.

| Particulars | Unit | Details |
|---|---|---|
| Market Rental Escalations | % p.a. | 5% per annum |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 29.5 | 31.0 | 32.52 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Other Income* | 2.79% | % of Rental Income |
| Security Deposit (For vacant spaces) | 6.0 | No. of months' rental |

*Source: Valuer's assessment, *based on the asset level P&L statements shared by the Client attributable to the margins made on other services provided to the tenants*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Not applicable. The Subject Asset is an operational asset.

#### 6.3.10.2 Major Repair and improvements

Considering the age and physical condition of the building and as per discussion with the Client, an estimated refurbishment capex of INR 322 per sft per month (on chargeable area) totalling to a total cost of INR 125 Mn (adjusted for cost escalations) has been considered in the cashflow. The same is deployed at the lease expiry of respective tenants. The capex cost includes cost for refurbishing Civil, MEP, PEB items for each block along with common infrastructure at the subject property. The table below highlights the assumptions towards the refurbishment expenses/ infrastructure upgrade works in the Subject Asset:

| Expense Head | Total Cost (INR Mn) | 2025 | 2026 | 2027 | 2028 |
|---|---|---|---|---|---|
| Refurbishment capex | NA | 23.06 | 5.0 | 69.6 | 24.4 |

*Source: Valuer Estimate and Client inputs.*

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 0.5% of the Rental Revenue |
| Refurbishment reserve provision | 1.5% of the Rental Revenue |
| Asset Management Fee^ | 3.0% of revenues from operations |
| CAM expense | INR 1.16 psf per month (On chargeable area) |
| Property Tax | INR 1.35 Mn per Annum |
| Insurance | INR 0.72 Mn per Annum |
| Vacancy Allowance during operations | 2.5% of revenues from operations |
| Vacancy Allowance on Exit | 2.5% of revenues from operations |

*Source: Client input; Valuer's assessment; As per the lease terms and the information provided by the Client, asset tax and insurance are to be borne by the Client; ^fees has been considered as below the NOI line item.*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the Subject Asset is fully let with long lease periods having a WALE of 2.56 years. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Details |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit –2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5% has been considered.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have a rent-free period ranging from 1 months to 2 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 3 months for new-leases and for re-leasing effective from the lease commencement date. Additionally, 3 months of downtime has been considered for new-leases and for re-leasing for the purpose of refurbishment works in the respective blocks as mentioned above.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 1 month of rental income for future / new leases.

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the Client and market benchmarks. The same has been considered as passthrough.

Based on review of the lease agreements and based on the subsequent information provided by the Client, we understand that no split between the base rentals and CAM charges were provided to us. However, as per our discussion with the Client, 100% of the CAM Income would be received by the Client entity/ InvIT entity and 100% of the CAM Expense would be borne by tenants/ SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The exit capitalization rate adopted for valuing the asset has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.5%- 11.5% to about 7.5% - 8.5% in last 3-4 years.
- The increased appetite for income producing asset and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing facilities across various markets in India have a range of 7.5 – 8.5%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the asset | Details |
|---|---|---|---|
| Chakan Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Operational | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC), as set out below.

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years.
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for this asset has been adjusted for market/ asset specific risk pertaining to a real estate asset such as, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

The cost of debt for the subject asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing facilities across the Chakan and Talegaon market which are in the range of 8.0% – 10.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed Chakan Park asset forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Chakan Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Chakan Park | INR 1,670.87 Mn |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums.

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

According to the 'Litigation Details' provided by the client, it is understood that there is an ongoing Civil Suit initiated by the subject asset entity, DURGESHWARI INDUSTRIAL AND LOGISTICS PARKS PVT. LTD, against the Maharashtra Industrial Development Corporation ('MIDC') through Regular Civil Suit Case No. 26/2007, amounting to approx. INR 11.74 Mn. The suit states that the Company acquired a freehold land which was not under MIDC's jurisdiction. The Company has filed the suit in order to prevent the obstruction of road access to the property by MIDC. It should be noted that this matter was transferred following the demerger from TSVILP. The Honorable Court granted a stay against the claim by an Order dated October 17, 2007, and the status of the case remains unchanged to date. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

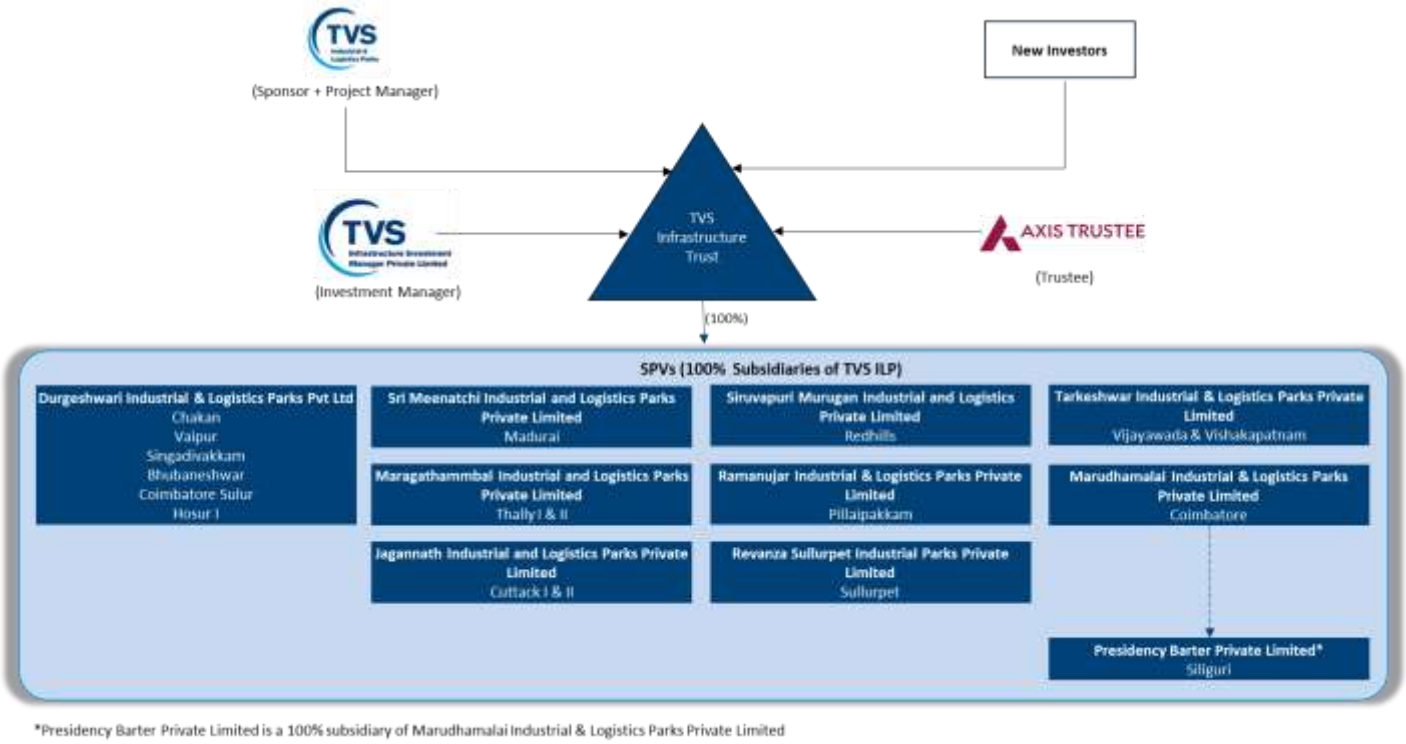
### 7.1.5 Details of the asset including whether the transaction is a related party transaction.

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InVIT) Regulations

7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

As per our interaction with the client, the client has confirmed that that 100% of interest in the asset shall be held by the InvIT

7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

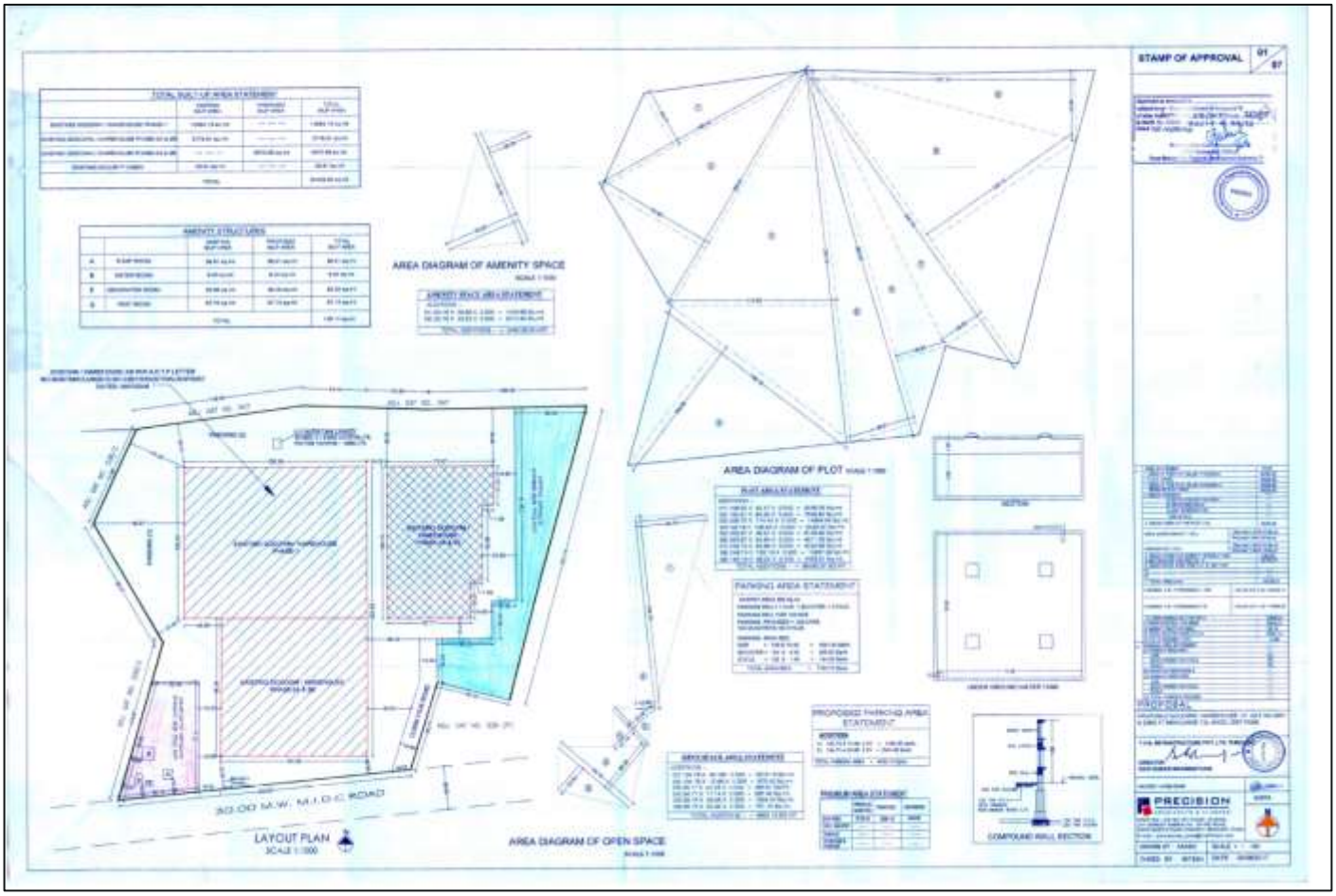
7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the client, the client has confirmed that the same is not applicable

7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | No. of years |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Building 1 – 14.9 years |
| | | Building 2 – 16.2 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

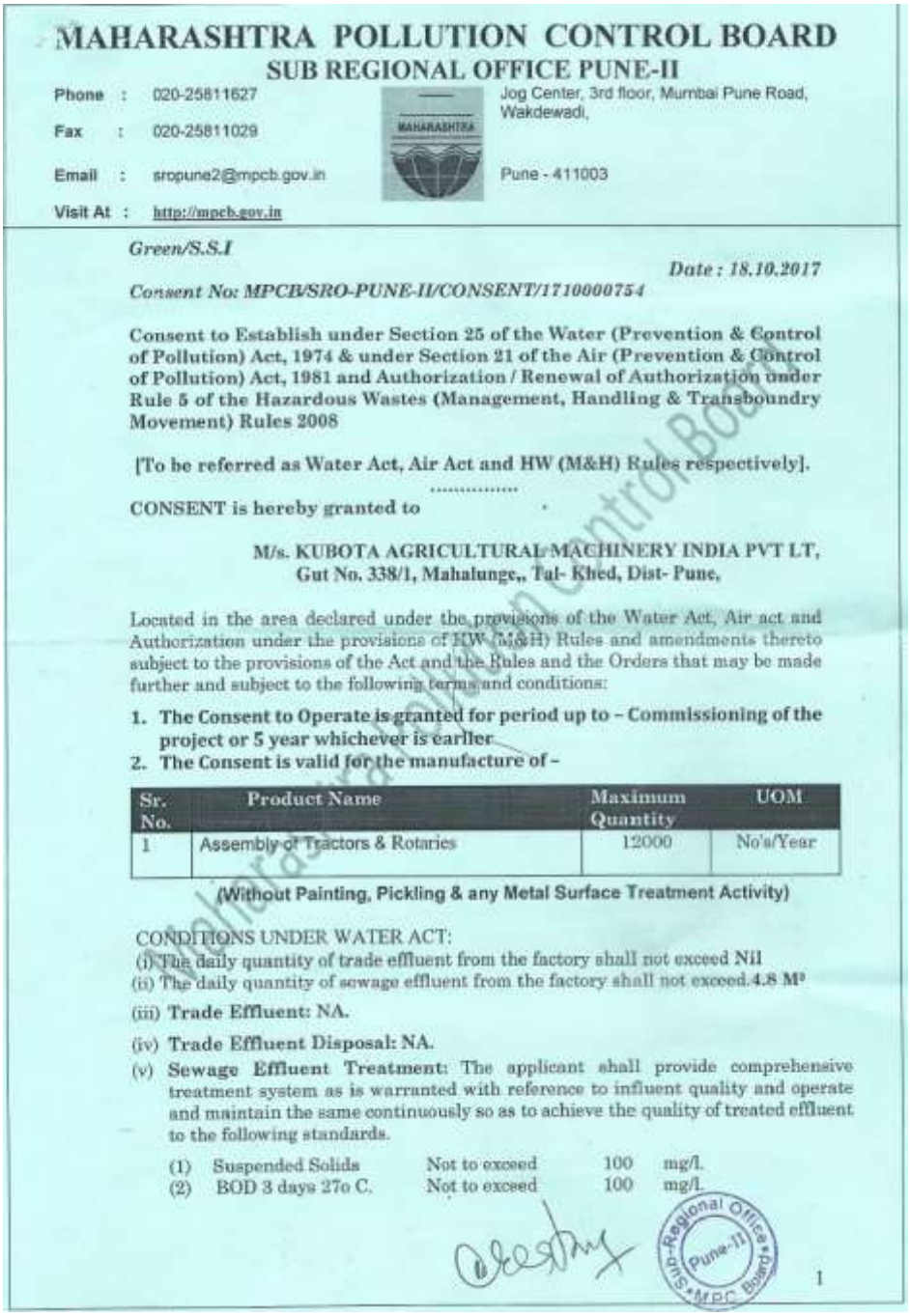
## 7.2 Site Plan




*Source: Client*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

CTE



MAHARASHTRA POLLUTION CONTROL BOARD
SUB REGIONAL OFFICE PUNE-II

Phone : 020-25811627
Fax : 020-25811029
Email : sropune2@mpcb.gov.in
Visit At : http://mpcb.gov.in

Jog Center, 3rd floor, Mumbai Pune Road, Wakdewadi,
Pune - 411003

*Green/S.S.I*

*Date : 18.10.2017*

*Consent No: MPCB/SRO-PUNE-II/CONSENT/1710000754*

**Consent to Establish under Section 25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorization / Renewal of Authorization under Rule 5 of the Hazardous Wastes (Management, Handling & Transboundry Movement) Rules 2008**

**[To be referred as Water Act, Air Act and HW (M&H) Rules respectively].**

**CONSENT is hereby granted to**

**M/s. KUBOTA AGRICULTURAL MACHINERY INDIA PVT LT,**
**Gut No. 338/1, Mahalunge,, Tal- Khed, Dist- Pune,**

Located in the area declared under the provisions of the Water Act, Air act and Authorization under the provisions of HW (M&H) Rules and amendments thereto subject to the provisions of the Act and the Rules and the Orders that may be made further and subject to the following terms and conditions:

1. **The Consent to Operate is granted for period up to – Commissioning of the project or 5 year whichever is earlier.**
2. **The Consent is valid for the manufacture of –**

| Sr. No. | Product Name | Maximum Quantity | UOM |
|---|---|---|---|
| 1 | Assembly of Tractors & Rotaries | 12000 | No's/Year |

**(Without Painting, Pickling & any Metal Surface Treatment Activity)**

CONDITIONS UNDER WATER ACT:

(i) The daily quantity of trade effluent from the factory shall not exceed **Nil**
(ii) The daily quantity of sewage effluent from the factory shall not exceed **4.8 M³**
(iii) **Trade Effluent: NA.**
(iv) **Trade Effluent Disposal: NA.**
(v) **Sewage Effluent Treatment:** The applicant shall provide comprehensive treatment system as is warranted with reference to influent quality and operate and maintain the same continuously so as to achieve the quality of treated effluent to the following standards.

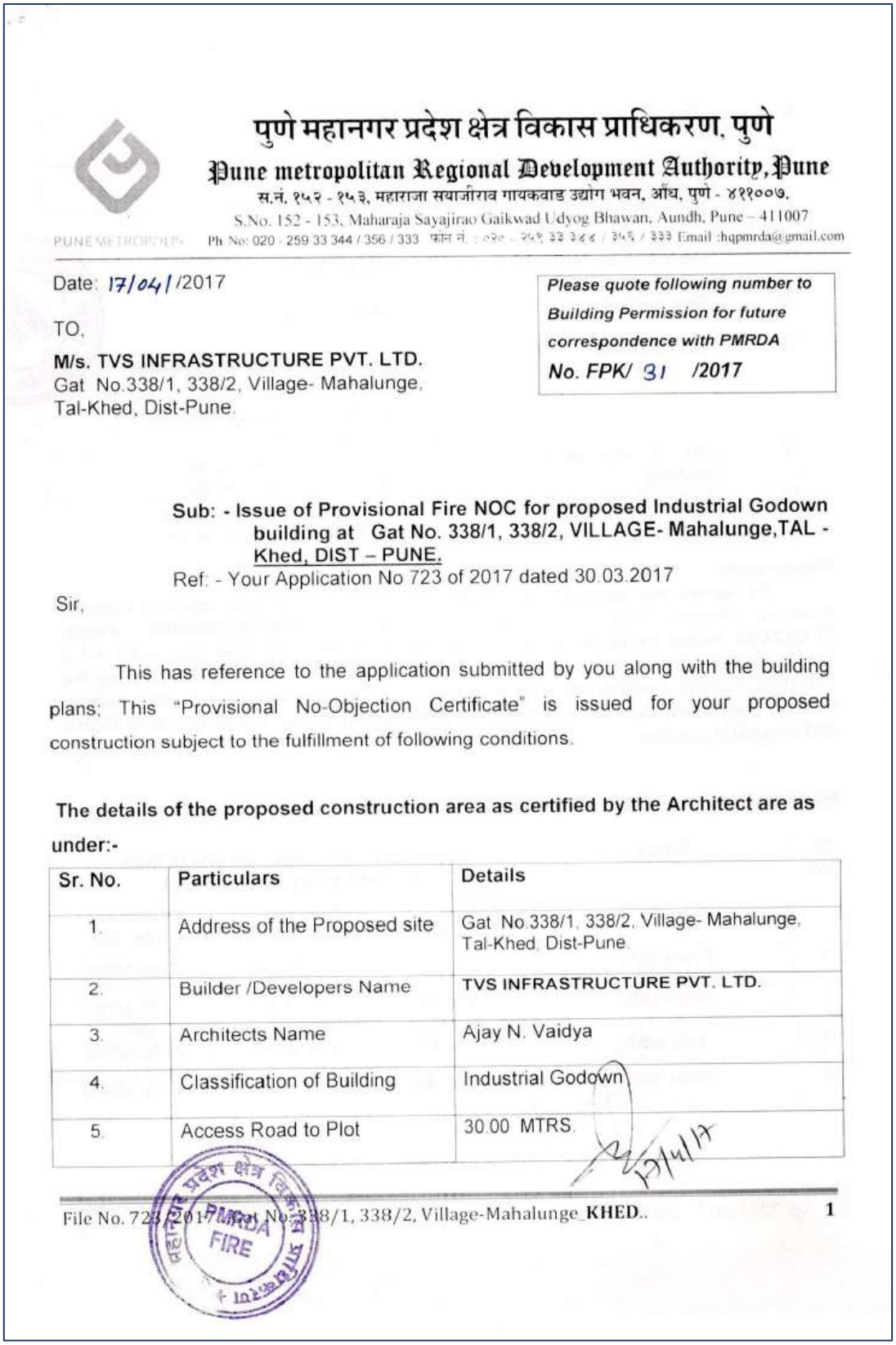
| | | | | |
|---|---|---|---|---|
| (1) | Suspended Solids | Not to exceed | 100 | mg/l. |
| (2) | BOD 3 days 27o C. | Not to exceed | 100 | mg/l. |

Sub-Regional Office Pune-II MPC Board

1

*Source: Client*

Fire NOC



पुणे महानगर प्रदेश क्षेत्र विकास प्राधिकरण, पुणे

Pune metropolitan Regional Development Authority, Pune

स.नं. १५२ - १५३, महाराजा सयाजीराव गायकवाड उद्योग भवन, औंध, पुणे - ४११००७.

S.No. 152 - 153, Maharaja Sayajirao Gaikwad Udyog Bhawan, Aundh, Pune – 411007

PUNE METROPOLIS Ph No: 020 - 259 33 344 / 356 / 333 फोन नं. : ०२० - २५९ ३३ ३४४ / ३५६ / ३३३ Email :hqpmrda@gmail.com

Date: 17/04/2017

Please quote following number to Building Permission for future correspondence with PMRDA
No. FPK/ 31 /2017

TO,

**M/s. TVS INFRASTRUCTURE PVT. LTD.**
Gat No.338/1, 338/2, Village- Mahalunge,
Tal-Khed, Dist-Pune.

**Sub: - Issue of Provisional Fire NOC for proposed Industrial Godown building at Gat No. 338/1, 338/2, VILLAGE- Mahalunge,TAL - Khed, DIST – PUNE.**

Ref: - Your Application No 723 of 2017 dated 30.03.2017

Sir,

This has reference to the application submitted by you along with the building plans; This "Provisional No-Objection Certificate" is issued for your proposed construction subject to the fulfillment of following conditions.

**The details of the proposed construction area as certified by the Architect are as under:-**

| Sr. No. | Particulars | Details |
|---|---|---|
| 1. | Address of the Proposed site | Gat No.338/1, 338/2, Village- Mahalunge, Tal-Khed, Dist-Pune. |
| 2. | Builder /Developers Name | TVS INFRASTRUCTURE PVT. LTD. |
| 3. | Architects Name | Ajay N. Vaidya |
| 4. | Classification of Building | Industrial Godown |
| 5. | Access Road to Plot | 30.00 MTRS. |

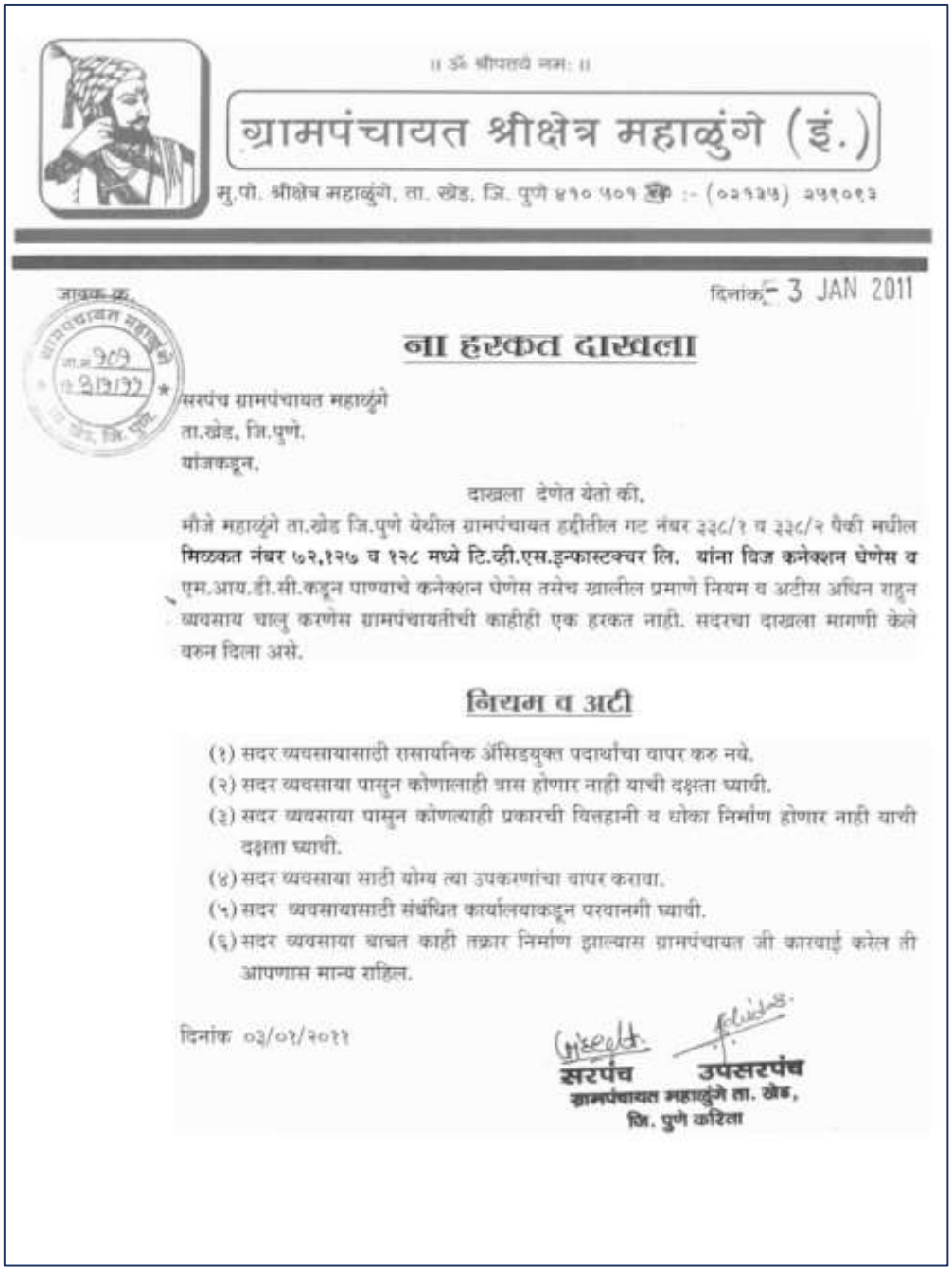
17/4/17

PMRDA FIRE

File No. 723/2017 Gat No. 338/1, 338/2, Village-Mahalunge KHED.. 1

*Source: Client*

Gram Panchayat NOC for Electricity and Water Supply



॥ ॐ श्रीपतये नमः ॥

# ग्रामपंचायत श्रीक्षेत्र महाळुंगे (इं.)

मु.पो. श्रीक्षेत्र महाळुंगे, ता. खेड, जि. पुणे ४१० ५०१ ☎ :- (०२१३५) २५९०९३

जावक क्र.

दिनांक - 3 JAN 2011

## ना हरकत दाखला

सरपंच ग्रामपंचायत महाळुंगे
ता.खेड, जि.पुणे.
यांजकडून,

दाखला देणेत येतो की,

मौजे महाळुंगे ता.खेड जि.पुणे येथील ग्रामपंचायत हद्दीतील गट नंबर ३३८/१ व ३३८/२ पैकी मधील **मिळकत नंबर ७२,१२७ व १२८ मध्ये टि.व्ही.एस.इन्फास्टक्चर लि. यांना विज कनेक्शन घेणेस व** एम.आय.डी.सी.कडून पाण्याचे कनेक्शन घेणेस तसेच खालील प्रमाणे नियम व अटीस अधिन राहुन व्यवसाय चालु करणेस ग्रामपंचायतीची काहीही एक हरकत नाही. सदरचा दाखला मागणी केले वरुन दिला असे.

## नियम व अटी

(१) सदर व्यवसायासाठी रासायनिक ॲसिडयुक्त पदार्थांचा वापर करु नये.
(२) सदर व्यवसाया पासुन कोणालाही त्रास होणार नाही याची दक्षता घ्यावी.
(३) सदर व्यवसाया पासुन कोणत्याही प्रकारची वित्तहानी व धोका निर्माण होणार नाही याची दक्षता घ्यावी.
(४) सदर व्यवसाया साठी योग्य त्या उपकरणांचा वापर करावा.
(५) सदर व्यवसायासाठी संबंधित कार्यालयाकडून परवानगी घ्यावी.
(६) सदर व्यवसाया बाबत काही तक्रार निर्माण झाल्यास ग्रामपंचायत जी कारवाई करेल ती आपणास मान्य राहिल.

दिनांक ०३/०१/२०११

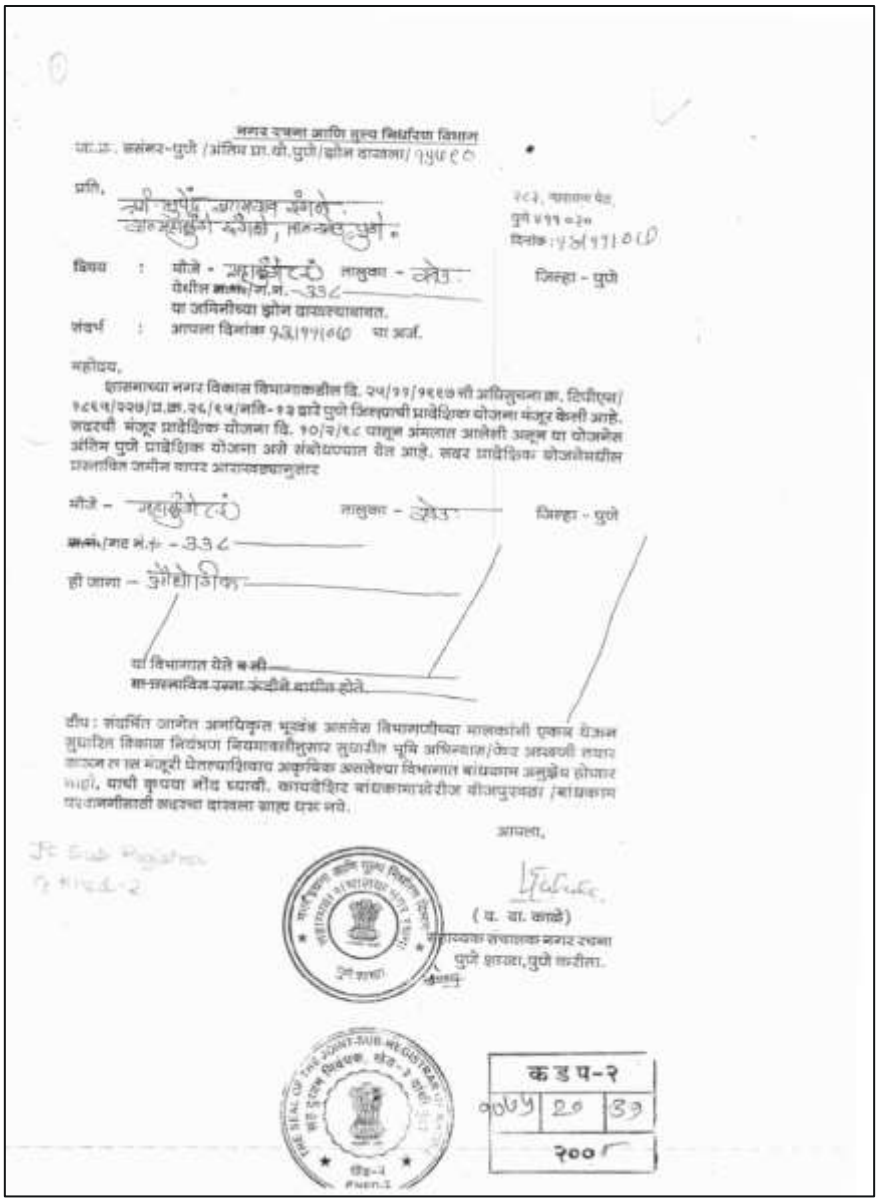
सरपंच उपसरपंच
ग्रामपंचायत महाळुंगे ता. खेड,
जि. पुणे करिता

*Source: Client*

## 7.4 Government Circle Rate

*Source: Department of Registration and stamp Maharashtra website.*

## 7.5 Zoning Certificate



नगर रचना आणि मूल्य निर्धारण विभाग

जा.क्र. ससंभर-पुणे /अंतिम प्रा.यो.पुणे/झोन दाखला/ १५५९०

प्रति,

२८३, नारायण पेठ,
पुणे ४११ ०३०
दिनांक : १३/११/०७

विषय : मौजे - महाळुंगेरडं तालुका - खेड जिल्हा - पुणे
येथील ~~सा.नं.~~/ग.नं. - ३३८
या जमिनीच्या झोन दाखल्याबाबत.

संदर्भ : आपला दिनांक १३/११/०७ चा अर्ज.

महोदय,

शासनाच्या नगर विकास विभागाकडील दि. २५/११/१९९७ ची अधिसूचना क्र. टिपीएस/१८९५/२२७/प्र.क्र.२६/९५/नवि-१३ द्वारे पुणे जिल्ह्याची प्रादेशिक योजना मंजूर केली आहे. सदरची मंजूर प्रादेशिक योजना दि. १०/२/९८ पासून अंमलात आलेली असून या योजनेस अंतिम पुणे प्रादेशिक योजना असे संबोधण्यात येत आहे. सदर प्रादेशिक योजनेमधील प्रस्तावित जमीन वापर आरक्षणानुसार

मौजे - महाळुंगेरडं तालुका - खेड जिल्हा - पुणे

~~सा.नं.~~/गट नं.+ - ३३८

ही जागा - औद्योगिक

या विभागात येते ~~व ती~~
~~या प्रस्तावित रस्ता रुंदीने बाधित होते.~~

टीप : संदर्भित जागेत अनधिकृत भूखंड असलेस विभागणीच्या मालकांनी एकत्र येऊन सुधारित विकास नियंत्रण नियमावलीनुसार सुधारीत भूमि अभिन्यास/फेर आखणी तयार करून त्यास मंजूरी घेतल्याशिवाय अकृषिक असलेल्या विभागात बांधकाम अनुज्ञेय होणार नाही, याची कृपया नोंद घ्यावी. कायदेशिर बांधकामाखेरीज बीजपुरवठा /बांधकाम परवानगीसाठी सदरचा दाखला ग्राह्य धरू नये.

आपला,

( व. वा. काळे )
सहाय्यक संचालक नगर रचना
पुणे शाखा, पुणे करीता.

कडप-२
०७५ | २० | ३१
२००८

*Source: Client*

## 7.6 Any matters which may affect the asset or its values.

There are no other matters which may affect the asset or its values beyond what has already been stated in this report:

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## VAIPUR PARK

SPV

DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

IVAS®

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | TVS Industrial & Logistics Parks, Vaipoor (the "Subject Asset") |
| Asset Address: | Survey No: 228/4, 5A, 5B, 246/1, 2, 3, 250/3A, 251/12, 3A2, 3B2, 3C2, 6B, 7A1, 7A2, 7B1B, 7B1C2, 7B1C3, 7B14C4, 7B1C5, 7B1C6, 7B1C7, 7B1D, 7B2, 7B3, 7C2 of Eraiyur Village, Sriperumbudur Taluk, Kancheepuram, Tamil Nadu. |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Durgeshwari Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the sale deed, land use certificate, building plan approval and sanctioned layout provided by the client, it is understood that the total underlying land area of the Subject Asset is approx. 10.23 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located along Eraiyur Road, Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District. The Subject Asset is spread across a land area of approx. 10.23 acres with four completed blocks (Block – I, Block – II, Block – III, and Block – IV) having a cumulative leasable area and a chargeable area of approx. 2,12,424 sft.<br><br>The Subject Asset is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset has limited frontage along the access road. The access road abuts the Subject Asset in its western side.<br><br>The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant, Water Treatment Plant, Storm water network, Fire Fighting Systems of NFPA/NBC standard with requisite parking facilities for trucks. |

The area details of the asset are as follows:

| Particulars | Status | Built-up Area (in sft) | Leasable/Chargeable Area (in sft) |
|---|---|---|---|
| Vaipur Park – Block I | Completed | 94,955 | 94,955 |
| Vaipur Park – Block II | Completed | 59,985 | 59,985 |
| Vaipur Park – Block III | Completed | 34,280 | 34,280 |
| Vaipur Park – Block IV | Completed | 23,204 | 23,204 |
| Total Area | | 2,12,424 | 2,12,424 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The Subject Asset is located along Eraiyur Road which emanates from Vandalur - Oragadam - Walajabad Road which connects Walajabad and Vandalur. The subject asset is located at a distance of approximately 3 – 4 kms from National Highway 48, approx. 6 - 7 km from SIPCOT Industrial Park Vallam , approx. 30 – 31 kms from Chennai

International Airport , approx. 45 – 46 kms from Nungambakkam (CBD of Chennai) and approx. 50 -52 kms from Chennai Central Railway Station.

Statement of Assets (sft):

Based on review of rent roll, lease deeds and area statement provided by the client, the Subject Asset has an operational warehousing facility admeasuring approx. 2,12,424 sft which is fully occupied.

| Blocks | Built-up Area (in sft) | Leasable/Chargeable Area (in sft) | Structure Type |
|---|---|---|---|
| Vaipur Park – Block I | 94,955 | 94,955 | PEB Structure |
| Vaipur Park – Block II | 59,985 | 59,985 | PEB Structure |
| Vaipur Park – Block III | 34,280 | 34,280 | PEB Structure |
| Vaipur Park – Block IV | 23,204 | 23,204 | PEB Structure |
| Total Area | 2,12,424 | 2,12,424 | |

*Source Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

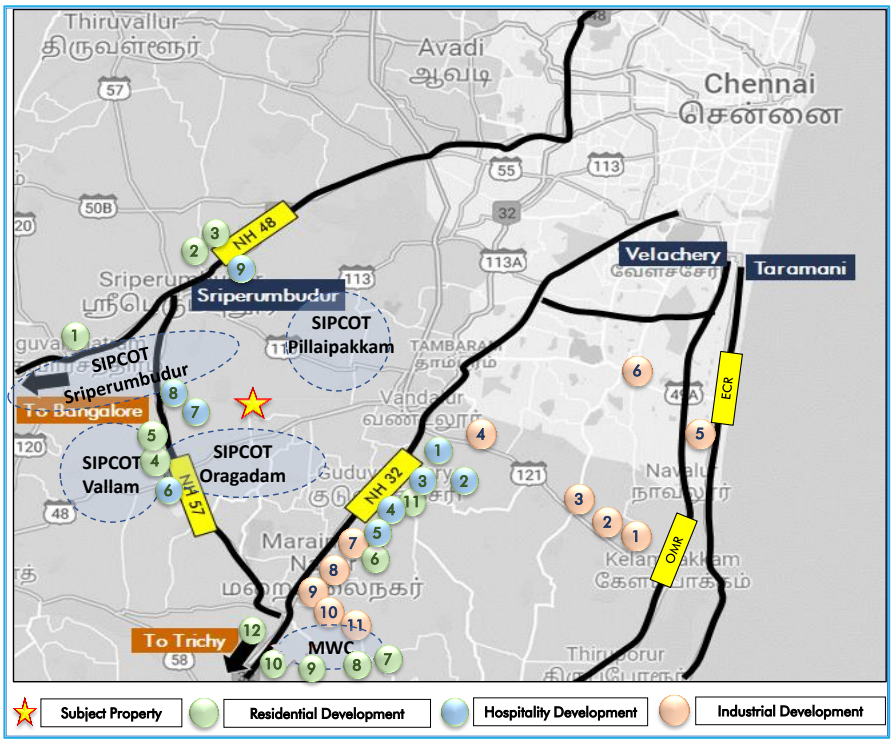
Summary of the above table is as follows:

| Block | Total Area (sft) | Operational Area (sft) | Under construction Area (sft) |
|---|---|---|---|
| Vaipur Park – Block I | 94,955 | 94,955 | N.A. |
| Vaipur Park – Block II | 59,985 | 59,985 | N.A. |
| Vaipur Park – Block III | 34,280 | 34,280 | N.A. |
| Vaipur Park – Block IV | 23,204 | 23,204 | N.A. |
| Total Area | 2,12,424 | 2,12,424 | N.A. |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Location Map

**Location Map for the Subject Asset**




| Industrial Developments | Residential Developments | Hospitality Developments |
|---|---|---|
| 1. Butterfly Limited | 1. Globevill, ETA Apartments | 1. Kalyan Grannd |
| 2. TAFE Product Training Centre | 2. Prince Residenzia | 2. Oyo Notos |
| 3. Springfeel Polyurethane Foams | 3. VGN Brixton | 3. Ram Residency |
| 4. Super Auto Forge | 4. Casagrande Arena | 4. SRM Hotel |
| 5. Infosys | 5. Akshaya Metropolis | 5. Vaasi Palace |
| 6. ELCOT | 6. PdotG Matrix | 6. Hotel Mercury |
| 7. Rane TRW | 7. Avigna Celeste | 7. Hotel Villa Highnest |
| 8. Zoho | 8. Mahindra aqualilly | 8. Hudson Hotels |
| 9. Ford India | 9. Mahindra Irish Court | 9. Paramount Inn |
| 10. SPEL Semiconductors | 10. Mahindra Nova | |
| 11. IP Rings Pvt Ltd | 11. SIS Marakesh | |
| | 12. Hallmark Emerald | |

*Source: Industry Assessment Report*

Tenancies

As on the valuation date the Subject Asset is fully let to 2 tenants at a total current annual rent of 102.36 Mn (including mezzanine area rentals) and with a Weighted average lease expiry (WALE) of 4.35 years. The main tenant is a manufacturing company with 55% of the leasable area and accounting for approx. 67% of the current rent.

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent^ | INR/ sf/ mth | 40.2 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 27.0 |
| Marginal rent – Weighted Average* | INR/ sf/ mth | 39.4 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | N.A. |

| | | |
|---|---|---|
| Proposed asset completion timelines (Under Construction Blocks) | Quarter, Year | N.A. |
| Refurbishment Capex | INR Mn | N.A. |
| Other Financial Assumptions | | |
| Exit Cap rate – warehouse components | % | 8.00% |
| Discount rate (During operations) | % | 11.58% |
| Discount rate (for under construction blocks) | % | N.A. |
| Exit Cap rate – Under construction warehouse components | % | 8.00% |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 96.7 |
| Stabilized NOI[1] | INR Mn | 100.3 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report; ^weighted average in-place rentals adjusted as per contracted rentals for mezzanine and open space rentals;* weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

| | |
|---|---|
| %stake proposed to be held in Asset SPV by TVS Infrastructure trust: | 100% |
| Date of Inspection: | February 06, 2024 |
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Current Government Approved Rates (as per | INR 30.75 Mn (INR 3.0 Mn per acre) |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

documents published by State Government):

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| TVS Industrial & Logistics Parks, Vaipoor | Operational | 1406.8 |
| Total Value of the asset | | 1406.8 |

*Source: Valuer's assessment*

Any matters which may affect the asset or its value

Please refer section 7.5 of this report

Assumptions, Disclaimers, Limitations & Qualifications

*This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*

*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

*Please note that is an executive summary and it is advisable that the report should be the valuation*

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Notice

This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation.

Valuer Declaration:

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by: iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory :

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of an operational Warehousing asset located at Eraiyur Road, Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 10.23 acres with a total leasable and chargeable area admeasuring approx. 2,12,424 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| TVS Industrial & Logistics Parks | Durgeshwari Industrial & Logistics Parks Private Limited | Warehouse | Vaipoor, Eraiyur | 10.23 acres | 4 |

*Source: Client Inputs*

For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the infrastructure development subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of valuer where such consent to be given at the absolute, exclusive discretion of valuer, which shall not be unreasonably withheld. Where they are to be used with the valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without valuer's prior written consent.

The valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the client has disclosed to the valuer all information which may affect the Services. All opinions expressed by the valuer, or its employees are subject to any conditions contained in the valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered valuers and valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture,

New Delhi in 1997 and master's in client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as oragadam micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| TVS Industrial & Logistics Parks | Durgeshwari Industrial & Logistics Parks Private Limited | Sriperumbudur | Oragadam |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park

Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Client, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the client or any other party whom the

TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- The Valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The valuers are not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the valuer recommend as necessary prior to reliance. The valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br><br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br><br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the valuers assume no responsibility in connection with such matters.<br><br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the client, the valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The valuer understands that the Subject Assets may have encumbrances, disputes and claims. The valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |

| | |
|---|---|
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the client. It must be noted that the above information has been provided by the client and has been verified based on the approvals/ layout plans/building plans provided by the client. However, the valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation. |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate. |

| | |
|---|---|
| | We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature<br><br>The current in-place rentals for the manufacturing company is 53.64 Block II (59,985), 47.10 Block III (34,280) and 36.92 Block IV (23,204). We understand that the rentals are inclusive of fitouts, the breakup or the asset specification for which is unavailable. Hence, we have assumed the in-place rentals minus market rentals to be the fitout rentals. |
| Flooding risk: | We will assume that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br><br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br><br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br><br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

# 3 Chennai – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Chennai and Micromarket

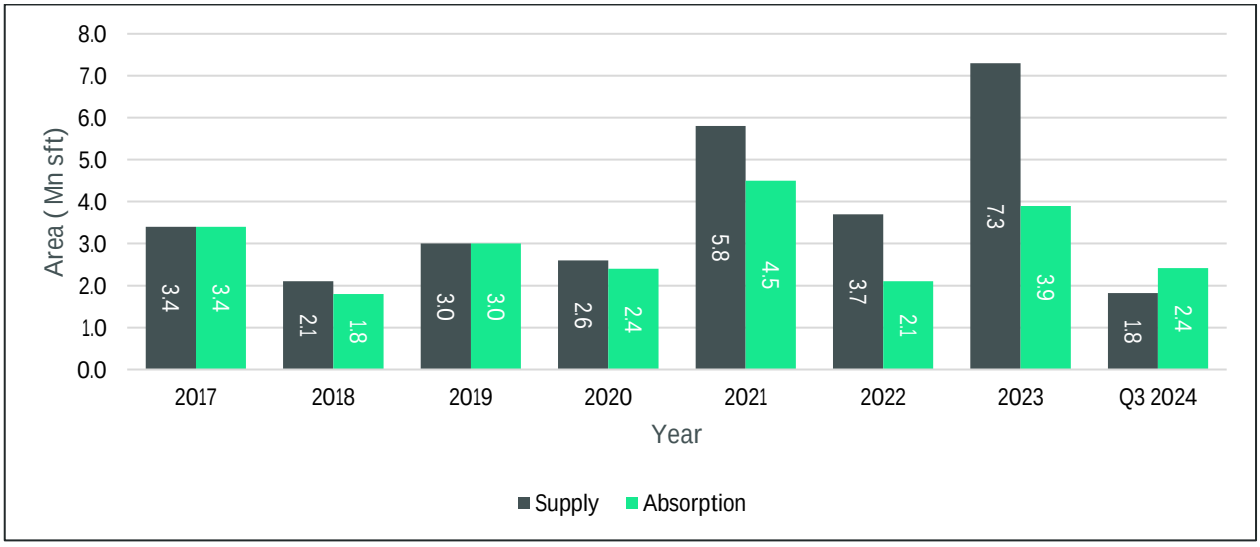
Total completed stock in Chennai as of Q3, CY 2024 is 46.12 msf, out of which Oragadam micromarket account for Approx. 10.9%

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 46.12 msf |
| Cumulative occupied stock ( Q3 2024) | Approx. 41.07 msf |
| Current vacancy ( Q3 2024) | Approx. 10.9 % |
| Future supply (2024 – 2026) | 5.0 to 6.0 Mn Sft |

*Source: Industry Assessment Report dated of March 31, 2024*

Chennai has approx. 46.12 mn sft of operational warehouse stock out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 54% of the cities total supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 49.4%), Grade B developments (approx. 46.2%) & Grade C developments (approx. 4.4%).

Demand – Supply Dynamics of City: Chennai




*Source: Industry Assessment Report*

Snapshot of West Oragadam Warehousing Market

| COMPLETED SUPPLY | VACANCY | GRADE A SUPPLY | GRADE A VACANCY | SHARE OF GRADE A SUPPLY IN CHENNAI | UPCOMING SUPPLY | LAND VALUES (INR MN/ACRE) |
|---|---|---|---|---|---|---|
| 12.2 Mn sft | 10– 11% | 10.3 Mn sft | 11 – 12% | 44% | 4.5 – 5.4 Mn sft | 40 - 45 |

Source: CBRE Research; Updated as of Q3 2024

Presence of SIPCOT Industrial Park, connectivity via SH 57 (proposed Peripheral Ring Road) and proximity to National Highway 48 and availability of large tracts of developable land parcels have resulted in this location in becoming a hub for warehousing activity. Oragadam vector emerged as a spill over demand from NH-48 corridor that houses the prominent fortune 500 companies and major Global automotive companies.

The tenants in this market predominantly prefer quality Grade A warehousing space due to requirements of high roofing and load bearing capacity of floor. Demand for warehousing space in this region is predominantly driven by Auto and Auto ancillary industries located within and outside the SIPCOT industrial parks.

Automobile, Logistics and FMCG are key industries in the micro-market with tenants such as Nissan Motor, Royal Enfield, Reliance, SV Global Logistics, TPI Composites. .

We have analysed the demand and supply of leased industrial and warehousing spaces within the subject micromarket. All the completed, grade A and grade B, multi-tenanted warehousing and logistics developments in the Oragadam are included while defining the sample set for the demand supply analysis. Based on our market research, we understand that the subject micromarket has a cumulative vacancy of approx. 22-23% in the grade A supply while a vacancy of approx. 23-24% overall, including grade A and grade B developments. The table below exhibits the demand and supply levels for the completed assets at the city level.

### 3.2.1.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| ESR Group | 2023 | 60,000 | 24 – 25 |
| GreenBase Hiranandani - Ph 1 - Box 7 | 2023 | 150,000 | 23 – 24 |
| NDR Warehousing - Phase 1 | 2023 | 250,000 | 24 – 25 |
| ESR 1 - Phase I Box 1 | 2022 | 600,000 | 22 – 24 |

*Source: Industry Assessment Report*

#### 3.2.1.2 Future Supply

Based on the market research, we understand that the micromarket of Oragadam has an upcoming supply of approx. 1.5 Mn sft expected to be completed in 2025. The details of the same are as below:

| Building Name | Year of Completion | Status | Location | Leasable Area (sft) |
|---|---|---|---|---|
| ESR | 2025 | Planned | Oragadam | 1,200,000 |
| Greenbase Hiranandani | 2025 | Planned | Oragadam | 300,000 |

*Source: Industry Assessment Report*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q1 2024 | 1,20,000 | Pegatron | Indospace Vallam | 30 | Base Rental |
| Q3 2023 | 40,000 | Amphenol | Individual Developer-Oragadam-Phase I-Box 1 | 25 | Base Rental |
| Q1 2023 | 60,000 | Checkpoint Logistics | ESR Group-Oragadam-Phase I-Box 3 | 24 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 25 - 30/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the Excellent connectivity, proximity to critical industrial centres, land availability, and the presence of a warehousing ecosystem are the primary demand drivers for this vector. There is a projected supply of approximately 5.0 to 6.0 mn sft in Oragadam over the next 3-5 years. Based on the historical absorption observed in the Oragadam market, it is reasonable to anticipate a demand of approximately 1.5 to 2.0 mn sft.

The demand driver for this vector is primarily driven by being located within the expansion of the Oragadam industrial corridor with small scale manufacturing activities happening in Vaipoor and adjoining markets. connectivity, proximity to critical industrial centres, land availability, and the presence of a warehousing ecosystem are the primary demand drivers for this vector.

Chennai markets have been witnessing linear growth in the supply and demand over the past 4-5 years for warehousing spaces. While the western part of Chennai is considered a prominent segment for Manufacturing the North is chosen by logistic players given its easy access to Chennai port. Vaipoor by virtue of falling in the western part of Chennai is gaining traction due to its access to manufacturing hub of Chennai. Enormous small to mid-scale glass manufacturers, automobile manufacturers, electronic and home appliances manufacturers have their facilities set up in closer vicinity to Oragadam Industrial corridor. This is expected to further bolster the growth prospects of Vaipoor especially for warehousing market given the availability of larger land parcels and development potential.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location, specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 25 - 30 / sft / month as on date of valuation.

# 4 Subject Asset – TVS Vaipoor

## 4.1 Asset Description

The subject development christened 'TVS Industrial & Logistics Parks' is an operational warehousing facility with total leasable area of 2,12,424 sft located at Survey No: 228/4, 5A, 5B, 246/1, 2, 3, 250/3A, 251/12, 3A2, 3B2, 3C2, 6B, 7A1, 7A2, 7B1B, 7B1C2, 7B1C3, 7B14C4, 7B1C5, 7B1C6, 7B1C7, 7B1D, 7B2, 7B3, 7C2, of Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District. The Subject Asset is located along Eraiyur Road which emanates from Vandalur - Oragadam - Walajabad Road which connects Walajabad and Vandalur.

Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located along Eraiyur Road, Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District. The Subject Asset is spread across a land area of approx. 10.23 acres with four completed blocks (Block – I, Block – II, Block – III, and Block – IV) having a cumulative leasable area and a chargeable area of of approx. 2,12,424 sft.

The Subject Asset is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset has limited frontage along the access road. The access road abuts the Subject Asset in its western side.

The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant, Water Treatment Plant, Storm water network, Fire Fighting Systems of NFPA/NBC standard with requisite parking facilities for trucks.

As at the valuation date the Subject Asset is fully let to 2 tenants at a total current annual rent of 101.85 Mn (including mezzanine area rentals) and with a Weighted average lease expiry (WALE) of 4.35 years. The main tenant is a manufacturing company with 55% of the leasable area and accounting for approx. 67% of the current rent.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | TVS Industrial & Logistics Parks |
| Address | Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District |
| Land Area | Based on the sale deed shared by the client, it is understood that the Subject Asset is built over a land measuring approx. 10.23 acres |
| Leasable Area | 2,12,424 sft |

*Source: Client Inputs*

### 4.1.1 Site Details

Situation: Subject Asset – 'TVS Industrial & Logistics Parks' is an operational warehousing facility located Eraiyur Village, Sriperumbudur Taluk, Kancheepuram, Tamil Nadu.

Location:

The Subject Asset is located along Eraiyur Road which emanates from Vandalur - Oragadam - Walajabad Road which connects Walajabad and Vandalur. The Subject Asset is located in Eraiyur Village, Sriperumbudur Taluk, Kancheepuram, Tamil Nadu.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| National Highway – 48 | 3 – 4 |
| SIPCOT Industrial Park Vallam | 6 - 7 |
| Chennai International Airport | 30 - 31 |
| Nungambakkam (CBD of Chennai) | 45 – 46 |
| Chennai Central Railway Station | 50 - 52 |

*Source: Valuer's research*

Catchment Analysis:

The primary catchment for the purpose of this valuation has been defined as Vaipoor and its adjoining micromarkets such as Eraiyur, Vallam (within the Oragadam market of Chennai) which are predominantly characterized by industrial/warehousing facility. The subject property is in close proximity to NH48 which provides excellent connectivity between these industrial areas of Chennai such as Sriperumbudur, Kunnam, Oragadam, Vallam, etc., which houses many national and international industrial companies.

Surrounds:

The Subject Asset is surrounded as follows:

- North: Private Property
- South: Private Property
- East: Private Property
- West: Access Road

Potential changes in surroundings:

By virtue of being located in proximity to NH – 48 (Vandalur – Oragadam – Walajabad Road) coupled with the proximity to key economic hubs viz. industrial hubs of Oragadam, Vallam, Sriperumbudur, etc., the subject micromarket is well poised to attract increased demand for industrial segment. In addition, the subject location enjoys adequate availability of developable land parcels (held by prominent developers) which could lead to launch/ development of medium to large-scale industrial developments over the medium to long term time frame.

Further, infrastructure initiatives such as Chennai Bangalore Expressway, Chennai Outer Ring Road, Chennai Peripheral Ring Road etc., is also expected to propel the growth in this corridor by enhancing the connectivity within and outside the city.

Suitability of existing use:

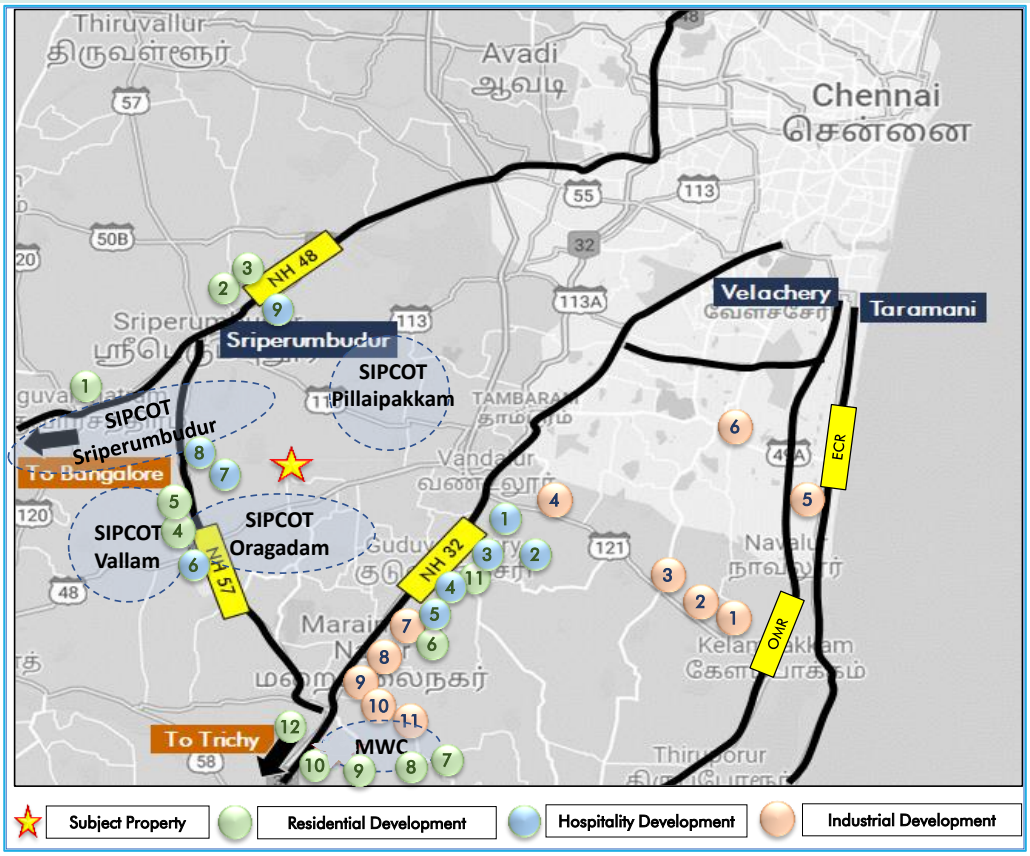
As per information received from the client, we understand that the Subject Asset is an operational warehousing facility. The current use of the property i.e. 'Industrial & Logistic Park' is as per the usage permitted by the development authority. We have not verified the

same from the Director of Town and Country Planning (DTCP), local panchayat or inspected any documentary evidence to the same.

Also considering the nature of subject development coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development.

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




| Industrial Developments | Residential Developments | Hospitality Developments |
|---|---|---|
| 1. Butterfly Limited | 1. Globevill, ETA Apartments | 1. Kalyan Grannd |
| 2. TAFE Product Training Centre | 2. Prince Residenzia | 2. Oyo Notos |
| 3. Springfeel Polyurethane Foams | 3. VGN Brixton | 3. Ram Residency |
| 4. Super Auto Forge | 4. Casagrande Arena | 4. SRM Hotel |
| 5. Infosys | 5. Akshaya Metropolis | 5. Vaasi Palace |
| 6. ELCOT | 6. PdotG Matrix | 6. Hotel Mercury |
| 7. Rane TRW | 7. Avigna Celeste | 7. Hotel Villa Highnest |
| 8. Zoho | 8. Mahindra aqualilly | 8. Hudson Hotels |
| 9. Ford India | 9. Mahindra Irish Court | 9. Paramount Inn |
| 10. SPEL Semiconductors | 10. Mahindra Nova | |
| 11. IP Rings Pvt Ltd | 11. SIS Marakesh | |
| | 12. Hallmark Emerald | |

*Source: Valuers' research*

Shape: Based on the site plan provided by the client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape.

| | |
|---|---|
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining Assets. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has limited frontage along the access road. |
| Accessibility: | Based on the site plan provided by the client and visual inspection, the access to the Subject Asset is along Eraiyur Road, Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District. By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the client, we understand that the exact address of the Subject Asset is Eraiyur Village, Sriperumbudur Taluk, Kancheepuram District . Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the inputs shared by the client, we understand that the Subject Asset is zoned for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local panchayat, DTCP or any other authority in this regard.<br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is partly an operational and partly an under-construction warehouse development. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the client, there are no other restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water). |

For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Eraiyur Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in high-lying area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.

Approvals: As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the client with the relevant development authorities

## 4.1.5 Statutory Approvals, Sanctions & Approvals

### 4.1.5.1 Statutory Approvals received and to be received (One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC | Received | Fire and Rescue Department | 11-12-2023 |
| Agriculture NOC | Received | Agriculture Department, Government of Tamilnadu | 22-05-2009 |
| Building Permit/Planning Approval | Received | Panchayat Union, Sriperumbudur | 03-06-2013 |
| Consent for Establishment – Air & Water | Received | Tamilnadu Pollution Control Board, Coimbatore | 21-03-2022 |

*Source: Approval documents provided by the Client*

### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the Client, we understand that there are no overdue periodic clearances. Please refer section 7.3 for any further details

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Total Area (sft) | Operational Area (sft) | Under-Construction Area (sft) | Year of Completion |
|---|---|---|---|---|
| Vaipur Park – Block I | 94,955 | 94,955 | N.A. | Q1 2020 |
| Vaipur Park – Block II | 59,985 | 59,985 | N.A. | Q4 2009 |
| Vaipur Park – Block III | 34,280 | 34,280 | N.A. | Q4 2009 |
| Vaipur Park – Block IV | 23,204 | 23,204 | N.A. | Q4 2009 |
| Total Area | 2,12,424 | 2,12,424 | N.A. | |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The table below highlights the area details of the Subject Asset:

| Block | Leasable area (sft) |
|---|---|
| Vaipur Park – Block I | 94,955 |
| Vaipur Park – Block II | 59,985 |
| Vaipur Park – Block III | 34,280 |
| Vaipur Park – Block IV | 23,204 |
| Total | 2,12,424 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks |
|---|---|---|
| Handover condition | Warm Shell | N.A. |
| Type of Structure | PEB | N.A. |
| Firefighting services | Provided. Fire NOC Available | N.A. |
| Lift provision | No Lifts | N.A. |
| Floor Finish | FM2 Concrete floor | N.A. |
| Floor Strength | 5 MT/Sqm | N.A. |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is maintained well.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

TVS Industrial & Logistics Parks, Vaipoor

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the access road of the Subject Asset

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section X.X for list of Subject Assets forming part of the portfolio.

## 5.2 Basis of Valuation

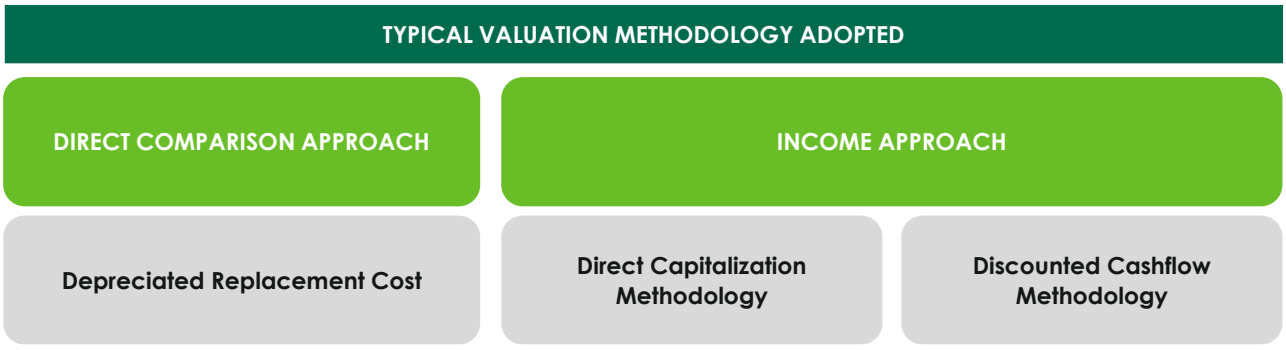
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** a asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are asseted with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Assets for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.
3. The Valuer has undertaken physical site inspections to assess the status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

The micromarket is situated in close proximity to SIPCOT Vallam Industrial Park (a large-scale industrial estate) comprising of numerous small, medium and large-scale industrial units. With robust development of SIPCOT industrial park, the subject micromarket has also been witnessing developments of a few small-scale industrial units and warehousing/ logistics Park. The burgeoning industrial activity has propelled developers to launch a few residential developments (in terms of apartment complexes, villa developments) in the subject micromarket.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facility. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that it is approx. 100% leased out as on date of valuation. Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Not Provided |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | NA | Client |
| | Power Back-up | KVA | Electricity Bill |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Not Provided |
| | Cost Already Incurred – Under Construction Block | NA | Not Provided |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Not Applicable |
| | Construction Completion | Quarter, Year | Not Applicable |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| TVS Industrial and Logistics Park | Discounted Cash Flow (Using rent reversion approach) | N.A. |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the client, we understand that Subject Asset is an operational warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Total Area (sft) | Operational Area (sft) |
|---|---|---|
| Vaipur Park – Block I | 94,955 | 94,955 |
| Vaipur Park – Block II | 59,985 | 59,985 |
| Vaipur Park – Block III | 34,280 | 34,280 |
| Vaipur Park – Block IV | 23,204 | 23,204 |
| Total | 2,12,424 | 2,12,424 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park | 2,12,424 | 100% | 40.2 | 8.5 |

*Source: Client inputs and lease deed*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Occupancy % |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | N.A. |

*Source: Lease deed and Client inputs;*

### 6.3.2 Lease Rent Analysis

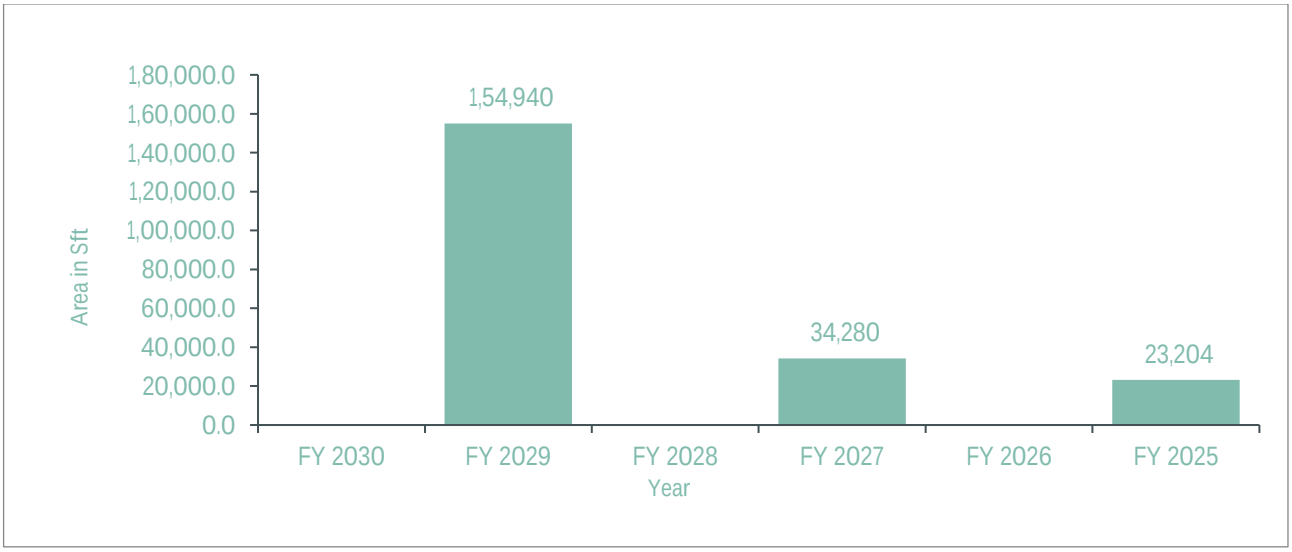
Based on the review of the Lease Deed provided by the client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Logistics Company | Lease Commencement Date | 01st January 2020 |
| | Rent Commencement Date | 01st January 2020 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 10.0/5.2 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 01st January 2020 |
| | Rent Commencement Date | 01st January 2020 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 10/5.2 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 01st October 2024 |
| | Rent Commencement Date | 01st October 2024 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 5.0/5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 01st January 2023 |
| | Rent Commencement Date | 01st January 2023 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 5.0/3.2 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 01st May 2020 |
| | Rent Commencement Date | 01st May 2020 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 5.0/0.6 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Lease deed and Client inputs;*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 4.35 years, with 68% of occupied area expiring in FY 2029 as shown in the chart below:




*Source:* Valuer Workings; The expiry profile has been plotted only for the warehouse areas

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park | 2,12,424 | 100% | 40.2 | 8.5 |

*Source: Leased Deed and Information provided by the client*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 26.0 – 28.0 per sf per month (say an average rental of INR 27.0 per sf per month of leasable area). Note: in place rental is inclusive of BTS rental.

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner with Phase 1 (Block 1) completed and operationalised in the year 2020, Phase 2 (Block 2) completed and operationalised in the year 2009, Phase 3 (Block 3) completed and operationalised in the year 2009 and Phase 4 (Block 4) completed and operationalised in the year 2009.

#### 6.3.5.2 Under-Construction/ Proposed Blocks

Based on visual inspection during the site visit and information provided by the client, we understand the subject asset is completed and fully operational.

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the client, we understand that the completed blocks have an occupancy of 100% as on date of valuation. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

Based on visual inspection during the site visit and information provided by the client, we understand the subject asset is completed and fully operational.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Warehouse | 2,12,424 | 2,12,424 | Current Rent for Leased area | 40.2* |
| | | | Market rent for reversion/ vacant area | 39.4^ |

*Source: Lease deed provided by the Client; Valuer's assessment *In place rental, Please note considering the market dynamics we have adopted a market call of INR 27 psf per month for the property. However, considering the historical evidence and the nature of space occupied by the tenants, and basis confirmation from the Client, we have adopted differential market rental for the 2 leases with par with their current rentals as on date of valuation.*

The above market rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the client, it is understood that the subject asset does not include open space area/ mezzanine area.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 39.4 | 41.27 | 43.33 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit ( For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1.0 | INR per sft per month |
| Other Income (For vacant area and Development component) | 1.8% | % of total revenue |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

The subject property is an operational warehousing facility.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the client, we understand that there are no major repairs and improvement proposed in the said asset.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 1.1 Mn |
| Insurance* | INR 0.8 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 3.0% of rental income |
| Repair Margin | 3.0% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the Client; ^Asset Management fees has been considered as below the NOI line item.*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Completed Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the Client and market benchmarks. The same is a pass-through expense.

Based on the subsequent information provided by the client, we understand that the 100% of the CAM Income would be received by the Client entity/ InvIT entity and 100% of the CAM Expense would be borne by SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Vaipur Park | Durgeshwari Industrial & Logistics Parks Private Limited | Completed | 8.0% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the r eturns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for this asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across Chennai micromarkets which are in the range of 7.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Vaipur Park | Durgeshwari Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Vaipur Park | Constructed | 1406.8 |
| Total Value of the asset | | 1406.8 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendencies to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

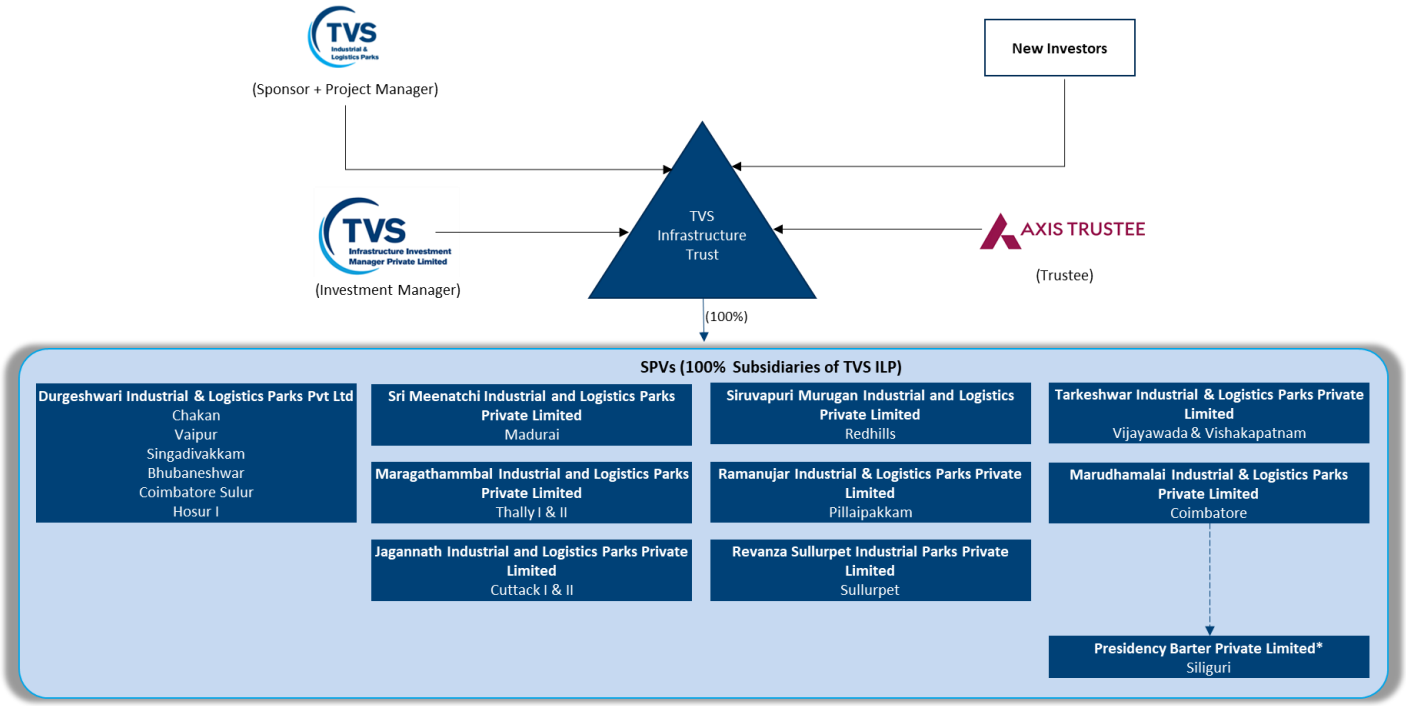
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

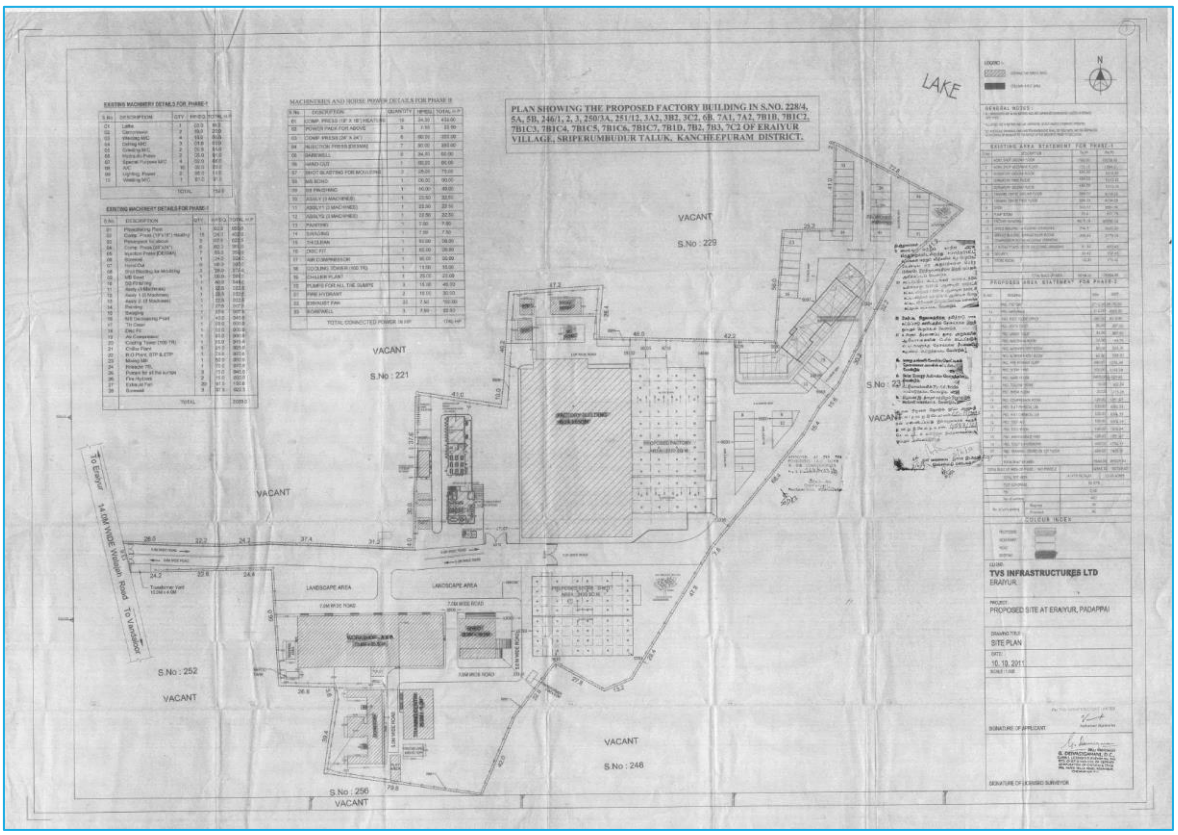
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building 1 is 14.2 years, Building 2 is 14.9 years, Building 3 is 18.2 years and Building 4 is 18.5 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

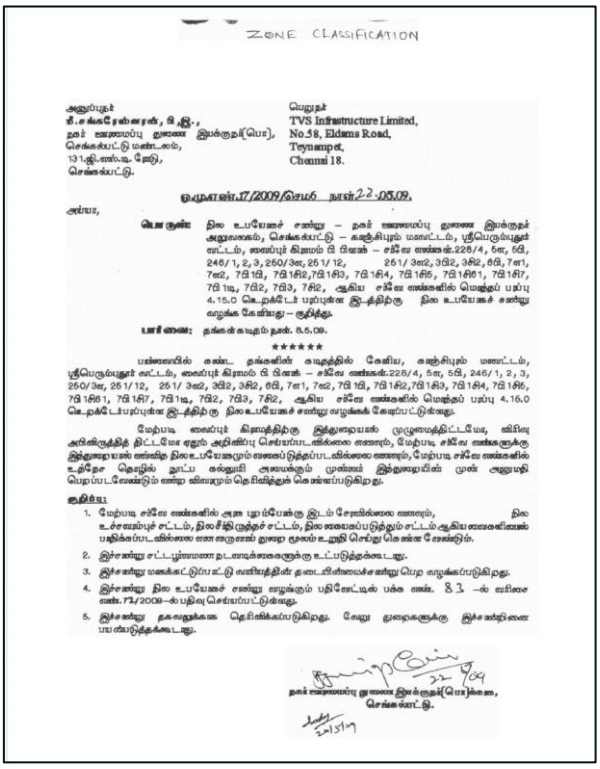
## 7.2 Site Plan

### 7.2.1 Vaipur Park



## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Agriculture NOC



ZONE CLASSIFICATION

அனுப்புநர்
பி.சங்கரேஸ்வரன், பி.இ.,
நகர் ஊரமைப்பு துணை இயக்குநர்(பொ),
செங்கல்பட்டு மண்டலம்,
131.ஜி.ஸ்.டி. ரோடு,
செங்கல்பட்டு.

பெறுநர்
TVS Infrastructure Limited,
No.58, Eldams Road,
Teynampet,
Chennai 18.

ஒ.மு.எண்.17/2009/செம்ம நாள்.22.05.09.

அய்யா,

பொருள்: நில உபயோகச் சான்று – நகர் ஊரமைப்பு துணை இயக்குநர் அலுவலகம், செங்கல்பட்டு – காஞ்சிபுரம் மாவட்டம், ஸ்ரீபெரும்புதூர் வட்டம், வைப்புர் கிராமம் பி பிளாக் – சர்வே எண்கள்.228/4, 5ஏ, 5பி, 246/1, 2, 3, 250/3ஏ, 251/12, 251/3ஏ2, 3பி2, 3சி2, 6பி, 7ஏ1, 7ஏ2, 7பி1பி, 7பி1சி2, 7பி1சி3, 7பி1சி4, 7பி1சி5, 7பி1சி61, 7பி1சி7, 7பி1டி, 7பி2, 7பி3, 7சி2, ஆகிய சர்வே எண்களில் மொத்தப் பரப்பு 4.15.0 டெறக்டேர் பரப்புள்ள இடத்திற்கு நில உபயோகச் சான்று வழங்க கோரியது – குறித்து.

பார்வை: தங்கள் கடிதம் நாள். 8.5.09.

******

பண்ணையில் கண்ட தங்களின் கடிதத்தில் கோரிய, காஞ்சிபுரம் மாவட்டம், ஸ்ரீபெரும்புதூர் வட்டம், வைப்புர் கிராமம் பி பிளாக் – சர்வே எண்கள்.228/4, 5ஏ, 5பி, 246/1, 2, 3, 250/3ஏ, 251/12, 251/3ஏ2, 3பி2, 3சி2, 6பி, 7ஏ1, 7ஏ2, 7பி1பி, 7பி1சி2, 7பி1சி3, 7பி1சி4, 7பி1சி5, 7பி1சி61, 7பி1சி7, 7பி1டி, 7பி2, 7பி3, 7சி2, ஆகிய சர்வே எண்களில் மொத்தப் பரப்பு 4.15.0 டெறக்டேர் பரப்புள்ள இடத்திற்கு நில உபயோகச் சான்று வழங்கக் கோரப்பட்டுள்ளது.

மேற்படி வைப்புர் கிராமத்திற்கு இத்துறையால் முழுமைத்திட்டமோ, விரிவு அபிவிருத்தித் திட்டமோ ஏதும் அறிவிப்பு செய்யப்படவில்லை எனவும், மேற்படி சர்வே எண்களுக்கு இத்துறையால் எவ்வித நில உபயோகமும் வகைப்படுத்தப்படவில்லை எனவும், மேற்படி சர்வே எண்களில் உத்தேச தொழில் நூட்ப கல்லூரி அமைக்கும் முன்னர் இத்துறையின் முன் அனுமதி பெறப்படவேண்டும் என்ற விவரமும் தெரிவித்துக் கொள்ளப்படுகிறது.

குறிப்பு:

1. மேற்படி சர்வே எண்களில் அரசு பூரம்போக்கு இடம் சேரவில்லை எனவும், நில உச்சவரம்புச் சட்டம், நிலசீர்திருத்தச் சட்டம், நில வகைப்படுத்தும் சட்டம் ஆகிய வைகளினால் பதிக்கப்படவில்லை என வருவாய் துறை மூலம் உறுதி செய்து கொள்ள வேண்டும்.
2. இச்சான்று சட்டபூர்வமான நடவடிக்கைகளுக்கு உட்படுத்தக்கூடாது.
3. இச்சான்று மனக்கட்டுப்பாட்டு வளியத்தின் தடையின்மைச்சான்று பெற வழங்கப்படுகிறது.
4. இச்சான்று நில உபயோகச் சான்று வழங்கும் பதிவேட்டில் பக்க எண். 83 –ல் வரிசை எண்.72/2009–ல் பதிவு செய்யப்பட்டுள்ளது.
5. இச்சான்று தகவலுக்காக தெரிவிக்கப்படுகிறது. வேறு துறைகளுக்கு இச்சான்றினை பயன்படுத்தக்கூடாது.

22/5/09

நகர் ஊரமைப்பு துணை இயக்குநர்(பொ)க்காக,
செங்கல்பட்டு.

22/5/09

*Source: Client Inputs*

### 7.3.2 Architect Certificate

11-January -2024

**TO WHOMSOEVER IT MAY CONCERN**

We have provided with the information that M/s. TVS Industrial & Logistics Parks Private Limited constructed an industrial Building at Plot No 136, Vaipur B-Block, Sriperumbudur, Erasiyur Village, Kanchipuram, Tamil Nadu, 602105. We hereby confirm that the constructed area of 2,11,769 Sqft is within the permissible limit as per DTCP norms for a land area of 10.23 Acre and which works out to 48% based on site condition and technical feasibility.

**Very Truly yours**

**For TATA Consulting Engineers Limited**

D.S.Sridher
SECTOR HEAD INFRA-INDUSTRIAL
TATA Consulting Engineers Ltd.,
Plot No 12 C/1
South Phase Industrial Estate, Guindy
Chennai 600 032
Mob: 97909 74670

TATA CONSULTING ENGINEERS LIMITED

*Source: Client Inputs*

### 7.3.3 Consent to Operate – Air

Category of the Industry :

**ORANGE**

**CONSENT ORDER NO. 2205241504107 DATED: 21/03/2022.**

**PROCEEDINGS NO.F.2338SPR/OL/DEE/TNPCB/SPR/A/2022 DATED: 21/03/2022**

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**SUB:** Tamil Nadu Pollution Control Board –CONSENT TO OPERATE –DIRECT -M/s. TVS INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED , S.F.No. 251/6B Part, 251/7C2 Part, 251/7B1D Part, 251/7B1C4 Part, 251/7B1C7 Part, 251/7B1C6 Part, 251/7B1C5, 250/3A, VAIPPUR A B BLOCK villageKundrathur Taluk and Kancheepuram District - Consent for operation of the plant and discharge of emissions under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981) –Issued- Reg.

**Ref:** 1. Board Proc. vide BP No. 6 dated 02.08.2016 and vide BP No. 63 dated 28.11.2017.
2. CTO Proc.No.:F.2338SPR/OM/DEE/TNPCB/SPR/W&A/2020 dated 12/09/2020.
3. Unit's application for CTO Exp. vide appln. no. 41504107 dated 21/12/2021.
4. IR.No : F.2338SPR/OL/AEE/SPR/2022 dated 10/03/2022.
5. Minutes of 166th ZLCCC meeting held on 11/03/2022 vide item no. 166-10.

CONSENT TO OPERATE is hereby granted under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981) (hereinafter referred to as "The Act") and the rules and orders made there under to

The Chief Operating Officer,
M/s . TVS INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED
S.F No.251/6B Part, 251/7C2 Part, 251/7B1D Part, 251/7B1C4 Part, 251/7B1C7 Part, 251/7B1C6 Part, 251/7B1C5, 250/3A,
VAIPPUR A B BLOCK Village,
Kundrathur Taluk,
Kancheepuram District.

Authorizing the occupier to operate the industrial plant in the Air Pollution Control Area as notified by the Government and to make discharge of emission from the stacks/chimneys.

This is subject to the provisions of the Act, the rules and the orders made there under and the terms and conditions incorporated under the Special and General conditions stipulated in the Consent Order issued earlier and subject to the special conditions annexed.

This CONSENT is valid for the period ending March 31, 2031

PARUMANAM RAVICHANDRAN Digitally signed by PARUMANAM RAVICHANDRAN Date: 2022.03.21 11:06:17 +05'30'

**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**SRIPERUMBUDUR**

To
The Chief Operating Officer,
M/s.TVS INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,
TVS Industrial & Logistics Parks Pvt Ltd, No:23, Vaagai Complex, 2nd Main Road, Ambattur Industrial Estate, Chennai – 600 058, Pin: 600058

*Source: Client Input*

### 7.3.4 Consent to Operate - Water

Category of the Industry :

**ORANGE**

**CONSENT ORDER NO. 2205141504107 DATED: 21/03/2022.**

**PROCEEDINGS NO.F.2338SPR/OL/DEE/TNPCB/SPR/W/2022 DATED: 21/03/2022**

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**SUB:** Tamil Nadu Pollution Control Board –CONSENT TO OPERATE – DIRECT -M/s. TVS INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED , S.F.No. 251/6B Part, 251/7C2 Part, 251/7B1D Part, 251/7B1C4 Part, 251/7B1C7 Part, 251/7B1C6 Part, 251/7B1C5, 250/3A, VAIPPUR A B BLOCK villageKundrathur Taluk and Kancheepuram District - Consent for the operation of the plant and discharge of sewage and/or trade effluent under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 as amended in 1988 (Central Act 6 of 1974) – Issued- Reg.

**Ref:** 1. Board Proc. vide BP No. 6 dated 02.08.2016 and vide BP No. 63 dated 28.11.2017.
2. CTO Proc.No.:F.2338SPR/OM/DEE/TNPCB/SPR/W&A/2020 dated 12/09/2020.
3. Unit's application for CTO Exp. vide appln. no. 41504107 dated 21/12/2021.
4. IR.No : F.2338SPR/OL/AEE/SPR/2022 dated 10/03/2022.
5. Minutes of 166th ZLCCC meeting held on 11/03/2022 vide item no. 166-10.

CONSENT TO OPERATE is hereby granted under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 as amended in 1988 (Central Act, 6 of 1974) (hereinafter referred to as "The Act") and the rules and orders made there under to

The Chief Operating Officer,
M/s . TVS INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED
S.F No.251/6B Part, 251/7C2 Part, 251/7B1D Part, 251/7B1C4 Part, 251/7B1C7 Part, 251/7B1C6 Part, 251/7B1C5, 250/3A,
VAIPPUR A B BLOCK Village,
Kundrathur Taluk,
Kancheepuram District.

Authorising the occupier to make discharge of sewage and /or trade effluent.

This is subject to the provisions of the Act, the rules and the orders made there under and the terms and conditions incorporated under the Special and General conditions stipulated in the Consent Order issued earlier and subject to the special conditions annexed.

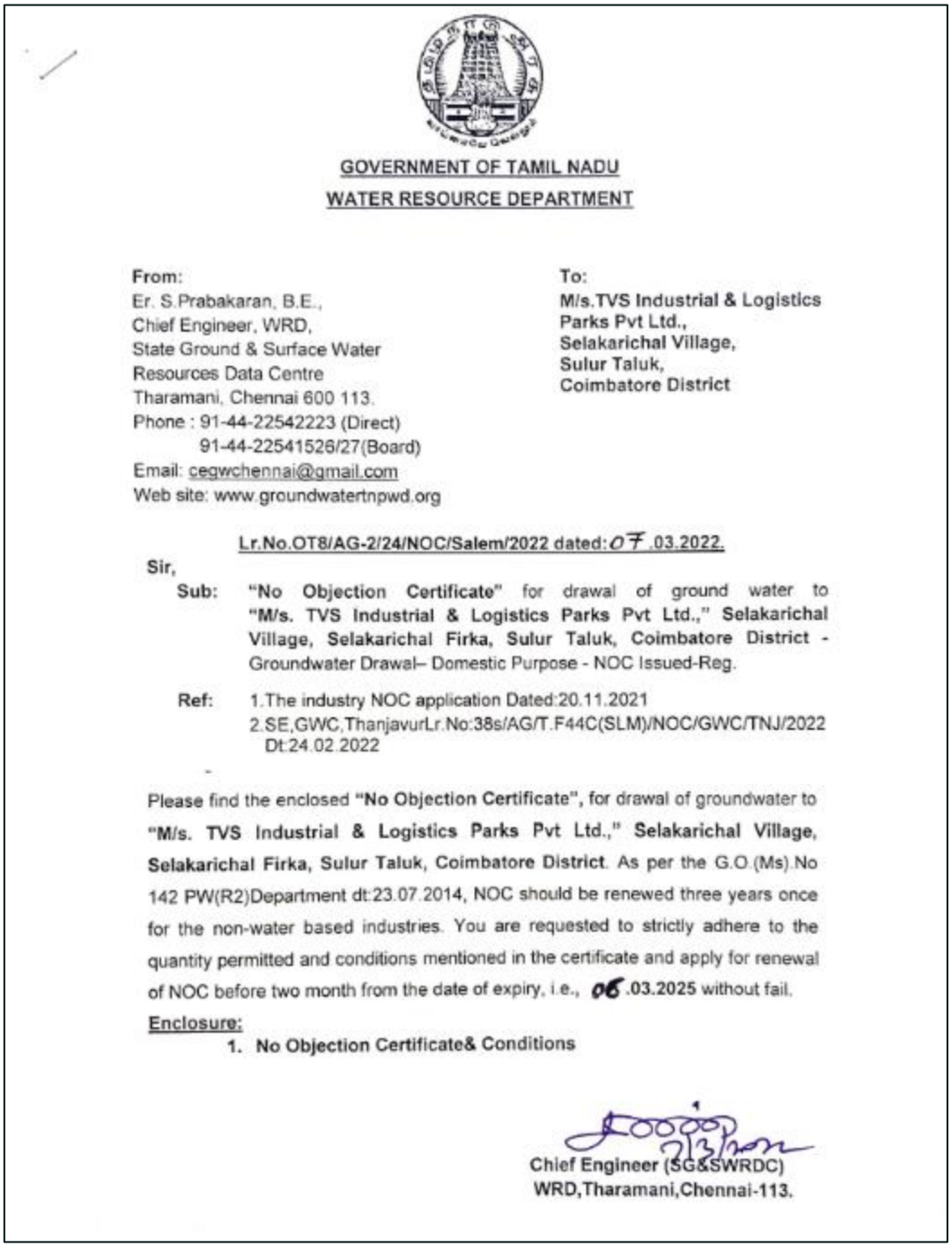
This CONSENT is valid for the period ending March 31, 2031

PARUMANAM RAVICHANDRAN
**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**SRIPERUMBUDUR**

To
The Chief Operating Officer,
M/s.TVS INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,
TVS Industrial & Logistics Parks Pvt Ltd, No:23, Vaagai Complex, 2nd Main Road, Ambattur Industrial Estate, Chennai – 600 058,

*Source: Client Input*

### 7.3.5 Ground Water Abstraction NOC



GOVERNMENT OF TAMIL NADU
WATER RESOURCE DEPARTMENT

From:
Er. S.Prabakaran, B.E.,
Chief Engineer, WRD,
State Ground & Surface Water
Resources Data Centre
Tharamani, Chennai 600 113.
Phone : 91-44-22542223 (Direct)
91-44-22541526/27(Board)
Email: cegwchennai@gmail.com
Web site: www.groundwatertnpwd.org

To:
**M/s.TVS Industrial & Logistics Parks Pvt Ltd.,**
**Selakarichal Village,**
**Sulur Taluk,**
**Coimbatore District**

Lr.No.OT8/AG-2/24/NOC/Salem/2022 dated: 07.03.2022.

Sir,

**Sub:** **"No Objection Certificate"** for drawal of ground water to **"M/s. TVS Industrial & Logistics Parks Pvt Ltd.," Selakarichal Village, Selakarichal Firka, Sulur Taluk, Coimbatore District** - Groundwater Drawal– Domestic Purpose - NOC Issued-Reg.

**Ref:** 1.The industry NOC application Dated:20.11.2021
2.SE,GWC,ThanjavurLr.No:38s/AG/T.F44C(SLM)/NOC/GWC/TNJ/2022 Dt:24.02.2022

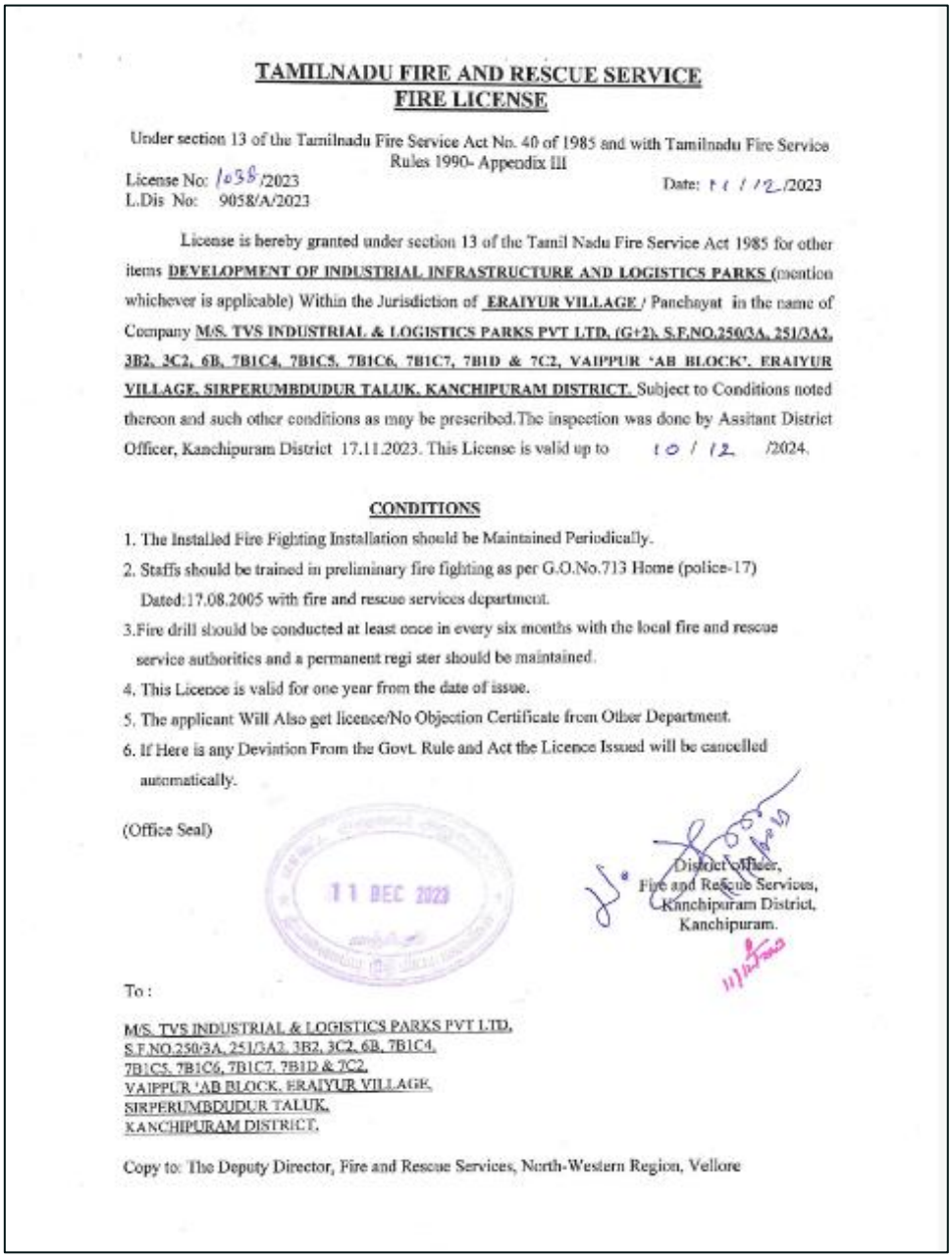
Please find the enclosed **"No Objection Certificate"**, for drawal of groundwater to **"M/s. TVS Industrial & Logistics Parks Pvt Ltd.," Selakarichal Village, Selakarichal Firka, Sulur Taluk, Coimbatore District**. As per the G.O.(Ms).No 142 PW(R2)Department dt:23.07.2014, NOC should be renewed three years once for the non-water based industries. You are requested to strictly adhere to the quantity permitted and conditions mentioned in the certificate and apply for renewal of NOC before two month from the date of expiry, i.e., **06.03.2025** without fail.

Enclosure:
1. **No Objection Certificate& Conditions**

**Chief Engineer (SG&SWRDC)**
**WRD,Tharamani,Chennai-113.**

*Source: Client Input*

### 7.3.6 Fire NOC



**TAMILNADU FIRE AND RESCUE SERVICE**
**FIRE LICENSE**

Under section 13 of the Tamilnadu Fire Service Act No. 40 of 1985 and with Tamilnadu Fire Service Rules 1990- Appendix III

License No: 1038/2023 Date: 11/12/2023
L.Dis No: 9058/A/2023

License is hereby granted under section 13 of the Tamil Nadu Fire Service Act 1985 for other items **DEVELOPMENT OF INDUSTRIAL INFRASTRUCTURE AND LOGISTICS PARKS** (mention whichever is applicable) Within the Jurisdiction of **ERAIYUR VILLAGE** / Panchayat in the name of Company **M/S. TVS INDUSTRIAL & LOGISTICS PARKS PVT LTD, (G+2), S.F.NO.250/3A, 251/3A2, 3B2, 3C2, 6B, 7B1C4, 7B1C5, 7B1C6, 7B1C7, 7B1D & 7C2, VAIPPUR 'AB BLOCK', ERAIYUR VILLAGE, SIRPERUMBDUDUR TALUK, KANCHIPURAM DISTRICT.** Subject to Conditions noted thereon and such other conditions as may be prescribed.The inspection was done by Assitant District Officer, Kanchipuram District 17.11.2023. This License is valid up to 10/12/2024.

**CONDITIONS**

1. The Installed Fire Fighting Installation should be Maintained Periodically.
2. Staffs should be trained in preliminary fire fighting as per G.O.No.713 Home (police-17) Dated:17.08.2005 with fire and rescue services department.
3. Fire drill should be conducted at least once in every six months with the local fire and rescue service authorities and a permanent regi ster should be maintained.
4. This Licence is valid for one year from the date of issue.
5. The applicant Will Also get licence/No Objection Certificate from Other Department.
6. If Here is any Deviation From the Govt. Rule and Act the Licence Issued will be cancelled automatically.

(Office Seal)

11 DEC 2023

District officer,
Fire and Rescue Services,
Kanchipuram District,
Kanchipuram.

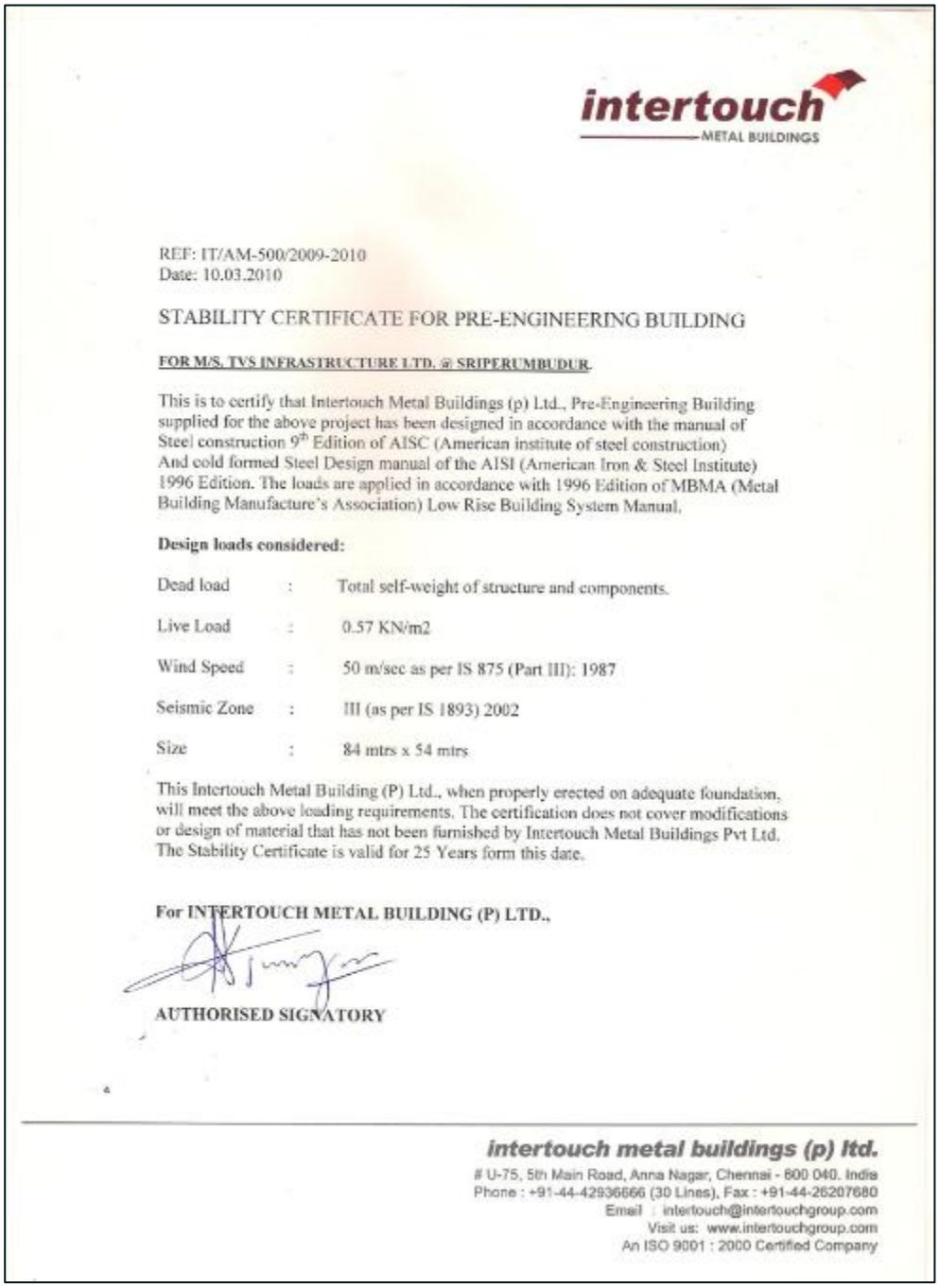
To :

M/S. TVS INDUSTRIAL & LOGISTICS PARKS PVT LTD,
S.F.NO.250/3A, 251/3A2, 3B2, 3C2, 6B, 7B1C4,
7B1C5, 7B1C6, 7B1C7, 7B1D & 7C2,
VAIPPUR 'AB BLOCK, ERAIYUR VILLAGE,
SIRPERUMBDUDUR TALUK,
KANCHIPURAM DISTRICT.

Copy to: The Deputy Director, Fire and Rescue Services, North-Western Region, Vellore

*Source: Client Input*

## 7.3.7 Structural Stability Certificate



intertouch
METAL BUILDINGS

REF: IT/AM-500/2009-2010
Date: 10.03.2010

STABILITY CERTIFICATE FOR PRE-ENGINEERING BUILDING

FOR M/S. TVS INFRASTRUCTURE LTD. @ SRIPERUMBUDUR.

This is to certify that Intertouch Metal Buildings (p) Ltd., Pre-Engineering Building supplied for the above project has been designed in accordance with the manual of Steel construction 9th Edition of AISC (American institute of steel construction) And cold formed Steel Design manual of the AISI (American Iron & Steel Institute) 1996 Edition. The loads are applied in accordance with 1996 Edition of MBMA (Metal Building Manufacture's Association) Low Rise Building System Manual.

**Design loads considered:**

| | | |
|---|---|---|
| Dead load | : | Total self-weight of structure and components. |
| Live Load | : | 0.57 KN/m2 |
| Wind Speed | : | 50 m/sec as per IS 875 (Part III): 1987 |
| Seismic Zone | : | III (as per IS 1893) 2002 |
| Size | : | 84 mtrs x 54 mtrs |

This Intertouch Metal Building (P) Ltd., when properly erected on adequate foundation, will meet the above loading requirements. The certification does not cover modifications or design of material that has not been furnished by Intertouch Metal Buildings Pvt Ltd. The Stability Certificate is valid for 25 Years form this date.

**For INTERTOUCH METAL BUILDING (P) LTD.,**

**AUTHORISED SIGNATORY**

intertouch metal buildings (p) ltd.
# U-75, 5th Main Road, Anna Nagar, Chennai - 600 040. India
Phone : +91-44-42936666 (30 Lines), Fax : +91-44-26207680
Email : intertouch@intertouchgroup.com
Visit us: www.intertouchgroup.com
An ISO 9001 : 2000 Certified Company

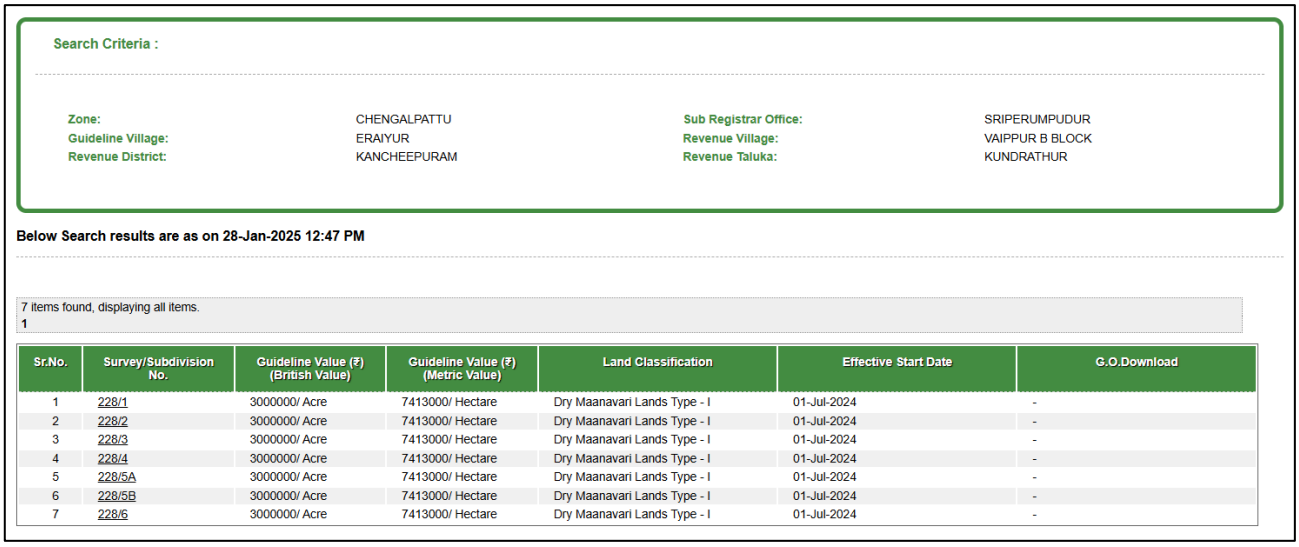
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land")** (cents) | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 228/4 | 48.0 | 3.0 | 144.0 |
| 2 | 228/5A | 42.0 | 3.0 | 126.0 |
| 3 | 228/5B | 37.0 | 3.0 | 111.0 |

*Source: tnreginet*

**Survey No 228/4**



Search Criteria :

| | | | |
|---|---|---|---|
| Zone: | CHENGALPATTU | Sub Registrar Office: | SRIPERUMPUDUR |
| Guideline Village: | ERAIYUR | Revenue Village: | VAIPPUR B BLOCK |
| Revenue District: | KANCHEEPURAM | Revenue Taluka: | KUNDRATHUR |

Below Search results are as on 28-Jan-2025 12:47 PM

7 items found, displaying all items.
1

| Sr.No. | Survey/Subdivision No. | Guideline Value (₹) (British Value) | Guideline Value (₹) (Metric Value) | Land Classification | Effective Start Date | G.O.Download |
|---|---|---|---|---|---|---|
| 1 | 228/1 | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 2 | 228/2 | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 3 | 228/3 | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 4 | 228/4 | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 5 | 228/5A | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 6 | 228/5B | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 7 | 228/6 | 3000000/ Acre | 7413000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |

## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## SINGADIVAKKAM PARK

SPV

DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

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# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Singadivakkam Park (the "Subject Asset") |
| Asset Address: | Survey No: 561/3B, 561/4, 561/5, 581/2A, 581/3, 582/1B, 583/1C1B, 582/1C2A, 582/1C2B, 582/2A, 582/2B, 583/1, 584/1A1, 584/1B1, of Singadivakkam Village, Kancheepuram, Tamil Nadu. |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Durgeshwari Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the building plan approval and sanctioned layout provided by the client, it is understood that the total underlying land area of the Subject Asset is approx. 10.74 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located at Singadivakkam Village, Kancheepuram, Tamil Nadu. The Subject Asset is spread across a land area of approx. 10.74 acres having 6 blocks with total leasable area of approx. 4,53,711 sft and a cumulative chargeable area of approx. 2,73,399 sft comprising of completed blocks (Block – I, Block – II, Block – III, Block IV, Block V, Block VI, and open space/ mezzanine area).<br><br>Further, it was observed that the Subject land is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset has adequate frontage along the access road. The access road abuts the Subject Asset in its southern side.<br><br>The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant – STP (30KLD), Storm water network (300mm HDPE pipe drain with Rainwater Sump), Fire Fighting Systems of NFPA/NBC standard, FM2 flooring type with floor load of 5T per sqm and a power load with Maximum demand of 2000 KVA.<br><br>The area details of the asset are as follows: |

| Blocks | Status | Built-up Area (in sft) | Leasable Area (in sft) * | Chargeable Area (in sft) |
|---|---|---|---|---|
| Singadivakkam Park – Block I | Completed | 22,334 | 22,334 | 22,334 |
| Singadivakkam Park – Block II | Completed | 1,37,414 | 1,37,414 | 70,831 |
| Singadivakkam Park – Block III | Completed | 39,942 | 39,942 | 21,000 |
| Singadivakkam Park – Block IV | Completed | 73,702 | 73,702 | 52,980 |
| Singadivakkam Park – Block V | Completed | 1,02,296 | 1,02,296 | 55,181 |

| | | | | |
|---|---|---|---|---|
| Singadivakkam Park – Block VI | Completed | 53,675 | 53,675 | 26,725 |
| Singadivakkam Park – Mezzanine Area | Completed | 12,135 | 12,135 | 12,135 |
| Singadivakkam Park – Mezzanine Area | Completed | 11,349 | 11,349 | 11,349 |
| Singadivakkam Park – Mezzanine Area | Completed | 864 | 864 | 864 |
| Total Area | | 4,53,711 | 4,53,711 | 2,73,399 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The Subject Asset is located in close proximity to Mumbai Highway (NH-45). The Subject Asset is located at a distance of approx. 01-02 kms from NH-45, approx. 48-49 kms from Chennai International Airport, approx. 57-58 kms from Chennai Railway Station.

Statement of Assets (sft):

Based on review of rent roll, lease deeds and area statement provided by the client, the Subject Asset has an operational warehousing facility admeasuring approx. 2,72,535 sft which is fully occupied.

| Blocks | Built-up Area (in sft) | Leasable Area (in sft) * | Chargeable Area (in sft) | Structure Type |
|---|---|---|---|---|
| Singadivakkam Park – Block I | 22,334 | 22,334 | 22,334 | PEB |
| Singadivakkam Park – Block II | 1,37,414 | 1,37,414 | 70,831 | PEB |
| Singadivakkam Park – Block III | 39,942 | 39,942 | 21,000 | PEB |
| Singadivakkam Park – Block IV | 73,702 | 73,702 | 52,980 | PEB |
| Singadivakkam Park – Block V | 1,02,296 | 1,02,296 | 55,181 | PEB |
| Singadivakkam Park – Block VI | 53,675 | 53,675 | 26,725 | PEB |
| Singadivakkam Park – Mezzanine Area | 12,135 | 12,135 | 12,135 | PEB |
| Singadivakkam Park – Mezzanine Area | 11,349 | 11,349 | 11,349 | PEB |
| Singadivakkam Park – Mezzanine Area | 864 | 864 | 864 | PEB |
| Total Area | 4,53,711 | 4,53,711 | 2,73,399 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Summary of the above table is as follows:

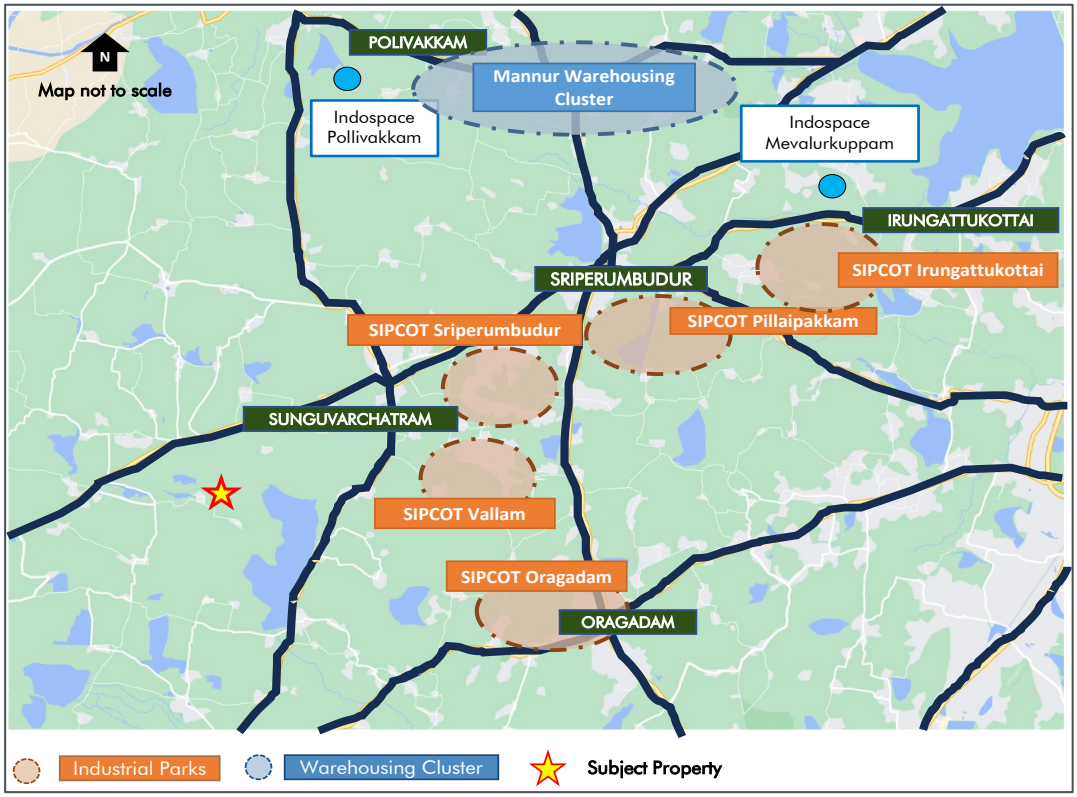
| Blocks | Total Area (sft)* | Operational Area (sft)* | Under Construction Area (sft)* |
|---|---|---|---|

| | | | |
|---|---|---|---|
| Singadivakkam Park – Block I | 22,334 | 22,334 | N.A. |
| Singadivakkam Park – Block II | 1,37,414 | 70,831 | N.A. |
| Singadivakkam Park – Block III | 39,942 | 21,000 | N.A. |
| Singadivakkam Park – Block IV | 73,702 | 52,980 | N.A. |
| Singadivakkam Park – Block V | 1,02,296 | 55,181 | N.A. |
| Singadivakkam Park – Block VI | 53,675 | 26,725 | N.A. |
| Singadivakkam Park – Mezzanine Area | 12,135 | 12,135 | N.A. |
| Singadivakkam Park – Mezzanine Area | 11,349 | 11,349 | N.A. |
| Singadivakkam Park – Mezzanine Area | 864 | 864 | N.A. |
| Total | 4,53,711 | 2,73,399 | N.A. |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), *Area mentioned is chargeable area*

Location Map:

**Location Map for the Subject Asset**




*Source: Industry Assessment Report*

Tenancies

As on the valuation date the Subject Asset is fully let to a single tenant (manufacturing company) at a total current annual rent of 46.97 Mn (including mezzanine area rentals) and with a Weighted average lease expiry (WALE) of 6.8 years.

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent^ | INR/ sf/ mth | 14.6 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 19.0 |
| Marginal rent – Weighted Average* | INR/ sf/ mth | 14.2 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | N.A. |
| Proposed asset completion timelines (Under Construction Blocks) | Quarter, Year | N.A. |
| Refurbishment CAPEX | INR Mn | N.A. |
| Other Financial Assumptions | | |
| Exit Cap rate – warehouse components | % | 8.00% |
| Discount rate (for completed blocks) | % | 11.58% |
| Discount rate (for under construction blocks | % | N.A. |
| Exit Cap rate – Under construction warehouse components | % | N.A. |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 48.3 |
| Stabilized NOI[1] | INR Mn | 48.4 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report; ^weighted average in-place rentals adjusted as per contracted rentals for mezzanine and open space rentals; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

| | |
|---|---|
| %stake proposed to be held in Asset SPV by TVS Infrastructure trust: | 100% |
| Date of Inspection: | February 09, 2024 |
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Current Government Approved Rates (as per documents published by State Government): | INR 48.29 Mn (INR 4.5 Mn per acre) |

Market Value as of September 30, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Singadivakkam Park | Operational | 653.0 |
| Total Value of the asset | | 653.0 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |

Assumptions, Disclaimers, Limitations & Qualifications

*This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*

*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

*Please note that is an executive summary and it is advisable that the report should be the valuation*

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Notice

This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation.

Valuer Declaration:

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) (the 'Valuer'), has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of an operational warehousing asset located , located in close proximity to NH – 45, Singadivakkam Village, Kancheepuram, Tamil Nadu.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 10.74 acres with total leasable area of approx. 4,53,711 sft and a cumulative chargeable area of approx. 2,73,399 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| TVS Industrial & Logistics Parks | Durgeshwari Industrial & Logistics Parks Private Limited | Warehouse | Singadivakkam | 10.74 acres | 6 |

*Source: Client Inputs*

For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the infrastructure development subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of valuer where such consent to be given at the absolute, exclusive discretion of valuer, which shall not be unreasonably withheld. Where they are to be used with the valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without valuer's prior written consent.

The valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the client has disclosed to the valuer all information which may affect the Services. All opinions expressed by the valuer, or its employees are subject to any conditions contained in the valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered valuers and valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture,

New Delhi in 1997 and master's in client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Oragadam - Singadivakkam micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of infrastructural segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| TVS Industrial & Logistics Parks | Durgeshwari Industrial & Logistics Parks Private Limited | Kancheepuram | Oragadam - Singadivakkam |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park

Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Client, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the client or any other party whom the

TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- The Valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the Subject Asset. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the client, the valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Asset may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |

| | |
|---|---|
| Town Planning: | The current zoning of the Subject Asset has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Asset adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the Client. It must be noted that the above information has been provided by the client and has been verified based on the approvals/ layout plans/building plans provided by the client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Asset is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration |

| | |
|---|---|
| | has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br>As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, Leasable area mentioned is in accordance with the information shared by the client comprising rent rolls and lease agreements. |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

# 3 Chennai – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Chennai and micromarket

Total completed stock in Chennai as of Q3, CY 2024 is 46.12 msf, out of which Oragadam micromarket account for Approx. 10.9%

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 46.12 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 41.07 msf |
| Current vacancy (Q3 2024) | Approx. 10.9 % |
| Future supply (2024 – 2026) | 5.0 to 6.0 Mn Sft |

*Source: Industry Assessment Report dated of Q3 2024*

Chennai has approx. 46.12 mn sft of operational warehouse stock out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 54% of the cities total supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 49.4%), Grade B developments (approx. 46.2%) & Grade C developments (approx. 4.4%).

Total completed stock in Chennai as of Q3, CY 2024 is 46.12 msf, out of which Oragadam micromarket account for Approx. 10.9%

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 46.12 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 41.07 msf |
| Current vacancy (Q3 2024) | Approx. 10.9 % |
| Future supply (2024 – 2026) | 5.0 to 6.0 Mn Sft |

*Source: Industry Assessment Report dated of Q3 2024*

Chennai has approx. 46.12 mn sft of operational warehouse stock out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 54% of the cities total supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 49.4%), Grade B developments (approx. 46.2%) & Grade C developments (approx. 4.4%).

Total completed stock in Chennai as of Q3, CY 2024 is 46.12 msf, out of which Oragadam micromarket account for Approx. 10.9%

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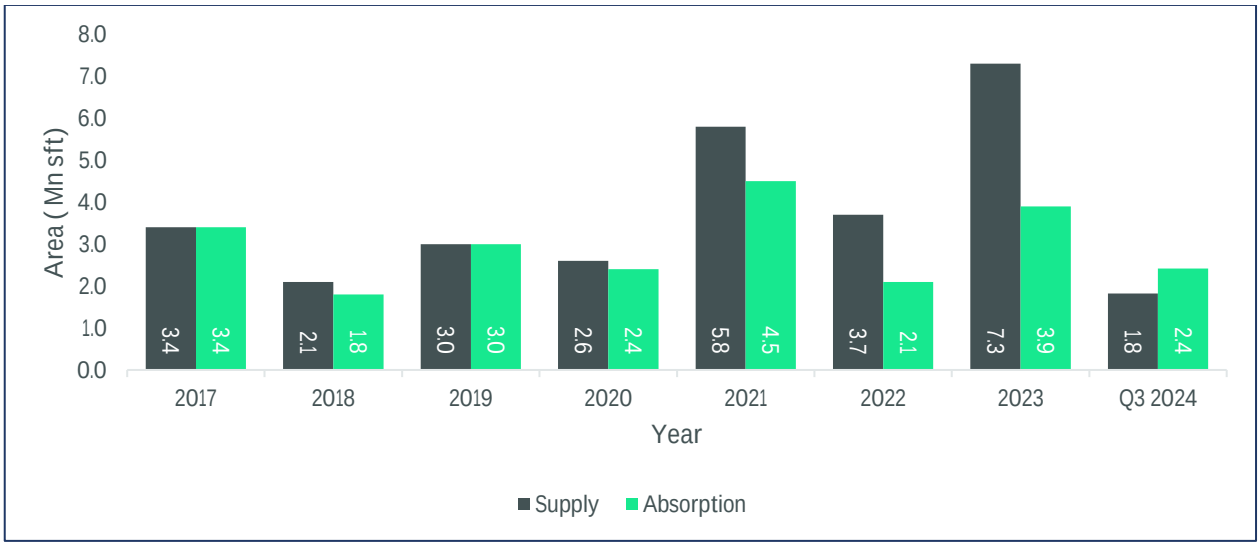
| Future supply (2024 – 2026) | 5.0 to 6.0 Mn Sft |

*Source: Industry Assessment Report dated of Q3 2024*

Chennai has approx. 46.12 mn sft of operational warehouse stock out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 54% of the cities total supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 49.4%), Grade B developments (approx. 46.2%) & Grade C developments (approx. 4.4%).

Demand – Supply Dynamics of City: Chennai




*Source: Industry Assessment Report. Vacancy – calculated based on cumulative supply and absorption*

Snapshot of West Oragadam Warehousing Market

| COMPLETED SUPPLY | VACANCY | GRADE A SUPPLY | GRADE A VACANCY | SHARE OF GRADE A SUPPLY IN CHENNAI | UPCOMING SUPPLY | LAND VALUES (INR MN/ACRE) |
|---|---|---|---|---|---|---|
| 12.2 Mn sft | 10– 11% | 10.3 Mn sft | 11 – 12% | 44% | 4.5 – 5.4 Mn sft | 40 - 45 |

Source: CBRE Research; Updated as of Q3 2024

Presence of SIPCOT Industrial Park, connectivity via SH 57 (proposed Peripheral Ring Road) and proximity to National Highway 48 and availability of large tracts of developable land parcels have resulted in this location in becoming a hub for warehousing activity. Oragadam vector emerged as a spill over demand from NH-48 corridor that houses the prominent fortune 500 companies and major Global automotive companies.

The tenants in this market predominantly prefer quality Grade A warehousing space due to requirements of high roofing and load bearing capacity of floor. Demand for warehousing space in this region is predominantly driven by Auto and Auto ancillary industries located within and outside the SIPCOT industrial parks.

Automobile, Logistics and FMCG are key industries in the micro-market with tenants such as Nissan Motor, Royal Enfield, Reliance, SV Global Logistics, TPI Composites.

#### 3.2.1.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Development 1 | 2023 | 60,000 | 24 – 25 |
| Development 2 | 2023 | 150,000 | 23 – 24 |
| Development 3 | 2023 | 250,000 | 24 – 25 |
| Development 4 | 2022 | 600,000 | 22 – 24 |

*Source: Industry Assessment Report*

#### 3.2.1.2 Future Supply

Based on the market research, we understand that the micromarket has an upcoming supply of approx. 1.5 Mn sft expected to be completed in 2025. The details of the same are as below:

| Building Name | Year of Completion | Status | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Development 1 | 2025 | Planned | Oragadam | 1,200,000 |
| Development 2 | 2025 | Planned | Oragadam | 300,000 |

*Source: Industry Assessment Report*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q2 2024 | 1,20,000 | Pegatron | Indospace Vallam | 30 | Base Rental |
| Q3 2023 | 40,000 | Amphenol | Individual Developer-Oragadam-Phase I-Box 1 | 25 | Base Rental |
| Q1 2023 | 60,000 | Checkpoint Logistics | ESR Group-Oragadam-Phase I-Box 3 | 24 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 24 - 25/sft/month (base rentals). However, the Subject Asset, despite being located in the Oragadam vector has limited industrial developments as majority are concentrated towards north of Oragadam

Industrial corridor. The Oragadam Industrial corridor, which is the primary hub for automotive manufacturing is 25kms away from Singadivakkam, where the Subject Asset is located. The stretch of Oragadam to Walajabad or Oragadam to Sunguvarchatram vector has been subdued in terms of rentals, commanding around INR 18 to 20/sft/month (base rentals) depending upon location, accessibility, overall tenant mix, quantum of vacant stock in the development, proximity to industrial corridor, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the Excellent connectivity, proximity to critical industrial centres, land availability, and the presence of a warehousing ecosystem are the primary demand drivers for this market. There is a projected supply of approximately 5.0 to 6.0 mn sft in Oragadam over the next 3-5 years. Based on the historical absorption observed in the Oragadam market, it is reasonable to anticipate a demand of approximately 1.5 to 2.0 mn sft....

The demand driver for this vector is primarily driven by being located within the expansion of the Oragadam industrial corridor with small scale manufacturing activities happening in Sunguvarchatram and adjoining markets. connectivity, proximity to critical industrial centres, land availability, and the presence of a warehousing ecosystem are the primary demand drivers for this vector.

Chennai markets have been witnessing linear growth in the supply and demand over the past 4-5 years for warehousing spaces. While the western part of Chennai is considered a prominent segment for Manufacturing the North is chosen by logistic players given its easy access to Chennai port. Singadivakkam by virtue of falling in the western part of Chennai is gaining traction due to its access to manufacturing hub of Chennai. Enormous small to mid-scale glass manufacturers, automobile manufacturers, electronic and home appliances manufacturers have their facilities set up in closer vicinity to Sriperumbudur. This is expected to further bolster the growth prospects of Singadivakkam especially for warehousing market given the availability of larger land parcels and development potential.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location, specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 18 - 20 / sft / month as on date of valuation.

# 4 Subject Asset – TVS Singadivakkam

## 4.1 Asset Description

The subject development christened 'TVS Industrial & Logistics Parks' is an operational warehousing facility with total leasable area of 2,72,535 sft located at Survey No: 561/3B, 561/4, 561/5, 581/2A, 581/3, 582/1B, 583/1C1B, 582/1C2A, 582/1C2B, 582/2A, 582/2B, 583/1, 584/1A1, 584/1B1, of Singadivakkam Village, Kancheepuram. The Subject Asset is located in an internal road which emanates from Mumbai Highway (NH – 48).

The Subject Asset is spread across a land area of approx. 10.74 acres having 6 blocks with total leasable area of approx. 4,53,711 sft and a cumulative chargeable area of approx. 2,73,399 sft comprising of completed blocks (Block – I, Block – II, Block – III, Block IV, Block V, Block VI, and open space/ mezzanine area).

Further, it was observed that the Subject Asset is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset has adequate frontage along the primary access road. The primary access road abuts the Subject Asset in its southern side.

The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant – STP (30KLD), Storm water network (300mm HDPE pipe drain with Rainwater Sump), Fire Fighting Systems of NFPA/NBC standard, FM2 flooring type with floor load of 5T per sqm and a power load with Maximum demand of 2000 KVA.

As at the valuation date the Subject Asset is fully let to a single tenant at a total current annual rent of 46.97 Mn (including mezzanine area rentals) and with a Weighted average lease expiry (WALE) of 6.8 years. The Subject Asset is entirely occupied by a manufacturing company.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | TVS Industrial & Logistics Parks |
| Address | Survey No: 561/3B, 561/4, 561/5, 581/2A, 581/3, 582/1B, 583/1C1B, 582/1C2A, 582/1C2B, 582/2A, 582/2B, 583/1, 584/1A1, 584/1B1, of Singadivakkam Village, Kancheepuram. |
| Land Area | Based on review of the sale deed shared by the client, it is understood that the Subject Asset is built over a land measuring approx. 10.74 acres |
| Leasable Area | 4,53,711 sft |
| Chargeable Area | 2,73,399 sft |
| Built-up Area | 4,53,711 sft |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

### 4.1.1 Site Details

Situation: Subject Asset – 'TVS Industrial & Logistics Parks' is an operational warehousing facility located in Singadivakkam Village, Kancheepuram, Tamil Nadu.

Location:

The Subject Asset is located in an internal road which emanates from Mumbai Highway (NH – 48). The Subject Asset is located in Singadivakkam Village, Kancheepuram, Tamil Nadu.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| National Highway - 48 | 0 – 1 |
| SIPCOT Industrial Park Vallam | 20 - 21 |
| Chennai International Airport | 48 - 49 |
| Nungambakkam (CBD of Chennai) | 57 – 58 |
| Chennai Central Railway Station | 61 - 62 |

*Source: Valuer's research*

Catchment Analysis:

The primary catchment for the purpose of this valuation has been defined as Singadivakkam Village and its adjoining micromarkets such as sunguvarchatram, santhavelur etc which are predominantly characterized by small to mid-scale industrial/warehousing facility. The proximity of the Subject Asset to NH 48 provides excellent connectivity between the surrounding industrial areas. Some of the notable industrial developments in the micromarket includes Indo Tech Transformers Limited, L&T Ltd, Myunghwa Automotive India Pvt Ltd, Stahl India Pvt Ltd, Fritzmeier Motherson Cabin Engg Ltd (FMCEL) etc. Further, the subject micromarket is strategically located in proximity to a number of established industrial hubs such as Sriperumbudur, Kunnam, Oragadam, Vallam, etc., and these micromarkets house many national and international industrial companies.

Surrounds:

The Subject Asset is surrounded as follows:

- North: Private Property
- South: Access Road
- East: Private Property
- West: Private Property

Potential changes in surroundings:

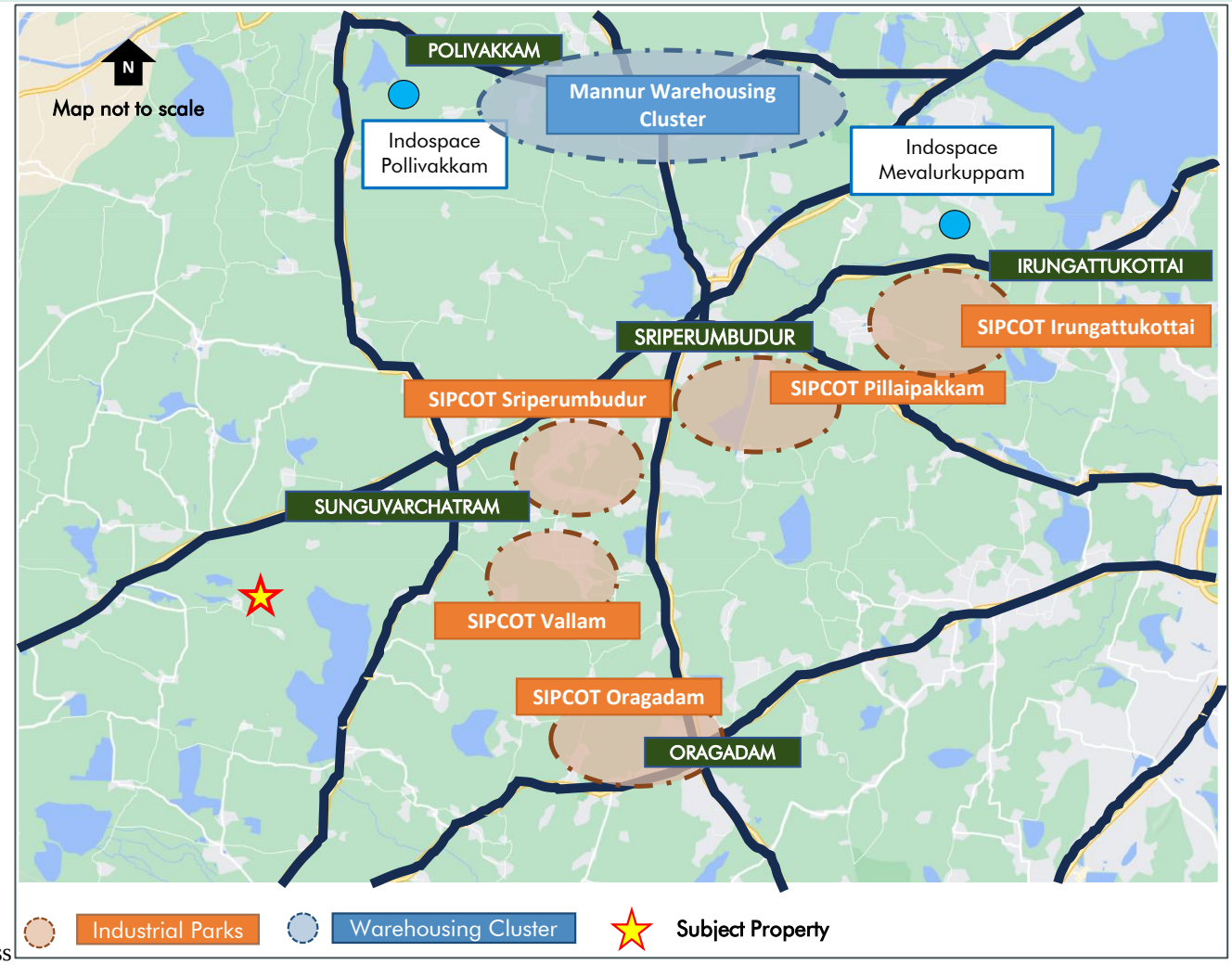
By virtue of being located in proximity to NH – 48 (Mumbai Highway) coupled with the proximity to key economic hubs viz. industrial hubs of Oragadam, Vallam, Sriperumbudur, etc., the subject micromarket is well poised to attract increased demand for industrial segment. The proposed international airport at Parandur (located at 16-18 kms from Singadivakkam) which is expected to be operational by 2030 would boost the industrial activity along the western micromarkets of Chennai.

Further, infrastructure initiatives such as Chennai Bangalore Expressway, Chennai Outer Ring Road, Chennai Peripheral Ring Road etc., is also expected to propel organised infra structural activity along this corridor as the same would ensure easy and hassle-free connectivity to other parts of Chennai City.

| | |
|---|---|
| Suitability of existing use: | As per information received from the client, we understand that the Subject Asset is an under-construction warehousing facility. The current use of the asset i.e. 'Warehousing facility' is as per the usage permitted by the Director of Town and Country Planning (DTCP) . We have not verified the same from DTCP or inspected any documentary evidence to the same.<br><br>Also considering the nature of Subject Asset coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development. |

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




SSS

*Source: Industry Assessment Report*

| | |
|---|---|
| Shape: | Based on the site plan provided by the client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining Assets. |

| | |
|---|---|
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the client and visual inspection, the primary access to the Subject Asset in an internal road which emanates from Mumbai Highway (NH – 48), Singadivakkam Village, Kancheepuram. By virtue of the same the asset enjoys excellent accessibility and frontage.<br><br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the client, we understand that the exact address of the Subject Asset is Singadivakkam Village, Kancheepuram, Tamil Nadu. Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per information received from the client, we understand that the Subject Asset is an operational warehousing facility. The current use of the asset i.e. 'Warehousing facility' is as per the usage permitted by the Director of Town and Country Planning (DTCP). We have not verified the same from DTCP or inspected any documentary evidence to the same.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is an operational warehousing facility. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, valuer has not made any enquiries with the relevant local panchayat or relevant authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the client, there are no other restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water). |

For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Singadivakkam Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in high-lying area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.

Approvals: As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) | Date of Expiry (DD-MM-YY) |
|---|---|---|---|---|
| Fire NOC | Received | Fire and Rescue Department | 16-07-2023 | NA |
| Building Permit/Planning Approval | Received | Director of Panchayath Union, Walajabad | 14-06-2022 | NA |
| Ground Water Abstraction NOC | Received | Water Resource Department, Government of Tamil Nadu | 17-05-2023 | 16-05-2026 |
| Structural Stability Certificate | Received | Jayam Consultants Private Limited | 27-03-2017 | NA |
| Land Use Conversion NOC | Received | Collectorate, Kancheepuram | 25-06-2015 | NA |

*Source: Approval and NOC documents provided by the client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the client, we understand that there are no overdue periodic clearances. Please refer section 7.3 for any further details

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset

| Block | Leasable Area (sft) | Operational Area (sft)* | Under-Construction Area (sft)* | Year of Completion |
|---|---|---|---|---|
| Singadivakkam Park – Block I | 22,334 | 22,334 | - | Q4 2022 |
| Singadivakkam Park – Block II | 1,37,414 | 70,831 | - | Q2 2021 |
| Singadivakkam Park – Block III | 39,942 | 21,000 | - | Q2 2021 |
| Singadivakkam Park – Block IV | 73,702 | 52,980 | - | Q2 2021 |
| Singadivakkam Park – Block V | 1,02,296 | 55,181 | - | Q2 2021 |
| Singadivakkam Park – Block VI | 53,675 | 26,725 | - | Q2 2021 |
| Singadivakkam Park – Mezzanine Area | 12,135 | 12,135 | - | Q1 2023 |
| Singadivakkam Park – Mezzanine Area | 11,349 | 11,349 | - | Q4 2022 |
| Singadivakkam Park – Mezzanine Area | 864 | 864 | - | Q2 2024 |
| Total Area | 4,53,711 | 2,73,399 | - | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable Area (sft) | Chargeable Area (sft) |
|---|---|---|
| Singadivakkam Park – Block I | 22,334 | 22,334 |
| Singadivakkam Park – Block II | 1,37,414 | 70,831 |
| Singadivakkam Park – Block III | 39,942 | 21,000 |
| Singadivakkam Park – Block IV | 73,702 | 52,980 |
| Singadivakkam Park – Block V | 1,02,296 | 55,181 |
| Singadivakkam Park – Block VI | 53,675 | 26,725 |
| Singadivakkam Park – Mezzanine Area | 12,135 | 12,135 |
| Singadivakkam Park – Mezzanine Area | 11,349 | 11,349 |
| Singadivakkam Park – Mezzanine Area | 864 | 864 |
| Total Area | 4,53,711 | 2,73,399 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks |
|---|---|
| Handover condition | Warm Shell |
| Type of Structure | PEB |
| Firefighting services | Provided. Fire NOC Available |
| Lift provision | No Lifts |
| Floor Finish | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm |

*Source: Information provided by the client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is maintained well.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

| Singadivakkam Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the Subject Asset |

| Singadivakkam Park |
|---|

View of the Subject Asset

View of the Subject Asset

4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Asset forming part of the portfolio.

## 5.2 Basis of Valuation

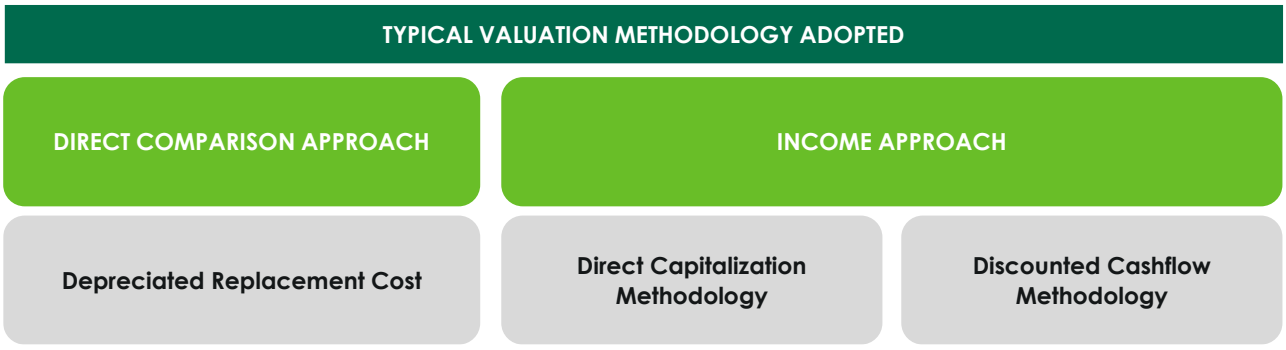
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Asset. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.

3. The Valuer has undertaken physical site inspections to assess the status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

The primary catchment for the purpose of the valuation has been defined as Singadivakkam Village and its adjoining micromarkets. The micromarket is situated in close proximity to Sriperumbudur (a large-scale industrial estate) comprising of numerous small, medium and large-scale industrial units. As a consequence of development of SIPCOT industrial park, the subject micromarket has also been witnessing development of a few small-scale industrial units and warehousing/ logistics Park.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that it is approx. 100% leased out as on date of valuation. Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area the Valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| | HVAC (Tonnage) | NA | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Services Offered | Power Back-up | KVA | Electricity Bill |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Not Provided |
| | Cost Already Incurred – Under Construction Block | NA | Not Provided |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key portfolio characteristics | Opinions expressed on the scale of portfolio, relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| TVS Industrial and Logistics Park, Singadivakkam | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the client, we understand that Subject Asset is a completed warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Total Area(sft) | Operational Area (sft) [2] |
|---|---|---|
| Singadivakkam Park – Block I | 22,334 | 22,334 |
| Singadivakkam Park – Block II | 1,37,414 | 70,831 |
| Singadivakkam Park – Block III | 39,942 | 21,000 |
| Singadivakkam Park – Block IV | 73,702 | 52,980 |
| Singadivakkam Park – Block V | 1,02,296 | 55,181 |
| Singadivakkam Park – Block VI | 53,675 | 26,725 |
| Singadivakkam Park – Mezzanine Area | 12,135 | 12,135 |
| Singadivakkam Park – Mezzanine Area | 11,349 | 11,349 |
| Singadivakkam Park – Mezzanine Area | 864 | 864 |
| Total Area | 4,53,711 | 2,73,399 |

*Source: Client Inputs, *Area mentioned in chargeable area*

[2] *As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements.*

| Tenant | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park, Singadivakkam | 2,73,399 | 100% | 14.6 | 3.99 |

*Source: Lease deed*

| Particulars | Occupancy % |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | N. A |

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

*Source: Information provided by the client.*

### 6.3.2 Lease Rent Analysis

Based on the review of the Lease Deed provided by the client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Manufacturing Company | Lease Commencement Date | 23rd November 2022 |
| | Rent Commencement Date | 23rd November 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 8.7/7.0 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 01st June 2021 |
| | Rent Commencement Date | 01st June 2021 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 10.2/7.0 Years |
| | Lease Rent Escalation Terms | 2% every year |
| Manufacturing Company | Lease Commencement Date | 01st June 2021 |
| | Rent Commencement Date | 01st June 2021 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 10.2/7.0 Years |
| | Lease Rent Escalation Terms | 2% every year |
| Manufacturing Company | Lease Commencement Date | 01st June 2021 |
| | Rent Commencement Date | 01st May 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 10.2/7.0 Years |
| | Lease Rent Escalation Terms | 2% every year |
| Manufacturing Company | Lease Commencement Date | 01st June 2021 |
| | Rent Commencement Date | 01st June 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 10.2/7.0 Years |
| | Lease Rent Escalation Terms | 2% every year |
| Manufacturing Company | Lease Commencement Date | 01st June 2021 |
| | Rent Commencement Date | 13th October 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 10.2/7.0 Years |
| | Lease Rent Escalation Terms | 2% every year |
| Manufacturing Company | Lease Commencement Date | 01st February 2023 |
| | Rent Commencement Date | 01st February 2023 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 8.5/6.9 Years |
| | Lease Rent Escalation Terms | 3% every year |
| Manufacturing Company | Lease Commencement Date | 13th October 2022 |
| | Rent Commencement Date | 13th October 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 9.1/7.0 Years |
| | Lease Rent Escalation Terms | 3% every year |
| Manufacturing Company | Lease Commencement Date | 22nd April 2024 |
| | Rent Commencement Date | 22nd April 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 7.0/6.5 Years |
| | Lease Rent Escalation Terms | 3% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 6.8 years, single tenant (manufacturing company) occupying the entire block. The lease expiry for the same is in FY 2031.

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park | 2,73,399 | 100% | 14.6 | 3.99 |

*Source: Leased Deed and Information provided by the client*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 18.0 – 20.0 per sf per month (say an average rental of INR 19.0 per sf per month of leasable area).

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner Block 2, 3, 4, 5 & 6 completed and operationalised during Q2 2021, Block 1 & Mezzanine Area completed and operationalised during Q4 2022

#### 6.3.5.2 Under-Construction/ Proposed Blocks

Based on visual inspection during the site visit and information provided by the client, we understand the Subject Asset is completed and fully operational.

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the client, we understand that the completed blocks have an occupancy of 100% as on date of valuation. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

Based on visual inspection during the site visit and information provided by the client, we understand the Subject Asset is completed and fully operational.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the Client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area – Chargeable (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|---|
| Warehouse | 4,53,711 | 2,73,399 | 2,73,399 | Current Rent for Leased area | 14.6 |
| | | | | Market rent for reversion/ vacant area | 19.0 |

*Source: Lease deed provided by the Client; Valuer's assessment*

The above market rent assumption is adopted for the entire Subject Asset. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the client, it is understood that an industrial open space area/ mezzanine area measuring approx. 23,484 sf of which 100% is leased out. The Mezzanine area will operate as ancillary/ (comment on the utility) providing convenience to the tenants in the Subject Asset as well as surrounding development.

The Valuers have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket and existing leases of Subject Asset. The same has been adopted for the vacant space for the purpose of this valuation exercise. Given the above, we have assumed market rent in the range of INR 5.0 to 6.0 psf pm (say INR 5.5 psf pm) as on date of valuation.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the vacant area and for the renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 14.2^ | 14.9 | 15.7 | 5% escalation year on year |

*Source: Valuer's assessment; ^Weighted Average Market Rentals*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1 | INR per sft per month |
| Other Income (For vacant area and Development component) | 3% | % of total revenue |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Based on visual inspection during the site visit and information provided by the client, we understand that all the blocks construction are completed and fully operational.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the client, we understand that there are no major repairs and improvement proposed in the said asset.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.35 Mn |
| Insurance* | INR 0.62 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the Client; ^Asset Management fees has been considered as below the NOI line item.*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Completed Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the client and market benchmarks. The same is a pass-through expense.

Based on the subsequent information provided by the client, we understand that the entire maintenance for the facility would be carried out by the tenant (manufacturing company).

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.
- The increased appetite for income producing assets and availability of various modes of finance backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location.
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| TVS Industrial and Logistics Park, | Durgeshwari Industrial & Logistics Parks Private Limited | Completed | 8.0% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for this asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Chennai micromarkets which are in the range of 8.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed TVS Industrial and Logistics Park, Singadivakkam assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Singadivakkam Park | Durgeshwari Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Singadivakkam Park | Operational | 653.0 |
| Total Value of the Asset | | 653.0 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the client, the client has confirmed that there are no material litigation details pertaining to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the client, the client has confirmed that there is no revenue pendency to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

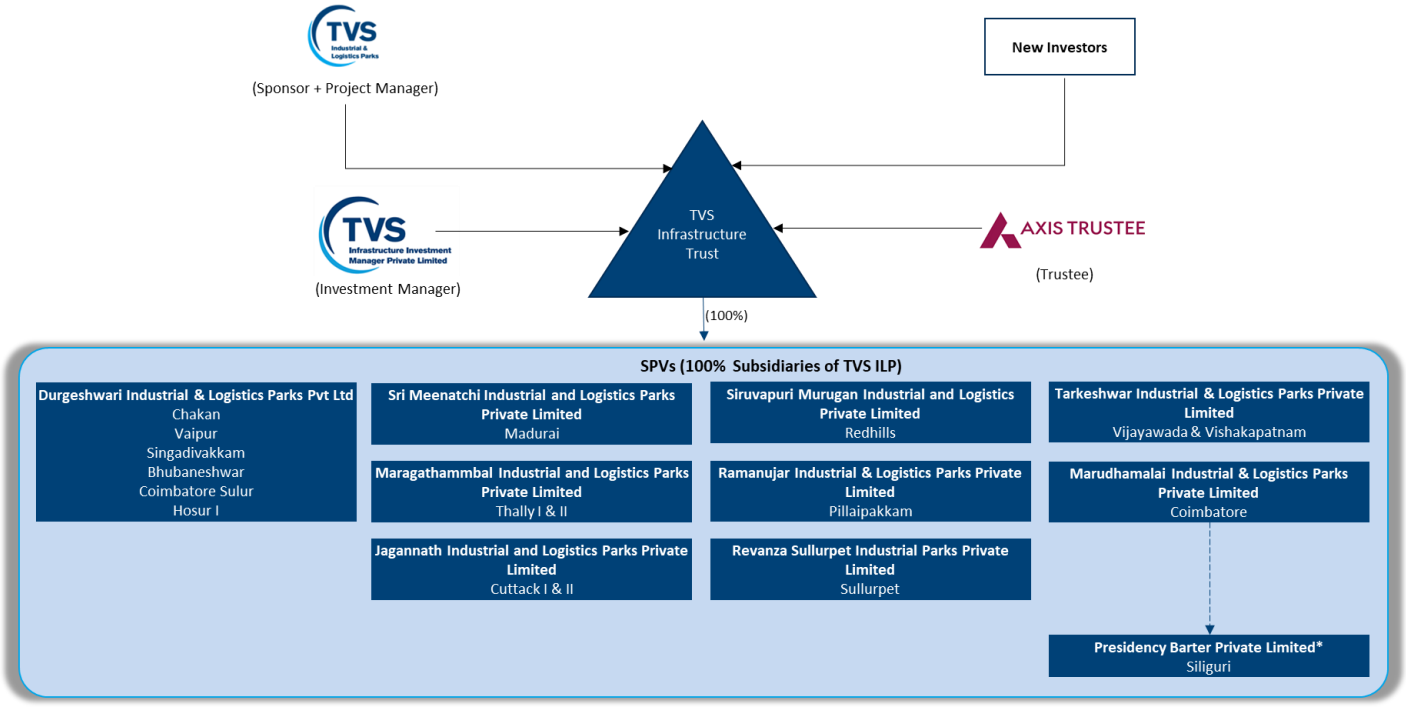
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

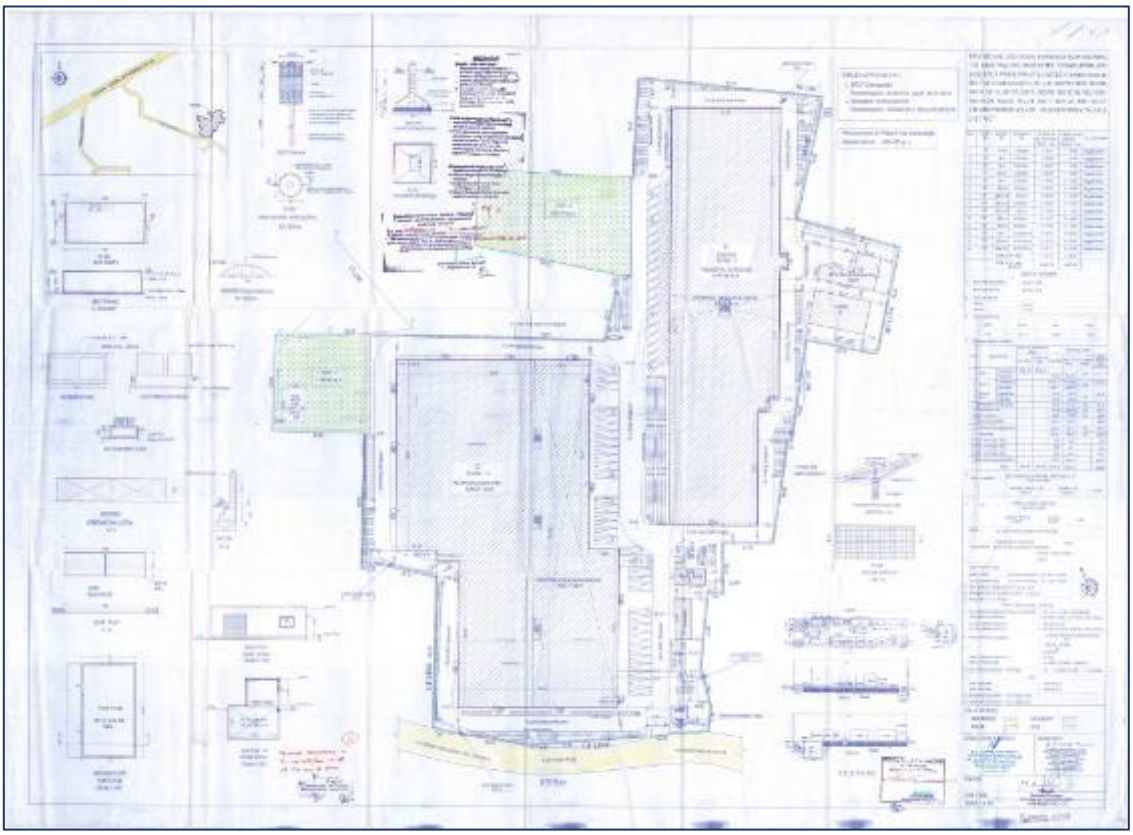
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building 1 is 23.2 years and Building 2 is 26.5 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

## 7.2 Site Plan

### 7.2.1 TVS Industrial and Logistics Park, Singadivakkam



*Source: Client Inputs*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Land Use Conversion NOC

ப.மு.28571/2014/ஆ2
நாள் 25.6.2015

மாவட்ட ஆட்சியர் அலுவலகம்
காஞ்சிபுரம்

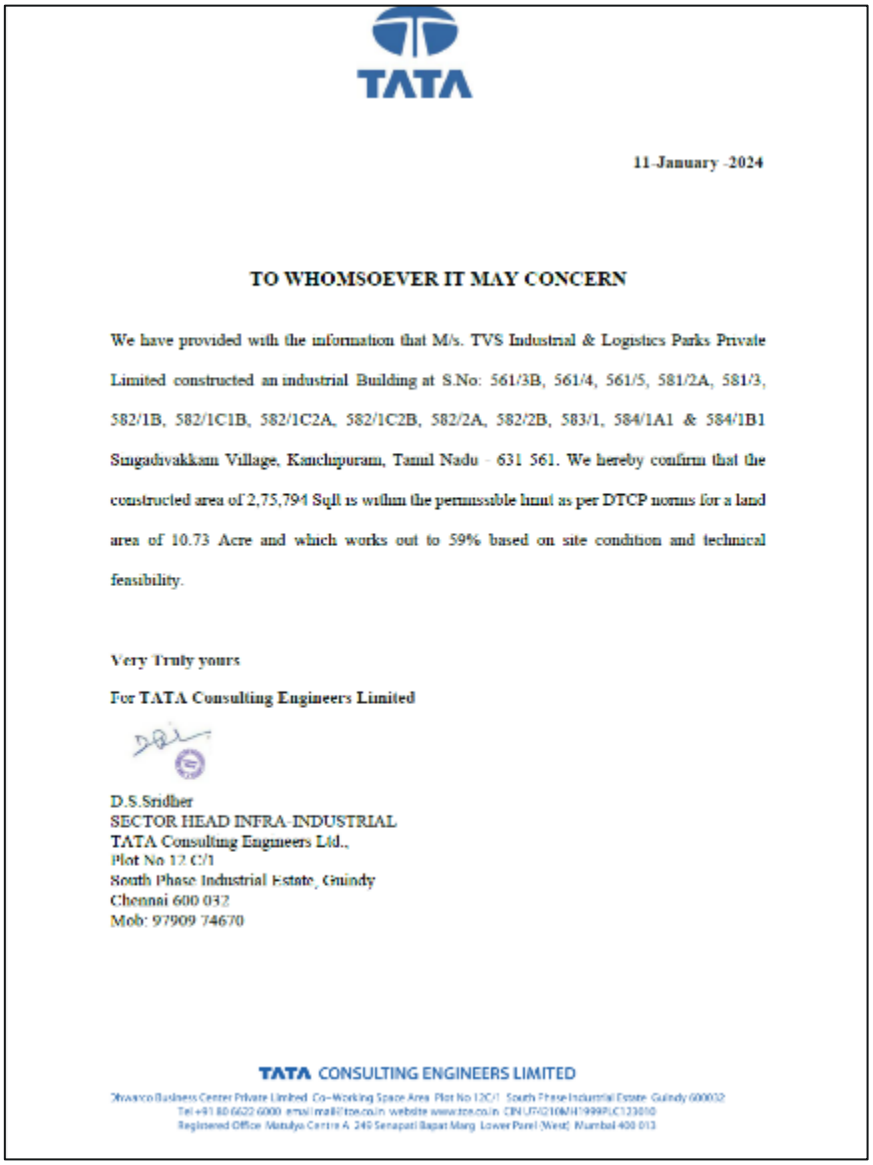
**தடையின்மைச் சான்று**

காஞ்சிபுரம் மாவட்டம், காஞ்சிபுரம் வட்டம், சிங்காடிவாக்கம் கிராமம், புல எண்கள், 581/3 மற்றும் சில மொத்த விஸ்தீரணம் 3.99.5-ல் தொழிற்சாலை சேமிப்பு கிடங்கு மற்றும் பொறியியல் தொழிற்கட்டங்கள் அமைப்பதற்கு நன்செய் நிலத்தினை பயன்படுத்திக்கொள்ள திரு. டி.டி.வி.எஸ் நிறுவனத்தினர் தடையின்மைச்சான்று கோரியது தொடர்பாக பின்வருமாறு தடையின்மைச் சான்று வழங்கப்படுகிறது. நிறுவனத்தினர் தடையின்மைச் சான்று கோரும் புல எண் கிராம கணக்குகளில் பின்வருமாறு பட்டாவாக தாக்கலாகியுள்ளது.

| வ.எண் | புல எண். | பரப்பு (ஹெக) | வகைபாடு | பட்டா எண் மற்றும் பட்டாதாரர் பெயர் |
|---|---|---|---|---|
| 1 | 561/3பி | 0.26.5 | நன்செய் | 1137 டி.டி.வி.எஸ் இன்ப்ராஸ்ட்ரக்சர் லிமிடெட். |
| 2 | 561/4 | 0.43.0 | | |
| 3 | 561/5 | 0.58.5 | | |
| 4 | 581/2ஏ | 0.22.0 | | |
| 5 | 581/3 | 0.19.5 | | |
| 6 | 582/1பி | 0.63.5 | | |
| 7 | 582/1சி2ஏ | 0.24.0 | | |
| 8 | 582/2ஏ | 0.14.0 | | |
| 9 | 582/2பி | 0.13.0 | | |
| 10 | 583/1 | 0.60.5 | | |
| 11 | 584/1ஏ1 | 0.28.0 | | |
| 12 | 584/1பி1 | 0.27.0 | | |
| | மொத்தம் | 3.99.5 | | |

*Source: Client Inputs*

## 7.3.2 Architect Certificate



11-January -2024

**TO WHOMSOEVER IT MAY CONCERN**

We have provided with the information that M/s. TVS Industrial & Logistics Parks Private Limited constructed an industrial Building at S.No: 561/3B, 561/4, 561/5, 581/2A, 581/3, 582/1B, 582/1C1B, 582/1C2A, 582/1C2B, 582/2A, 582/2B, 583/1, 584/1A1 & 584/1B1 Singadivakkam Village, Kanchipuram, Tamil Nadu - 631 561. We hereby confirm that the constructed area of 2,75,794 Sqft is within the permissible limit as per DTCP norms for a land area of 10.73 Acre and which works out to 59% based on site condition and technical feasibility.

Very Truly yours

For TATA Consulting Engineers Limited

D.S.Sridher
SECTOR HEAD INFRA-INDUSTRIAL
TATA Consulting Engineers Ltd.,
Plot No 12 C/1
South Phase Industrial Estate, Guindy
Chennai 600 032
Mob: 97909 74670

TATA CONSULTING ENGINEERS LIMITED

*Source: Client Inputs*

### 7.3.3 Ground Water Abstraction NOC

Certificate No.76/2023 Dated: /7.05.2023.

GOVERNMENT OF TAMIL NADU
WATER RESOURCES DEPARTMENT
STATE GROUND & SURFACE WATER RESOURCES DATA
CENTRE CHENNAI – 113
No Objection Certificate

This is to certify that "**M/s. TVS Industrial & Logistics Parks Pvt Ltd**", Singadivakkam Village, Chittiambakkam Firka, Kancheepuram Block, Kancheepuram Taluk of Kancheepuram District is hereby given the "**No Objection Certificate**" for the drawal of the total quantity of **40,000 LPD** (Forty Thousand litres per day) of groundwater for the purpose of **"Domestic"** from the Ground water structure listed below with strict adherence to stipulated conditions.

| Sl. No | Referred Well / Bore Well & SF. No | Village / Firka | Co-ordinates | | Quantity Permitted for Pumping in LPD |
|---|---|---|---|---|---|
| | | | Latitude | Longitude | |
| 1. | Bore Well / 561/4 | Singadivakkam / Chittiambakkam | 12°52'51"N | 79°47'13"E | 40,000 |

**This No Objection Certificate now issued is valid only for Three years from the date of issue and the NOC is issued under the conditions laid down.**

Chief Engineer (SG &SWRDC),
WRD, Tharamani, Chennai-113

*Source: Client Input*

### 7.3.4 Fire NOC

**TAMILNADU FIRE AND RESCUE SERVICE**

**FIRE LICENSE**

Under section 13 of the Tamilnadu Fire Service Act No. 40 of 1985 and with Tamilnadu Fire Service Rules 1990- Appendix - III

License No: 513 /2023 Date: 30/05 /2023

L.Dis No : 4180/A/2023

License is hereby granted under section 13 of the Tamil Nadu Fire Service Act 1985 for other items MFG OF SHEET METAL COMPONENTS & HEAT CONDENSER (mention whichever is applicable) Within the Jurisdiction of SINGADIVAKKAM VILLAGE / Panchayat in the name of Company M/S. AMBER ENTERPRISES INDIA LTD (GROUND+MEZZANINE FLOOR), S.NO.561/5, 561/4, SINGADIVAKKAM VILLAGE, KANCHIPURAM TALUK & DISTRICT. subject to Conditions noted thereon and such other conditions as may be prescribed.The inspection was done by Assistant District Officer, Fire and Rescue Station, Kanchipuram on 25.05.2023. This License is valid up to 30/05/2024.

**CONDITIONS**

1.As per National building code of india part-IV Fire and life safety, periodical maintenance and care should be taken to all fire protection equipments with good working condition at all times and a register should be maintained.

2. The first aid fire fighting equipments should be maintained at all floors in accordance with the IS 2190:1992 requirements.

3.clear side back area should be maintained all around the building without any obstructions.

4.Staffs should be trained in preliminary fire fighting as per G.O.No.713 Home (police-17) Dated:17.08.2005 with fire and rescue services department.

5.Fire drill should be conducted at least once in every six months with the local fire and rescue service authorities and a permanent register should be maintained in part –II

(Office Seal)

30 MAY 2023

District officer,
Fire and Rescue Services,
Kanchipuram District,
Kanchipuram.

30/05/2023

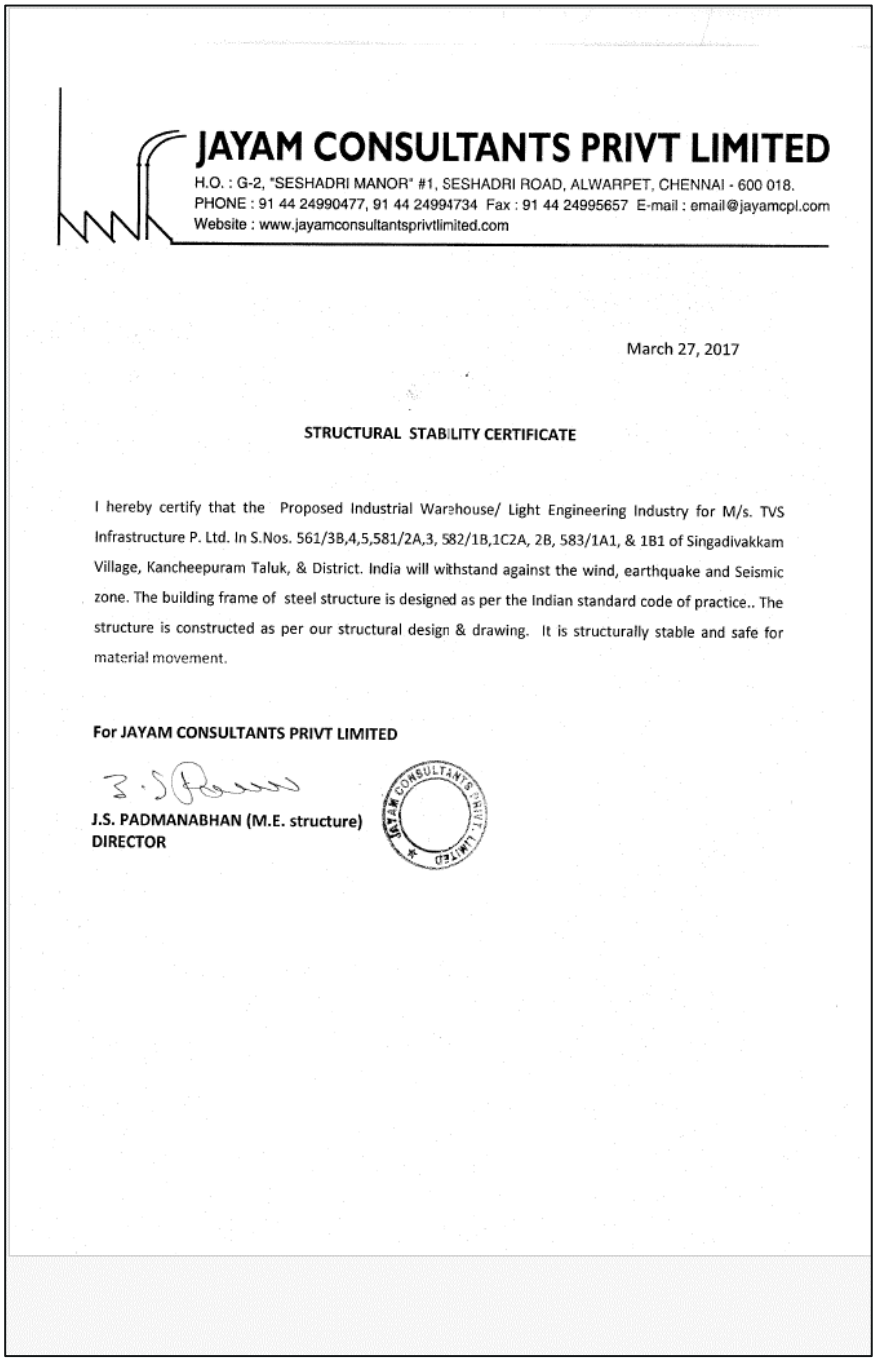
To

M/S. AMBER ENTERPRISES INDIA LTD
S.NO.561/5, 561/4, SINGADIVAKKAM VILLAGE,
KANCHIPURAM TALUK & DISTRICT.

Copy To: The Deputy Director, North-western Region, Vellore, Fire and Rescue Department

*Source: Client Input*

## 7.3.5 Structural Stability Certificate



**JAYAM CONSULTANTS PRIVT LIMITED**

H.O. : G-2, "SESHADRI MANOR" #1, SESHADRI ROAD, ALWARPET, CHENNAI - 600 018.
PHONE : 91 44 24990477, 91 44 24994734 Fax : 91 44 24995657 E-mail : email@jayamcpl.com
Website : www.jayamconsultantsprivtlimited.com

March 27, 2017

**STRUCTURAL STABILITY CERTIFICATE**

I hereby certify that the Proposed Industrial Warehouse/ Light Engineering Industry for M/s. TVS Infrastructure P. Ltd. In S.Nos. 561/3B,4,5,581/2A,3, 582/1B,1C2A, 2B, 583/1A1, & 1B1 of Singadivakkam Village, Kancheepuram Taluk, & District. India will withstand against the wind, earthquake and Seismic zone. The building frame of steel structure is designed as per the Indian standard code of practice.. The structure is constructed as per our structural design & drawing. It is structurally stable and safe for material movement.

**For JAYAM CONSULTANTS PRIVT LIMITED**

**J.S. PADMANABHAN (M.E. structure)**
**DIRECTOR**

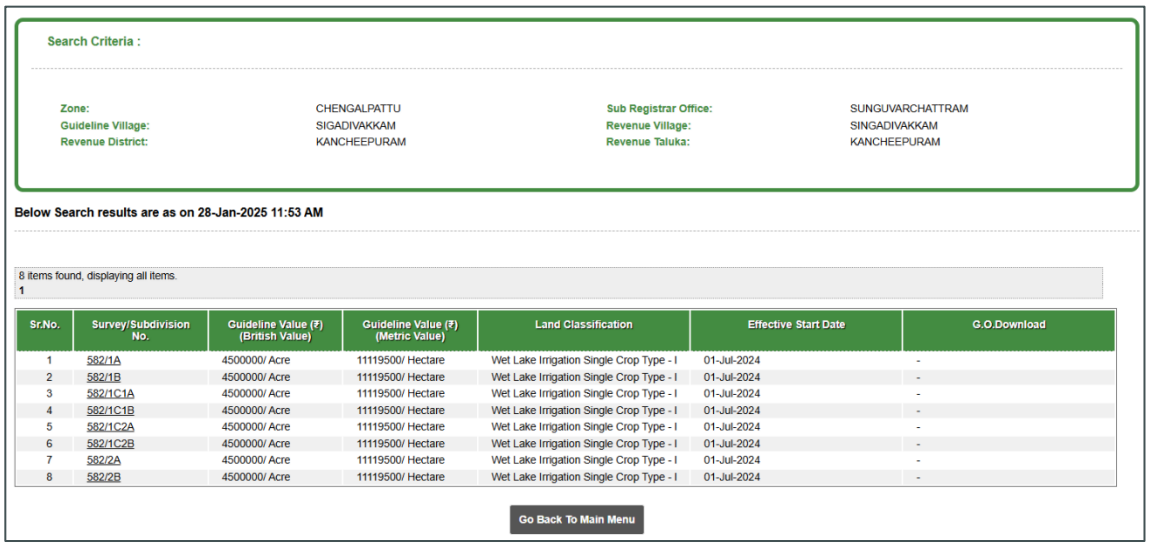
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land")** (cents) | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 582/1C1 | 60.0 | 4.5 | 270.0 |
| 2 | 582/1C2B | 27.0 | 4.5 | 121.5 |

*Source: tnreginet*

**Survey No 582,1C1**



Search Criteria :

| | | | |
|---|---|---|---|
| Zone: | CHENGALPATTU | Sub Registrar Office: | SUNGUVARCHATTRAM |
| Guideline Village: | SIGADIVAKKAM | Revenue Village: | SINGADIVAKKAM |
| Revenue District: | KANCHEEPURAM | Revenue Taluka: | KANCHEEPURAM |

Below Search results are as on 28-Jan-2025 11:53 AM

8 items found, displaying all items.
1

| Sr.No. | Survey/Subdivision No. | Guideline Value (₹) (British Value) | Guideline Value (₹) (Metric Value) | Land Classification | Effective Start Date | G.O.Download |
|---|---|---|---|---|---|---|
| 1 | 582/1A | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 2 | 582/1B | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 3 | 582/1C1A | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 4 | 582/1C1B | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 5 | 582/1C2A | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 6 | 582/1C2B | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 7 | 582/2A | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |
| 8 | 582/2B | 4500000/ Acre | 11119500/ Hectare | Wet Lake Irrigation Single Crop Type - I | 01-Jul-2024 | - |

Go Back To Main Menu

## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report:

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## HOSUR PARK

SPV/HOLDCO

DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

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# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Hosur Park (the "Subject Asset") |
| Asset Address: | Survey No: 466/1A2,1B2, Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District - 635 110 |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Durgeshwari Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold Interest |
| Land Area: | As per our review of the sanctioned layout, it is understood that the total underlying land area of the Subject Asset is approx. 29.83 acres. |
| Brief Description: | Based on the review of sanction layout provided by the Client and subsequent site visit, it is understood that the Subject Asset is an operational warehousing facility located along Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District. The Subject Asset "TVS Industrial & Logistics Parks, Hosur-Park I" is a warehousing facility. The asset is located along Hosur-Thally Road, a prominent arterial road in the micromarket. By virtue of being located along Hosur-Thally Road and in proximity to Bengaluru – Chennai Highway, the asset enjoys excellent connectivity to major consumption hubs in and around the city. The micromarket is also in close proximity to the manufacturing hubs such as Bommasandra-Jigani, Attibele, Hosur and Bidadi. A few of the prominent warehousing facilities in the micromarket include TVS Industrial & Logistics Parks, Hosur-Park I (Subject Asset), TVS Industrial & Logistics Parks, Hosur-Park II, Avigna Industrial and Logistics Park, Horizon Industrial Parks- Bagur, etc.<br><br>The Subject Asset is located along Hosur-Thally Road, Mathigiri village, an established warehousing micromarket near Hosur. It is located at a distance of approx. 5-6 kms from Hosur Railway Station, approx. 7-8 kms from SIPCOT – Hosur – Phase I, approx. 41-43 kms from MG Road (CBD of Bengaluru), approx. 42-45 kms from Cantonment Railway Station-Bengaluru and approx. 70-73 kms from Kempegowda International Airport |
| Statement of Assets (sft): | Based on review of rent roll, lease deeds and area statement provided by the Client, the Subject Asset has an operational warehousing facility with approximately 0.84 msf of Warehouse/Mezzanine area and approximately 0.15 msf of Parking area with occupancy of 100% as on the date of valuation.<br><br>The area details of the asset are as follows: |

| Blocks | Leasable Area (sft) | Chargeable area (sft) | Parking area (sft) | Built-up area (sft) |
|---|---|---|---|---|
| Hosur – I – Block A – Part A | 1,88,909 (Includes Mezzanine) * | 1,88,909 (Includes Mezzanine) * | - | 3,02,449– Block A |
| Hosur – I – Block A – Part B | 2,61,484 | 2,61,484 | - | |
| Hosur – I – Block B – Part A | 294,167 | 1,61,165 | 23,752 | 3,01,165 – Block B |
| Hosur – I – Block B – Part B | 269,730 | 1,40,000 | 56,000 | |

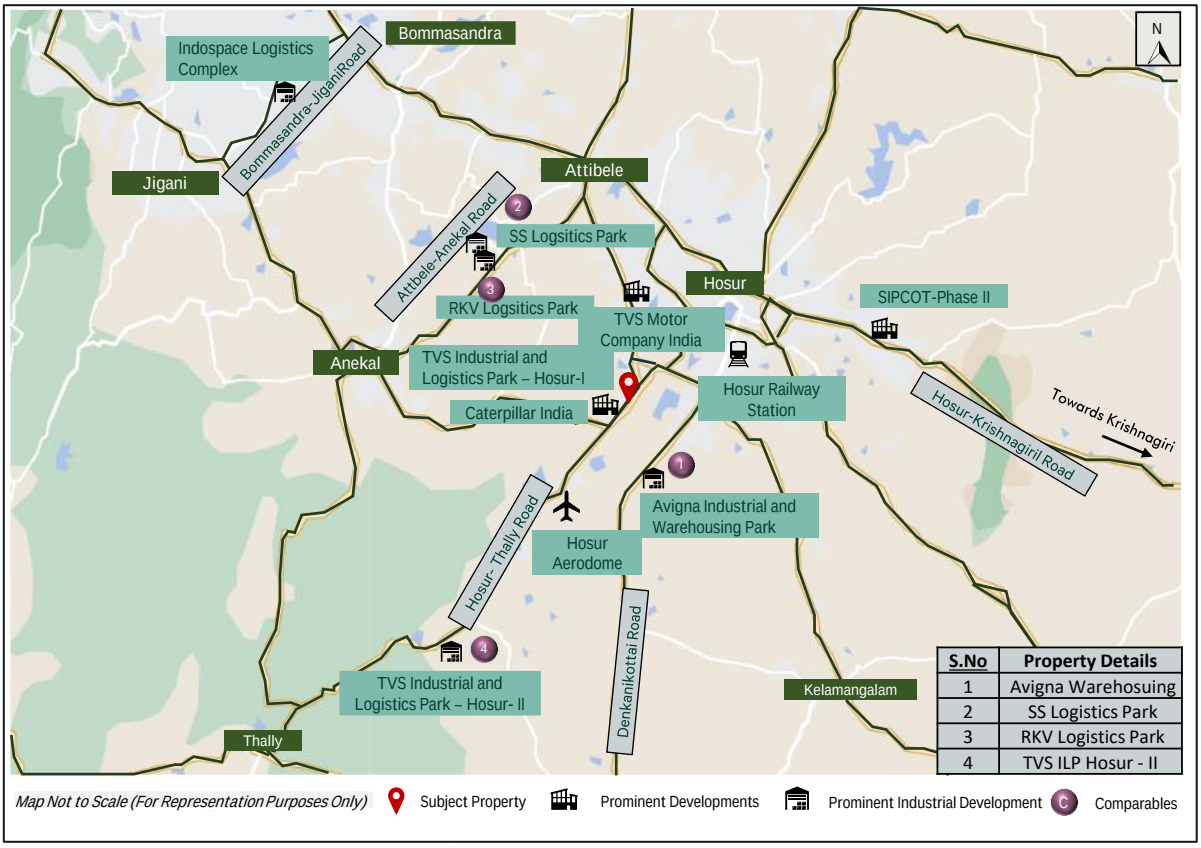
| | | | | |
|---|---|---|---|---|
| Hosur – I – Block C | 193,756 | 89,830 | 73,020 | 89,830 – Block C |
| Total | 1,208,046 | 8,41,388 | 152,772 | 6,93,444 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Based on visual site inspection and based on subsequent information received from the client, the Valuer understands that the Subject Asset is a fully operational warehousing facility and has no under-construction component. Further, the Valuer also understands that no capital expenditure has been budgeted for the Subject Asset as on date of valuation.

Location Map

**Location Map for the Subject Asset**




*Source: Industry Assessment Report*

Tenancies

As at the valuation date the Subject Asset has been entirely let out to a logistics company with a WALE of approx. 3.6 years

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| | Revenue Assumptions | |
| Tenure for re-leasing/ future leasing | Year | 10 |
| In-place rent | INR/ sf/ mth | 19.4 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 23.0 |
| Marginal rent – Mezzanine component | INR/ sf/ mth | NA |

| | | |
|---|---|---|
| Capital Expenditures Details | | |
| Pending cost to complete* | INR Mn | -NA |
| Refurbishment Capex* | INR Mn | -NA |
| Proposed asset completion timelines (Completed Blocks & Planned/Under Construction Blocks) | Quarter, Year | Completed |
| Other Financial Assumptions | | |
| Exit Cap rate | % | 7.5% |
| WACC rate (During operations) | % | 11.58% |
| Discount rate (During Under Construction/land stage) | % | NA |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 -Q3 2025) | INR Mn | 182.4 |
| Stabilized NOI[1] | INR Mn | 191.0 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report*

| | |
|---|---|
| Stake Proposed to be held in Asset SPV by TVS Infrastructure Trust: | 100% |
| Date of Inspection: | 2nd February 2024 |
| Date of Valuation: | 30th September 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by | INR 1,561.6 Mn (The ready reckoner rate mentioned pertains only to the land component of the subject property) |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

State Government):

Market Value as of September 30, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| TVS Industrial & Logistics Parks, Hosur - I | Operational | 3,025 |
| Total Value of the asset | | 3,025 |

*Source: Valuer's assessment*

Any matters which may affect the asset or its value

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report

Assumptions, Disclaimers, Limitations & Qualifications

*This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*

*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The Valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

*Please note that is an executive summary and it is advisable that the complete valuation report should be referred in complete*

Valuer Declaration:

i. the Valuer is competent to undertake the valuation

ii. the Valuer is independent and has prepared the report on a fair and unbiased basis

iii. the Valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the 'Management', the "Instructing Party", or the "Client") in its capacity as Investment manager of the TVS Industrial & Logistics Parks to estimate upon the Market Value (MV) of an operational Warehousing asset located along Hosur-Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District - 635 110

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 29.83 acres with a total chargeable area of 841,388 sft. Further, as per the details from the Client, the total leasable area is 1,208,046 sft

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks | Leasable Area (sft) | Chargeable Area (sft)* |
|---|---|---|---|---|---|---|---|
| TVS Industrial & Logistics Parks | Durgeshwari Industrial & Logistics Parks Private Limited | Warehouse | Hosur-Thally Road | 29.83 | 3 | 1,208,046 | 841,388 sft |

*Source: Client Inputs, *Warehouse and Mezzanine area (excludes parking area)*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to the Valuation report are TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing this Summary Report ("Summary Report), or the full Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Summary Report and the Valuation Report is strictly limited to the matters contained within these reports, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer, this Summary Report or the Valuation Report within the Offer Document must be read in conjunction with the full Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect to the information provided within this Summary Report.

- The liability of the Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, partners or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared this Summary Report and the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, any references to value within the Offer Document and this Summary Report must be read and considered together with the Valuation Report.

- This Summary Report and the Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- This Summary Report and Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Summary Report or Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and master's in Client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.5 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The Valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the Subject Asset(s) has been defined as Hosur warehousing region and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc. The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| TVS Industrial & Logistics Parks | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Hosur | Hosur-Thally Road |

*Source: Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

## 2.6 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.7 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of Valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.8 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.
- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Infrastructure Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")
- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.

- The Valuer and any of its employees/valuers involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.

- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.

- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.

- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.

- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.

- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.

- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment

- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.

- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information

- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust

- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation

- The valuation undertaken by the Valuer abides by International Valuation Standards (effective from 31 January 2022) for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017

- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.

The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas. (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.9 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuer is not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer is not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners has been formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the Valuer can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the asset and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title search reports and other information provided by the Client, the Valuer understands that the Subject Assets are free from any encroachments and are available as on the date of the valuation |

| | |
|---|---|
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the purview to check the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitably experienced Lawyer or an equivalent professional review these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In undertaking the valuation exercise we assumed that no contaminative or potentially contaminative use is, or has been, carried out at the property. We did not undertake any investigation into the past or present uses of either the respective assets or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the asset or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the micro market. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the assets and the processes carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the lease deeds provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a Summary of Valuation Reports of Subject Assets and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the Subject Assets. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold assets, we have assumed that the landlord will give any of the necessary consents to an assignment. Unless notified to the contrary we assume that each asset has a good and marketable title and is free from any pending litigation |

| | |
|---|---|
| Others: | Considering the unorganized nature of land and building markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions/Observations: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br><br>Based on review of the lease deeds and rent roll provided by the Client, we understand that the Subject Asset has been entirely let out to a logistics company which is an associate company of TVS Industrial and Logistics Parks. However, based on review of the Industry Assessment Report, it was understood that the in-place rentals in the Subject Asset are in line with the market rental values of Grade-A warehouse facilities in the micromarket.<br><br>Based on our site inspection and based on review of the lease deeds provided by the client, we understand that certain potion of the land area has been let out as "parking area" and the same is part of the chargeable area. The rentals range from approx. 2.63 to 2.75 psf per month of land area.<br><br>Furthermore, based on market research, it was understood that it was not a market norm for developers in the micromarket to charge for parking in addition to the fully-utilized FSI area and that the developer might not be able to monetize the space for upcoming tenants. Hence, the same has been incorporated as a tenant improvement income in the cash flows and has not been capitalized. |
| Flooding risk: | The visual inspection of the Subject Assets did not indicate any significant vulnerability and hence we have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the respective sites are clear of underground mineral or other workings, methane gas or other noxious substances.<br><br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br><br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Subject Assets. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br><br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country where services are to be carried out, which may affect the market value. In the event that the Reliant Party(ies) becomes aware of any further or pending easements, encumbrances or |

| | |
|---|---|
| | unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Bengaluru – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Bengaluru and Micromarket

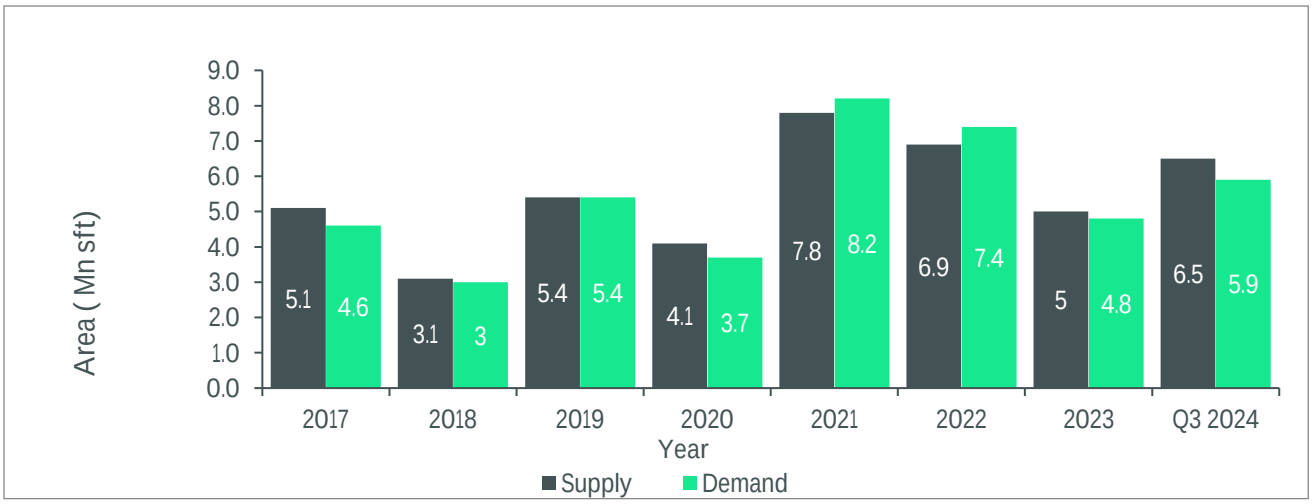
Bommasandra-Hosur micromarket is located along. NH-44 which connects Bengaluru to other Northern states and to Tamil Nadu via Hosur. It has easy accessibility to consumption hubs of Bengaluru via NH-44, NICE Road and SH-87. Total completed stock in Bengaluru as of Q3, CY 2024 is 66.5 msf, out of which Bommasandra-Hosur micromarket accounts for Approx. 22.8%.

| Description | Bengaluru | Bommasandra-Hosur |
|---|---|---|
| Cumulative completed Warehouse stock (Q3 2024) | Approx 66.5 msf | Approx. 15.2 msf |
| Cumulative occupied stock (Q3 2024) | Approx 62.1 msf | Approx. 14.5 msf |
| Current vacancy (Q3 2024) | 6.5 – 7.0 % | 4 - 5 % |
| Future supply (2024-2025) | 12.2 to 12.8 | 2.7 to 2.8 msf |

*Source: Industry Assessment Report dated December 31, 2024*

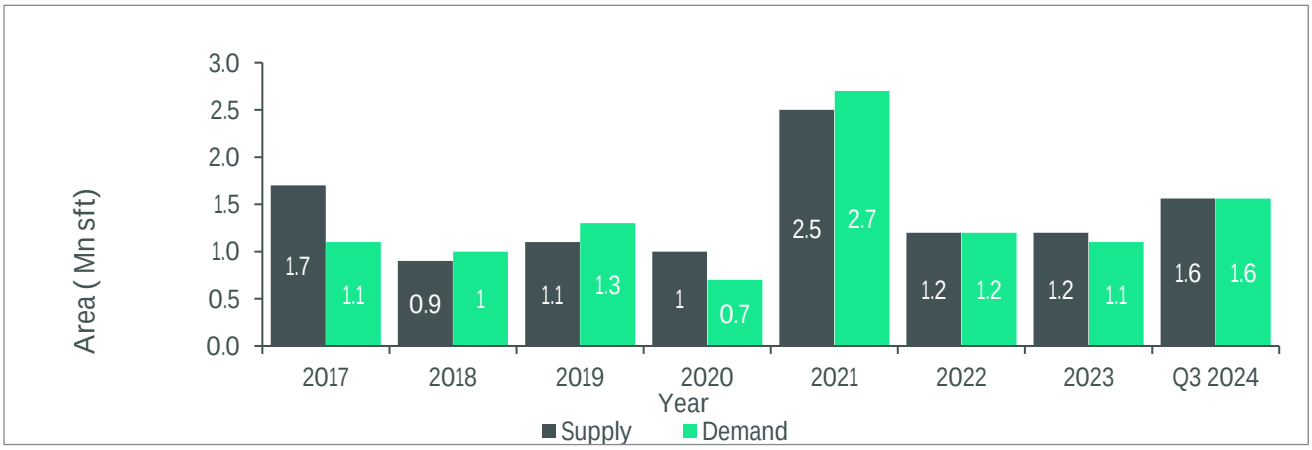
The micro market constitutes a share of nearly 84% of the total completed supply of southern micromarket of Bengaluru. The region predominantly consists of Grade-A warehousing spaces with Grade A spaces accounting for approx. 57% of the total stock of the micromarket followed by Grade-B spaces at approx. 37%. Prominent Grade A developments in the micromarket were observed to be from institutional players such as TVS ILP, Avigna Group, Horizon Industrial Group, Indospace etc. Third Party Logistics, E-Commerce, FMCG, Consumer Durables, Manufacturing Apparel & Retail are key industry sectors predominantly occupying grade A supply in the micromarket with tenants such as Flipkart, Amazon, DHL, TVS Supply Chain, Udaan, Aditya Birla, PUMA, Wakefit, Schaeffler, Ather, MPlastics, etc.

Demand – Supply Dynamics of City: Bengaluru




*Source: I Industry Assessment Report as of Q3 2024*

Demand – Supply Dynamics of micromarket: Bommasandra – Hosur micromarket




*Source: Industry Assessment Report as of Q3 2024*

We have perused the information regarding the demand and supply of leased industrial and warehousing spaces within the subject micromarket, as included in the Industry Assessment Report. Bommasandra-Hosur is a key warehousing vector in Bengaluru situated along N4-44 in the southern periphery of Bengaluru, it serves as a hub for commerce between Bengaluru and Hosur-Chennai. Accessible via NH-44 SH-87, and NICE Road, it provides exceptional connectivity and convenient proximity to the city's consumption and distribution centres. In addition, the region accounts for approximately 22.8% of Bengaluru's (2nd largest warehousing market) total completed inventory. The region witnessed a total supply of approx. 15.2 mn sft, with, 95-96% absorption. The region is primarily characterised by Grade A and Grade B developments, with a share of 57% and 37% of the total stock, respectively, Prominent Grade A developments encompass TVS Industrial & Logistics, RKV Logistics, Horizon Industrial Parks, Avigna Warehousing Parks, and more. The availability of large land parcels with moderate land values in comparison to other micromarkets, as well as proximity to manufacturing and consumption hubs, are the primary drivers of warehousing activity in the region.

The region witnessed an average annual absorption of approx. 1.3 to 1.4 Mn sft of warehousing space over the last 6-7 years, and the average annual supply is in the range of 1.3 to 1.4 mn sft between 2017 and 2023.

Limited vacancies (2-3%) were witnessed in Grade A developments on account of growing demand for quality warehouse space with superior accessibility and connectivity to the city The asking rentals for Grade A warehousing facilities in this micromarket have been observed to be in the range of INR 20-24 per sft. 3PL e-commerce FMCG, FMCD, manufacturing, and apparel are key industry sectors in this micro market. Key occupiers in this micromarket are Amazon, Flipkart, DHL TVS Supply Chain. Stellar Value Chain, Aditya Birla, PUMA, Wakefit, Big Basket, Ather, and MPlastics, amongst others.

#### 3.2.1.1 Key Developments in the micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Horizon Industrial and Warehousing Park | 2022 | 5,95,882 | 20.5– 21.5 |
| Avigna Industrial & Logistics Park -Phase 1 | 2021 | 10,11,434 | 22.0 – 23.0 |
| Avigna Industrial & Logistics Park -Phase 2 | 2022 | 6,60,000 | 22.0 – 23.0 |
| RKV Logistics Park | 2017 | 14,70,000 | 23.0 – 24.0 |
| SS Developers - Logistics Park | 2016 | 9,20,000 | 23.0 – 24.0 |

*Source: Industry Assessment Report*

#### 3.2.1.2 Future Supply

Based on review of the Industry Assessment Report, we understand that the micromarket of Bommasandra-Hosur has an upcoming supply of approx. 3.3 to 3.4 Mn sft. The details of the same are as below:

| Building Name | Year of Completion | Status* | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Horizon industrial parks | 2024 -25 | Under-Construction | Hosur - Krishnagiri Road (Shoolagiri) | 5,50,000 |
| All Cargo Logistics | 2025 | Planned | Hosur | 1,00,000 |
| Avigna Group | 2024 -25 | Under-Construction | Mathigiri, Hosur - Denkanikottai Rd | 5,00,000 |
| Avigna Group | 2025 - 2028 | Planned | Kelamangala, Hosur | 15,00,000 |
| Individual Owner | 2024 | Under-Construction | Attibele on NH-44 | 3,00,000 |

*Source: Industry Report, * UC – Under Construction*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Nature | Name of the Building (Location) | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q2 2024 | 1,00,000 | Manufacturing | Hosur - Denkanikottai Rd | 22 | Base Rental |
| Q2 2024 | 2,00,000 | Automobile | Hosur - Denkanikottai Rd | 22 | Base Rental |
| Q1 2024 | 1,50,000 | Logistics/3PL | Anekal - Thally Road | 24 | Base Rental |
| Q1 2024 | 2,80,000 | Automobile | Hosur - Shoolagiri Road | 21 | Base Rental |
| Q4 2023 | 87,493 | FMCG | Shoolagiri, Hosur Road | 21 | Base Rental |
| Q4 2023 | 30,000 | Electronics & Electricals | Denkanikottai - Shoolagiri Road, Hosur | 19 | Base Rental |
| Q4 2023 | 50,000 | Manufacturing | Denkanikottai - Shoolagiri Road, Hosur | 19 | Base Rental |
| Q4 2023 | 21,000 | Third Party Logistics | Anekal - Attibele Road | 21 | Base Rental |
| Q4 2023 | 32,000 | Engineering & manufacturing | Jigani Industrial Area | 21 | Base Rental |
| Q4 2023 | 30,000 | Auto | Jigani Anekal Road | 18 | Base Rental |
| Q4 2023 | 1,30,000 | Third Party Logistics | Anekal - Attibele Road | 23 | Base Rental |
| Q4 2023 | 1,50,000 | Manufacturing | Hosur - Denkanikottai Rd | 24 | TI |
| Q4 2023 | 1,10,000 | Manufacturing | Hosur - Denkanikottai Rd | 20 | Base Rental |
| Q4 2023 | 60,000 | Third Party Logistics | Thally Road | 21 | Base Rental |

*Source: Industry Assessment Report as of Q3 2024*

As can be observed from the table above and based on our interactions with other market players, the rentals in and around the Subject Asset were observed to range between INR 22 - 24 /sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

The southeast region (Hosur Road) of Bengaluru city is home to several industrial areas, including Attibele Industrial Area, Jigani-Bommasandra Industrial Area, Hosur SIPCOT (Phase 1 & 10, and others, which have contributed to the development of warehouses in the area. Attibele (221 acres), Bommasandra (950 acres) and Jigani (54) acres) Industrial areas are under Karnataka jurisdiction (developed by KIADB) and are fully occupied the major industry Types present in these industrial areas include pharmaceuticals, engineering, metals and electronics, auto parts, garments, and so on. Hosur Industrial Complex Phases I and II fall under Tamil Nadu Jurisdiction developed by SIPCOT) and comprises of 1581 acres of completely occupied industrial land with major industry types such as automobiles, engineering, EV, etc. (Major industries in the Hosur region include Ashok Leyland, TVS Motors, Titan Industries, Taneja Aerospace and Aviation, TTK Prestige Carborundum Universal, TVS Motors, among other.

Recent industrial areas (2022) include Shoolagiri Industrial Park (700 acres) which is currently under construction, with around 23% of the land already assigned to industrial users, and a greater emphasis on the EV industry.

SIPCOT is also in the process of acquiring approx. 2,000 acres for industrial area development, indicating a significant potential for industrial activity in the region.

The Subject Asset is located in proximity to the aforementioned industrial areas and are well connected to Bengaluru city. Because of its presence in Tamil Nadu (qualifying for favourable industrial incentives) and proximity to the Hosur Industrial Hub, the subject site has the potential to attract manufacturing or industrial tenants, potential interest is expected from light industry sectors.

Due to the availability of land and the expansion of industrial activity, warehousing activity has increased significantly in the Hosur-Shoolagiri, Hosur-Thally, Hosur-Mathigiri, and Kelamangalam regions, in particular. The expansion of warehousing operations in the area can be attributed to its ideal connectivity to consumption centres via NH 44 and NICE Road, as well as its proximity to the production hubs of Jigani, Bommasandra, and Hosur Industrial Areas.

# 4 Subject Asset – TVS ILP Hosur -I

## 4.1 Asset Description

Based on the review of sanctioned layout shared by the Client and subsequent site visit, it is understood that the Subject Asset is an operational warehousing facility located along Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District.

Based on the information provided by the Client viz. sanction plan, lease deeds, rent roll etc, it is understood that the Subject Asset is warehousing facility with land area admeasuring approx. 29.83 acres with a total warehouse area admeasuring approx. 841,388 sft along with total parking area admeasuring approx. 152,772 sft. Based on review of the sanction plan provided and based on our subsequent site visit, it is understood that the Subject Asset comprises of three boxes/phases. According to the information shared by the Client, we understand that Block A started operations on Feb 2018, Block B in Dec 2018 and Block C in Dec 2018. The Subject Asset is understood to have a floor strength of 5 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height for all boxes was observed to be 12m along with a lighting (lux level) of 200 lux.

Further, based on the site inspection conducted and as per the information received from the Client, we understand that the Subject Asset has a site office which includes an administrative office for day-to-day operations. The Hosur facility also has a fire safety system with one jockey pump, one main electrical pump, and one diesel engine pump, all supported by a fire water sump. The facility is equipped with yard hydrants, automatic sprinkler system and an automatic Fire Detection and Fire alarm system.

The Subject Asset was observed to be entirely occupied by a multinational transportation and logistics company. The WALE of the asset was observed to approx. 3.6 years

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | TVS Industrial & Logistics Parks, Hosur I |
| Address | Survey No: 466/1A2,1B2, Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District - 635 110 |
| Land Area | Based on review of the sale deeds and sanction plan provided by the Client, the Valuer understands that the total land area of the Subject Asset is approx. 29.83 acres |
| Leasable Area | 9,941,60 sft (Warehouse and Mezzanine area - 8,41,388 sft, Parking area – 152,772 sft) |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

### 4.1.1 Site Details

Situation: Subject Asset – 'TVS Industrial & Logistics Parks, Hosur - I' is an operational warehousing facility, located on Survey No: 466/1A2,1B2, Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District - 635 110

Location:

Bommasandra-Hosur micromarket is located along. NH-44 which connects Bengaluru to other Northern states and to Tamil Nadu via Hosur. It has easy accessibility to consumption hubs of Bengaluru via NH-44, NICE Road and SH-87.

The micromarket constitutes a share of nearly 83% of the total completed supply of southern micromarket of Bengaluru. The region predominantly consists of Grade-A warehousing spaces with Grade A spaces accounting for approx. 57% of the total stock of the micromarket followed by Grade-B spaces at approx. 37%. Prominent Grade A facilities in the micromarket were observed to be from institutional players such as TVS ILP, Avigna Group, Horizon Industrial Group, Indospace etc. Third Party Logistics, E-Commerce, FMCG, Consumer Durables, Manufacturing Apparel & Retail are key industry sectors predominantly occupying grade A supply in the micromarket with tenants such as Flipkart, Amazon, DHL, TVS Supply Chain, Udaan, Aditya Birla, PUMA, Wakefit, Schaeffler, Ather, MPlastics etc

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Hosur Railway Station | 05 – 06 |
| SIPCOT – Hosur – Phase I | 07 – 08 |
| MG Road (CBD of Bengaluru) | 41 – 43 |
| Cantonment Railway Station- Bengaluru | 42 – 45 |
| Kempegowda International Airport | 70 – 73 |

*Source: Valuer's research*

Catchment Analysis:

The primary catchment for the purpose of this valuation has been defined as Hosur-Thally Road and its adjoining micromarkets which are predominantly characterized by industrial/warehousing facilities. The southeast region (Hosur Road) of Bengaluru city is home to several industrial areas, including Attibele Industrial Area, Jigani-Bommasandra Industrial Area, Hosur SIPCOT (Phase 1 & 10, and others, which have contributed to the development of warehouses in the area. Attibele (221 acres), Bommasandra (950 acres) and Jigani (54) acres) Industrial areas are under Karnataka jurisdiction (developed by KIADB) and are fully occupied. Hosur Industrial Complex Phases I and II fall under Tamil Nadu Jurisdiction developed by SIPCOT) and comprises of 1581 acres of completely occupied industrial land with major industry types such as automobiles, engineering, EV, etc. SIPCOT is also in the process of acquiring approx. 2,000 acres for industrial area development, indicating a significant potential for industrial activity in the region.

Surrounds:

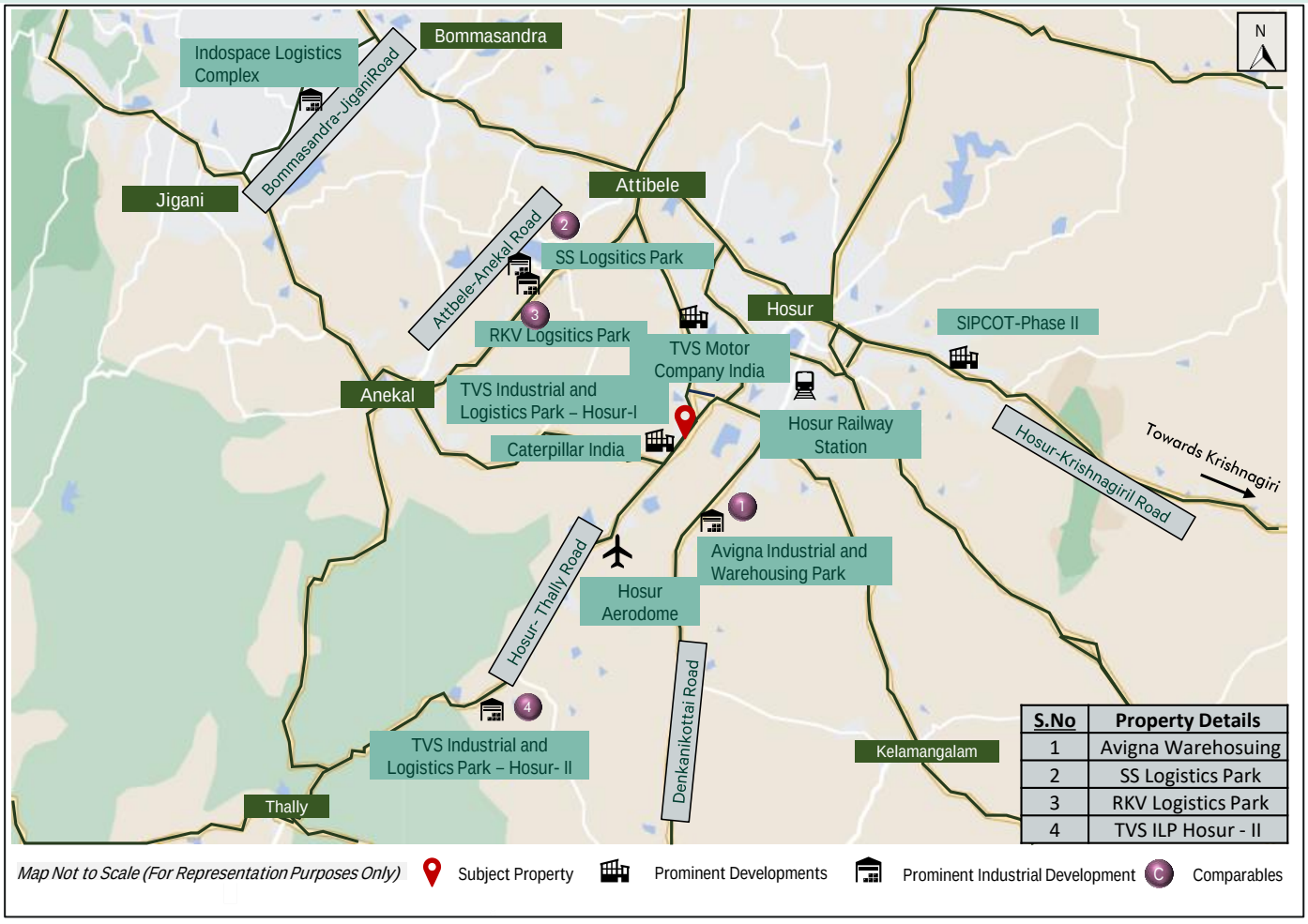
The Subject Asset is surrounded as follows:

- North: Private Asset
- South: Private Asset
- East: Hosur-Thally Road
- West: Private Asset.

| | |
|---|---|
| Potential changes in surroundings: | Based on Valuer's research. It is understood that four-laning works of critical two-lane roads are underway in Hosur under the Chief Minister's Road Development Programme. Road works at approx. INR 860 Mn are being undertaken in Mathigiri and Poonapalli as part of the infrastructure development of the block. The works are planned in stretches from Poonapalli to Velankanni school on Hosur-Thally road. Storm water drains, construction of culverts etc were other works planned alongside the road-widening. The works are also planned from Mathigiri to TVS Industries. These are expected to improve connectivity of the subject market to other major arterial roads and consumption centres. |
| Suitability of existing use: | Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage. |

The following map indicates the location of the Subject Asset and surrounding warehousing facilities

Location Map for the Subject Asset




*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and on the same level as abutting access roads and adjoining assets. |

| | |
|---|---|
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via the 60-feet wide Hosur- Thally Road. By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sale deed, we understand that the exact address of the Subject Asset is Survey Nos, 477/2, 477/3, 479/1 (part), 479/2 (part), 478/1 (part), 478/3 (part), 475/1D(part), 467/1IC (part), 467/ID (part), 466/2A, 466/2B, 466/1D, 466/1C (part) situated at Mathigiri Village, Hosur Taluk, Krishnagiri District, Tamil Nadu - 635 110.

Additionally, it is understood that the Subject Asset is owned by Durgeshwari Industrial & Logistics Parks Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the purview to check the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitably experienced Lawyer or an equivalent professional review these assumptions and confirm they are reasonable before relying in this report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the Land Use Classification certificate provided by the Client and based on review of the sanction plan, we understand that the Subject Asset is approved for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard. For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on review of sanction plan issued by DTCP authority and visual inspection during our site visit, the Subject Asset is a completed and operational warehousing facility. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |

| | |
|---|---|
| Restrictions: | As per feedback received from the Client, there are no restrictions on the current use of the asset. |
| Natural or induced hazards: | For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Mathigiri Village, where the Subject Asset is located falls in Seismic Zone- II (Least Active) with low risk. Further, based on review of the topographic map of the subject region, it was understood that the subject region falls in a high-lying area due to which the Subject Asset has a low risk of flooding. The city faces low risk in terms of high winds or cyclones too. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster |
| Approvals: | As per the documents provided by the Client, we understand that the approvals (mentioned in section 4.1.5.1) for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities |

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received

As per the review of documents provided by the Client, we understand that all requisite approvals have been received for the Subject Asset. The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC - Renewal | Received | Tamil Nadu Fire and Rescue services department | 22-04-2024 |
| Ground Water Abstraction NOC | Received | Water Resource Department – Government of Tamil Nadu | 11.08.2023<br>Valid till 15-07-2026 |
| Municipal approval under Section 49 of Town and Country Planning Act, 1971 | Received | Commissioner, Hosur Municipal Corporation | 24-04-2024 |
| No objection certificate for approach road | Received | Assistant Divisional Engineer, Highways, Hosur | 04-07-2018 |
| Land Use Conversion – 20.10 acres | Received | Directorate of Town and Country Planning | 12-12-2017 |
| Land Conversion – 11 acres | Received | | 07-02-2018 |
| Sanction Plan | Received | Directorate of Town and Country Planning | 14-03-2023 |
| Building Permit-Additional | Received | Directorate of Town and Country Planning | 17-06-2023 |
| CEIG Safety Certificate | Received | Electrical Inspectorate – Government of Tamil Nadu | 08-07-2021 |
| Structural Stability Certificate | Received | NA | NA |
| Consent to Operate - Air | Received | Tamil Nadu Pollution Control Board | 28-11-2022<br>Valid till 31-03-2026 |
| Consent to Operate - Water | Received | Tamil Nadu Pollution Control Board | 28-11-2022<br>Valid till 31-03-2026 |

*Source: Approval documents provided by the Client*

### 4.1.5.2 List of up to date/overdue periodic clearances

As per our review of documents & information received from the Client and our subsequent discussion with the Client, it is understood there are no overdue clearances. Please refer to section 7.0 for further details.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Approved Developable Area (sft)* | Completed Area (sft) | Leased Area (sft) |
|---|---|---|---|---|---|
| Block A | Feb 2018 | 6 | 3,02,449 | 3,02,449 | 4,50,393 (Includes Mezzanine area) |
| Block B | Dec 2018 | 5.25 | 3,01,165 | 3,01,165 | 3,80,917 (Includes Parking Area) |
| Block C | Dec 2018 | 5.25 | 89,830 | 89,830 | 1,62,850 (Includes Parking Area) |

*Source: Sanction Plan and Rent Roll*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area (sft) | Built-up area (sft) | Structure Type |
|---|---|---|---|
| Hosur – I – Block A – Part A | 1,88,909 (Includes Mezzanine) * | 3,02,449 | Warehouse/ Mezzanine |
| Hosur – I – Block A – Part B | 2,61,484 | | Warehouse |
| Hosur – I – Block B – Part A | 1,61,165 | 3,01,165 | Warehouse |
| Hosur – I – Block B – Part A (Parking) | 23,752 | | Parking Area |
| Hosur – I – Block B – Part B | 1,40,000 | | Warehouse |
| Hosur – I – Block B – Part B Parking) | 56,000 | | Parking Area |
| Hosur – I – Block C | 89,830 | 89,830 | Warehouse |
| Hosur – I – Block C (Parking) | 73,020 | | Parking Area |
| | 9,941,60^ | 6,93,444 | |

*Source: Architect certificate, rent roll provided by Client ^ including Parking area*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks | Land Stage Blocks |
|---|---|---|---|
| Handover condition | Warm Shell | NA | NA |
| Type of Structure | PEB | NA | NA |
| Firefighting services | Provided. Fire NOC Available | NA | NA |
| Lift provision | No Lifts | NA | NA |
| Floor Finish | FM2 Concrete floor | NA | NA |
| Floor Strength | 5 MT/Sqm | NA | NA |
| Building Height at eave | 12 m | NA | NA |
| Fire Protection System | NFPA/NBC standard fire protection system | NA | NA |
| Lighting | 200 Lux | NA | NA |
| WTP | RO plant of 1500 LPH with 5KL | NA | NA |
| Ridge height | 15 m | NA | NA |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is maintained well. Further, we understand that there is no capex planned towards major repair/refurbishment works in the Subject Asset.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

TVS Industrial & Logistics Parks, Hosur - I

View of the Subject Asset

View of the Subject Asset

View of the Rain Water Harvesting Pond

View of the Subject Asset

View of the entrance

View of the access road

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Based on review of the lease deeds and rent roll provided by the Client, we understand that the Subject Asset has been entirely let out toa transportation and logistics company. However, based on review of the Industry Assessment Report, it was understood that the in-place rentals in the Subject Asset are in line with the market rental for Grade-A warehousing facilities in the micromarket.

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InVIT) Regulations

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of the offer of units through Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This Valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Assets forming part of the portfolio.

## 5.2 Basis of Valuation

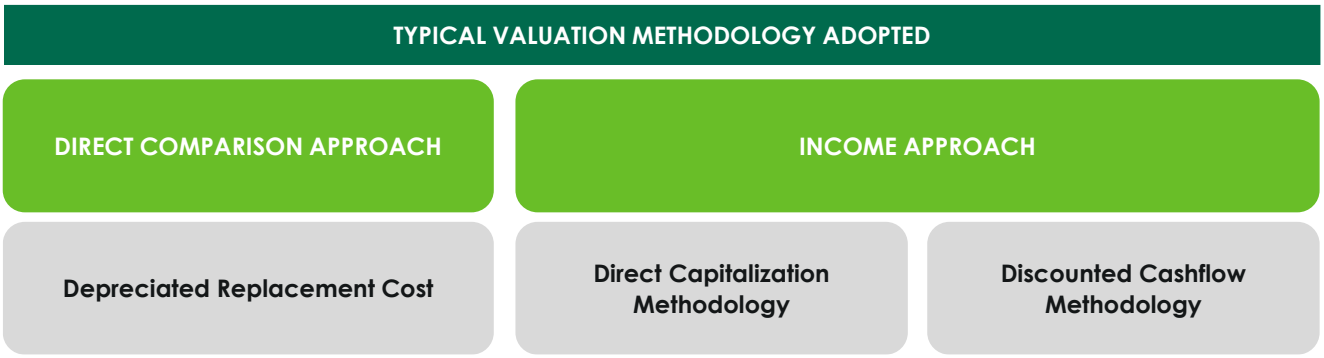
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and are in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** a asset or liability should exchange on the valuation date between a willing **buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The

comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Assets for the purpose of the offer of units through Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. the infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. the infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. the infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
    a. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset
    b. The Valuer has undertaken physical site inspections to assess the current status of the Subject Assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

Bommasandra-Hosur is a key warehousing vector in Bengaluru Situated along N4-44 in the southern periphery of Bengaluru, it serves as a hub for commerce between Bengaluru and Hosur-Chennai. Accessible via NH-44 SH-87, and NICE Road, it provides exceptional connectivity and convenient proximity to the city's consumption and distribution centres. In addition, the region accounts for approximately 23% of Bengaluru's (2nd largest warehousing market) total completed inventory. The region witnessed a total supply of approx. 15.2 mn sft, with, 95-96 % absorption. The region is primarily characterised by Grade A and Grade B developments, with a share of 57% and 37% of the total stock, respectively, Prominent Grade A developments encompass TVS Industrial & Logistics, RKV Logistics, Horizon Industrial Parks, Avigna Warehousing Parks, and more. The availability of large land parcels with moderate land values in comparison to other micromarkets, as well as proximity to manufacturing and consumption hubs, are the primary drivers of warehousing activity in the region.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing developments. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing facilities in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Projections:

We have assessed future cash flows from the Subject Assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier. Based on a detailed review of the leases for the Subject Asset, we noted that a large number of leases at these Assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent,

future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area(if any), the Valuer has assessed the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been assessed for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | No. | Sanction Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Carpet Area (Covered) | Sft | Not Provided |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | Sft | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | Copy as applicable |
| | Building Plan / Site Plan | NA | Copy as applicable |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | | |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Fire NOC | NA | Copy as applicable |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Copy as applicable |
| | Occupancy Certificate | NA | Copy as applicable |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | TR | Client |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | INR Mn | Client |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Client |
| | Cost Already Incurred – Under Construction Block | INR Mn | Client |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Client/ Valuer Estimate |
| | Maintenance Charges | INR psf | Client |
| | Margin on Maintenance | % of CAM Charges | Valuer's Assessment |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Months | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| | Capitalization Rate | % | Valuer's assessment |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Exit Assumptions | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Not Applicable |
| | Construction Completion | Quarter, Year | Not Applicable |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Market assessment and key asset characteristics | Opinions expressed on the scale of portfolio, relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | (Completed Blocks) | (Under-construction Blocks) |
|---|---|---|
| Hosur Park | Discounted Cash Flow<br>(Using rent reversion approach) | NA |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from lease deed and architect certificate provided by the Client, we understand that Subject Asset is an operational warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Blocks | Leasable Area (sft) | Chargeable area (sft) | Parking area (sft) |
|---|---|---|---|
| Hosur – I – Block A – Part A | 1,88,909 (Includes Mezzanine) * | 1,88,909 (Includes Mezzanine) * | - |
| Hosur – I – Block A – Part B | 2,61,484 | 2,61,484 | - |
| Hosur – I – Block B – Part A | 294,167 | 1,61,165 | 23,752 |
| Hosur – I – Block B – Part B | 269,730 | 1,40,000 | 56,000 |
| Hosur – I – Block C | 193,756 | 89,830 | 73,020 |
| Total | 1,208,046 | 8,41,388 | 152,772 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

| Tenant | Leasable Area (sft) | % of area leased | Total In-place rental - Warehouse (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Hosur Park | 9,94,160 | 100% | 19.4 | 17.31 |

*Source: Sanction Plan, Lease deed, Rent Roll*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the Subject Asset:

| Description | Particulars (%) |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | NA |

*Source: Information provided by the Client;*

### 6.3.2 Lease Deed Analysis

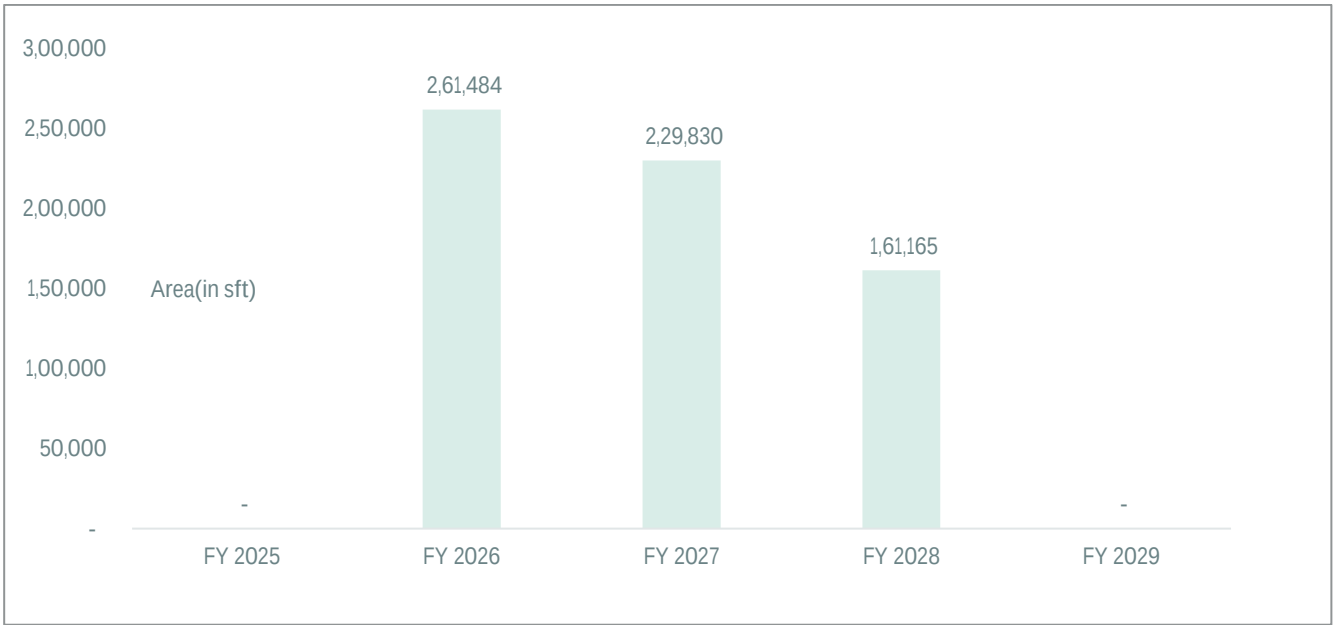
Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Logistics Company – Block A Part A^ | Lease Commencement Date | 1st October 2024 |
| | Rent Commencement Date | 1st October 2024 |
| | Lock-in Period | 2 years |
| | Lease Tenure | 9 Years |
| | Lease Rent Escalation Terms | 0% every year |
| Logistics Company – Block A Part B | Lease Commencement Date | 1st February 2018 |
| | Rent Commencement Date | 1st February 2018 |
| | Lock-in Period | 7 Years |
| | Lease Tenure | 8 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company – Block B Part A | Lease Commencement Date | 7th July 2022 |
| | Rent Commencement Date | 7th July 2022 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company – Block B Part B | Lease Commencement Date | 21st April 2022 |
| | Rent Commencement Date | 21st April 2022 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company – Block C | Lease Commencement Date | 1st March 2022 |
| | Rent Commencement Date | 1st March 2022 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) ^ The client has not provided us with any supporting document pertaining to the said lease.*

### 6.3.3 Tenant Expiry Profile

The Weighted Average Lease Expiry (WALE) of Subject Asset is 3.6 years, with approx. 100 % of occupied warehouse area expiring between FY 2026 and FY 2028 as shown in the chart below:




*Source: Valuer Workings; The expiry profile has been plotted only for the warehouse areas*

### 6.3.4 Lease Rent Analysis

Contractual Rental Details

| Asset | Chargeable Area (sft) | Leased Area (sft)* | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm)* |
|---|---|---|---|---|---|
| Hosur Park | 841,388 | 841,388 | 100% | 19.4 | 17.31 |

*Source: Leased Deed and Information provided by the Client, *Warehouse + Parking area*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 22 – 24 per sf per month (say an average rental of INR 23.0 per sf per month of leasable area).

### 6.3.5 Tenant Obligations.

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant

| S. No | Description of operational expenses |
|---|---|
| 1 | Housekeeping within demised premises |
| 2 | Insurance for stored goods |
| 3 | Damages caused by the tenant/lessee to the building |
| 4 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

### 6.3.6 Construction Timelines

The asset was completed in a phase-wise with Block A completed and operationalised in Feb 2018, Block B completed and operationalised in Aug 2018 and Block C completed and operationalised in Dec 2018.

### 6.3.7 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.7.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the completed blocks have an occupancy of 100% as on date of valuation. As at the valuation date the Subject Asset has been entirely let out to a transportation and logistics company with a WALE of approx. 3.6 years.

#### 6.3.7.2 Under-Construction/ Proposed Blocks

Based on review of the rent roll provided by the client and based on subsequent site inspection conducted by the Valuer, it is understood that the Subject Asset is fully completed and operational.

### 6.3.8 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.8.1 Warehouse Component

As at the valuation date the Subject Asset has been entirely let out to a transportation and logistics company with a WALE of approx. 3.6 years. For the purpose of this valuation exercise, the lease rent adopted is based on the rent roll/lease deeds shared by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on review of the Industry Assessment Report and based on the analysis of the rent roll provided by the Client, following rental has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset.

| Component | Chargeable Area (sft) | Leased Area (sft)* | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Warehouse | 841,388 | 841,388 | Current Rent for Leased area | 19.4^^ |
| | | | Marginal rent for reversion/ vacant area | 23.0 |

*Source: Lease deed provided by the Client; Valuer's assessment ; ^ Included Parking Area^^In-place Rent excluding paring areas.*

The above marginal rent assumption is adopted for the entire Subject Asset. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental of the Subject Asset. Based on review of the Industry Assessment Report, we understand that the contracted rental of the Subject Asset is in line with the expected market rent. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset.

#### 6.3.8.2 Non-Warehouse Component

Based on our site inspection and based on review of the lease deeds provided by the client, we understand that certain potion of the land area has been let out as "parking area" and the same is part of the chargeable area. The rentals range from approx. 2.63 to 2.75 psf per month of land area.

Based on market research, it was understood that it was not a market norm for developers in the micromarket to charge for parking in addition to the fully-utilized FSI area and that the developer might not be able to monetize the space for upcoming tenants. Hence, the same has been incorporated as a tenant improvement income in the cash flows and has not been capitalized.

### 6.3.9 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset and micromarket is approx. 4-5% every year, which is in-line with the trend observed in the market. A lease rent escalation of 5% has been adopted for the renewals at the Subject Asset

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 23.0 | 24.15 | 25.36 | 5% escalation year on year |

### 6.3.10 Parking Assumptions

Based on our site inspection and based on review of the lease deeds provided by the client, we understand that certain potion of the land area has been let out as "parking area" and the same is part of the chargeable area. The rentals range from approx. 2.63 to 2.75 INR psf per month of land area. Based on the Valuer's market research, it was understood that it was not a market norm for developers in the sub-market to charge for parking in addition to the fully-utilized FSI area and that the developer might not be able to monetize the space for upcoming tenants. Hence, the same has been incorporated as a tenant improvement income in the cash flows and has not been capitalized.

### 6.3.11 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc. The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line. The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit ( For vacant spaces) | 6 | No. of months' warm shell rental |
| Other Income (Margin on Utilities etc.) | 3.5% | % of Rental Income |
| CAM Income | 1.0 | INR per sft per month |

*Source: Valuer's assessment*

### 6.3.12 Capital Expenditure

#### 6.3.12.1 Major Repair and improvements

As per information provided by the Client, we understand that there are no major repairs and improvement proposed in the said asset. The table below highlights the assumptions towards the pending expenses/ infrastructure upgrade works in the Subject Asset:

| Expense Head | Total Pending Cost (INR Mn) | Quarter of Completion |
|---|---|---|
| CAPEX | NA | NA |

*Source: Client inputs*

### 6.3.13 Operating Cost

An asset typically has few recurring operation expenses required for the upkeep running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

In addition to capital expenditure, a asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 0.5% of lease revenue |
| Asset Management Fee^ | 3.0% of revenues from operations |
| Property Tax* | INR 11.37 Mn |
| Insurance* | INR 1.67 Mn |
| Vacancy Allowance during operations | 1.0% of revenues from operations |
| Vacancy Allowance on Exit | 2.5% of revenues from operations |

| Nature of Expense | Details |
|---|---|
| CAM Expense | INR 1.0 psf per month |
| Refurbishment reserve (% of rental income) | 1.5% |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the Client, Property tax and insurance are to be borne by the Lessor; ^fees has been considered as below the NOI line item.*

### 6.3.14 Other Assumptions

#### 6.3.14.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Further, the Subject Asset also has a pre-commitment in one of the under-construction blocks. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the Valuer has adopted a vacancy provision as follows:

| Description | Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.14.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5% has been considered for the FY 2025 and year on year thereafter

#### 6.3.14.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date.

However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 month for new-leases and for re-leasing effective from the lease commencement date and 1 months of downtime for new-leases and for re-leasing.

#### 6.3.14.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.14.5 CAM Cashflows

Based on review of the lease deeds pertaining to the Subject Asset, it is understood that the base monthly rental paid by the tenants is inclusive of CAM Charges. Further, based on the information received from the Client, we understand that the Client has started recovering CAM from tenants over and above the contracted base rentals.. The Client has not provided any documentation pertaining to this CAM arrangement.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend from 9.00- 11.00% in last 8 – 9 years to about 7.50% - 8.50% in last 3-4 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.50% – 8.00%.
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer).

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Hosur Park | TVS Industrial & Logistics Parks Private Limited | Operational | 7.50% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to real estate assets such as execution risk (construction status, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for this asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing facilities across the Bommasandra-Hosur micromarket which are in the range of 8.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Completed Blocks

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational warehousing facility. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed Hosur Park asset forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Hosur Park | TVS Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Hosur Park | INR 3,025 Mn |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by a asset lawyer prior to relying on this valuation.

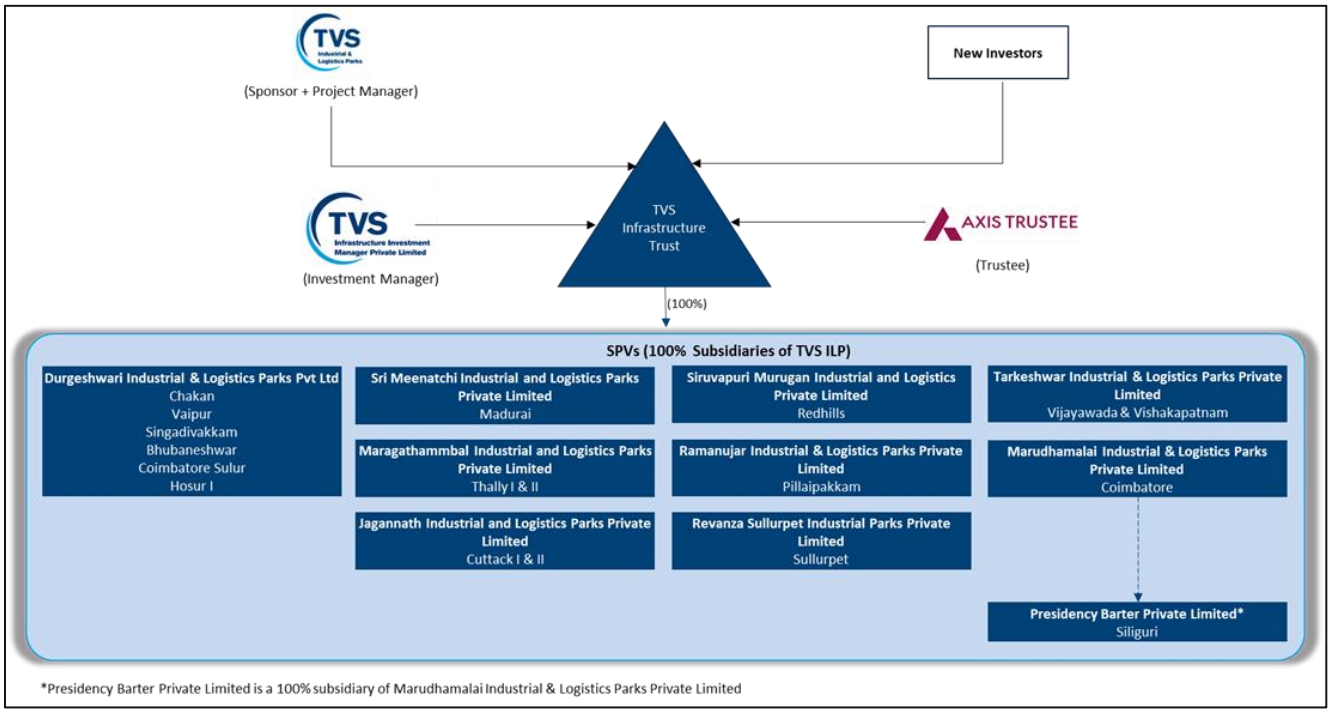
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InVIT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be held by the InvIT

### 7.1.7 Structure of ownership of the asset by the InvIT




### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

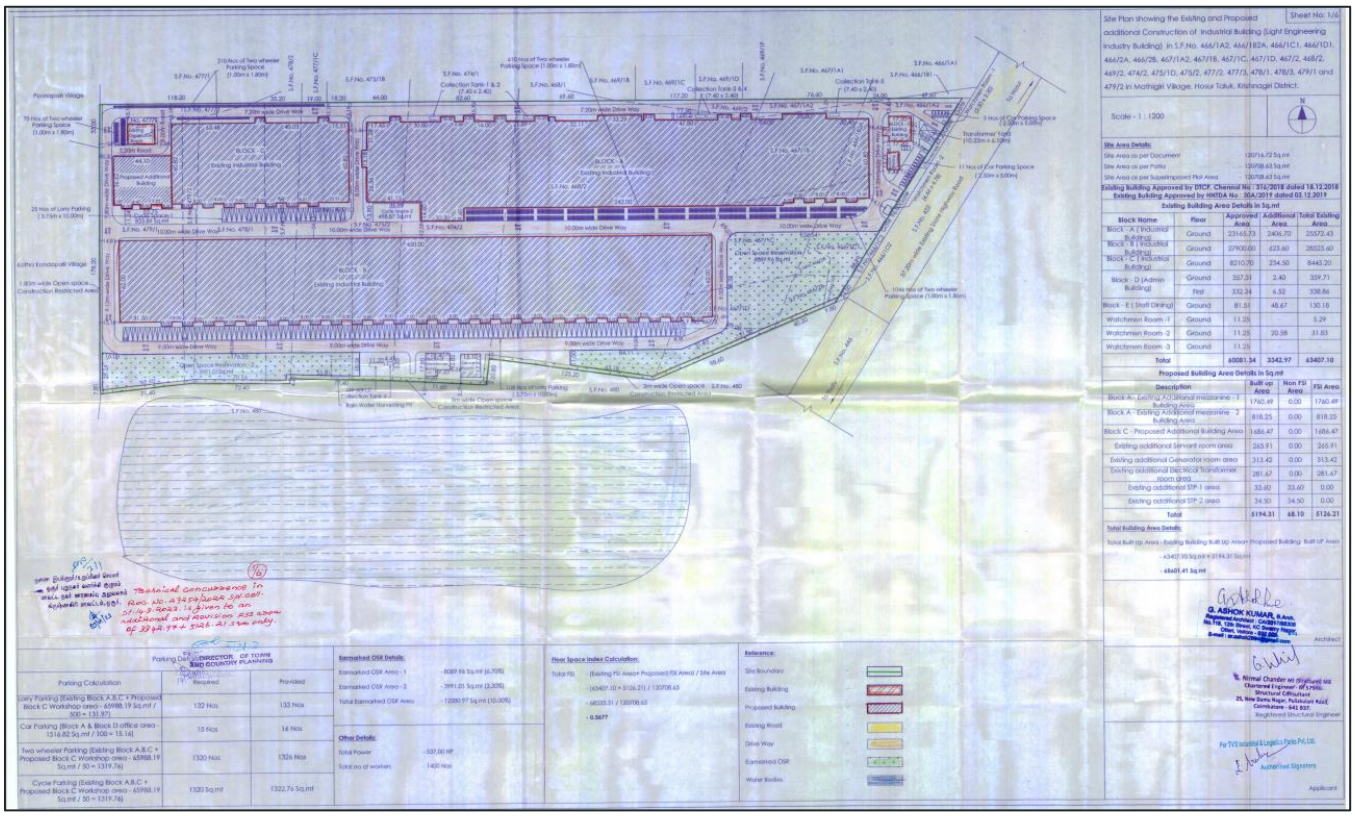
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Block A- 23 years<br>Remaining period of Block B- 23 years<br>Remaining period of Block C- 23 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, as underlying land is a Freehold Land Parcel |
| 3 | Right to extend the contractual life of land | Not Applicable, as underlying land is a Freehold Land Parcel |

## 7.2 Site Plan

### 7.2.1 Hosur Park



*Source:* Sanction Plan

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

Land Conversion Document (20.10 acres )

**கருக்கம்**

நகர்ப்புற வளர்ச்சி – நிலப்பயன் மாற்றம் – முழுமைத் திட்டம் – M/s. TVS Infrastructure Private Limited, மும்பை – ஒசூர் நகராட்சி, மத்திகிரி கிராமம், ஒசூர் வட்டம், சர்வே எண்கள்.466/1A2, 1B2, 1C, 1D, 2A, 2B, 467/1A2, 1B, 1C, 1D, 467/2, 468/2, 469/2, 474/2 & 475/2-இல் 8.13.66 ஹெக்டேர் (20.10 ஏக்கர்) பரப்பளவுள்ள நிலத்தினை ஒப்புதல் அளிக்கப்பட்ட ஒசூர் புதுநகர் வளர்ச்சித் திட்டத்தில் முதன்மை குடியிருப்பு உபயோகப் பகுதியிலிருந்து பொது தொழிற்சாலை உபயோகப் பகுதி – நிலப்பயன் மாற்றம் – ஆணை வெளியிடப்படுகிறது.

**வீட்டுவசதி மற்றும் நகர்ப்புற வளர்ச்சி [ந.வ.4(1)]த் துறை**

அரசாணை (2டி) எண். 198

நாள்: 12.12.2017.
ஹேவிளம்பி வருடம், கார்த்திகை திங்கள் 26,
திருவள்ளுவர் ஆண்டு 2048

படிக்கப்பட்டது:

நகர் ஊரமைப்பு ஆணையர், ந.க.எண்.18300/2017/முதி2, நாள் 27.10.2017.

**ஆணை:**

மனுதாரர் M/s. TVS Infrastructure Private Limited, B-106, 10th Floor, B-Wing, Mittal Tower, Nariman Point மும்பை என்னும் நிறுவனம், ஒசூர் நகராட்சி, ஒசூர் வட்டம், மத்திகிரி கிராமம், சர்வே எண்கள். 466/1A2, 1B2, 1C, 1D, 2A, 2B, 467/1A2, 1B, 1C, 1D, 467/2, 468/2, 469/2, 474/2 & 475/2-இல் 8.13.66 ஹெக்டேர் (20.10 ஏக்கர்) பரப்பளவுள்ள நிலத்தினை ஒப்புதல் அளிக்கப்பட்ட ஒசூர் புதுநகர் வளர்ச்சித் திட்டத்தில் முதன்மை குடியிருப்பு உபயோகப் பகுதியிலிருந்து பொது தொழிற்சாலை உபயோகப் பகுதியாக நிலப்பயன் மாற்றம் கோரும் கோரிக்கையினை நகர் ஊரமைப்பு ஆணையர், மேலே படிக்கப்பட்ட கடிதத்தில், கீழ்வரும் குறிப்புகளின் அடிப்படையில் பரிந்துரைத்து உரிய நடவடிக்கை எடுக்கும் பொருட்டு அரசுக்கு அனுப்பியுள்ளார்.

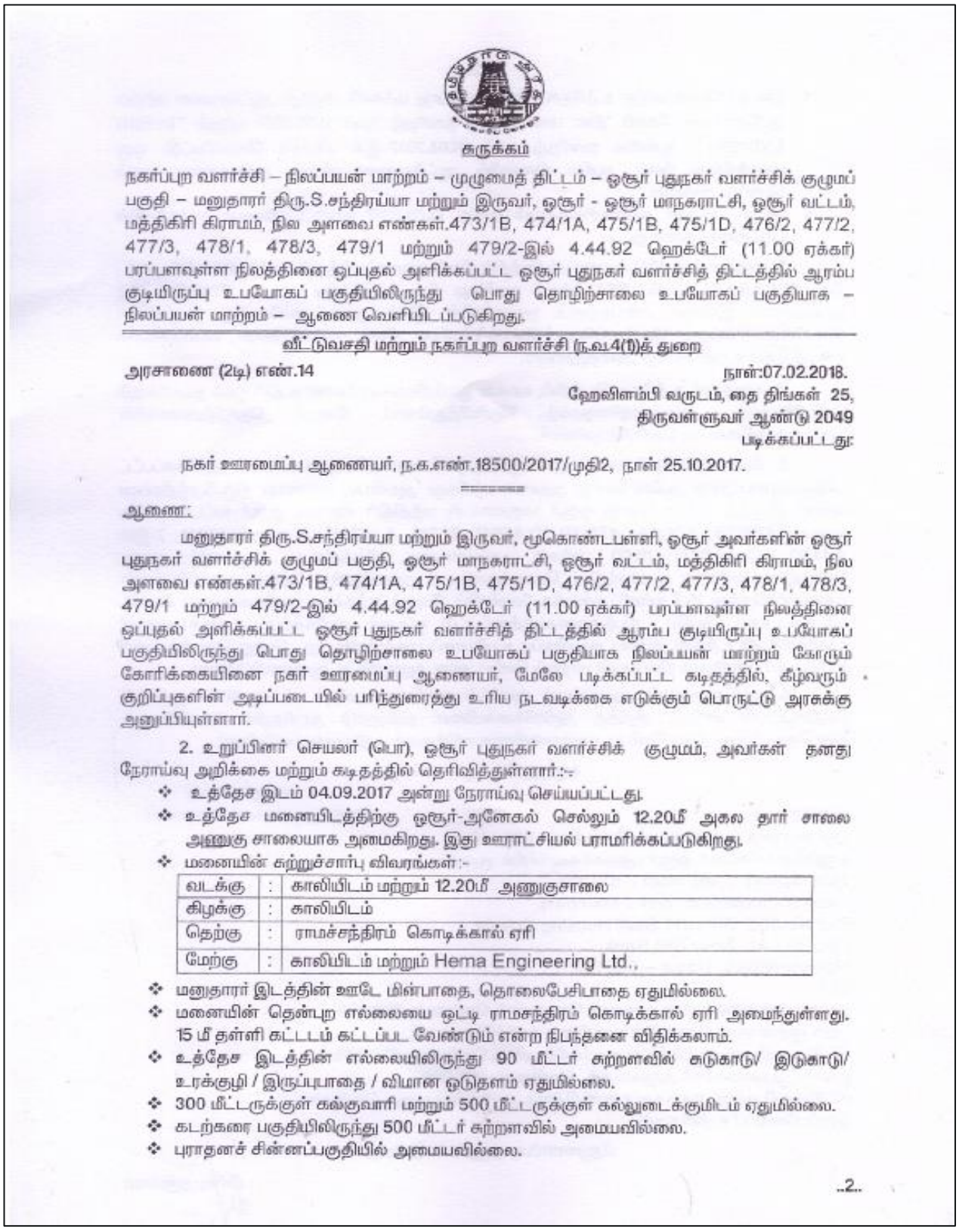
2. உறுப்பினர் செயலர் (பொ), ஒசூர் புதுநகர் வளர்ச்சி குழுமம், அவர்கள் தனது நேராய்வு அறிக்கை மற்றும் கடிதத்தில் பின்வருமாறு தெரிவித்துள்ளார்:-

- உத்தேச இடம் 04.09.2017 அன்று நேராய்வு செய்யப்பட்டது.
- உத்தேச மனையிடத்திற்கு 60 அடி அகல ஒசூர்-தளி செல்லும் தார் சாலை அணுகு சாலையாக அமைகிறது. இது மாநில நெடுஞ்சாலைத்துறையால் பராமரிக்கப்படுகிறது.
- மனையின் சுற்றுச்சார்பு விவரங்கள்:-

| | | |
|---|---|---|
| வடக்கு | : | காலியிடம் |
| கிழக்கு | : | ஒசூர்-தளி முதன்மை சாலை |
| தெற்கு | : | ராமச்சந்திரம் கொடிக்கால் ஏரி |
| மேற்கு | : | உத்தேச தொழிற்சாலை காலியிடம். |

- மனுதாரர் இடத்தின் ஊடே மின்பாதை, தொலைபேசிபாதை ஏதுமில்லை.
- தென்புறம் சர்வே எண் 480 மனையை ஒட்டி ராமசந்திரம் கொடிக்கால் ஏரி அமைகிறது.
- உத்தேச இடத்தின் எல்லையிலிருந்து 90 மீட்டர் சுற்றளவில் கடுகாடு/இடுகாடு/ உரக்குழி/இருப்புபாதை/விமானஓடுதளம் ஏதுமில்லை.
- 300 மீட்டருக்குள் கல்குவாரி மற்றும் 500 மீட்டருக்குள் கல்லுடைக்குமிடம் ஏதுமில்லை.
- கடற்கரை பகுதியிலிருந்து 500 மீட்டர் சுற்றளவில் அமையவில்லை.

Land Conversion Document (11.0 acres )



சுருக்கம்

நகர்ப்புற வளர்ச்சி – நிலப்பயன் மாற்றம் – முழுமைத் திட்டம் – ஒசூர் புதுநகர் வளர்ச்சிக் குழுமப் பகுதி – மனுதாரர் திரு.S.சந்திரய்யா மற்றும் இருவர், ஒசூர் - ஒசூர் மாநகராட்சி, ஒசூர் வட்டம், மத்திகிரி கிராமம், நில அளவை எண்கள்.473/1B, 474/1A, 475/1B, 475/1D, 476/2, 477/2, 477/3, 478/1, 478/3, 479/1 மற்றும் 479/2-இல் 4.44.92 ஹெக்டேர் (11.00 ஏக்கர்) பரப்பளவுள்ள நிலத்தினை ஒப்புதல் அளிக்கப்பட்ட ஒசூர் புதுநகர் வளர்ச்சித் திட்டத்தில் ஆரம்ப குடியிருப்பு உபயோகப் பகுதியிலிருந்து பொது தொழிற்சாலை உபயோகப் பகுதியாக – நிலப்பயன் மாற்றம் – ஆணை வெளியிடப்படுகிறது.

வீட்டுவசதி மற்றும் நகர்ப்புற வளர்ச்சி (ந.வ.4(1))த் துறை

அரசாணை (2டி) எண்.14

நாள்:07.02.2018.
ஹேவிளம்பி வருடம், தை திங்கள் 25,
திருவள்ளுவர் ஆண்டு 2049

படிக்கப்பட்டது:

நகர் ஊரமைப்பு ஆணையர், ந.க.எண்.18500/2017/முதி2, நாள் 25.10.2017.

ஆணை:

மனுதாரர் திரு.S.சந்திரய்யா மற்றும் இருவர், மூகொண்டபள்ளி, ஒசூர் அவர்களின் ஒசூர் புதுநகர் வளர்ச்சிக் குழுமப் பகுதி, ஒசூர் மாநகராட்சி, ஒசூர் வட்டம், மத்திகிரி கிராமம், நில அளவை எண்கள்.473/1B, 474/1A, 475/1B, 475/1D, 476/2, 477/2, 477/3, 478/1, 478/3, 479/1 மற்றும் 479/2-இல் 4.44.92 ஹெக்டேர் (11.00 ஏக்கர்) பரப்பளவுள்ள நிலத்தினை ஒப்புதல் அளிக்கப்பட்ட ஒசூர் புதுநகர் வளர்ச்சித் திட்டத்தில் ஆரம்ப குடியிருப்பு உபயோகப் பகுதியிலிருந்து பொது தொழிற்சாலை உபயோகப் பகுதியாக நிலப்பயன் மாற்றம் கோரும் கோரிக்கையினை நகர் ஊரமைப்பு ஆணையர், மேலே படிக்கப்பட்ட கடிதத்தில், கீழ்வரும் குறிப்புகளின் அடிப்படையில் பரிந்துரைத்து உரிய நடவடிக்கை எடுக்கும் பொருட்டு அரசுக்கு அனுப்பியுள்ளார்.

2. உறுப்பினர் செயலர் (பொ), ஒசூர் புதுநகர் வளர்ச்சிக் குழுமம், அவர்கள் தனது நேராய்வு அறிக்கை மற்றும் கடிதத்தில் தெரிவித்துள்ளார்:-

- உத்தேச இடம் 04.09.2017 அன்று நேராய்வு செய்யப்பட்டது.
- உத்தேச மனையிடத்திற்கு ஒசூர்-அனேகல் செல்லும் 12.20மீ அகல தார் சாலை அணுகு சாலையாக அமைகிறது. இது ஊராட்சியல் பராமரிக்கப்படுகிறது.
- மனையின் சுற்றுச்சார்பு விவரங்கள்:-

| | | |
|---|---|---|
| வடக்கு | : | காலியிடம் மற்றும் 12.20மீ அணுகுசாலை |
| கிழக்கு | : | காலியிடம் |
| தெற்கு | : | ராமச்சந்திரம் கொடிக்கால் ஏரி |
| மேற்கு | : | காலியிடம் மற்றும் Hema Engineering Ltd., |

- மனுதாரர் இடத்தின் ஊடே மின்பாதை, தொலைபேசிபாதை ஏதுமில்லை.
- மனையின் தென்புற எல்லையை ஒட்டி ராமசந்திரம் கொடிக்கால் ஏரி அமைந்துள்ளது. 15 மீ தள்ளி கட்டடம் கட்டப்பட வேண்டும் என்ற நிபந்தனை விதிக்கலாம்.
- உத்தேச இடத்தின் எல்லையிலிருந்து 90 மீட்டர் சுற்றளவில் சுடுகாடு/ இடுகாடு/ உரக்குழி / இருப்புபாதை / விமான ஓடுதளம் ஏதுமில்லை.
- 300 மீட்டருக்குள் கல்குவாரி மற்றும் 500 மீட்டருக்குள் கல்லுடைக்குமிடம் ஏதுமில்லை.
- கடற்கரை பகுதியிலிருந்து 500 மீட்டர் சுற்றளவில் அமையவில்லை.
- புராதனச் சின்னப்பகுதியில் அமையவில்லை.

..2..

## Planning Permit

நகர் ஊரமைப்பு துறை

மாவட்ட நகர் ஊரமைப்பு அலுவலகம், கிருஷ்ணகிரி மாவட்டம்,

துணை இயக்குநர், ஒசூர் புதுநகர் வளர்ச்சிக் குழுமம், அவர்களின்

நடவடிக்கைகள்

முன்னிலை: திரு. கி.சண்முகம், எம்.இ., எம்.பி.ஏ.,

ந.க.எண்.2810/2022/கிமா(ஒபுநவகு) நாள்: 17.06.2023

பொருள் : கூடுதல் தொழிற்சாலை கட்டிடம் – மாவட்ட நகர் ஊரமைப்பு அலுவலகம் – கிருஷ்ணகிரி மாவட்டம் – ஒசூர் புதுநகர் வளர்ச்சிக் குழுமம் – ஒசூர் வட்டம்/மாநகராட்சி – மத்திகிரி கிராமம், சர்வே எண்கள் 466/1A2, 466/1B2A, 466/1C1, 466/1D1, 466/2A, 466/2B, 467/1A2, 467/1B, 467/1C, 467/1D, 467/2, 468/2, 469/2, 474/2, 475/2, 475/1D, 477/2, 477/3, 478/1, 478/3, 479/1 மற்றும் 479/2–இல் 120708.63 ச.மீ (excluding the Scheme road area) பரப்பளவு மனை இடத்தில் அமையவுள்ள "M/s. TVS Industrial & Logistics Parks Private Limited" நிறுவனத்தின் திருத்திய மற்றும் கூடுதல் தொழிற்சாலை கட்டிட வரைபடங்களுக்கு திட்ட அனுமதி கோரியது – நகர் ஊரமைப்புச் சட்டம் – 1971 பிரிவு 49-ன் கீழ் திட்ட அனுமதி வழங்குதல் – தொடர்பாக.

பார்வை : 1. நகர் ஊரமைப்பு இயக்குநர், சென்னை அவர்களின் இயசபயு கடிதம் ந.க.எண்.23254/2022/சிபி, நாள்.14.03.2023.

2. மனுதாரர் M/s. TVS Industrial & Logistics Parks Pvt. Ltd., (Rep by) Mr.E.Arul Murugan, Chennai அவர்கள் விண்ணப்பம் நாள்.01.11.2022. (Online Application No:202206602036224, நாள்.06.09.2022.)

3. உறுப்பினர் செயலர்/துணை இயக்குநர், ஒசூர் புதுநகர் வளர்ச்சி குழுமம், கிருஷ்ணகிரி மாவட்ட நகர் ஊரமைப்பு அலுவலகம், ஒசூர் அவர்களின் கடித ந.க.எண்.2810/2022/கிமா(ஒபுநவகு), நாள்.03.01.2023.

4. நகர் ஊரமைப்பு இயக்குநர், சென்னை அவர்களின் கடிதம் ந.க.எண்.16990/2018/சிபி, நாள்.17.12.2018.

5. அரசாணை (நிலை) எண்.86, வீட்டு வசதி மற்றும் நகர்புற வளர்ச்சித் துறை, நாள்.28.03.2012.

6. அரசாணை (நிலை) எண்.85, வீட்டு வசதி மற்றும் நகர்புற வளர்ச்சித் துறை, நாள்.16.05.2017.

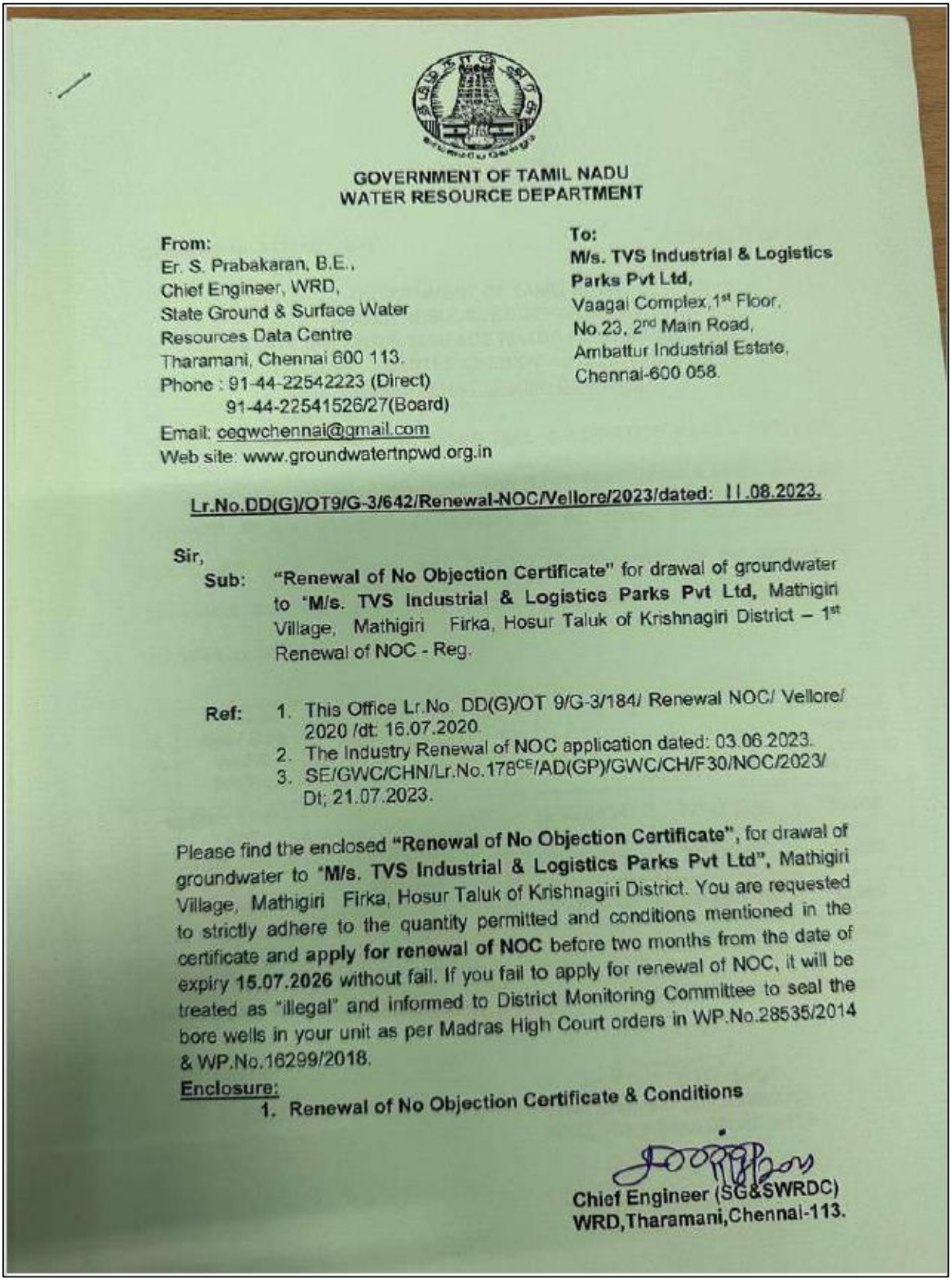
7. அரசாணை எண்.01, வீட்டு வசதி மற்றும் நகர்புற வளர்ச்சித் துறை, நாள்.05.01.2021.

8. அரசாணை (நிலை) எண்.18, நகராட்சி நிர்வாகம் மற்றும் குடிநீர் வழங்கல் துறை, நாள்.04.02.2019.

9. அரசாணை (நிலை) எண்.16, நகராட்சி நிர்வாகம் மற்றும் குடிநீர் வழங்கல் துறை, நாள்.31.01.2020.

10. அரசாணை எண்.54, வீட்டுவசதி மற்றும் நகர்புற வளர்ச்சித் துறை, நாள்.12.03.2020.

## Groundwater NOC



GOVERNMENT OF TAMIL NADU
WATER RESOURCE DEPARTMENT

From:
Er. S. Prabakaran, B.E.,
Chief Engineer, WRD,
State Ground & Surface Water
Resources Data Centre
Tharamani, Chennai 600 113.
Phone : 91-44-22542223 (Direct)
91-44-22541526/27(Board)
Email: cegwchennai@gmail.com
Web site: www.groundwatertnpwd.org.in

To:
**M/s. TVS Industrial & Logistics Parks Pvt Ltd,**
Vaagai Complex, 1st Floor,
No.23, 2nd Main Road,
Ambattur Industrial Estate,
Chennai-600 058.

**Lr.No.DD(G)/OT9/G-3/642/Renewal-NOC/Vellore/2023/dated: 11.08.2023.**

Sir,

**Sub:** **"Renewal of No Objection Certificate"** for drawal of groundwater to **"M/s. TVS Industrial & Logistics Parks Pvt Ltd,** Mathigiri Village, Mathigiri Firka, Hosur Taluk of Krishnagiri District – 1st Renewal of NOC - Reg.

**Ref:**
1. This Office Lr.No. DD(G)/OT 9/G-3/184/ Renewal NOC/ Vellore/ 2020 /dt: 16.07.2020.
2. The Industry Renewal of NOC application dated: 03.06.2023.
3. SE/GWC/CHN/Lr.No.178CE/AD(GP)/GWC/CH/F30/NOC/2023/ Dt; 21.07.2023.

Please find the enclosed **"Renewal of No Objection Certificate"**, for drawal of groundwater to **"M/s. TVS Industrial & Logistics Parks Pvt Ltd"**, Mathigiri Village, Mathigiri Firka, Hosur Taluk of Krishnagiri District. You are requested to strictly adhere to the quantity permitted and conditions mentioned in the certificate and **apply for renewal of NOC** before two months from the date of expiry **15.07.2026** without fail. If you fail to apply for renewal of NOC, it will be treated as "illegal" and informed to District Monitoring Committee to seal the bore wells in your unit as per Madras High Court orders in WP.No.28535/2014 & WP.No.16299/2018.

**Enclosure:**
1. **Renewal of No Objection Certificate & Conditions**

**Chief Engineer (SG&SWRDC)**
**WRD,Tharamani,Chennai-113.**

## Structural Stability Certificate

### STRUCTURAL SAFETY CERTIFICATE

With respect to the building work of erection for M/s. TVS Industrial & Logistics Parks Private Limited Survey Nos. 467/1C Part, 466/1CPart, 466/2A, 467/1A Part, 466/1A Part, 467/2 Part, 467/1D Part, 466/2B Part, 466/1D Part, 469/2, 474/2, 475/2, 468 Part, 467/1 B, 466/1B Part, 475/1D, 478/3, 477/2, 479/1, 477/3, 478/1 and 479/12, Mathigiri Village, Hosur Taluk, Krishnagiri District Tamil Nadu - 635 114, within the DTCP area, I certify that the structural plans and details of the building submitted for approval satisfy the structural safety requirements for all situations including natural disasters like cyclone earth quake etc., as applicable, as stipulated under Part-6 ( Structural Design) of the National Building Code of India, 2016 and other relevant codes; and the information given their in is factually correct to the best of my knowledge. I undertake responsibility with regard to supervision of the work at each stage of construction, (after laying of foundation & after casting of each floor) and submit the report to DTCP regularly to effect that the building is being constructed confirming to the approved plan and as per the structural plan prepared by me. I will be responsible and Liable for action by DTCP/Govt. If the plan/ design contains misrepresentation or fraudulent information and the construction is made in deviation of approved plan or if there is any structural failure due to wrong/unsafe structural design, use of low quality material and or poor workmanship endangering the in-mates public.

Signature of the Applicant with Date

Name :

Address:

Signature with seal

Name: DS Sridher

Office Postal Address: Chennai 32

Phone No:

TATA CONSULTING ENGINEERS LIMITED

Dhwarco Business Center Private Limited Co-Working Space Area Plot No 12C/1 South Phase Industrial Estate Guindy 600032
Tel +91 80 6622 6000 email mail@tce.co.in website www.tce.co.in CIN U74210MH1999PLC123010
Registered Office Matulya Centre A 249 Senapati Bapat Marg Lower Parel (West) Mumbai 400 013

## CEIG Certificate

**GOVERNMENT OF TAMILNADU**
**ELECTRICAL INSPECTORATE**

From
The Electrical Inspector,
3/1B, 3rd Cross Street,
Mohan Rao Colony,
Krishnagiri-635 001.

To
M/s. TVS Infrastructure Private Limited,
Survey No. 466/1A2 1B2, Thally Road,
Mathigiri Village, Hosur TK,
Krishnagiri DT, Pin - 636110

Letter No : DAR 7046/EI/KRG/R43/SC/2021 Dated : 08.07.21

Sub : Electricity – Electrical Installations of voltage exceeding 650 V and up to and including 33 KV at the premises of M/s. TVS Infrastructure Private Limited,Survey No. 466/1A2 1B2, Thally Road, Mathigiri Village, Hosur TK, Krishnagiri DT, Pin - 636110 – MV Additions and Alterations of electrical installations of voltage not exceeding 650 V - Inspection under Regulation 43 of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations 2010, on 15.6.21 - Approval accorded- Regarding.

Ref :
1. This office letter No. DAR7046/EI/KRG/Drawing/21 Dt: 23.4.21
2. Your letter No : Nil dated : Nil received in this office on 14.6.21 along with completion report and challan.
3. This office letter No. DAR 7046/EI/KRG/R43/DR/21 Dated 15.6.21
4. Your letter No : Nil dated : Nil received in this office on 8.7.21

***

Approval is hereby accorded under Regulation 43 Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 to commission the Electrical Installations inspected on 15.6.21 at the above premises as detailed in the Annexure enclosed herewith subject to complying with the terms and conditions of the supplier.

The date of energization of the installation should be intimated to this office. The equipment permitted should be commissioned within six months from the date of issue of this letter failing which fresh permission should be obtained.

Under Regulation 46 (7) of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010, the owner of the installation shall maintain and operate the installations in a condition free from danger and as recommended by the manufacturer or by the relevant codes of practice of the Bureau of Indian Standards.

8/7/21
**Electrical Inspector**
**Krishnagiri**

**Encl :** Annexure containing List of electrical equipment (1-Page).
Copy to: M/s. Sri Varagaa Electricals, New No. 102, Old No. 201, Nethaji Salai, Tiruvallur - 602001 (with annexure)
Copy to : The Superintending Engineer/TANGEDCO/KEDC/Krishnagiri. (with annexure)
Copy submitted to: The Chief Electrical Inspector to Govt, Chennai-32 (with annexure)

## Fire License

**TAMIL NADU FIRE &RESCUE SERVICE DEPARTMENT**
**FIRE LICENSE RENEWAL**

(Under Section 13 of the Tamil Nadu Fire Service Act 1985 and with Tamil Nadu Fire & Rescue Service Rules-1990- Appendix-III)

L.DisNo : 2118/A1/2023 Date : 30-05-2023

License is hereby granted Under Section 13 of the Tamil Nadu Fire & Rescue Service Act 1985 for Selling / Storing / Manufacturing / Pressing / Processing / Transporting of Fireworks /Crackers /Petroleum Items/ L.P.G. Cylinders / Explosives/Other Items of **Industrial & Logistic Parks** in the Name of **M/S. TVS INDUSTRIAL & LOGISTICS PARK PRIVATE LIMITED.,** with the jurisdiction of Panchayat / Municipality/Corporation at the premises **S.F.No: 466/1A2, 466/1B2, 467/1B, 467/1C, 467/1D, 467/2, 467/1A2, 468/2, 469/2, 474/2, 475/1D, 475/2, 477/2, 477/3, 478/1, 478/3, 479/1, 479/2, Mathigiri Village, Hosur Taluk, Krishnagiri District, Tamilnadu** Subject to the Conditions noted thereon and other conditions as may be prescribed.

**This Premise is inspected by District Officer, Krishnagiri on 27.05.2023.**

1) The Existing Fire Fighting Equipments / Extinguishers should always be kept in working condition.
2) The Emergency Exit should be open always during the Working Time.
3) The Emergency Light should be used at the time of power failure.
4) All Fire prevention and Fire Precautionary measures should be adapted.
5) The License is issued from Fire Safety point of view only and it is valid for **One year** from the date of issue. Next Renewal date is 29-05-2024.
6) Fire Drill and Evacuation Drill Should be conducted periodically Along with the local fire Brigade.
7) In Compliance to Section 3.2 of BIS 12459:1988 – Code of Practice for Fire Safety in Cable Regularization, a transparer Fire retardant coating of 1 meter shall be applied on all electrical cables at both sides of termination points in every electrical panel and all the cables in the Distribution Box.

(Office Seal with Date)

30 MAY 2023
Pin-635 001

30/05/23
DISTRICT OFFICER,
Fire and Rescue Service,
Krishnagiri District.

**M/S. TVS INDUSTRIAL & LOGISTICS PARK PRIVATE LIMITED.,**
Mathigiri Village,
Hosur Taluk,
Krishnagiri District,
Tamilnadu.

Copy to: Joint Director, Tamil Nadu Fire and Rescue Services, Western Region, Coimbatore-18.

CTO – Air

**TAMIL NADU POLLUTION CONTROL BOARD**

Category of the Industry :

**ORANGE**

**CONSENT ORDER NO. 2205248830581 DATED: 28/11/2022.**

**PROCEEDINGS NO.F.1654HSR/OL/DEE/TNPCB/HSR/A/2022 DATED: 28/11/2022**

---

SUB: Tamil Nadu Pollution Control Board –CONSENT TO OPERATE –DIRECT -M/s. TVS SUPPLY CHAIN SOLUTIONS LIMITED , S.F.No. 466/1A2,1C,1D,466/1B,467/1A2,468/2,469/2,474/2,475/2,475/1D,477/2,477/3,478/1,478/3, 479/1, 479/2, Etc.., MATHIGIRI villageHosur Taluk and Krishnagiri District - Consent for operation of the plant and discharge of emissions under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981) –Issued- Reg.

REF: 1. Unit's Application No. 48830581 for CTO-Direct Name &Management change Dated: 11.11.2022 resubmitted on 25.11.2022
2. IR.No : F.1654HSR/OL/AEE/HSR/2022 dated 28/11/2022.

CONSENT TO OPERATE is hereby granted under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981) (hereinafter referred to as "The Act") and the rules and orders made there under to

The Managing Director,
M/s . TVS SUPPLY CHAIN SOLUTIONS LIMITED
S.F No.466/1A2,1C,1D,466/1B,467/1A2,468/2,469/2,474/2,475/2,475/1D,477/2,477/3,478/1,478/3, 479/1, 479/2, Etc..,
MATHIGIRI Village,
Hosur Taluk,
Krishnagiri District.

Authorizing the occupier to operate the industrial plant in the Air Pollution Control Area as notified by the Government and to make discharge of emission from the stacks/chimneys.

This is subject to the provisions of the Act, the rules and the orders made there under and the terms and conditions incorporated under the Special and General conditions stipulated in the Consent Order issued earlier and subject to the special conditions annexed.

This CONSENT is valid for the period ending March 31, 2026

**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**HOSUR**

To
The Managing Director,
M/s.TVS SUPPLY CHAIN SOLUTIONS LIMITED ,
No:10, Jawahar Road, Chokkikulam, Madurai, Tamil Nadu,
Pin: 625002

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This is computer generated order. Signature is not required. 1

## CTO – Water

**TAMIL NADU POLLUTION CONTROL BOARD**

Category of the Industry :

**ORANGE**

**CONSENT ORDER NO. 2205148830581 DATED: 28/11/2022.**

**PROCEEDINGS NO.F.1654HSR/OL/DEE/TNPCB/HSR/W/2022 DATED: 28/11/2022**

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SUB: Tamil Nadu Pollution Control Board –CONSENT TO OPERATE – DIRECT -M/s. TVS SUPPLY CHAIN SOLUTIONS LIMITED , S.F.No. 466/1A2,1C,1D,466/1B,467/1A2,468/2,469/2,474/2,475/2,475/1D,477/2,477/3,478/1,478/3, 479/1, 479/2, Etc.., MATHIGIRI villageHosur Taluk and Krishnagiri District - Consent for the operation of the plant and discharge of sewage and/or trade effluent under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 as amended in 1988 (Central Act 6 of 1974) – Issued- Reg.

Ref: 1. Unit's Application No. 48830581 for CTO-Direct Name &Management change Dated: 11.11.2022 resubmitted on 25.11.2022
2. IR.No : F.1654HSR/OL/AEE/HSR/2022 dated 28/11/2022.

CONSENT TO OPERATE is hereby granted under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 as amended in 1988 (Central Act, 6 of 1974) (hereinafter referred to as "The Act") and the rules and orders made there under to

The Managing Director,
M/s . TVS SUPPLY CHAIN SOLUTIONS LIMITED
S.F No.466/1A2,1C,1D,466/1B,467/1A2,468/2,469/2,474/2,475/2,475/1D,477/2,477/3,478/1,478/3, 479/1, 479/2, Etc..,
MATHIGIRI Village,
Hosur Taluk,
Krishnagiri District.

Authorising the occupier to make discharge of sewage and /or trade effluent.

This is subject to the provisions of the Act, the rules and the orders made there under and the terms and conditions incorporated under the Special and General conditions stipulated in the Consent Order issued earlier and subject to the special conditions annexed.

This CONSENT is valid for the period ending March 31, 2026

**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**HOSUR**

To
The Managing Director,
M/s.TVS SUPPLY CHAIN SOLUTIONS LIMITED ,
No:10, Jawahar Road, Chokkikulam, Madurai, Tamil Nadu,
Pin: 625002

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This is computer generated order. Signature is not required. 1

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## 7.4 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## BHUBANESHWAR PARK

SPV

DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED/ TVS ILP

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Bhubaneshwar Park (the "Subject Asset") |
| Asset Address: | Chandaka, Bhubaneshwar |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the sale deed, Land use certificate, building plan approval and sanctioned layout provided by the Client, it is understood that the total underlying land area of the subject asset is approx. 10.67 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the subject asset is an operational Industrial warehousing facility, located along the Khurdha – Chandaka Road. |

The subject asset "TVSILP Bhubaneshwar" is an operational warehouse development. The asset is located along Khurdha - Chandaka Road, Bhubaneshwar, an upcoming warehousing market in the city. The road emanates from Khurdha bypass, passes through the subject micromarket of Chandaka, and merges with Chandhaka-Nandankanan Road. By virtue of being located just 18 - 19 km away from the airport, the subject micromarket comprises of one of the highest numbers of Grade A warehousing developments housing various logistics, FMCG, and manufacturing players. Some of the prominent warehousing assets in the micromarket include TVSILP Bhubaneshwar (Subject asset), Umang 1 Warehouse, Umang 2 Warehouse, Safexpress Warehouse. The area details of the asset are as follows:

| Particulars | Built up Area (sft)* | Leasable area (sft)** | Chargeable area (sft)** |
|---|---|---|---|
| Bhubaneshwar Park Block I | 63,696 | 71,696 | 63,696 |
| Bhubaneshwar Park Block II | 1,21,872 | 1,21,872 | 1,21,872 |
| Bhubaneshwar Park Block III | 12,531 | 22,531 | 22,531 |
| Bhubaneshwar Park Block IV | 16,855 | 16,855 | 16,855 |
| Total | 2,14,954 | 2,32,954 | 2,24,954 |

*Source: Architect Certificate/Rent-Roll provided by the client; *Please note that block-wise bifurcation of the Built-up area details are provided by the client. **Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise.*

The subject asset is located in Chandaka, Bhubaneshwar, Orissa. It is located at a distance of approx. 15 - 16 kms from National Highway 16, approx. 17 - 18 kms from Bus stand, approx. 18 - 19 kms from Bhubaneshwar International Airport, approx. 21 - 22 kms from Bhubaneshwar Railway Station.

Statement of Assets (sft):

Based on review of rent roll, lease deeds and area statement provided by the Client, we understand that the subject asset has an operational warehousing facility with approximately 0.23 msf (Block I - IV) with occupancy of approx. 100%, as on the date of valuation.

| Blocks | Leasable area (sft) | Chargeable Area (sft) | Structure Type |
|---|---|---|---|
| Bhubaneshwar Park Block I | 71,696 | 63,696 | Warehouse |
| Bhubaneshwar Park Block II | 1,21,872 | 1,21,872 | Warehouse |
| Bhubaneshwar Park Block III | 12,531 | 12,531 | Warehouse |
| Bhubaneshwar Park Block III (open area) | 10,000 | 10,000 | Open area |
| Bhubaneshwar Park Block IV | 16,855 | 16,855 | Warehouse |
| Total | 2,32,954 | 2,24,954 | |

*Source: Architect Certificate/Rent-Roll provided by the client*

Location Map

**Location Map for the Subject asset**

*Source: Valuer's Assessment*

Tenancies

As at the valuation date the Subject Asset is fully let to 5 tenants with a WALE of 3.2 years. The largest space occupying tenant belongs from Manufacturning Industry.

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |

| | | |
|---|---|---|
| In-place rent | INR/ sf/ month | 21.5 |
| Market rent – Warehouse component | INR/ sf/ mth | 22.0 |
| Weighted Average Market rent# | INR/ sf/ mth | 22.0 |
| Capital Expenditures Details | | |
| Pending cost to complete* | INR Mn | NA. Subject Asset is Operational |
| Proposed Capex (Completed Blocks & Planned/Under Construction Blocks) | Quarter, Year | NA |
| Refurbishment Capex | INR Mn | NA |
| Other Financial Assumptions | | |
| Exit Cap rate | % | 7.75% |
| Discount rate (During operations) | % | 11.58% |
| Discount rate (During Under Construction/land stage) | % | NA |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 57.9 |
| Stabilized NOI[1] | INR Mn | 58.1 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report, #Weighted average market rent arrived considering differential market calls for spaces such as mezzanine, open spaces, any tenant specific spaces basis their agreement with the Client and any other spaces.*

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| % Stake Proposed to be held in Asset SPV by TVS Infrastructure Trust: | 100% |
| Date of Inspection: | 16th February 2024 |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

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| Date of Valuation: | 30th September 2024 |
| Purchase Price of the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by State Government): | INR 29.00 Mn per acre (Kindly refer Annexure Section 7.4) |

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Bhubaneshwar Park | Operational | 834.9 |
| Total Value of the asset | | 834.9 |

*Source: Valuer's assessment*

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| Any matters which may affect the asset or its value | There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report |
| Assumptions, Disclaimers, Limitations & Qualifications: | This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.<br>Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset. |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

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|---|---|
| Construction Cost Volatility: | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |
| Notice | This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation. |

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|---|---|
| Valuer Declaration: | i. the valuer is competent to undertake the valuation<br>ii. the valuer is independent and has prepared the report on a fair and unbiased basis<br>*iii.* the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21 |
| Prepared By: | iVAS Partners<br>Valuer Registration Number: IBBI/RV-E/02/2020/112 |
| Official Signatory: | |

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) (the 'Valuer'), has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the the "Instructing Party", or the "Client") to advise upon the Market Value (MV) of an operational Warehousing asset located along the Khurdha - Chandaka Road, Bhubaneshwar, Orissa.

Based on information provided by the Client, we understand that the underlying land parcel of the subject asset admeasures approx. 10.67 acres with a total leasable area admeasuring approx. 2,32,954 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the subject asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Bhubaneshwar Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Warehouse | Chandaka, Bhubaneshwar | 10.67 | 4 |

*Source: Client Inputs; For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

Further, valuation has been undertaken to ascertain the market value of the Subject Assets forming part of the proposed TVS Infrastructure Trust as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets (if sold in one transaction) or SPV/ Holding company.

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the" IPO") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers reliable and independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture, New Delhi in 1997 and master's in Management studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.5 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.

- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.

- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.

- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust, disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset
- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.

- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust
- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.6 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the subject assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |

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| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on the sale deed and no-objection certificate from Sarpanch (Kantabada village) and other information provided by the Client, the Valuer understands that the subject assets are free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Sale deed and other related documents for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the subject assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the subject assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the subject region. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the subject assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the rent roll provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to |

| | |
|---|---|
| | express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the subject asset.<br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the subject assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 2.5.<br>All measurements, areas and ages quoted in our report are approximate.<br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation. |

| | |
|---|---|
| | Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to a combination of global inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in asset markets over the short-to-medium term.<br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions. Lending and Investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Bhubaneshwar– Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Bhubaneshwar

As of Q3 CY 2024, Bhubaneshwar market comprises a total completed warehousing stock of 3.10 Mn sft, with the Chandaka micromarket accounting for approximately 54% of this supply. Warehousing activity in Bhubaneswar is distributed across six major micromarkets: Chandaka, Janla, Jatni, Pahal, Patia, and Mancheswar. Chandaka and Pahal are the prominent warehousing micromarkets, offering predominantly investment-grade (Grade A) warehousing space. In contrast, the markets of Janla, Jatni, Patia, and Mancheswar primarily comprise Grade B and C stocks.

The completed supply distribution in Chandaka, Janla, and Jatni micromarkets collectively contribute 1.69 Mn sft (55%), followed by Pahal with 1.14 Mn sft (37%), and Patia and Mancheswar together accounting for 0.24 Mn sft (8%). Over the past few years, Patia and Mancheswar micromarkets have experienced limited traction. Conversely, Pahal and Chandaka have seen significant demand from major companies such as Flipkart, Amazon, Delhivery, LG, and Samsung, which have established a strong presence in these regions.

The region possesses an operational warehouse supply of approximately 3.10 Mn sft, with around 2.7 Mn sft currently occupied. Prior to 2018, the supply predominantly comprised Grade B and C developments. However, over the past 5 to 6 years, the proportion of Grade B and C stock has significantly diminished due to rising demand for high-quality warehousing spaces from sectors such as manufacturing, e-commerce, logistics, and electronic goods etc. Consequently, there has been a substantial increase in the supply of Grade A warehousing space.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 3.10 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 2.70 msf |
| Current vacancy (Q3 2024) | Approx. 16% |
| Future supply | Under-construction: 0.07 – 0.11 Mn sft.<br>Planned Supply: 1.1 – 1.5 Mn sft |

*Source: Industry Assessment Report dated as of January, 2025*

Grade A developments are predominantly situated in the Chandaka, Janla, Jatni, and Pahal micromarkets, catering to the e-commerce, electronic goods, food and packaging, and manufacturing sectors. Over the past 6 to 7 years (2018–2023), a consistent increase in supply has been recorded, with an average annual addition of approximately 0.22 Mn sft. The demand for Grade A developments in these micromarkets is driven by their strategic locations, proximity to key transportation hubs (such as Babasaheb Bhimrao Ambedkar Bus Terminal, Bhubaneswar railway

station, etc.), and the availability of skilled labour. Additionally, the growth of these sectors in the region is bolstered by established industrial clusters and supportive government policies.

Grade A developments account for approximately 1.13 Mn sft (38% of the total finished supply in Bhubaneswar), while Grade B and Grade C developments each account for 1.94 Mn sft (63% of the total finished supply). The proportion of Grade A developments in the city's market composition is expected to increase in the coming years, driven by heightened supply and growing interest from both national and international enterprises.

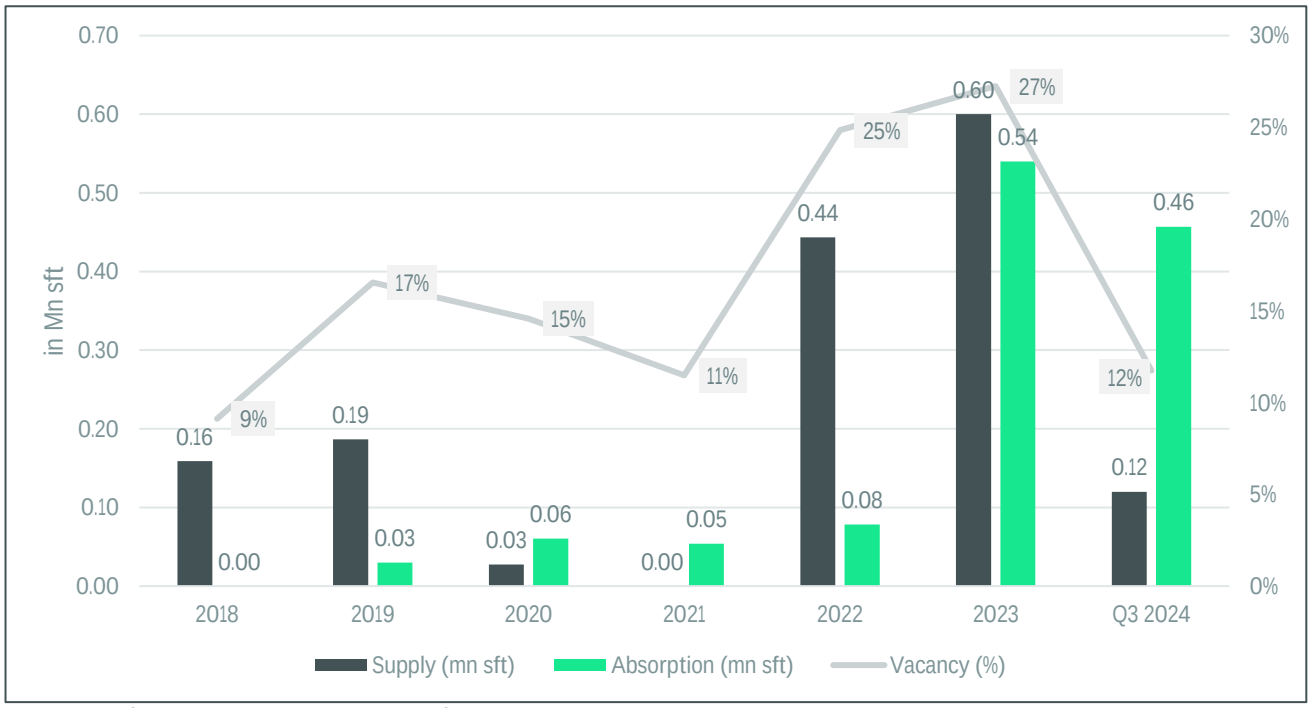
Most of the warehousing activity in the region has been concentrated in the Grade A development category, primarily developed by local warehousing developers. Key tenant sectors occupying space in Grade A developments include manufacturing, e-commerce, electronics, logistics and distribution, machinery and equipment, and general warehousing. Prominent tenants include Flipkart, Delhivery, Coca-Cola, LG, Samsung, Asian Paints, Amazon, VRL Logistics, and Dr. Reddy's.

In the 3PL and logistics sector, small-scale tenants typically occupy 6,000–15,000 sft, mid-scale tenants occupy 30,000–50,000 sft, and large-scale tenants can occupy up to 180,000 sft. In the e-commerce sector, major players typically occupy between 20,000 and 25,000 sft, with large-scale occupancies ranging from 100,000 to 300,000 sft.

The upcoming supply in the region is in the range of 1.2 – 1.4 Mn sft, majorly across Grade A warehousing space and is expected to be introduced phase wise between 2025 to 2029. The under-construction supply in the market ranges 0.04 – 0.06 Mn sft.

Demand – Supply Dynamics of Subject Market: Bhubaneshwar

Figure 1: Y-O-Y Supply & Absorption level in Bhubaneshwar




*Source: Industry Assessment Report, data as on Q3 2024*

The average quoted base rental witnessed in Bhubaneswar is in the range of INR 25- 27 sft / month for a Grade A development and between INR 18-20sft / month for a Grade B development. Micro Market Wise Grade A and B Average Asking Rentals are enumerated below in the table:

| MICRO-MARKET | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B |
| Chandaka | 20–22 | 18–20 | 21–23 | 18–20 | 22–24 | 19–21 | 23–25 | 20–22 |
| Janla | NA | 17–19 | NA | 17–19 | NA | 18–20 | NA | 19–21 |
| Jatni | NA | 15–17 | NA | 16–18 | NA | 17–19 | NA | 18–20 |
| Pahal | NA | 22–24 | NA | 23–25 | 25–27 | 24–26 | 26-28 | 25–27 |
| Mancheswar | NA | 21–23 | NA | 22-24 | NA | 23–25 | NA | 24–26 |
| Patia | NA | 20–22 | NA | 21– 23 | NA | 22–24 | NA | 23–25 |

*Source: Industry Assessment Report*

### 3.2.2 Demand & Supply Trends – Chandaka

The Chandaka region is recognized as an established warehouse micromarket, with numerous e-commerce, logistics, electronics, and manufacturing companies having already secured space there. These micro markets have gained prominence primarily due to their proximity to the Khurdha Industrial Estate (approximately 10–15 km) and the availability of land parcels near the Khurdha–Chandaka Road. Key industries such as e-commerce, food manufacturing, electronics, and logistics occupy approximately 74% of the total supply in the Chandaka micromarket. Notable tenants include Flipkart, Amazon, Coca-Cola, LG, Philips, ITC, and Safexpress.

The rental disparity between Grade A and Grade B properties is minimal because there have been no new additions to Grade B properties in these micro markets. All recent developments have been Grade A properties, which are competitively priced to capture market share. Consequently, occupiers are transitioning from Grade B to Grade A properties within the same rental range.

The majority of forthcoming supply is anticipated in the Chandaka, Jatni, and Pahal micromarkets. Several individual landlords possess vacant land parcels near existing warehouse micromarkets and are willing to enter build-to-suit contracts with potential occupiers. The Western Cluster, consisting of the Chandaka, Jatni, and Janla micromarkets, is situated on the western side of Bhubaneswar, along Khurdha-Chandaka Road, NH16, and SH13. The Umang Group is one of the dominant players in this area, with multiple warehouses in the Chandaka micromarket.

The market's proximity to Khurdha Industrial Estate and excellent connectivity via Khurdha-Chandaka Road have facilitated its development. This cluster represents approximately 50% of the total completed supply in the Bhubaneswar region, with around 62% of this supply being Grade A.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 1.29 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 1.09 msf |
| Current vacancy (Q3 2024) | Approx. 8% % |
| Future supply | 0.06 – 0.07 Mn sft |

*Source: Industry Assessment Report, data as on Q3 2024*

We have analysed the demand and supply of leased industrial and warehousing spaces within the subject micromarket. All the completed, grade A and grade B, multi-tenanted warehousing and logistics developments in the influence region i.e., Chandaka are included while defining the sample set for the demand supply analysis. Based on our market research, we understand that the subject micromarket has a cumulative vacancy of approx. 10-12% in the grade A supply while a vacancy of approx. 13-15% overall, including grade A and grade B developments. The table below exhibits the demand and supply levels for the completed assets at the city level.

The current prevalent asking rent in the subject micromarket is in the range of INR 19–22 sft/month for Grade A warehousing developments. For Grade B warehouses, the asking rentals are witnessed to be in the range of INR 15–18 sft/month. The asking rentals in the market are expected to remain range-bound in the short to medium term with market standard escalation of 4-5% annually.

In the recent years, the demand has kept pace with the supply due to various FMCG, E-commerce & manufacturing firms showing significant interest in the Chandaka micromarket. Further, considering an established manufacturing ecosystem in and around Bhubaneshwar, the demand for warehousing spaces in key micromarkets like Chandaka and Jagatpur have been driven by manufacturing, E-commerce firms etc.

Chandaka micromarket has been a major contributor in the demand and supply trends witnessed at city level with a share of approx. 43%. The subject micromarket has emerged as an attractive industrial destination primarily on account of presence of adequate infrastructure, excellent surface connectivity, access to low-cost manpower and ease of acquiring statutory approvals. Chandaka has evolved into a major industrial hub due to the presence of prominent Grade A developments with superior build quality vis-à-vis other micromarkets in the city. It has seen development activities from major, thus attracting higher rentals and superior tenant mix.

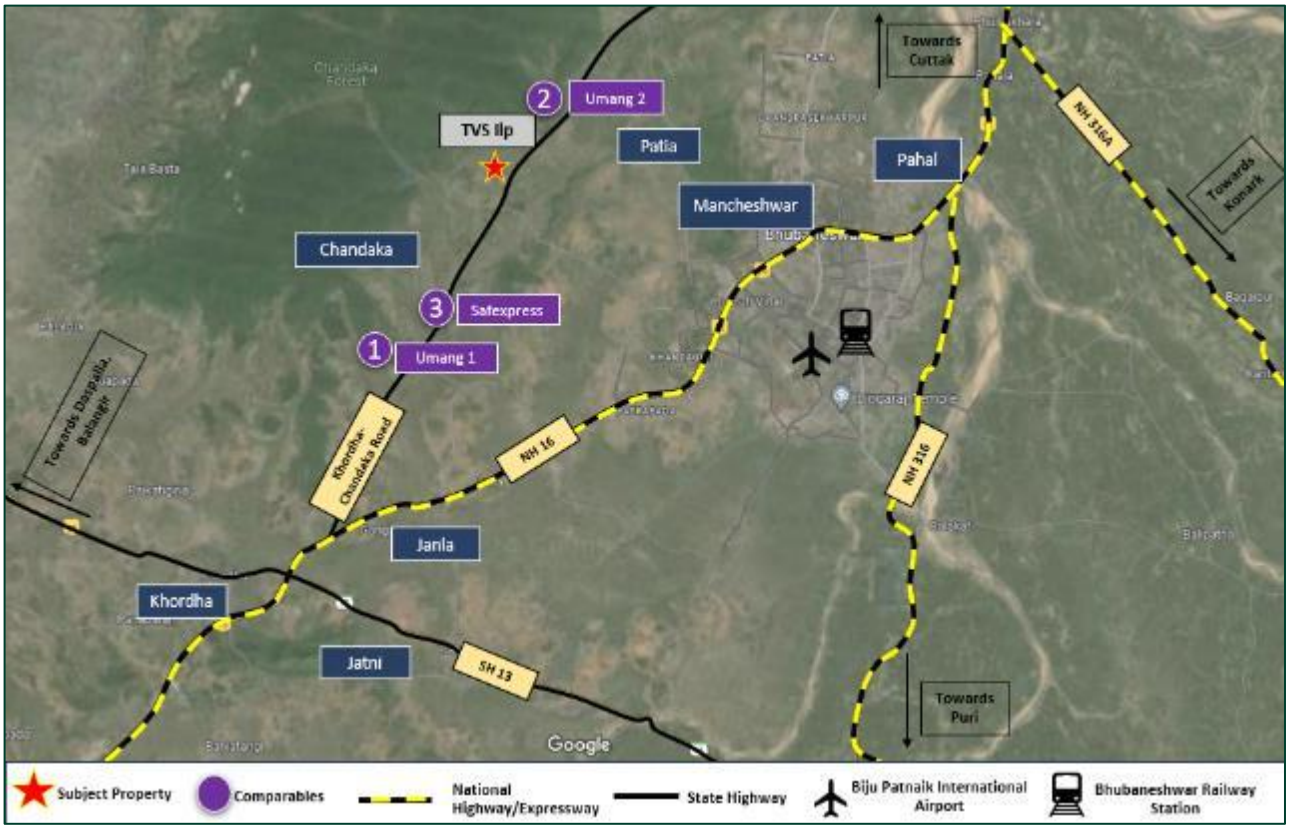
#### 3.2.2.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Land Area (Acres) | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Umang Warehouse 1 | 25 | 5,00,000 | 21 - 22 |
| Umang Warehouse 2 | 6.7 | 2,20,000 | 18 – 20 |
| Safe Express Warehouse | 8.7 | 1,80,000 | 22 - 23 |

*Source: Industry Assessment Report*

The above-mentioned key developments are marked along with the subject asset in the map below:




*Source: Valuer's Assessment*

### 3.2.2.2 Future Supply

Based on the market research, we understand that the micromarket of Chandaka has an upcoming supply of approx. 0.06 – 0.07 Mn sft expected to be completed till 2026.

### 3.2.3 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Location | Tenant Sector | Grade | Chargeable Area (sft) | Total Rent (INR per sft per month) | Date of Transaction |
|---|---|---|---|---|---|
| Chandaka | E-commerce | Grade A | 80,000 | 22 -23 | Q2 2024 |
| Jagatpur | Auto & Auto Components | Grade A | 40,000 | 18 – 19 | Q1 2024 |
| Jatni | Packaging | Grade A | 40,000 | 16 – 17 | Q1 2024 |
| Chandaka | FMCG | Grade A | 66,000 | 21 – 22 | Q4 2023 |
| Chandaka | FMCG | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |

| | | | | | |
|---|---|---|---|---|---|
| Jagatpur | Manufacturing (Footwear) | Grade A | 58,000 | 17 – 18 | Q3 2023 |
| Jagatpur | Manufacturing (Chemical) | Grade A | 32,000 | 17 – 18 | Q3 2023 |
| Choudwar | Ecommerce | Grade A | 2,00,000 | 21 – 22 | Q3 2023 |
| Choudwar | FMCG | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |
| Chandaka | Ecommerce | Grade A | 2,00,000 | 21 – 22 | Q2 2023 |
| Chandaka | Others | Grade A | 50,000 | 19 – 20 | Q3 2022 |
| Chandaka | Logistics | Grade A | 18,000 | 20 – 21 | Q1 2022 |
| Chandaka | Logistics | Grade A | 17,000 | 20 - 21 | Q1 2022 |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rentals in the micromarket ranges between INR 16 - 22/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the subject region is perceived as an attractive destination for various industries, primarily due to its excellent connectivity via Khurdha – Chandaka Road, which links with National Highway 16, competitive rental rates, and the availability of developable land. Chandaka has many small- and large-scale industries which has enabled it to develop as an industrial ecosystem. Furthermore, driven by the expansion of the e-commerce sector and its continuous demand from major cities, the requirement for warehousing spaces is increasing. The primary factors influencing this demand are the availability of land and the established warehousing ecosystem in the region. Considering the historical absorption rates and the demand-supply dynamics observed in Chandaka, along with the rising capital values of land, there is a potential for upward tick on both rental and occupancy rates. Additionally, the subject development is well-positioned to attract interest from occupiers due to its strategic location on Khurdha-Chandaka Road, high-quality specifications and amenities, developer's reputation, etc.

The demand for warehousing space in Bhubaneswar is expected to continue to grow in the coming years. Envisaged supply of approx. 1.1 – 1.4 Mn sft is planned in next 3-4 years in the nearby vectors. However, no such large-scale project is planned in coming years yet within Chandaka. Considering, historical absorption witnessed in Chandaka, approximately 0.4 – 0.5 Mn sft of demand can be expected in next 3-4 years. This suggests a potential supply-demand gap in Chandaka, which, combined with rising land capital values, could put upward pressure on rental and occupancy rates. This gap presents an opportunity for developers to explore potential projects in Chandaka to cater to the growing demand.

# 4 Subject asset – Bhubaneshwar Park

## 4.1 Asset Description

The subject asset christened 'Bhubaneshwar Park' is a completed and operational warehousing facility with total leasable area of 2,32,954 sft located in Chandaka village, Bhubaneshwar, Orissa. The subject asset is currently accessible via Khurdha - Chandaka Road.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Bhubaneshwar Park |
| Address | Plot no. 121/ 1277, Mouza Khantabada, Khata no. 253/100, Thana – Chandaka, Tehsil Bhubaneshwar, District Khurda |
| Land Area | Based on review of the sale deed, the Valuer understand that the total land area of the subject asset is approx. 10.67 acres |
| Leasable Area | 2,32,954 sft |

*Source: Client Inputs*

Based on the information provided by the Client, it is understood that the subject asset is warehousing asset with land area admeasuring approx. 10.67 acres and leasable area admeasuring approx. 2,32,954 sft. The subject asset is understood to have a floor strength of 5 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height of the warehousing box 1 & 2 are 12m and height at ridges of Box 1 & 2 is 15.05 m along with a lighting (lux level) of 200 lux.

Additionally, it is understood that the subject warehousing facility is EDGE certified featuring rooftop solar power provision, comprising of 24/7 ground support, and dedicated facility management. Further, there are provisions for additional services like rainwater harvesting and separate water supply systems, round-the-clock CCTV surveillance, first aid centers, and global standard firefighting systems.

Moreover, to ensure seamless operations, amenities like dedicated creche facilities, mezzanine and provision for racking, and uninterrupted power supply, water treatment systems, restrooms for drivers and ample parking for both two-wheelers and four-wheelers are also offered.

The prominent tenant in the subject asset includes tenants from Manufacturing, 3PL, Logistics etc sectors with a WALE of 3.20 Years

### 4.1.1 Site Details

Situation: Subject asset – 'TVS Industrial & Logistics Parks, Bhubaneshwar' is an operational warehousing facility located along the Khurdha - Chandaka Road.

Location: The subject asset is located in Village Chandaka towards the west of Bhubaneshwar. The subject asset is located in an established industrial micro -market of Bhubaneshwar viz. Khurdha - Chandaka Road which is an internal road leading from NH-16. Further, it is well connected to important industrial hubs & major cities via NH-16, NH-316 and other internal

roads. Prominent industries belonging to several sectors such as FMCG, Logistics, Manufacturing etc are present within the vicinity.

The distances from key hubs to the subject asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| National Highway 16 | 15 – 16 |
| Bhubaneshwar Bus Stand | 17 – 18 |
| Bhubaneshwar International Airport | 18 - 19 |
| Bhubaneshwar Railway Station | 21 – 22 |

*Source: Valuer's research*

Catchment Analysis:

The primary catchment for the purpose of this valuation has been defined as Chandaka and its adjoining micro markets which are predominantly characterized by industrial/warehousing development.

The Western Cluster comprises three micro markets: Chandaka, Jatni, and Janla. The cluster is located on the western side of Bhubaneswar, alongside Khordha-Chandaka Road, NH16, and SH13. Chandaka micro market has been a major contributor in the demand and supply trends witnessed at city level with a share of approx. 43%. The subject micro market has emerged as an attractive industrial destination primarily on account of presence of adequate infrastructure, excellent surface connectivity, access to low-cost manpower and ease of acquiring statutory approvals. Chandaka has evolved into a major industrial hub due to the presence of prominent Grade A developments with superior build quality vis-à-vis other micro markets in the city. It has seen development activities from major, thus attracting higher rentals and superior tenant mix.

Surrounds:

The subject asset is surrounded as follows:

- North: Vacant Land
- South: Vacant Land
- East: Khurdha - Chandaka Road (approx. 90m wide road)
- West: Vacant Land

Potential changes in surroundings:

The subject asset is located alongside Khurdha – Chandaka Road & NH-16 highway leading to micro markets such as Baramunda, Bhubaneshwar etc. where there is reasonable interest from developers to launch new assets comprising of largely industrial developments on the main arterial roads.

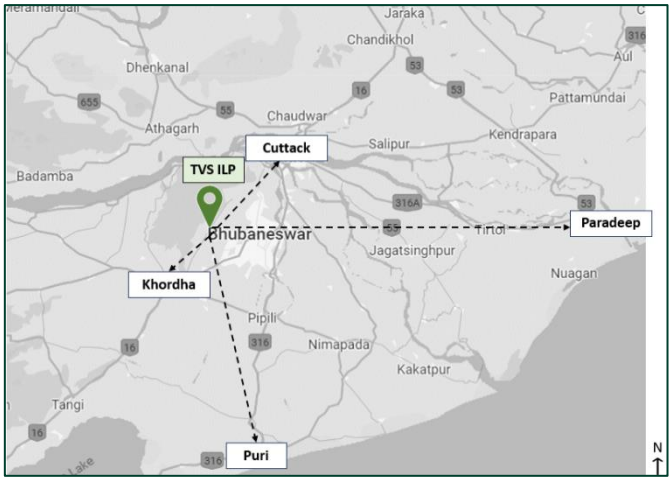
Suitability of existing use:

Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that subject asset is suited for its current usage.

The following map indicates the location of the subject asset:

Location Map for the Subject asset

KEY LOCATION MAP OF THE ASSET




MACRO MAP OF THE ASSET

*Source*: *Industry Assessment Report*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is largely regular in shape. |
| Topography: | Based on the site plan and as observations during our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining land. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the subject asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the Client and visual inspection, the primary access to the subject asset is via approx. 90 m wide Khurdha – Chandaka road (primary access road). By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the subject asset. |

### 4.1.2 Review of Sale Deed

As per the sale deed, we understand that the exact address of the subject asset is Plot no. 121/1277, Mouza Khantabada, Khata no. 253/100, Thana – Chandaka, Tehsil Bhubaneshwar, District Khurda. Additionally, it is understood that the subject asset is owned by Durgeshwari Industrial & Logistics Parks Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the subject asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the approved site plan and NOC certificate from Sarpanch, Kantabada Village, provided by the Client, we understand that the subject asset is zoned |

| | |
|---|---|
| | for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on copies of approved site plan provided by the Client and visual inspection during our site visit, the subject asset is a completed and operational warehousing facility. The current use of the subject asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the subject asset. |
| Restrictions: | As per feedback received from the Client, there are no other restrictions or constraints on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Bhubaneshwar, where the Subject Asset is located falls in Seismic Zone II with least risk. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.<br><br>Further, as per the details provided by the client, the subject asset is prone to Rainfall & Cyclone effects since the Cyclone-prone region is approx. 60 Km from the coastline of the city which may result in the park being subjected to flooding due to heavy to very heavy rainfall. Further, the discharge water from open storm water drain may be hindered due to clogging/obstruction in the public canal and the discharge water from storm water drain may be hindered due to backflow of discharge water from the drain channel. Additionally, workers might be exposed to excessive heat and there might be chances of skin irritation and sickness due to Heating Effects in Summer Season wherein temperature raise upto 93F to 104 F.<br><br>Please note that the Valuer has not investigated nor has been provided with any supporting documents pertaining towards the above mentioned issues. |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not |

validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and yet to be received (including One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the Client, we understand that all requisite approvals have been received for the subject asset. The table below highlights the status of approvals for the subject asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Change in Land Use | Received | Kantabada Gram Panchayat | 28-11-2017 |
| NALA Certificate | Not Provided | | |
| Building Plan Permit | Received | Kantabada Gram Panchayat | 28-11-2017 |
| Approval for change in land use | Received | Kantabada Gram Panchayat | 28-11-2017 |
| Building Plan Approval – Phase II | Received | Bhubaneshwar Development Authority | 22-08-2023 |
| NOC from Airport Authority of India | Not Provided | | |
| NOC from Ministry of Environment & Forest | Not Provided | | |
| Fire NOC – Recommendation Phase I | Received | Office of Deputy Fire Officer, Bhubaneshwar Circle, Bhubaneshwar | 27-11-2019 |
| Fire NOC – Recommendation Phase II | Received | Odisha Fire Service | 27-08-2021 |
| NOC from Pollution Control Board | Not Provided | | |
| Temporary Power connection | Not Provided | | |
| Temporary Water connection | Not Provided | | |
| CEIG approval for electrical installations | Received | Central Electricity Utility Supply of Odisha | 25-07-2018 |
| Final Fire NOC – Phase I | Received | Odisha Fire & Emergency Service | 27-03-2023 |
| Final Fire NOC – Phase II | Received | Odisha Fire & Emergency Service | 25-10-2023 |
| Electricity NOC | Not Provided | | |
| Ground Water Abstraction NOC/Permission for digging borewell | Received | Department of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Authority | 17-03-2022 |
| Water Supply NOC | Received | | 18-02-2020 |
| Structural Stability Certificate | Received | TATA Consulting Engineers | 25-05-2018 |
| Occupancy Certificate | Received | Bhubaneshwar Development Authority | 18-06-2021 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the Client, we understand that there are no overdue periodic clearances.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the subject asset:

| Block | Year of Completion | Age of structures (in years) | Built-up Area (sft) | Completed Area (sft) | Leased Area (sft) | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block I (Part A) | 2018 | 6 | 63,696 | 63,696 | 54,120 | 46,120 |
| Block I (Part B) | 2018 | 6 | | | 17,576 | 17,576 |
| Block II | 2018 | 6 | 1,21,872 | 1,21,872 | 1,21,872 | 1,21,872 |
| Block III (Open Area) | - | - | - | - | 10,000 | 10,000 |
| Block III | 2021 | 3 | 12,531 | 12,531 | 12,531 | 12,531 |
| Block IV | 2021 | 3 | 16,855 | 16,855 | 16,855 | 16,855 |
| | Total | | 2,14,954 | 2,14,954 | 2,32,954 | 2,24,954 |

*Source: Architect Certificate, Rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise).*

The table below highlights the area details of the subject asset:

| Block | Leasable area (sft) | Chargeable Area (sft) | Built-up Area (sft) |
|---|---|---|---|
| Bhubaneshwar Park Block I – (Closed Area -A) | 54,120 | 46,120 | 63,696 |
| Bhubaneshwar Park Block I – (Closed Area – B) | 17,576 | 17,576 | |
| Bhubaneshwar Park Block III (Closed) | 12,531 | 1,21,872 | 1,21,872 |
| Bhubaneshwar Park Block III (Open) | 10,000 | 10,000 | - |
| Bhubaneshwar Park Block II | 1,21,872 | 12,531 | 12,531 |
| Bhubaneshwar Park Block IV | 16,855 | 16,855 | 16,855 |
| | 2,32,954 | 2,24,954 | 2,14,954 |

*Source: Architect Certificate, Rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise).*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks | Land Stage Blocks |
|---|---|---|---|
| Handover condition | Warm Shell | N.A. | N.A. |
| Type of Structure | PEB | N.A. | N.A. |
| Firefighting services | Provided. Fire NOC Available | N.A. | N.A. |
| Lift provision | No Lifts | N.A. | N.A. |
| Floor Finish | FM2 Concrete floor | N.A. | N.A. |
| Floor Strength | 5 MT/Sqm | N.A. | N.A. |
| Height | Ridge: 13.94m, Eave's: 12m | N.A. | N.A. |
| Lighting | Lux level – 150 @1. From FFL; high bay fitting, PPC panel, capacitor panel at substation | | |
| Office | Space over 2 floors (Ground & mezzanine) | | |

### 4.1.8 Condition & Repair

Based on information provided by the Client and corroborated with our visual inspection during the site visit, we understand that the Subject Asset is in good condition and is maintained well.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

TVS Industrial & Logistics Parks, Bhubaneshwar

View of the subject asset

View of the subject asset

View of the subject asset

View of the subject asset

View of the subject asset

View of the entrance gate of the subject asset

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject assets for the purpose of the initial public offering of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of subject assets forming part of the portfolio.

## 5.2 Basis of Valuation

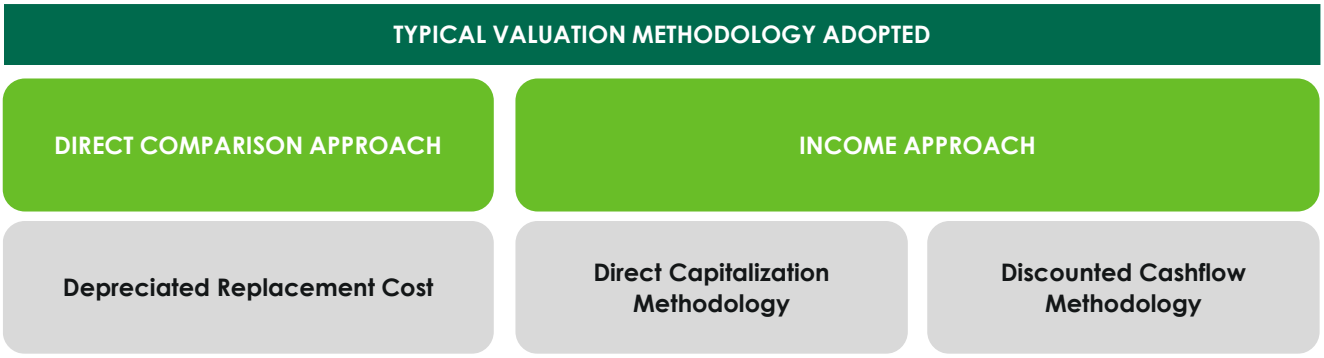
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the subject asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** a asset or liability should exchange on the valuation date between a willing **buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the subject assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the subject asset to determine the achievable market value for the subject asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject assets for the purpose of the initial public offering of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. the infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. the infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. the infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset
3. The Valuer has undertaken physical site inspections to assess the current status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

Chandaka industrial belt is one of the prominent industrial belts across India. Grade A developments are primarily concentrated in Chandaka, Janla, Jatni, and Pahal micromarkets, catering primarily to e-commerce, electronic goods, food and packaging, and manufacturing sectors. A steady increase in supply has been witnessed over the last 6–7 years (2018–2023), with an average annual supply of approx. 0.03 Mn sft. The demand for Grade A developments in these micromarkets is driven by their strategic location, proximity to key transportation hubs, and availability of skilled labour. Additionally, the presence of established industrial clusters and supportive government policies further contribute to the growth of these sectors in the region.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing developments. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Projections:

We have projected future cash flows from the subject assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the subject asset, we noted that it is 100% leased out as on date of valuation. Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period. It has also been witnessed that the market rent for some Assets or micro markets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has assessed the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been assessed for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | - | Sanctioned Layout Plan/Occupancy Certificate |
| | FSI Area | Sft | Sanctioned Layout Plan/Occupancy Certificate |
| | Built-up Area | Sft | Occupancy Certificate |
| | Leasable Area | Sft | Lease Agreements/Rent Roll |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Not Provided |
| Documents/ Approvals | Land Use / Zoning | NA | Sanctioned Layout Plan/Sarpanch NOC |
| | Title Deeds | NA | Sale Deed |
| | Approved Sanction Plan | NA | Site Plan for warehouse building of TVS industrial & logistics park private limited |
| | Building Plan / Site Plan | NA | Site Plan for warehouse building of TVS industrial & logistics park private limited |
| | Floor Plans | NA | - |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Odisha Fire & Safety service Fire NOC phase 1 & 2 |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Occupancy certificate of warehousing building of TVS Infrastructure Pvt Ltd |
| | Building Certification | NA | Not Provided |
| | Lease Agreements with Tenants | NA | TVS Infrastructure Pvt Ltd |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | NA | Not Provided |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | NA | Not Provided |
| | No. of staircase | NA | Not Provided |
| Cost Assumptions | Pending Construction Cost (if any) | Not Applicable | Not Applicable |
| | Total Budgeted Cost – Land Stage Block | Not Applicable | Not Applicable |
| | Total Budgeted Cost – Under Construction Block | Not Applicable | Not Applicable |
| | Cost Already Incurred – Under Construction Block | Not Applicable | Not Applicable |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Months | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Not Applicable | Rent rolls/ Lease agreements |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | As per Rent Roll | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | Not Applicable | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | Not Applicable | Rent rolls/ Lease agreements |
| | Miscellaneous Income | Not Applicable | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | Not Applicable | Valuers' Assessment |
| | Escalation in in-place Rent | % per annum | Client (As per rent roll) |
| | Escalation in market rent | % per annum | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | Months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Not Applicable | Not Applicable. Completed asset |
| | Construction Completion | Not Applicable | Not Applicable. Completed asset |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not Applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the subject asset has been assessed through the following approaches:

| Asset Name | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Bhubaneshwar Park | Discounted Cash Flow (Using rent reversion approach) | N. A. |

The sections below highlight the detailed valuation workings for the subject asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from sale deed provided by the Client, we understand that subject asset is an operational warehousing/ industrial development. Further, the table below highlights the area configuration of the subject asset:

| Block | Year of Completion | Age of structures (in years) | Built-up Area (sft) | Completed Area (sft) | Leased Area (sft) | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block I (Part A) | 2018 | 6 | 63,696 | 63,696 | 54,120 | 46,120 |
| Block I (Part B) | 2018 | 6 | | | 17,576 | 17,576 |
| Block II | 2018 | 6 | 1,21,872 | 1,21,872 | 1,21,872 | 1,21,872 |
| Block III (Open Area) | - | - | - | - | 10,000 | 10,000 |
| Block III | 2021 | 3 | 12,531 | 12,531 | 12,531 | 12,531 |
| Block IV | 2021 | 3 | 16,855 | 16,855 | 16,855 | 16,855 |
| | Total | | 2,14,954 | 2,14,954 | 2,32,954 | 2,24,954 |

*Source: Architect Certificate, Sanctioned layout plan, lease agreements provided by the Client.*

| Tenant | Leased Area (sft) | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) |
|---|---|---|---|---|
| Bhubaneshwar Park | 2,32,954 | 2,24,954 | 100% | 21.5 |

*Source: Architect Certificate, Lease deed, rent roll provided by the Client.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Historical Occupancy Rates |
|---|---|
| Occupancy (completed blocks) | 2021: 70%<br>2022: 100%<br>2023: 100% |

*Source: Information provided by the Client;*

### 6.3.2 Lease Rent Analysis

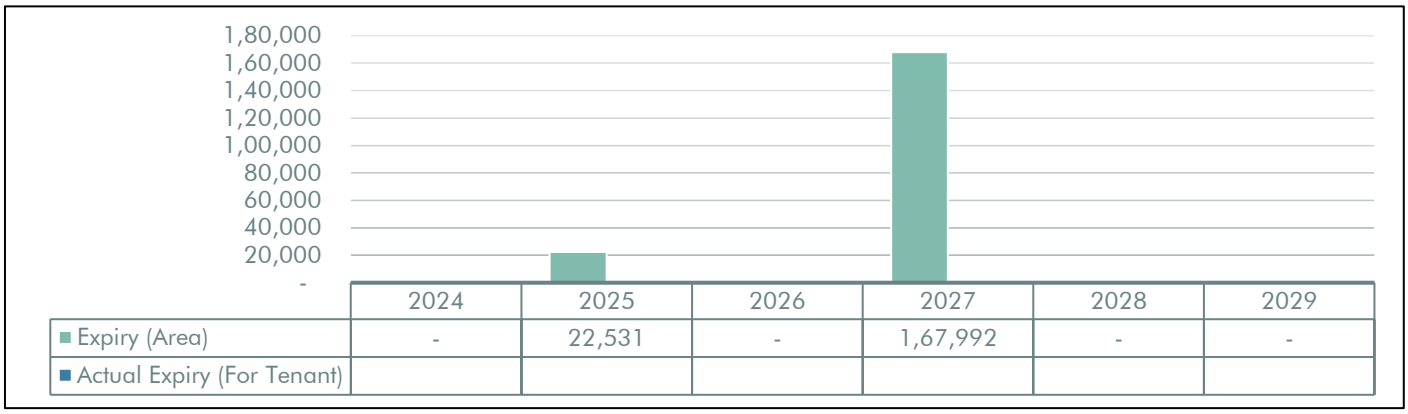
Based on the review of the Lease Deed/ Rent Roll provided by the Client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| 1 | Lease Commencement Date | 15th July 2022 |
| | Rent Commencement Date | 22nd August 2022 |
| | Lock-in Period | 1 Year |
| | Total Lease Tenure | 5 Years |
| | Remaining Lease Tenure | 3.29 Years |
| | Lease Rent Escalation Terms | 5% every year |
| 2 | Lease Commencement Date | 01st September 2020 |
| | Rent Commencement Date | 01st September 2020 |
| | Lock-in Period | 7 Years |
| | Total Lease Tenure | 10 Years |
| | Remaining Lease Tenure | 6.42 Years |
| | Lease Rent Escalation Terms | 5% every year |
| 3 | Lease Commencement Date | 01stJune 2018 |
| | Rent Commencement Date | 16th June 2018 |
| | Lock-in Period | 1 Year |
| | Total Lease Tenure | 9 Years |
| | Remaining Lease Tenure | 3.17 Years |
| | Lease Rent Escalation Terms | 5% every year |
| 4 | Lease Commencement Date | 13th November 2021 |
| | Rent Commencement Date | 01st January 2022 |
| | Lock-in Period | 3 Years |
| | Total Lease Tenure | 3.8 Years |
| | Remaining Lease Tenure | 1.42 Years |
| | Lease Rent Escalation Terms | 5% every year |
| 5 | Lease Commencement Date | 20th September 2020 |
| | Rent Commencement Date | 04th November 2020 |
| | Lock-in Period | 3 Years |
| | Total Lease Tenure | 4.95 Years |
| | Remaining Lease Tenure | 1.42 Years |
| | Lease Rent Escalation Terms | 5% every year |
| 6 | Lease Commencement Date | 1st March 2024 |
| | Rent Commencement Date | 1st March 2033 |
| | Lock-in Period | 2 Years |
| | Total Lease Tenure | 9 Years |
| | Remaining Lease Tenure | 8.92 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 3.20 years, with 84.69% of occupied area expiring between FY 2025 and FY 2027 as shown in the chart below.




| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|---|---|---|---|---|---|
| Expiry (Area) | - | 22,531 | - | 1,67,992 | - | - |
| Actual Expiry (For Tenant) | | | | | | |

*Source: Client Inputs – Rent roll provided by the Client.*

### 6.3.4 Tenant Obligations.

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Lease Deed and Client Inputs*

Contractual Rental Details

| Tenant | Leased Area (sft) | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|---|
| Bhubaneshwar Park | 2,32,954 | 2,24,954 | 100% | 21.54 | 4.84 |

*Source: Leased Deed and Information provided by the Client*

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

As per the information provided, we understand that the Building 1 and Building 2 of the subject asset started their operations in the Year 2018 and 2021 respectively.

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the completed blocks have an occupancy of 100.0% as on date of valuation.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

As per the information provided by the Client, we understand that there are no under construction/ proposed blocks.

### 6.3.7 Revenue Assumptions

#### 6.3.7.1 Warehousing Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micro market.

Based on our market study and based on the analysis of the rent roll provided by the Client, following rent has been adopted for the purpose of value assessment of the completed blocks at the subject asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|---|
| Warehouse | 2,32,954 | 2,24,954 | 2,24,954 | Current Rent for Leased area.<br>Market rent for reversion/ vacant area | 21.54<br>22.00 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The above market rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the facility.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the subject asset.

Based on our market study, we understand that the contracted rental of the subject asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the subject asset.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% after every year, which is in-line with the trend observed in the market. The same has been adopted for the contractual escalation at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum. However, based on the trend observed in the market, the valuer has considered a market escalation of 5% per annum.

| Particulars | Unit | Details |
|---|---|---|
| Market Rental Escalations | % p.a | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rental Escalation | 22.00 | 23.10 | 24.26 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6 | No. of months' warm shell rental |
| Other Income* | 0.26% | % of Rental Income |
| CAM Income (For completed component) | 1.00 | INR per sft per month |

*Source: Valuer's assessment, *based on the asset level P&L statements shared by the Client attributable to the margins made on other services provided to the tenants*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Not applicable. The subject asset is an operational asset.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the Client, we understand that there are no major repairs and improvement proposed in the said asset.

#### 6.3.10.3 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 0.00% of rental income |
| Asset Management Fee | 3.0% of revenues from operations |
| Property Tax | 0.07 Mn |

| Nature of Expense | Details |
|---|---|
| Insurance | 0.10 Mn |
| Vacancy Allowance during operations | 1.00% |
| Vacancy Allowance on Exit | 2.50% |
| Any other Expense details | N.A. |
| Refurbishment Reserve | 1.50% of rental income |
| CAM Expense | 1.00 |

*Source: Client input; Valuer's assessment; As per the lease terms and the information provided by the Client, asset tax and insurance are to be borne by the Client; ^fees has been considered as below the NOI line item.*

### 6.3.11 Other Assumptions

#### 6.3.11.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the subject asset is substantially fully occupied with significantly a weighted average lease period of 3.20 Years (by area). Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Blocks I, II, III & IV |
|---|---|
| Vacancy Provision | During Operations – 1.00%<br>Assessment at the time of exit – 2.50% |

*Source: Valuer's assessment*

#### 6.3.11.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the subject asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered on a fiscal year basis

#### 6.3.11.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have a rent-free period ranging from 1 to 3 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 3 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.11.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.11.5 CAM Cashflows

CAM Cashflows for the subject asset have been assessed both during the holding period and at the time of notional exit. Further, the margin on CAM and CAM Recoveries are included in the financials as per the CAM charges based on historical performance of the subject asset as per the inputs provided by the Client and market benchmarks.

Based on the information provided by the Client, we understand that the 100% of the CAM Income would be received by the Client entity/ InvIT entity (as per details from Client) and 100% of the CAM Expense would be borne by the Tenants/ SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.5%- 11.5% to about 7.5% - 8.5% in last 3-4 years.
- The increased appetite for income producing asset and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing facilities across various markets in India have a range of 7.5 – 8.5%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Bhubaneshwar Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Operational | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for this asset has been adjusted for market/ asset specific risk pertaining to a real estate assets such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for this asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Bhubaneshwar micromarkets which are in the range of 8.0% – 10.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Completed Blocks

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed Bhubaneshwar Park assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Bhubaneshwar Park | Durgeshwari Industrial & Logistics Parks Private Limited/ TVS ILP | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Bhubaneshwar Park | 834.94 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents, however, there is an ongoing Civil Suit initiated by the subject asset owning SPV Durgeshwari Industrial and Logistics Parks Pvt. Ltd, against the Maharashtra Industrial Development Corporation ('MIDC') through Regular Civil Suit Case No. 26/2007, amounting to approx. INR 11.74 Mn. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client, the Client has confirmed that there is no options or rights of pre-emption and other encumbrances. Please note that the Valuer has not investigated nor has been provided with any supporting documents

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no Vulnerabilities pertaining to the asset other than referred to in section 4.1.4 of this report. Also, in our professional judgment based on site inspection, there were no other visible vulnerabilities

Please note that the Valuer has not investigated nor has been provided with any supporting documents pertaining towards the above mentioned issues.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

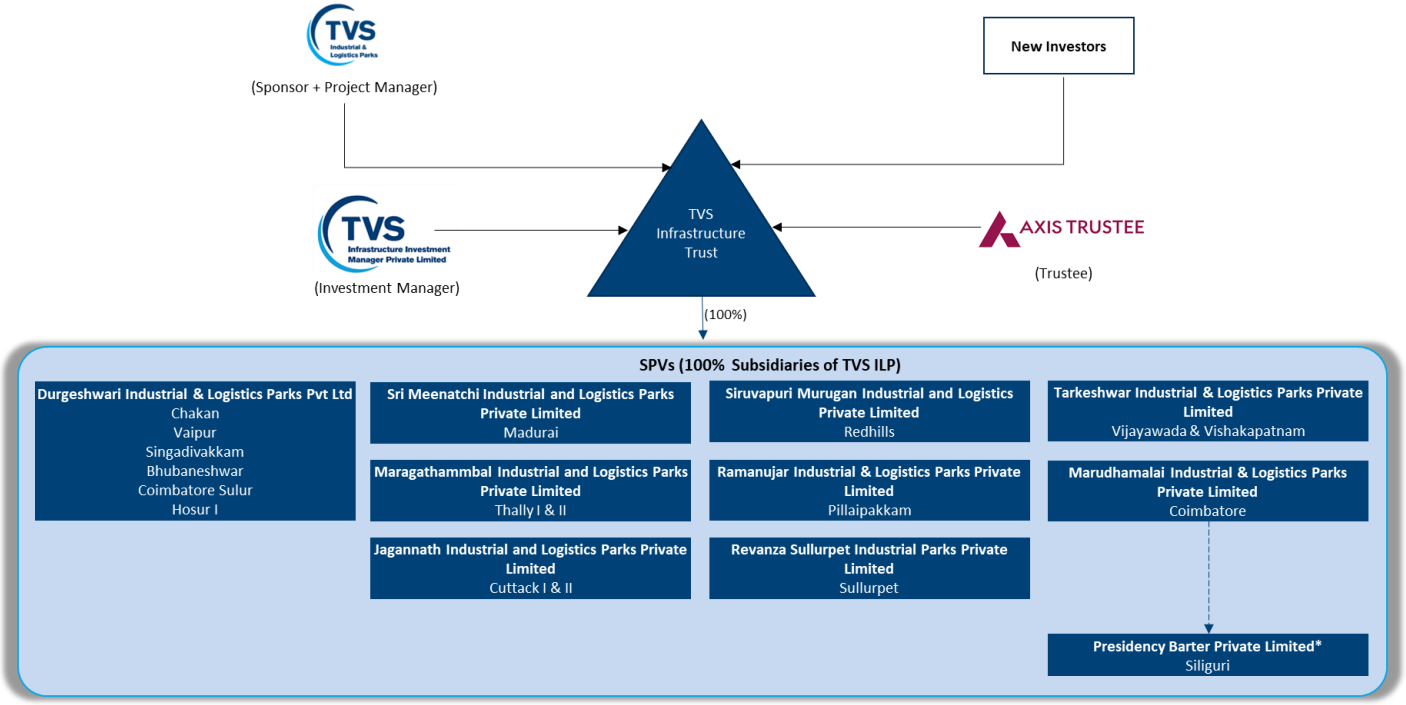
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the client, the client has confirmed that that 100% of interest in the asset shall be held by the invIT

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

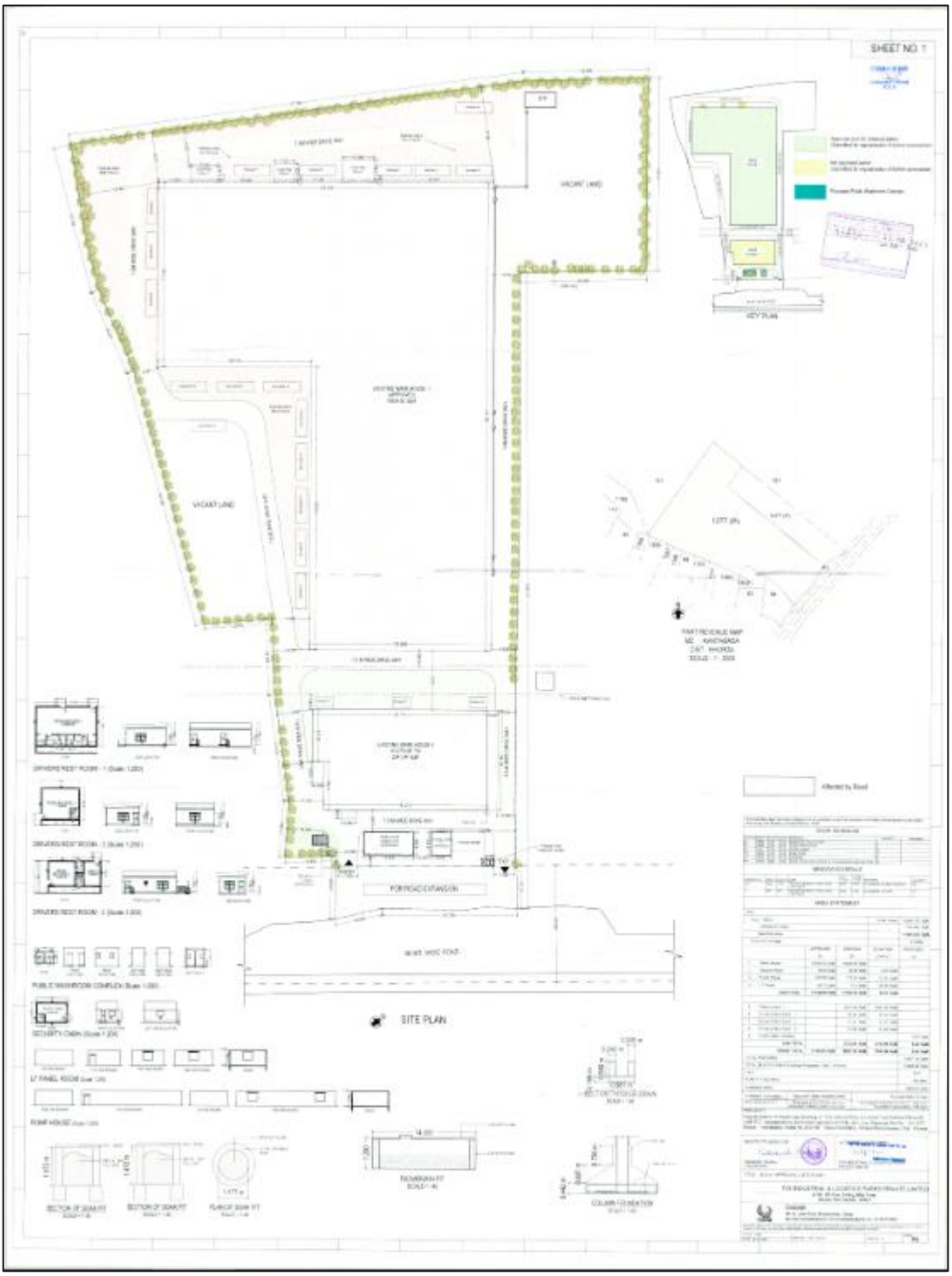
As per our interaction with the client, the client has confirmed that the same is not applicable to their business

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | No. of years |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Building 1 - 24 Years<br>Building 2 - 27 Years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual as the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

## 7.2 Site Plan

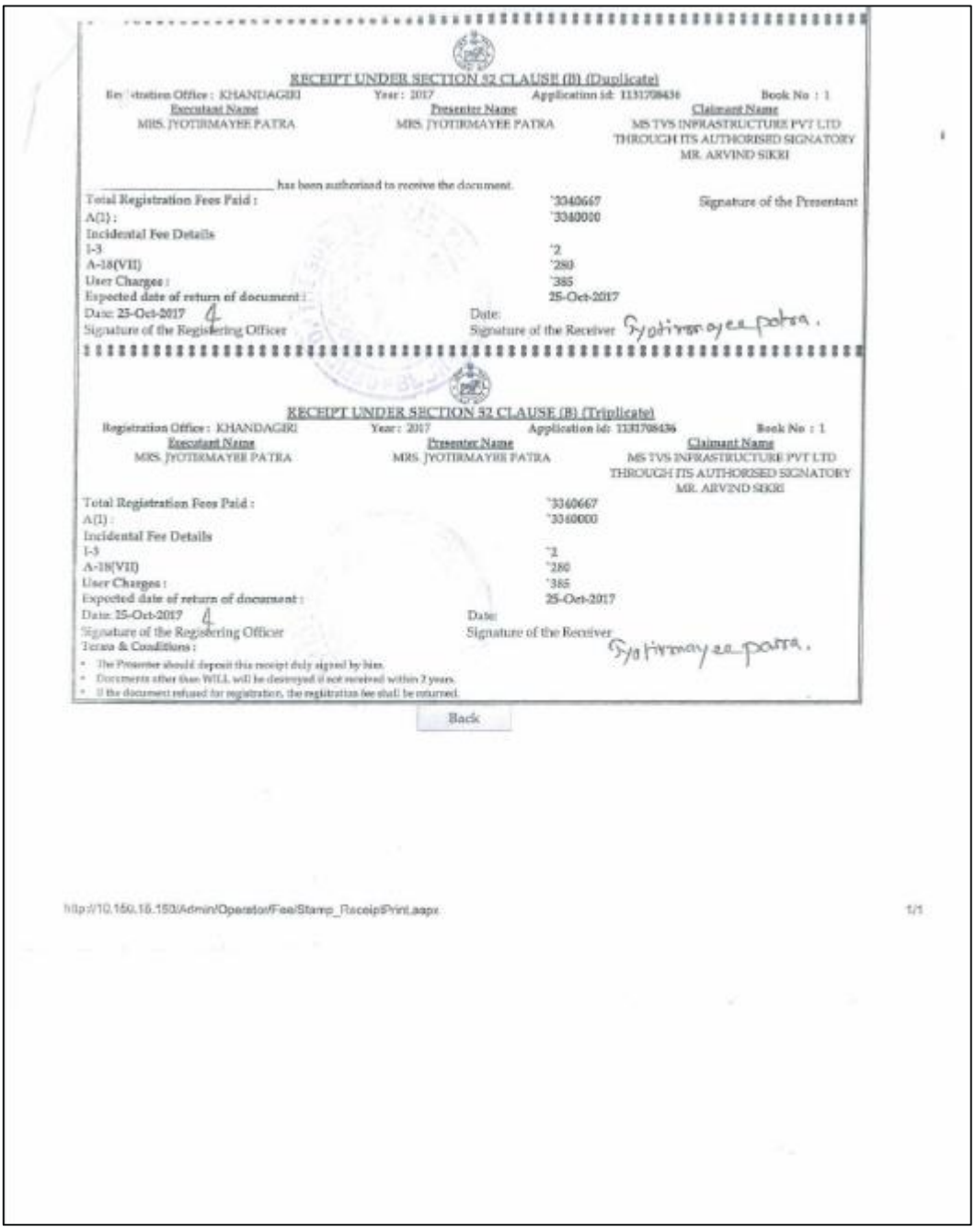
### 7.2.1 Bhubaneshwar Park




*Source: Client Representative*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Purchase Deed



RECEIPT UNDER SECTION 52 CLAUSE (B) (Duplicate)

Registration Office : KHANDAGIRI Year : 2017 Application Id: 1131708436 Book No : 1

| Executant Name | Presenter Name | Claimant Name |
|---|---|---|
| MRS. JYOTIRMAYEE PATRA | MRS. JYOTIRMAYEE PATRA | MS TVS INFRASTRUCTURE PVT LTD THROUGH ITS AUTHORISED SIGNATORY MR. ARVIND SIKRI |

_____ has been authorised to receive the document.

| | |
|---|---|
| Total Registration Fees Paid : | ₹3340667 |
| A(1) : | ₹3340000 |
| Incidental Fee Details | |
| I-3 | ₹2 |
| A-18(VII) | ₹280 |
| User Charges : | ₹385 |
| Expected date of return of document : | 25-Oct-2017 |

Date: 25-Oct-2017 Signature of the Registering Officer

Date: Signature of the Receiver Jyotirmayee patra.

RECEIPT UNDER SECTION 52 CLAUSE (B) (Triplicate)

Registration Office : KHANDAGIRI Year : 2017 Application Id: 1131708436 Book No : 1

| Executant Name | Presenter Name | Claimant Name |
|---|---|---|
| MRS. JYOTIRMAYEE PATRA | MRS. JYOTIRMAYEE PATRA | MS TVS INFRASTRUCTURE PVT LTD THROUGH ITS AUTHORISED SIGNATORY MR. ARVIND SIKRI |

| | |
|---|---|
| Total Registration Fees Paid : | ₹3340667 |
| A(1) : | ₹3340000 |
| Incidental Fee Details | |
| I-3 | ₹2 |
| A-18(VII) | ₹280 |
| User Charges : | ₹385 |
| Expected date of return of document : | 25-Oct-2017 |

Date: 25-Oct-2017 Signature of the Registering Officer

Date: Signature of the Receiver Jyotirmayee patra.

Terms & Conditions :

- The Presenter should deposit this receipt duly signed by him.
- Documents other than WILL will be destroyed if not received within 3 years.
- If the document refused for registration, the registration fee shall be returned.

Back

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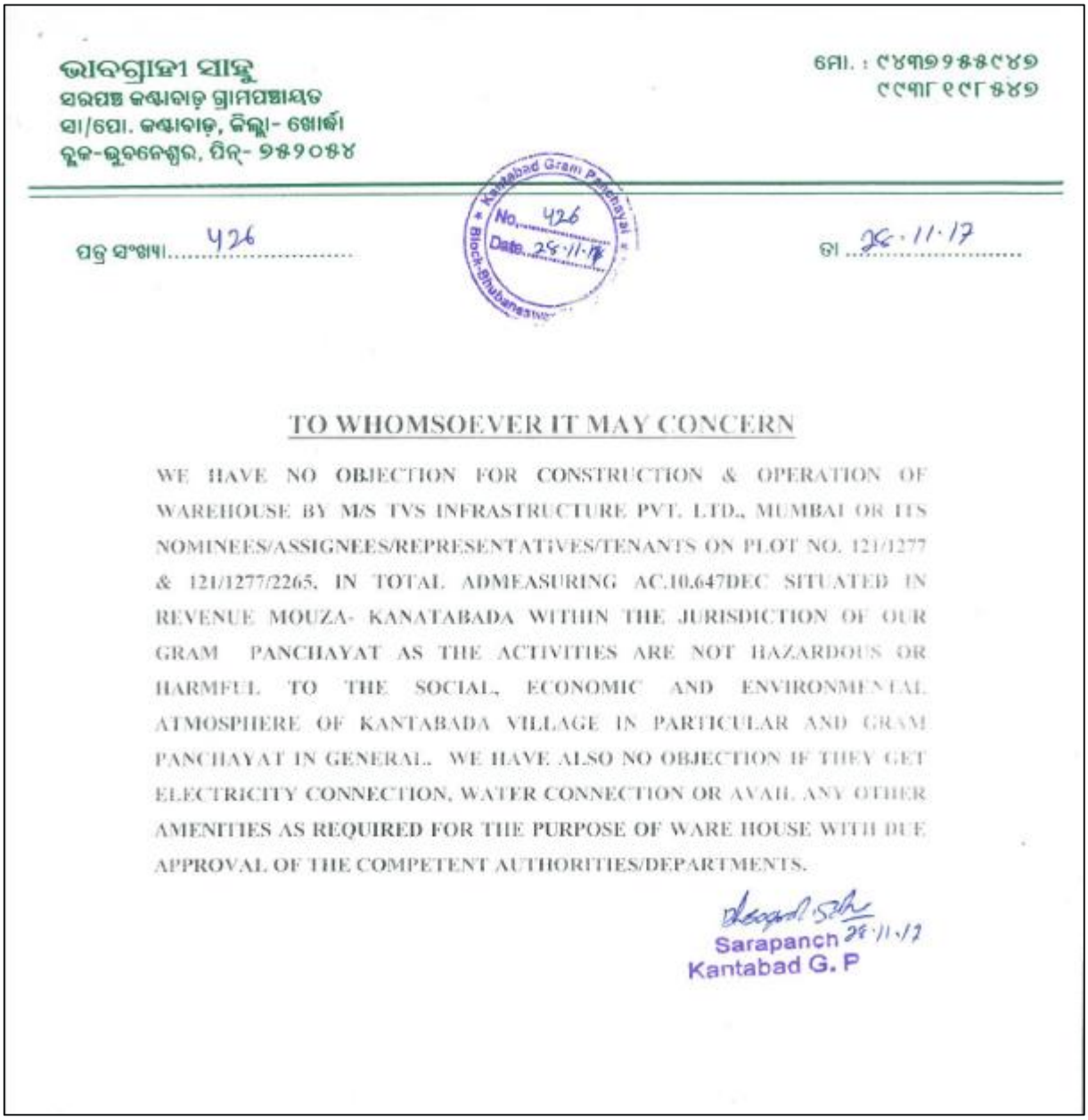
*Source: Client Representative*

## 7.3.2 Land Use Certificate



ଭାବଗ୍ରାହୀ ସାହୁ
ସରପଞ୍ଚ କଣ୍ଟାବାଡ଼ ଗ୍ରାମପଞ୍ଚାୟତ
ସା/ପୋ. କଣ୍ଟାବାଡ଼, ଜିଲ୍ଲା- ଖୋର୍ଦ୍ଧା
ବ୍ଲକ-ଭୁବନେଶ୍ୱର, ପିନ୍- ୭୫୨୦୫୪

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Kantabad Gram Panchayat
No. 426
Date. 25.11.17
Block-Bhubaneswar

ପତ୍ର ସଂଖ୍ୟା..... 426 .....

ତା ..... 25.11.17 .....

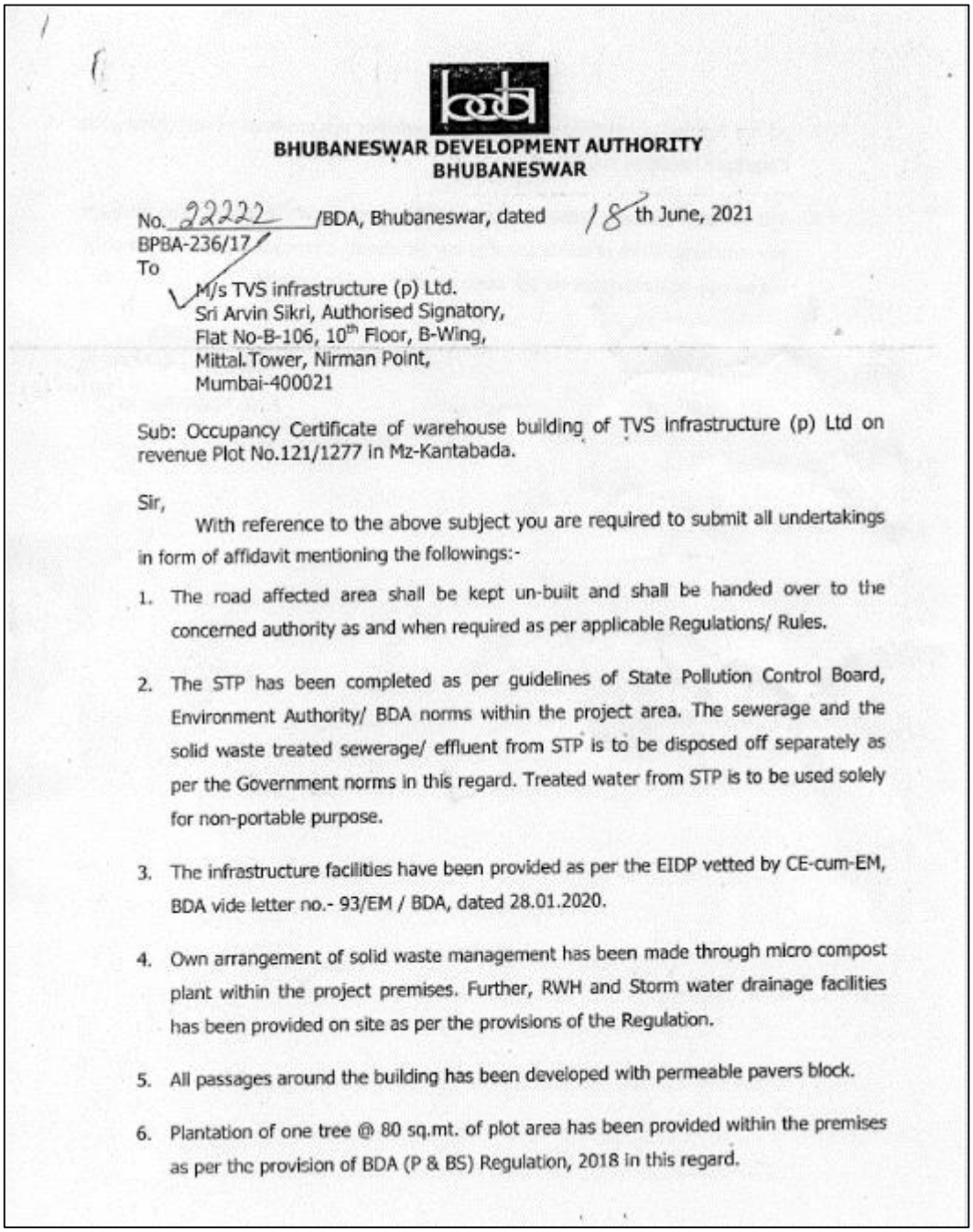
TO WHOMSOEVER IT MAY CONCERN

WE HAVE NO OBJECTION FOR CONSTRUCTION & OPERATION OF WAREHOUSE BY M/S TVS INFRASTRUCTURE PVT. LTD., MUMBAI OR ITS NOMINEES/ASSIGNEES/REPRESENTATIVES/TENANTS ON PLOT NO. 121/1277 & 121/1277/2265, IN TOTAL ADMEASURING AC.10.647DEC SITUATED IN REVENUE MOUZA- KANATABADA WITHIN THE JURISDICTION OF OUR GRAM PANCHAYAT AS THE ACTIVITIES ARE NOT HAZARDOUS OR HARMFUL TO THE SOCIAL, ECONOMIC AND ENVIRONMENTAL ATMOSPHERE OF KANTABADA VILLAGE IN PARTICULAR AND GRAM PANCHAYAT IN GENERAL. WE HAVE ALSO NO OBJECTION IF THEY GET ELECTRICITY CONNECTION, WATER CONNECTION OR AVAIL ANY OTHER AMENITIES AS REQUIRED FOR THE PURPOSE OF WARE HOUSE WITH DUE APPROVAL OF THE COMPETENT AUTHORITIES/DEPARTMENTS.

Sarapanch 25.11.17
Kantabad G. P

*Source: Client Representative*

### 7.3.3 Occupancy Certificate (Phase – I)



**BHUBANESWAR DEVELOPMENT AUTHORITY**
**BHUBANESWAR**

No. 22222 /BDA, Bhubaneswar, dated 18th June, 2021
BPBA-236/17

To
M/s TVS infrastructure (p) Ltd.
Sri Arvin Sikri, Authorised Signatory,
Flat No-B-106, 10th Floor, B-Wing,
Mittal Tower, Nirman Point,
Mumbai-400021

Sub: Occupancy Certificate of warehouse building of TVS infrastructure (p) Ltd on revenue Plot No.121/1277 in Mz-Kantabada.

Sir,

With reference to the above subject you are required to submit all undertakings in form of affidavit mentioning the followings:-

1. The road affected area shall be kept un-built and shall be handed over to the concerned authority as and when required as per applicable Regulations/ Rules.
2. The STP has been completed as per guidelines of State Pollution Control Board, Environment Authority/ BDA norms within the project area. The sewerage and the solid waste treated sewerage/ effluent from STP is to be disposed off separately as per the Government norms in this regard. Treated water from STP is to be used solely for non-portable purpose.
3. The infrastructure facilities have been provided as per the EIDP vetted by CE-cum-EM, BDA vide letter no.- 93/EM / BDA, dated 28.01.2020.
4. Own arrangement of solid waste management has been made through micro compost plant within the project premises. Further, RWH and Storm water drainage facilities has been provided on site as per the provisions of the Regulation.
5. All passages around the building has been developed with permeable pavers block.
6. Plantation of one tree @ 80 sq.mt. of plot area has been provided within the premises as per the provision of BDA (P & BS) Regulation, 2018 in this regard.

*Source: Client Representative*

### 7.3.4 Building Plan Approval

**BHUBANESWAR DEVELOPMENT AUTHORITY**

**AKASH SHOVA BUILDING, LOK SEVA MARG, BHUBANESWAR.**

FORM-II

[See Rule -10 (5) of ODA (P&BS) Rules, 2020]

No. 32632 /BDA, Bhubaneswar, Dated.. 22.08.2023

**File No.BPBA-RV-225/2022**

Permission Under Sub-Section (3) of the Section-16 of the Orissa Development Authorities Act'1982 (Act 14 of 1982) is hereby granted in favour of TVS Industrial & Logistics Parks Pvt Ltd, Authorized Signatory Dilip Jain for;

Regularisation of existing **Block-1** (Warehouse-I with addition of 3 numbers of Driver's Restroom), **Block-2** (Ware House-II) and other ancillary structures over Plot No- 121/1277 Khata No-253/100, Mouza- Kantabada within the Development Plan Area of Bhubaneswar subject to following parameters and conditions/restrictions;

**1. AREA STATEMENT** (in Sq.m); Plot area: 43086.100 Sq.m

Road affected area: 1185.462 Sq.m

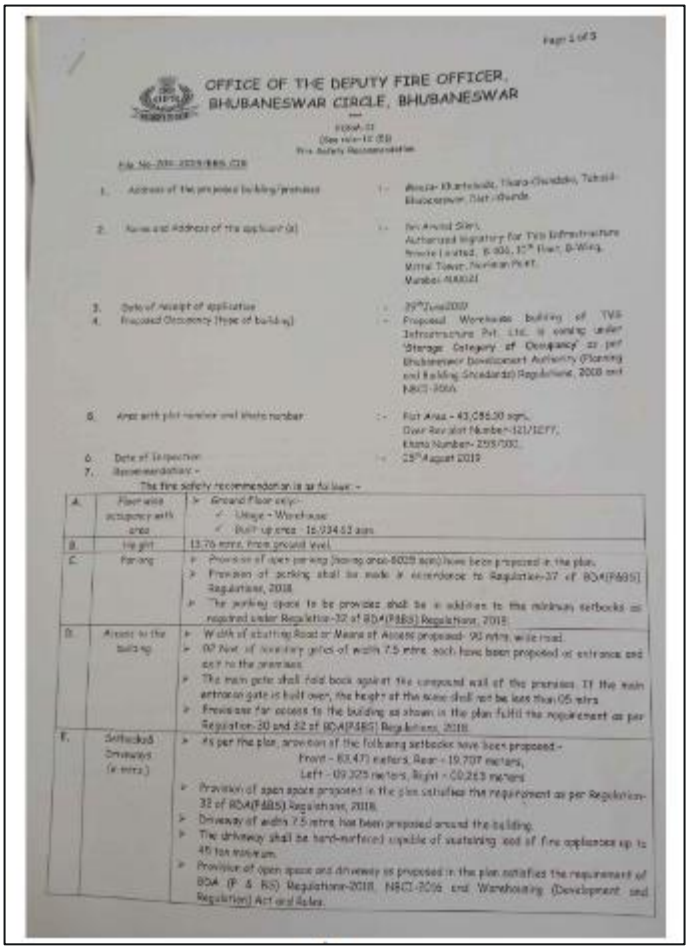
**Net Plot area: 41900.638 Sq.m**

| Types | | Approved (BUA in Sq.m) | Existing (BUA in Sq.m) | Deviation (BUA in Sq.m) | Proposed (BUA in Sq.m) |
|---|---|---|---|---|---|
| Block-1 | Ware House-I | 16934.63 | 16934.63 | - | - |
| | Drivers' Rest Room-1 | - | 92.85 | 92.85 | - |
| | Drivers' Rest Room-2 | - | 47.47 | 47.47 | - |
| | Drivers' Rest Room-3 | - | 51.80 | 51.80 | - |
| Block-2 | Ware House-II | - | 2541.84 | 2541.84 | - |
| Security Room | | 16.00 | 24.00 | 8.00 | - |
| Pump House | | 150.00 | 173.55 | 23.55 | - |
| LT Room | | 48.75 | 71.20 | 22.45 | - |
| Public wash room complex | | - | - | | 8.64 |
| **Sub Total** | | **17149.38** | **19937.34** | **2787.96** | **8.64** |

| | |
|---|---|
| **Total Built-up Area:** | **19945.98 Sq.m** |
| **Total FAR Area:** | **19937.34 Sq.m** |
| **Total F.A.R.** | **0.475** |
| **Total Parking Provided** (against requirement of 3988.00 Sqm @ 20% of FAR area) | 6063.50 Sq.m |
| **No of Trees Provided:** (against required 524 nos of tree) | 540 nos |

*Source: Client Representative*

### 7.3.5 Fire Recommendation Letter (Phase 1 & 2)



Page 1 of 3

OFFICE OF THE DEPUTY FIRE OFFICER,
BHUBANESWAR CIRCLE, BHUBANESWAR

FORM-II
(See rule-12 (5))
Fire Safety Recommendation

File No-[illegible]

1. Address of the proposed building/premises :- Mouza-Khantabada, Thana-Chandaka, Tahsil-Bhubaneswar, Dist-Khurda.
2. Name and Address of the applicant(s) :- Sri Arvind Sikri, Authorised Signatory for TVS Infrastructure Private Limited, B-106, 10th Floor, B-Wing, Mittal Tower, Nariman Point, Mumbai-400021
3. Date of receipt of application :- 29th June 2020
4. Proposed Occupancy (type of building) :- Proposed Warehouse building of TVS Infrastructure Pvt. Ltd. is coming under 'Storage Category of Occupancy' as per Bhubaneswar Development Authority (Planning and Building Standards) Regulations, 2008 and NBCI-2016.
5. Area with plot number and khata number :- Plot Area - 43,086.30 sqm., Over Revision Number-121/1277, Khata Number- 259/300.
6. Date of Inspection :- 25th August 2019
7. Recommendation :-

The fire safety recommendation is as follows :-

| | | |
|---|---|---|
| A. | Floor wise occupancy with area | ➢ Ground Floor only:- ✓ Usage - Warehouse ✓ Built up area - 16,934.63 sqm |
| B. | Height | 13.76 mtrs. from ground level. |
| C. | Parking | ➢ Provision of open parking (having area-8029 sqm) have been proposed in the plan. ➢ Provision of parking shall be made in accordance to Regulation-37 of BDA(P&BS) Regulations, 2018. ➢ The parking space to be provided shall be in addition to the minimum setbacks as required under Regulation-32 of BDA(P&BS) Regulations, 2018. |
| D. | Access to the building | ➢ Width of abutting Road or Means of Access proposed- 90 mtrs. wide road. ➢ 02 Nos. of boundary gates of width 7.5 mtrs. each have been proposed as entrance and exit to the premises. ➢ The main gate shall fold back against the compound wall of the premises. If the main entrance gate is built over, the height of the same shall not be less than 05 mtrs. ➢ Provisions for access to the building as shown in the plan fulfil the requirement as per Regulation-30 and 32 of BDA(P&BS) Regulations, 2018. |
| E. | Setbacks& Driveways (in mtrs.) | ➢ As per the plan, provision of the following setbacks have been proposed:- Front - 83.471 meters, Rear - 19.707 meters, Left - 09.325 meters, Right - 00.263 meters. ➢ Provision of open space proposed in the plan satisfies the requirement as per Regulation-32 of BDA(P&BS) Regulations, 2018. ➢ Driveway of width 7.5 mtrs. has been proposed around the building. ➢ The driveway shall be hard-surfaced capable of sustaining load of fire appliances up to 45 ton minimum. ➢ Provision of open space and driveway as proposed in the plan satisfies the requirement of BDA (P & BS) Regulations-2018, NBCI-2016 and Warehousing (Development and Regulation) Act and Rules. |

ODISHA FIRE SERVICE

FIRE SAFETY RECOMMENDATION

FORM-II

[Under Rule-12 (5)]

| | | | |
|---|---|---|---|
| RECOMMENDATION No: | RECOMM/20412/001202/000222 | APPLICATION No: | FSR/20412/001202/000003 |
| Date of Issue: | 27-09-2021 | Date of Receipt of Application: | 15-06-2021 |

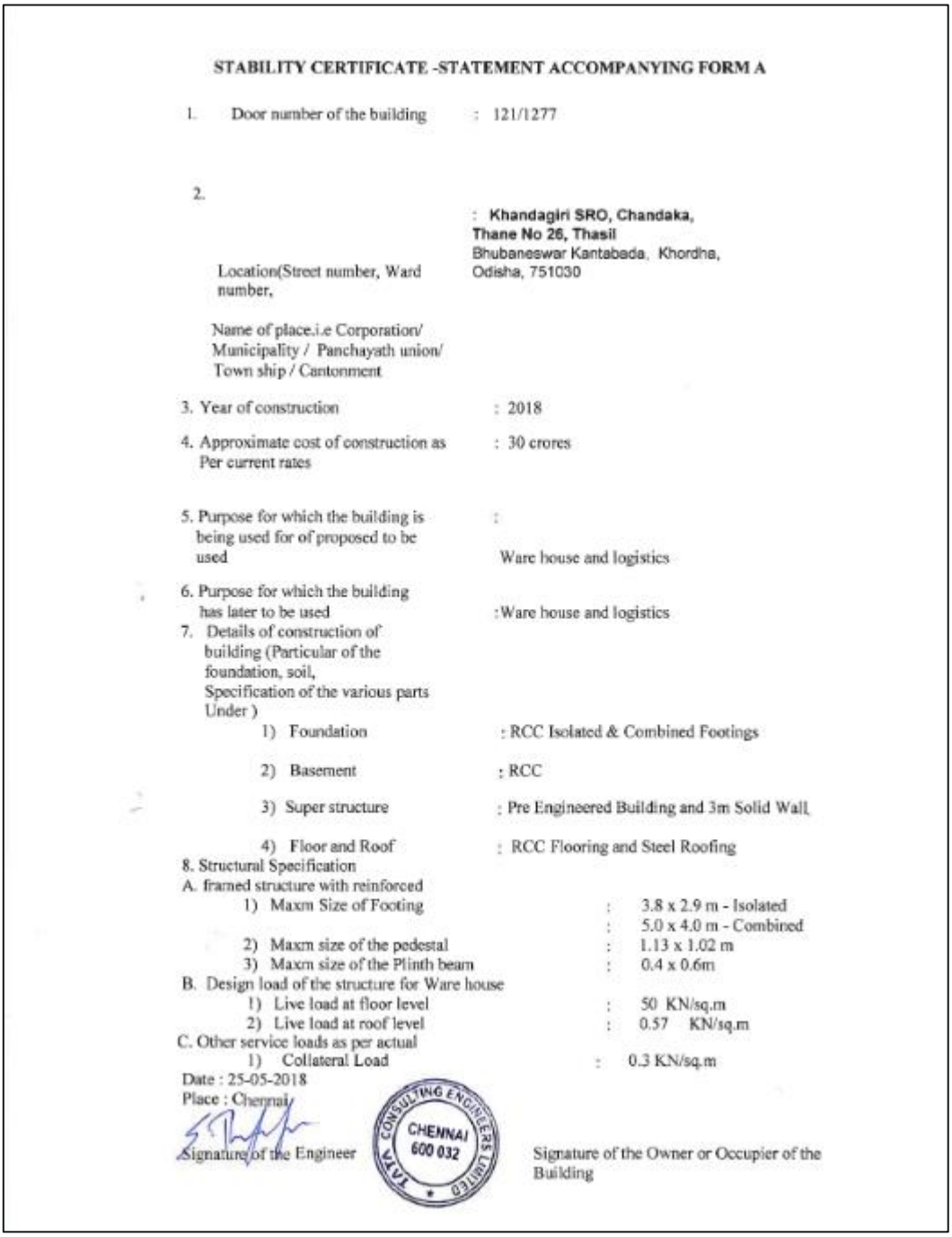
| | | |
|---|---|---|
| 1. | Name & Address of the proposed Building/Premises: | Proposed warehouse building for TVS Infrastructure Private Limited, Mouza- Khantabada, Thana-Chandaka, Tahsil-Bhubaneswar, Dist.-Khurda |
| 2. | Name and Address of the Applicant(s): | Sri Dilip Jain, Authorised Signatory for TVS Infrastructure Private Limited, B-106, 10th Floor, B-Wing, Mittal Tower, Nariman Point, Mumbai-400021 |
| 3. | Proposed Occupancy (Type of Building): | Proposed Warehouse building of is coming under 'Storage Category of occupancy' as per Odisha Development Authorities (Planning and Building Standards) Rules, 2020 and NBCI-2016. |
| 4. | Area with Plot Number and Khata Number | Plot Area – 43,086.30 sqm., Over Rev plot Number-121/1277, Khata Number-259/300. |
| 5. | Date of Inspection: | 23-06-2021 |

6. Recommendation:

Page 1 of 6

*Source: Client Representative*

## 7.3.6 Structural Stability Certificate



**STABILITY CERTIFICATE -STATEMENT ACCOMPANYING FORM A**

1. Door number of the building : 121/1277

2. Location(Street number, Ward number, : **Khandagiri SRO, Chandaka, Thane No 26, Thasil** Bhubaneswar Kantabada, Khordha, Odisha, 751030

Name of place.i.e Corporation/ Municipality / Panchayath union/ Town ship / Cantonment

3. Year of construction : 2018

4. Approximate cost of construction as Per current rates : 30 crores

5. Purpose for which the building is being used for of proposed to be used : Ware house and logistics

6. Purpose for which the building has later to be used : Ware house and logistics

7. Details of construction of building (Particular of the foundation, soil, Specification of the various parts Under )

1) Foundation : RCC Isolated & Combined Footings

2) Basement : RCC

3) Super structure : Pre Engineered Building and 3m Solid Wall

4) Floor and Roof : RCC Flooring and Steel Roofing

8. Structural Specification

A. framed structure with reinforced

1) Maxm Size of Footing : 3.8 x 2.9 m - Isolated
: 5.0 x 4.0 m - Combined

2) Maxm size of the pedestal : 1.13 x 1.02 m

3) Maxm size of the Plinth beam : 0.4 x 0.6m

B. Design load of the structure for Ware house

1) Live load at floor level : 50 KN/sq.m

2) Live load at roof level : 0.57 KN/sq.m

C. Other service loads as per actual

1) Collateral Load : 0.3 KN/sq.m

Date : 25-05-2018

Place : Chennai

Signature of the Engineer

TATA CONSULTING ENGINEERS LIMITED CHENNAI 600 032

Signature of the Owner or Occupier of the Building

*Source: Client Representative*

## 7.3.7 Ground Water Abstraction NOC

भारत सरकार
जल शक्ति मंत्रालय
जल संसाधन, नदी विकास
और गंगा संरक्षण विभाग
केन्द्रीय भूमि जल प्राधिकरण
Government of India
Ministry of Jal Shakti
Department of Water Resources,
River Development & Ganga Rejuvenation
Central Ground Water Authority

**(भूजल निकासी हेतु अनापत्ति प्रमाण पत्र)**

**NO OBJECTION CERTIFICATE (NOC) FOR GROUND WATER ABSTRACTION**

| | | | |
|---|---|---|---|
| Project Name: | Tvs Industrial And Logistics Parks Pvt Ltd | | |
| Project Address: | Plot No-121/1277, Khata No-253/100, Khandagiri Sro, Chandaka Thana No-26, Village-kantabada, Tehsil-bhubaneswar | | |
| Village: | Kantabad | Block: | Bhubaneswar |
| District: | Khordha | State: | Odisha |
| Pin Code: | | | |
| Communication Address: | Mr T Rajesh,, No.23, Vaggai Complex,ist Floor, 2nd Main Road, Ambattur Industrial Complex, Chennai, , Chennai, Tamil Nadu - 600058 | | |
| Address of CGWB Regional Office : | Central Ground Water Board South Eastern Region, Bhujal Bhawan, Khandagiri Square, Nh-5, Bhubaneshwar, Khordha, Odisha - 750001 | | |

| | | | | | |
|---|---|---|---|---|---|
| 1. | **NOC No.:** | CGWA/NOC/INF/ORIG/2022/14830 | | | |
| 2. | Application No.: | 21-4/3379/OR/INF/2022 | 3. | Category: (GWRE 2020) | Semi Critical |
| 4. | Project Status: | New Project | 5. | NOC Type: | New |
| 6. | **Valid from:** | 17/03/2022 | 7. | **Valid up to:** | 16/03/2027 |

8. Ground Water Abstraction Permitted:

| Fresh Water | | Saline Water | | Dewatering | | Total | |
|---|---|---|---|---|---|---|---|
| m³/day | m³/year | m³/day | m³/year | m³/day | m³/year | m³/day | m³/year |
| 54.00 | 19710.00 | | | | | | |

9. Details of ground water abstraction /Dewatering structures

| | Total Existing No.:0 | | | | | | Total Proposed No.:1 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | DW | DCB | BW | TW | MP | MPu | DW | DCB | BW | TW | MP | MPu |
| Abstraction Structure* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |

*DW- Dug Well; DCB-Dug-cum-Bore Well; BW-Bore Well; TW-Tube Well; MP-Mine Pit;MPu-Mine Pumps

| | | | | | |
|---|---|---|---|---|---|
| 10. | Ground Water Abstraction/Restoration Charges paid (Rs.): | | 39420.00 | | |
| 11. | Number of Piezometers(Observation wells) to be constructed/ monitored & Monitoring mechanism. | No. of Piezometers | Monitoring Mechanism | | |
| | | | Manual | DWLR** | DWLR With Telemetry |
| | **DWLR - Digital Water Level Recorder | 1 | 0 | 1 | 0 |

**(Compliance Conditions given overleaf)**

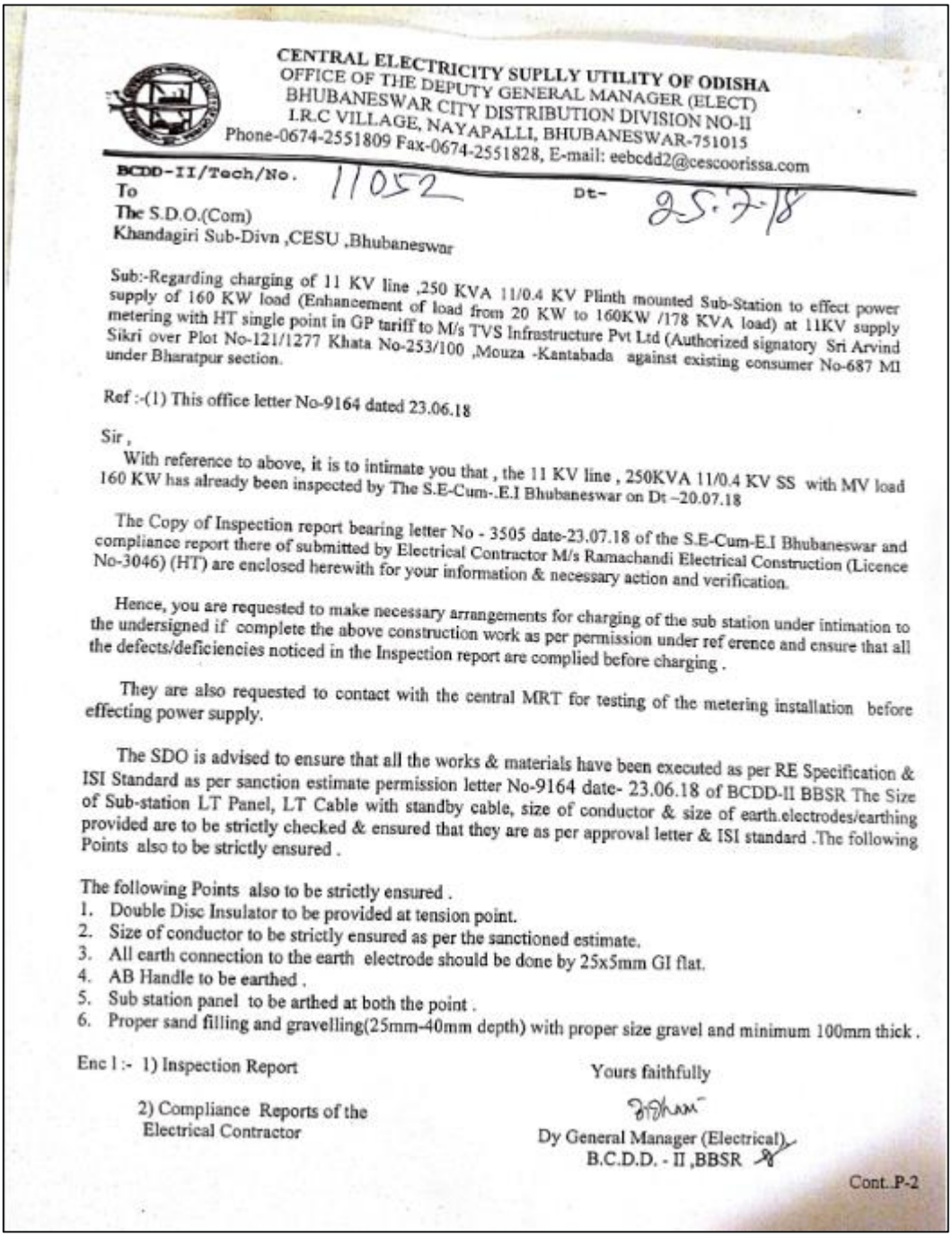
This is an auto generated document & need not to be signed.

18/11, जामनगर हाउस, मानसिंह रोड, नई दिल्ली - 110011 / 18/11, Jamnagar House, Mansingh Road, New Delhi-110011
Phone: (011) 23383561 Fax: 23382051, 23386743
Website: cgwa-noc.gov.in

पानी बचाये – जीवन बचाये
SAVE WATER - SAVE LIFE

*Source: Client Representative*

### 7.3.8 Electrical Installation NOC



CENTRAL ELECTRICITY SUPLLY UTILITY OF ODISHA
OFFICE OF THE DEPUTY GENERAL MANAGER (ELECT)
BHUBANESWAR CITY DISTRIBUTION DIVISION NO-II
I.R.C VILLAGE, NAYAPALLI, BHUBANESWAR-751015
Phone-0674-2551809 Fax-0674-2551828, E-mail: eebcdd2@cescoorissa.com

BCDD-II/Tech/No. 11052 Dt- 25.7.18

To
The S.D.O.(Com)
Khandagiri Sub-Divn ,CESU ,Bhubaneswar

Sub:-Regarding charging of 11 KV line ,250 KVA 11/0.4 KV Plinth mounted Sub-Station to effect power supply of 160 KW load (Enhancement of load from 20 KW to 160KW /178 KVA load) at 11KV supply metering with HT single point in GP tariff to M/s TVS Infrastructure Pvt Ltd (Authorized signatory Sri Arvind Sikri over Plot No-121/1277 Khata No-253/100 ,Mouza -Kantabada against existing consumer No-687 MI under Bharatpur section.

Ref :-(1) This office letter No-9164 dated 23.06.18

Sir ,

With reference to above, it is to intimate you that , the 11 KV line , 250KVA 11/0.4 KV SS with MV load 160 KW has already been inspected by The S.E-Cum-.E.I Bhubaneswar on Dt –20.07.18

The Copy of Inspection report bearing letter No - 3505 date-23.07.18 of the S.E-Cum-E.I Bhubaneswar and compliance report there of submitted by Electrical Contractor M/s Ramachandi Electrical Construction (Licence No-3046) (HT) are enclosed herewith for your information & necessary action and verification.

Hence, you are requested to make necessary arrangements for charging of the sub station under intimation to the undersigned if complete the above construction work as per permission under ref erence and ensure that all the defects/deficiencies noticed in the Inspection report are complied before charging .

They are also requested to contact with the central MRT for testing of the metering installation before effecting power supply.

The SDO is advised to ensure that all the works & materials have been executed as per RE Specification & ISI Standard as per sanction estimate permission letter No-9164 date- 23.06.18 of BCDD-II BBSR The Size of Sub-station LT Panel, LT Cable with standby cable, size of conductor & size of earth.electrodes/earthing provided are to be strictly checked & ensured that they are as per approval letter & ISI standard .The following Points also to be strictly ensured .

The following Points also to be strictly ensured .
1. Double Disc Insulator to be provided at tension point.
2. Size of conductor to be strictly ensured as per the sanctioned estimate.
3. All earth connection to the earth electrode should be done by 25x5mm GI flat.
4. AB Handle to be earthed .
5. Sub station panel to be arthed at both the point .
6. Proper sand filling and gravelling(25mm-40mm depth) with proper size gravel and minimum 100mm thick .

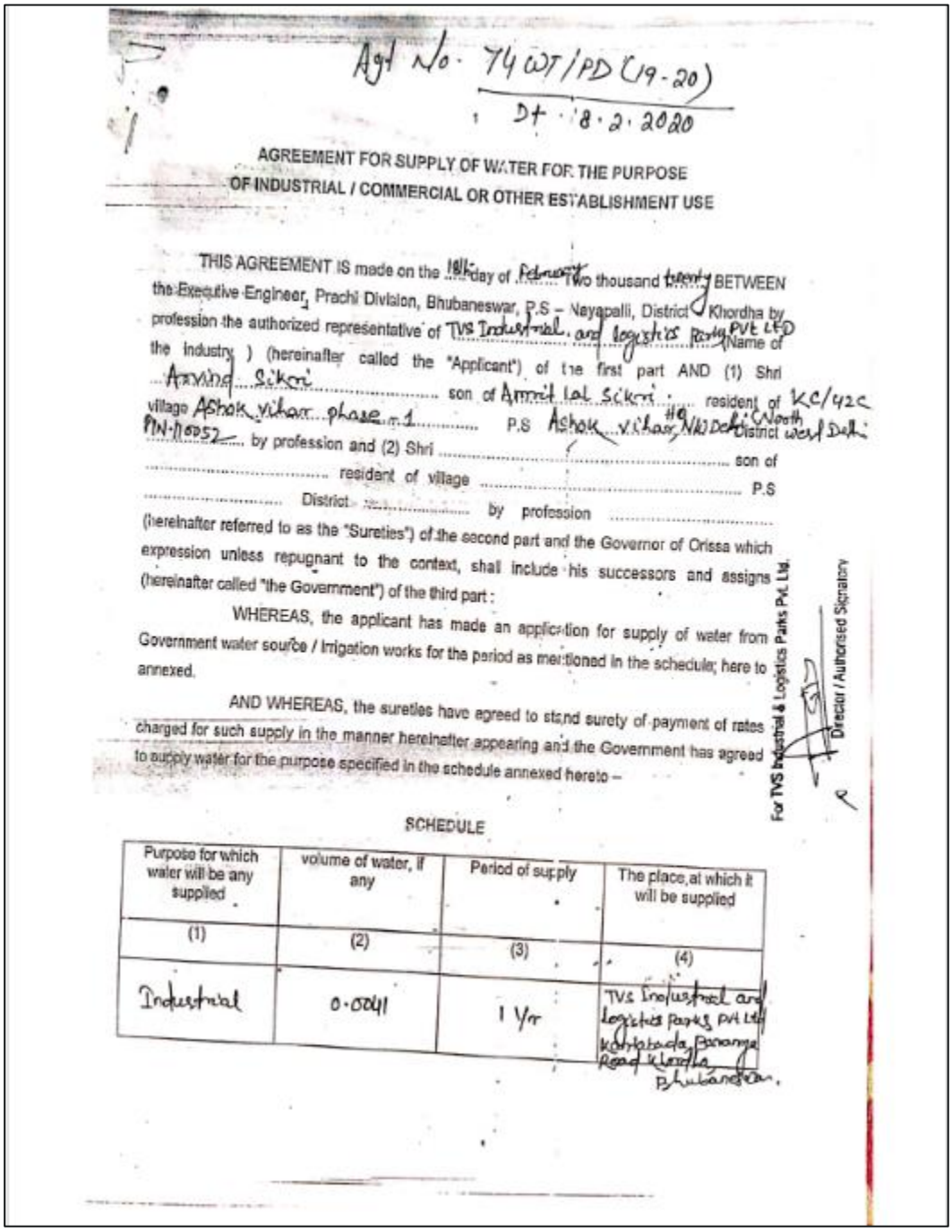
Enc l :- 1) Inspection Report
2) Compliance Reports of the Electrical Contractor

Yours faithfully
Dy General Manager (Electrical)
B.C.D.D. - II ,BBSR

Cont..P-2

*Source: Client representative*

### 7.3.9 Water Supply (Borewell agreement)



Agt No. 74 WT/PD (19-20)
Dt. 18.2.2020

**AGREEMENT FOR SUPPLY OF WATER FOR THE PURPOSE OF INDUSTRIAL / COMMERCIAL OR OTHER ESTABLISHMENT USE**

THIS AGREEMENT IS made on the 18th day of February Two thousand twenty BETWEEN the Executive Engineer, Prachi Division, Bhubaneswar, P.S – Nayapalli, District – Khordha by profession the authorized representative of TVS Industrial and logistics Parks PVt LTD (Name of the industry ) (hereinafter called the "Applicant") of the first part AND (1) Shri Arvind Sikri son of Amrit Lal Sikri resident of KC/42C village Ashok vihar phase-1 P.S Ashok vihar, HQ NW Delhi (North) District west Delhi PIN-110052 by profession and (2) Shri ..... son of ..... resident of village ..... P.S ..... District ..... by profession ..... (hereinafter referred to as the "Sureties") of the second part and the Governor of Orissa which expression unless repugnant to the context, shall include his successors and assigns (hereinafter called "the Government") of the third part :

WHEREAS, the applicant has made an application for supply of water from Government water source / Irrigation works for the period as mentioned in the schedule; here to annexed.

AND WHEREAS, the sureties have agreed to stand surety of payment of rates charged for such supply in the manner hereinafter appearing and the Government has agreed to supply water for the purpose specified in the schedule annexed hereto –

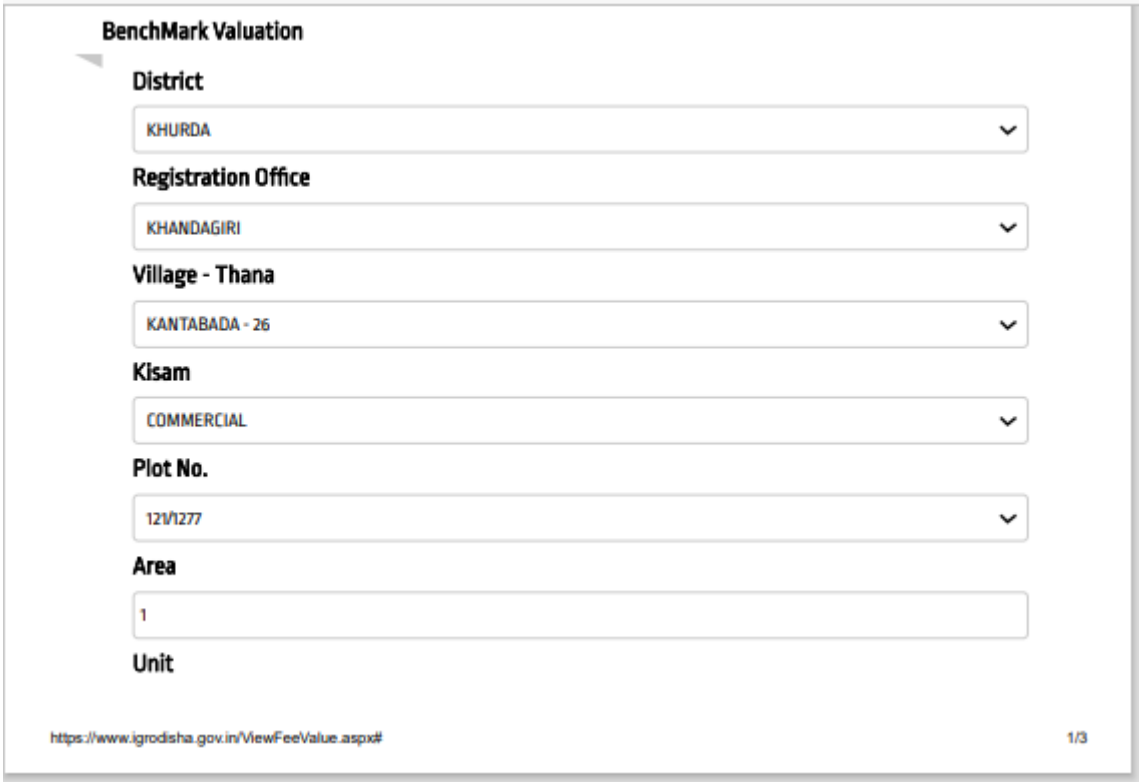
For TVS Industrial & Logistics Parks Pvt. Ltd.
Director / Authorised Signatory

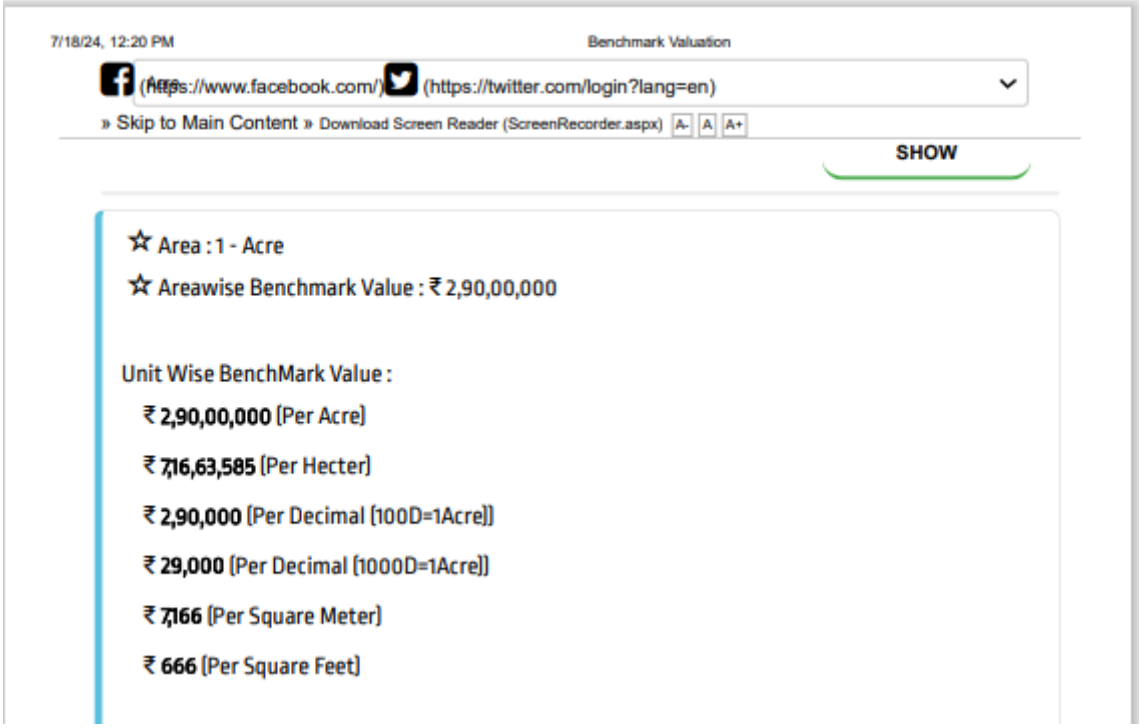
**SCHEDULE**

| Purpose for which water will be any supplied | volume of water, if any | Period of supply | The place, at which it will be supplied |
|---|---|---|---|
| (1) | (2) | (3) | (4) |
| Industrial | 0.0041 | 1 Yr | TVS Industrial and logistics Parks Pvt Ltd Kantabada, Banamga Road Khordha Bhubaneswar. |

*Source: Client representative*

## 7.4 Circle Rate




## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in this report:

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

# COIMBATORE PARK

SPV

MARUDHAMALAI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint Client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

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For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Coimbatore Park (the "Subject Asset") |
| Asset Address: | Survey No: 381/2B, 3B, 3A1, 3A2, 382/1B, 1C, 1D, 2B2, 383/2A1 of Appanaikenpatty Village & Survey No: 386/2A, 2B1, 387/1A, 1B, 1C, 1D, 1E, 1F, 2, 390/1C, 2, 391/1A of Selakarichal Village along Palladam – Cochin Frontier Road, Coimbatore District, Tamil Nadu – 641 402 |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Marudhamalai Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the building plan approval and sanctioned layout provided by the Client, it is understood that the total underlying land area of the Subject Asset is approx. 26.46 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located at Palladam – Cochin Frontier Road, Appanaikenpatty & Selakarichal Village, Coimbatore District, Tamil Nadu. The Subject Asset is spread across a land area of approx. 26.46 acres with a cumulative leasable area of approx. 9,82,514 sft and a cumulative chargeable area of approx. 6,87,373 sft comprising of two completed blocks (Block – I and Block – II).<br><br>Further, it was observed that the subject land is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the subject land enjoys good frontage along the access road. The primary access road abuts the Subject Asset in its northern side.<br><br>The Subject Asset is located in an internal road emanating from Palladam – Cochin Frontier (SH-113), which connects Tirupur town in north and Pollachi town in south. The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant – STP, Storm water network (Hume pipe with RCC Chamber), Water treatment plant, Fire Fighting Systems of NFPA/NBC standards with a 0.5 mm thick bare Galvalume standing seam roof system and capability of taking solar panel load. |

The area details of the asset are as follows:

| Particulars | Status | Built-up Area (in sft) | Leasable Area (in sft) | Chargeable Area (in sft) |
|---|---|---|---|---|
| Coimbatore Park - Block I | Completed | 4,04,335 | 6,99,473 | 4,04,332 |
| Coimbatore Park - Block I (Mezzanine) | Completed | | 5,582 | 5,582 |
| Coimbatore Park - Block II | Completed | 2,75,909 | 2,53,724 | 2,53,724 |
| Coimbatore Park - Block II (open space) | Completed | | 1,550 | 1,550 |
| Coimbatore Park - Block II (Mezzanine) | Completed | | 22,185 | 22,185 |

| | | | |
|---|---|---|---|
| Total Area | 6,80,244 | 9,82,514 | 6,87,373 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

**As per the lease deed and the Client inputs the leasable area of Block I is 7,04,798 sft with main building area of 3,39,095 sft, canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom admeasuring 65,237 sft and external area, open area and staircase of 3,00,466 sft. Of this, main building area along with canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom is considered as chargeable area.*

The Subject Asset is located in close proximity to Palladam – Cochin Frontier (SH-163), which connects Tirupur to Pollachi. The Subject Asset is located at a distance of approx. 26-27 kms from Coimbatore International Airport, approx. 28-29 kms from Coimbatore Railway Station, approx. 40-41 kms from Coimbatore New Bus Stand.

Statement of Assets (sft):

Based on review of rent roll, lease deeds and area statement provided by the Client, the Subject Asset has an operational warehousing facility with approx. 6,87,373 sft with 100% occupancy.

| Blocks | Built-up Area (in sft) | Leasable Area (in sft) | Chargeable Area (in sft) | Structure Type |
|---|---|---|---|---|
| Coimbatore Park - Block I | 4,04,335 | 6,99,473 | 4,04,332 | PEB Structure + RCC Structure |
| Coimbatore Park - Block I (Mezzanine) | | 5,582 | 5,582 | PEB Structure |
| Coimbatore Park - Block II | 2,75,909 | 2,53,724 | 2,53,724 | PEB Structure |
| Coimbatore Park - Block II (open space) | | 1,550 | 1,550 | NA |
| Coimbatore Park - Block II (Mezzanine) | | 22,185 | 22,185 | PEB Structure |
| Total Area | 6,80,244 | 9,82,514 | 6,87,373 | |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

**As per the lease deed and the Client inputs the leasable area of Block I is 7,04,798 sft with main building area of 3,39,095 sft, canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom admeasuring 65,237 sft and external area, open area and staircase of 3,00,466 sft. Of this, main building area along with canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom is considered as chargeable area*

Summary of the above table is as follows:

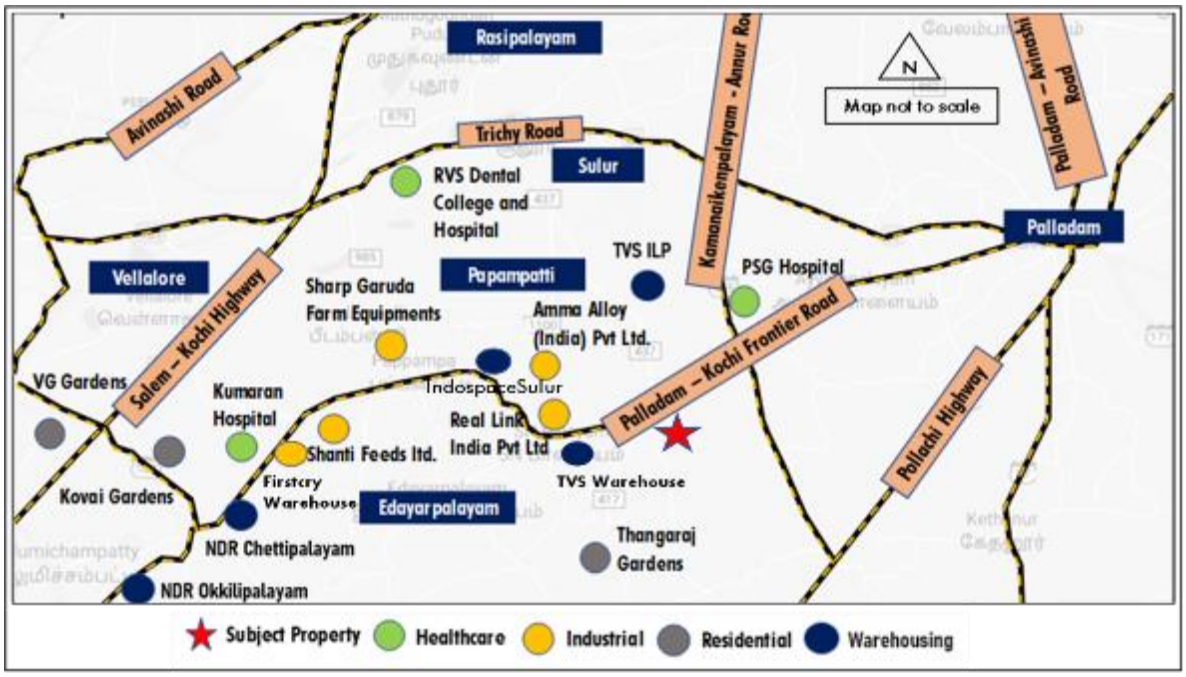
| Block | Total Area (sft)* | Operational Area (sft)* | Under Construction Area (sft)* |
|---|---|---|---|
| Coimbatore Park - Block I | 6,99,473 | 4,04,332 | NA |
| Coimbatore Park - Block I (Mezzanine) | 5,582 | 5,582 | NA |
| Coimbatore Park - Block II | 2,53,724 | 2,53,724 | NA |
| Coimbatore Park - Block II (open space) | 1,550 | 1,550 | NA |
| Coimbatore Park - Block II (Mezzanine) | 22,185 | 22,185 | NA |

| | | |
|---|---|---|
| Total Area | 9,82,514 | 6,87,373 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) *Area mentioned is chargeable area.*

Location Map

**Location Map for the Subject Asset**




*Source: Industry Assessment Report*

Tenancies

As at the valuation date the Subject Asset is fully let to 2 tenants at a total current annual rent of 209.02 Mn (excluding open area rentals) and with a Weighted average lease expiry (WALE) of 4.47 years. The main tenant is a manufacturing company, with 59% of the completed leasable area and accounting for approx. 73% of the current rent.

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent^ | INR/ sf/ mth | 22.4 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 20.3 |
| Marginal rent - Weighted Average* | INR/ sf/ mth | 23.2 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | N.A. |
| Proposed asset completion timelines (Under Construction Blocks) | Quarter, Year | N.A. |
| Refurbishment Capex | INR Mn | - |

| | | |
|---|---|---|
| Other Financial Assumptions | | |
| Exit Cap rate – warehouse component | % | 7.75% |
| Discount rate (for completed blocks) | % | 11.58% |
| Discount rate (for under construction blocks) | % | N.A. |
| Exit Cap rate - Under Construction warehouse component | % | N.A. |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 189.0 |
| Stabilized NOI[1] | INR Mn | 187.8 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report ^weighted average in-place rentals adjusted as per contracted rentals for mezzanine and open space rentals; *weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

| | |
|---|---|
| Stake Proposed to be held in Asset SPV by TVS Infrastructure : | 100% |
| Date of Inspection: | Feb 09, 2024 |
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

| | |
|---|---|
| Current Government Approved Rates (as per documents published by State Government): | INR 23.71 Mn (INR 0.90 Mn per acre) |

Market Value as of September 30, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Coimbatore Park | Operational | 2,955.4 |
| Total Value of the asset | | 2,955.4 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |
| Assumptions, Disclaimers, Limitations & Qualifications | *This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*<br><br>*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*<br><br>*Please note that is an executive summary and it is advisable that the report should be the valuation* |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Notice | This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation. |

Valuer Declaration:

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of an operational Warehousing asset located at Palladam to Cochin Frontier Road, Coimbatore District, Tamil Nadu – 641 402.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 26.46 acres with a total leasable area admeasuring approx. 9,82,514 sft and a chargeable area admeasuring approx. 6,87,373 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Coimbatore Park | Marudhamalai Industrial & Logistics Parks Private Limited | Warehouse | Coimbatore | 26.46 acres | 2 |

*Source: Client Inputs*

For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of Valuer where such consent to be given at the absolute, exclusive discretion of Valuer, which shall not be unreasonably withheld. Where they are to be used with the Valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by Valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without Valuer's prior written consent.

The Valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The Valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the Management has disclosed to the Valuer all information which may affect the Services. All opinions expressed by the Valuer, or its employees are subject to any conditions contained in the Valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture,

New Delhi in 1997 and master's in Client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Sulur micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Coimbatore Park | Marudhamalai Industrial & Logistics Parks Private Limited | Coimbatore | Sulur |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park

Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party

whom the TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- the valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the Subject Asset. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br><br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br><br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the Valuers assume no responsibility in connection with such matters.<br><br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the Client, the Valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Asset may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |

| | |
|---|---|
| Town Planning: | The current zoning of the Subject Asset has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Asset adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise.<br><br>The land area as per sale deed is 26.47 acres and the land area as per the sanctioned layout plan/approved plans is 26.45 acres. We have considered the land area as per the building approval plans for the purpose of this valuation. |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation. |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Asset is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate. |

| | |
|---|---|
| | We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br>As per the details provided by the Client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, Leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements. |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

# 3 Coimbatore – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Coimbatore

Coimbatore has approx. 5.09 mn sft of operational warehouse supply out of which approx. 4.44 mn sft is occupied. The Southern vector constitutes about 86% of the Completed supply. Industrial and Warehousing market of Coimbatore is primarily driven by the demand arising from Third party logistics, E-Commerce, Industrial Manufacturers, FMCG etc. The city predominantly houses Grade B developments of ~ 39% and about ~ 38% of Grade A and 23 % Grade C developments respectively.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 5.09 msf |
| Cumulative occupied stock (Q4 2024) | Approx. 4.44 msf |
| Current vacancy (Q3 2024) | Approx. 12.77 % |
| Future supply (2024 – 2025) | Planned supply: 0.4 to 0.5 Mn Sft |

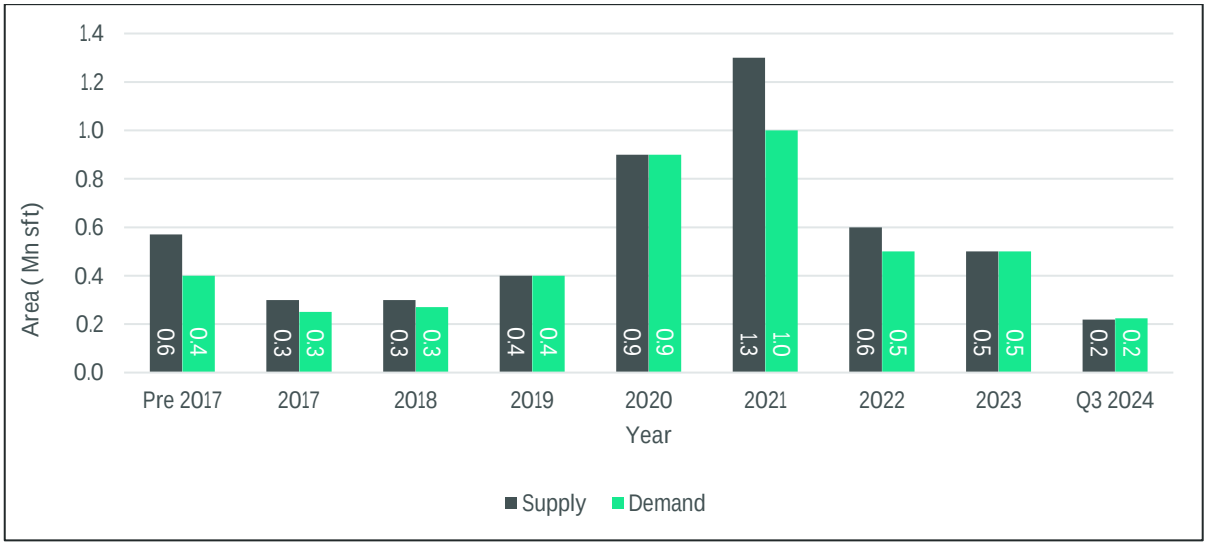
*Source: Industry Assessment Report dated September 30, 2024*

Warehousing activity in Coimbatore is primarily spread across the three major clusters i.e. Northern Cluster (Sathy road, National Highway 181 and National Highway 198); Eastern part (Avinashi Road Southern Cluster (Kochi Frontier road, Palakkad road and Salem Highway) and Southern Cluster (Palladam-Cochin Frontier Road)

## 3.3 Coimbatore - Completed Supply and Absorption Dynamics

Coimbatore has approx. 5.09 mn sft of operational warehouse supply out of which approx. 4.44 mn sft is occupied. The Southern vector constitutes about 86% of the Completed supply. Industrial and Warehousing market of Coimbatore is primarily driven by the demand arising from Third party logistics, E-Commerce, Industrial Manufacturers, FMCG etc. The city predominantly houses Grade B developments of ~ 39% and about ~ 38% of Grade A and 23 % Grade C developments respectively.

Demand – Supply Dynamics of City: Coimbatore




*Source: Industry Assessment Report*

Northern Cluster:

Northern Cluster Warehouses in this stretch are majorly concentrated on the Periya Pudur Region. The warehousing demand is steadily rising along this vector with co-relation to the established industries being converted to warehousing establishments.

Eastern Cluster:

Second most prominent Warehousing cluster in Coimbatore. Most of the Grade C warehouses are concentrated along this Vector.

Southern Cluster:

This cluster is the major warehousing cluster of Coimbatore and hosts all Grade A developments in the city. All Major Warehousing players are located along this vector (TVS, Indospace, NDR, VSMC)

The Southern Cluster is home to the majority of warehouses, accounting for approximately 86% of the completed supply in Coimbatore. These micromarkets predominantly serve the needs of third-party logistics, FMCG, e-commerce, and manufacturing companies.

A global pandemic scenario that resulted in construction delays and a postponement of the utilisation of pre-committed warehouse space on the market in 2020 caused a slight decrease in supply and demand, which demand in 2021 made up for. Due to spillover demand from 2020, which had an impact on the automotive and 3PL tenant industries as well as COVID-19, 2021 saw the greatest influx of supply and absorption.

The average annual absorption across all grades of warehouses has been between 0.4 and 0.5 million square feet, indicating a consistent demand over the past three years (2021–2023). The strategic location of Coimbatore as a

significant industrial hub in South India with easy access to important transportation routes is what drives this consistent demand.

SNAPSHOT OF SOUTHERN VECTOR

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Coimbatore | Upcoming Supply |
|---|---|---|---|---|---|
| 4.39 Mn sft | 7- 8% | 1.93 Mn sft | 4- 5% | 100% | 0.4 – 0.5 Mn sft |

Source: CBRE Research ; Updated as of Q3 2024

The Southern Cluster Micro Market comprises of locations along the Palladam-Cochin Frontier Road such as Pappampatti, Chettipalayam, Kallapalayam, Okkilipalayam and Pachapalayam. This cluster is the most prominent warehousing cluster of Coimbatore and hosts all Grade A developments in the city – Indospace and TVS. The cluster comprises of approximately 86% of the completed supply in the Coimbatore City. Out of the completed supply in Southern cluster approximately 44% of the supply is Grade A. Majority of the Warehousing demand is driven by FMCG, FMCD and 3PL tenants. Further, details of micro markets are elaborated in the following paragraphs.

The Palladam-Kochi Frontier Road holds major warehousing developments for clusters such as Indospace, TVS, NDR, VSMC, etc. Currently, there is only a vacancy in grade C warehouses, and grade A and B warehouses are completely occupied. The presence of developable land banks, as well as its proximity to manufacturing clusters and the Kochi industrial market, are the major demand drivers for this cluster. The strategic location of the Palladam-Kochi Frontier Road also makes it an attractive option for companies looking to establish distribution centres in South India, specifically in Kerala. The availability of skilled labour in the surrounding areas further enhances the appeal of this location for companies looking to set up operations. Additionally, the well-connected road network and access to major ports make it an ideal choice for businesses seeking efficient logistics solutions

#### 3.3.1.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| NDR Factor Warehouse | 2020-22 | 7,10,000 | 21 – 22 |
| VSMC Logistics Park | 2019 | 1,10,000 | 16 – 17 |
| Indospace SKLL | 2019-22 | 3,55,000 | 21 – 22 |
| NDR Warehouse | 2017-19 | 5,65,000 | 21 – 22 |

*Source: Industry Assessment Report*

### 3.3.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q2, 2023 | 90,000 | Pidilite | VSMC | 18 | Base Rental |
| Q2, 2023 | 1,00,000 | Walkkaro | Independent Warehouse | 16 | Base Rental |
| 2023 | 50,000 | Vasanth & Co. | NDR | 19 | Base Rental |
| Q4, 2023 | 1,00,000 | UPVC prominence windows | Independent Warehouse | 15 | Base Rental |
| Q1, 2024 | 30,000 | Page (Jockey) | Indospace | 21 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 18-21/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, volume of space uptake, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, specialised infrastructure, etc.

## 3.4 Market Outlook

Based on the market research, we understand that the subject micromarket is perceived as a favourable destination for various industry players owing to the excellent connectivity (via Palladam – Cochin Frontier), attractive rentals, availability of developable land parcels etc. Sulur has many small and large-scale industries which has enabled it to develop as an industrial ecosystem. Further, owing to the growth of E-Commerce sector and its continuous demand, the requirement for Grade A warehouse spaces have been increasing consistently which is seen via the highest absorption levels in Grade A parks in the market.

Major infrastructure initiatives such as the upcoming Kochi-Coimbatore-Bengaluru Industrial Corridor, which is expected to come by 2026, six lane corridor from Karur to Coimbatore which is expected to be operational by 2028, Airport expansion programme is expected to amplify the warehousing demand due to better connectivity and efficient transportation within production and distribution zones of Coimbatore.

Thus, the subject micro-market is expected to experience sustained demand and supply in the coming years.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location (Palladam Kochi Frontier Road), specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 18 - 21 / sft / month as on date of valuation.

# 4 Subject Asset – TVS - Coimbatore

## 4.1 Asset Description

The subject development christened 'Coimbatore Park' is an operational warehousing facility with total leasable area of 6,87,373 sft located at Survey No: 381/2B, 3B, 3A1, 3A2, 382/1B, 1C, 1D, 2B2, 383/2A1 of Appanaikenpatty Village & Survey No: 386/2A, 2B1, 387/1A, 1B, 1C, 1D, 1E, 1F, 2, 390/1C, 2, 391/1A of Selakarichal Village along Palladam – Cochin Frontier Road, Coimbatore District, Tamil Nadu – 641 402. The Subject Asset is currently accessible via Palladam – Cochin Frontier (SH – 163).

Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located at Palladam – Cochin Frontier Road, Appanaikenpatty & Selakarichal Village, Coimbatore District, Tamil Nadu. The Subject Asset is spread across a land area of approx. 26.46 acres with a cumulative leasable area of approx. 9,82.514 sft and a cumulative chargeable area of approx. 6,87,373 sft comprising of two completed blocks (Block – I and Block – II).

Further, it was observed that the land parcel is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset enjoys good frontage along the primary access road. The primary access road abuts the Subject Asset in its northern side.

The Subject Asset is located in an internal road emanating from Palladam – Cochin Frontier (SH-113) which connects Tirupur town in north and Pollachi town in south. The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard (500 KVA and 1,250 KVA respectively), Sewage Treatment Plant – STP (50KLD for Block I and 30KLD for Block II), Storm water network (Hume pipe with RCC Chamber), Water treatment plant (75KLD in Block I), Fire Fighting Systems of NFPA/NBC standards with a 0.5mm thick bare Galvalume standing seam roof system and capability of taking solar panel load. The buildings are equipped to take a maximum power load of 1,000 KVA for Block I and 300 KVA for Block II.

The park offers a range of amenities such as domestic water supply, electric supply, fire protection, etc. The Subject Asset provides street lighting all around the park, and designated parking areas for trucks, cars and two wheelers. The park has been provided with landscaping while the asset is monitored completely with CCTV & security control to ensure safety. The prominent tenant in the Subject Asset includes a manufacturing company and an e-commerce company.

As at the valuation date the Subject Asset is fully let to 2 tenants at a total current annual rent of 209.02 Mn (excluding open area rentals) and with a Weighted average lease expiry (WALE) of 4.47 years. The main tenant is the manufacturing company, with 59% of the completed leasable area and accounting for approx. 73% of the current rent.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Coimbatore Park |
| Address | Appanaikenpatty & Selakarichal Village, Coimbatore District, Tamil Nadu – 641 402 |
| Land Area | Based on the review of the sale deed, it is understood that the Subject Asset spread across a land area of approx. 26.46 acres |
| Leasable Area | 9,82,514 sft* |
| Chargeable Area | 6,87,373 sft |
| Built-up Area | 6,80,244 sft |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

**As per the lease deed and the Client inputs the leasable area of Block I is 7,04,798 sft with main building area of 3,39,095 sft, canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom admeasuring 65,237 sft and external area, open area and staircase of 3,00,466 sft. Of this, main building area along with canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom is considered as chargeable area.*

### 4.1.1 Site Details

**Situation:** Subject Asset – 'Coimbatore Park' is an operational warehousing facility, located Palladam to Cochin Frontier Road, Coimbatore District, Tamil Nadu.

**Location:** The Subject Asset is located in an internal road which emanates from Palladam – Cochin Frontier (SH-113) which connects Tirupur town in north and Pollachi town in south. The Subject Asset is located in Appanaikenpatty & Selakarichal Village on the southern periphery of Coimbatore City.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Coimbatore International Airport | 26-27 |
| Coimbatore Railway Station | 28-29 |
| Coimbatore New Bus Stand | 40-41 |

*Source: Valuer's research*

**Catchment Analysis:** The primary catchment for the purpose of this valuation has been defined as Sulur and its adjoining micromarkets which are predominantly characterized by industrial/warehousing facility. Organised developments in Sulur, Selakaraichal Village, where the Subject Asset is located, and its neighbouring villages are in nascent stages. The subject micromarket has large tracts of vacant agricultural lands along with few industrial and warehouse developments with presence of unorganized residential activity. However, the micromarket has been gaining traction due to its easier connectivity to Kerala and Tamil Nadu thereby gaining interest from prominent players like Indospace Logistics Park and local developers

like VSMC Logistics Park. Other standalone developments include Amma Alloy (India) Pvt. Ltd, Garuda Farm Equipment Limited, Real Links India Private Limited, etc.

Surrounds:

The Subject Asset is surrounded as follows:

- North: Access Road
- South: Private Property
- East: Private Property
- West: Private Property

Potential changes in surroundings:

The subject micromarket is currently characterized by the presence of large tracts of vacant land parcels, a few captive industrial developments and unorganised residential plotted layouts. However, in recent times, the micromarket has been witnessing significant infrastructure initiatives which has been driving the industrial demand in the subject location viz., the commissioning of the six-lane green field road project connecting Coimbatore to Karur. The six lane Karur-Coimbatore bypass, with service roads, will include an outer ring road for Coimbatore. It will connect Madukkarai, Sulur, Karumathampatti, Annur and Perianaikenpalayam. The total length of the highway is assessed to be approx. 182.5 km and is currently underway. On completion, the project will act as a primary transportation corridor for the micromarket and is expected to significantly enhance the connectivity/ accessibility of the subject micromarket.

The availability of land and improved infrastructure initiative is likely to enhance organized connectivity thereby attracting manufacturers and developers which will drive the demand in the subject micromarket over medium to long term.

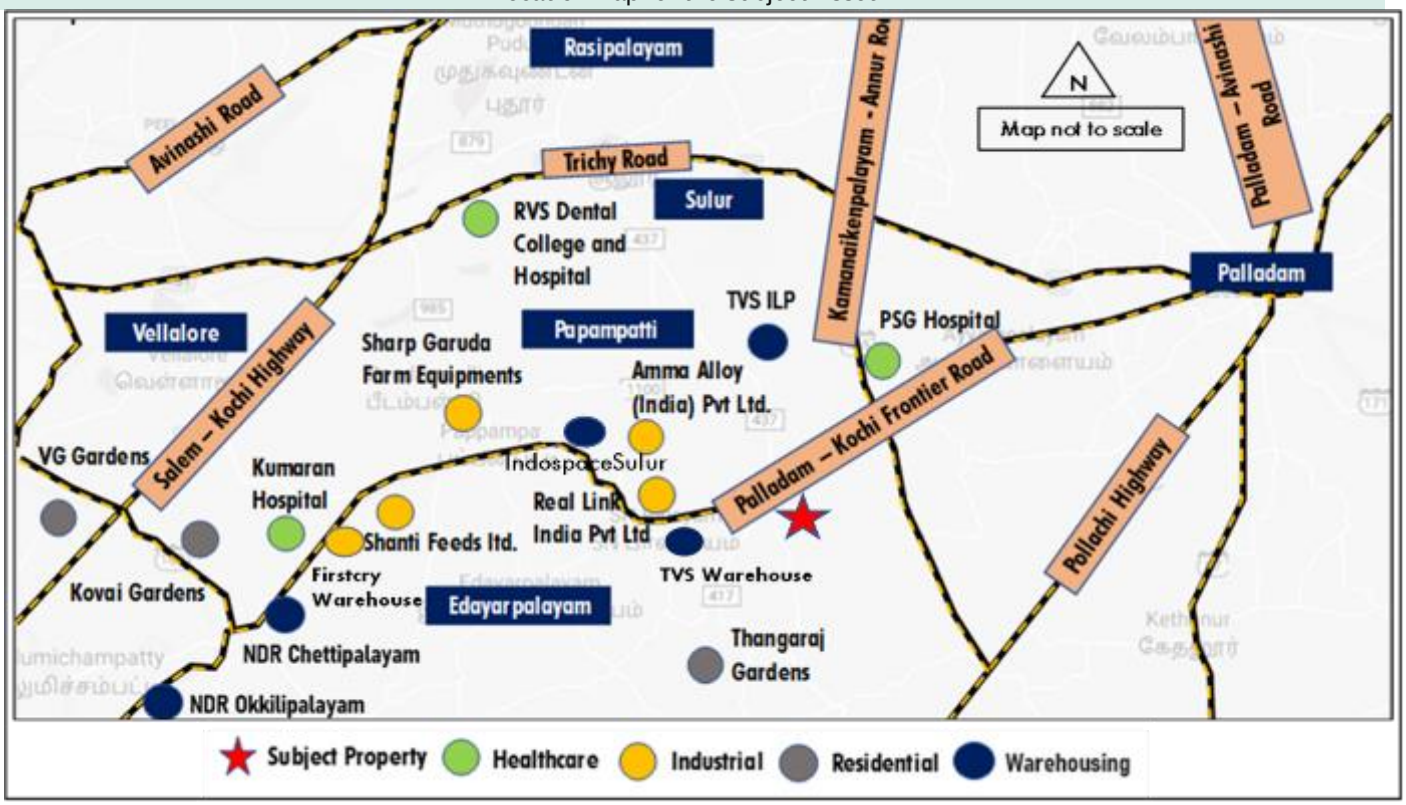
Suitability of existing use:

As per information received from the Client and the site visit undertaken, we understand that the Subject Asset is an operational warehousing facility. The current use of the property i.e. 'Industrial & Logistic Park' is as per the usage permitted by the development authority. We have not verified the same from the Director of Town and Country Planning Authority or inspected any documentary evidence to the same.

Also considering the nature of subject development coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development.

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




*Source: Valuers' research*

Shape: Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape.

Topography: Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining Assets.

Frontage: Based on review of site plan and visual inspection, we understand that the subject land enjoys a good frontage along the access road.

Accessibility: Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via Palladam – Cochin Frontier (SH-163). By virtue of the same the asset enjoys excellent accessibility and frontage.

Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset.

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the Client, we understand that the exact address of the Subject Asset is at Survey No: 381/2B, 3B, 3A1, 3A2, 382/1B, 1C, 1D, 2B2, 383/2A1 of Appanaikenpatty Village & Survey No: 386/2A, 2B1, 387/1A, 1B, 1C, 1D, 1E, 1F, 2, 390/1C, 2, 391/1A of Selakarichal Village along Palladam – Cochin Frontier Road, Coimbatore District, Tamil Nadu – 641 402. Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the inputs shared by the Client, we understand that the Subject Asset is zoned for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local panchayat or Director of Town and Country Planning authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is an operational warehousing development. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the Client, there are no other restrictions or constraints on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Appanaikenpatty Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in high-lying area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster. |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities. |

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received

As per the review of documents provided by the Client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC | Received | Fire and rescue Department | 11-02-2020 |
| Ground Water Abstraction NOC | Received | Water Resource Department, Government of Tamilnadu | 24-10-2020 |
| Land Use – Agriculture NOC | Received | Agriculture Department, Government of Tamilnadu | 04-05-2020 |
| Electricity Installation | Received | Electrical Inspectorate, Government of Tamilnadu | 07-05-2021 |
| Building License | Received | Local Panchayat, Coimbatore | 11-02-2021 |
| Building Permit/Planning Approval | Received | Director of Town and Country Planning | 04-11-2020 |
| Consent for Establishment – Air & Water | Received | Tamilnadu Pollution Control Board, Coimbatore | 29-04-2022 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the Client, we understand that there are no overdue periodic clearances. Please refer section 7.3 for any further details

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Total Area (sft) | Operational Area (sft)* | Under-Construction Area (sft) | Year of Completion |
|---|---|---|---|---|
| Coimbatore Park - Block I | 6,99,473 | 4,04,332 | - | Q1 2021 |
| Coimbatore Park - Block I (Mezzanine) | 5,582 | 5,582 | - | Q1 2024 |
| Coimbatore Park - Block II | 2,53,724 | 2,53,724 | - | Q4 2020 |
| Coimbatore Park - Block II (open space) | 1,550 | 1,550 | - | Q4 2020 |
| Coimbatore Park - Block II (Mezzanine) | 22,185 | 22,185 | - | Q4 2020 |
| Total Area | 9,82,514 | 6,87,373 | - | |

*Source: Client Inputs*Area mentioned is chargeable area.*

The table below highlights the area details of the Subject Asset:

| Block | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|
| Coimbatore Park - Block I | 6,99,473 | 4,04,332 |
| Coimbatore Park - Block I (Mezzanine) | 5,582 | 5,582 |
| Coimbatore Park - Block II | 2,53,724 | 2,53,724 |
| Coimbatore Park - Block II (open space) | 1,550 | 1,550 |
| Coimbatore Park - Block II (Mezzanine) | 22,185 | 22,185 |
| Total Area | 9,82,514 | 6,87,373 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

**As per the lease deed and the Client inputs the leasable area of Block I is 7,04,798 sft with main building area of 3,39,095 sft, canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom admeasuring 65,237 sft and external area, open area and staircase of 3,00,466 sft. Of this, main building area along with canopy area, Toilets, Heavy Office, Security room, medical room, relax room, Creche room, substation, DG and scrap yard, compression room, driver restroom and pumproom is considered as chargeable area.*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks |
|---|---|
| Handover condition | Warm Shell |
| Type of Structure | PEB + RCC Structure |
| Firefighting services | Provided. Fire NOC Available |
| Lift provision | No Lifts |
| Floor Finish | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

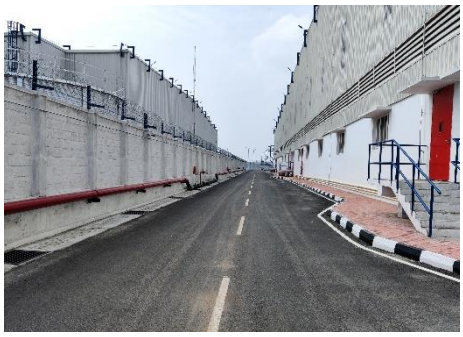
Based on information provided by the Client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is well maintained. The table below highlights the major repairs and maintenance work/ infrastructure upgrade works to be undertaken over the next few quarters:

| Expense Head | Total Cost (INR Mn) |
|---|---|
| Refurbishment capex | NA |

*Source: Valuer Estimate and Information provided by the Client*

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

| Coimbatore Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |
|  | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the Subject Asset |

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement (the "Private Placement") of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Asset forming part of the portfolio.

## 5.2 Basis of Valuation

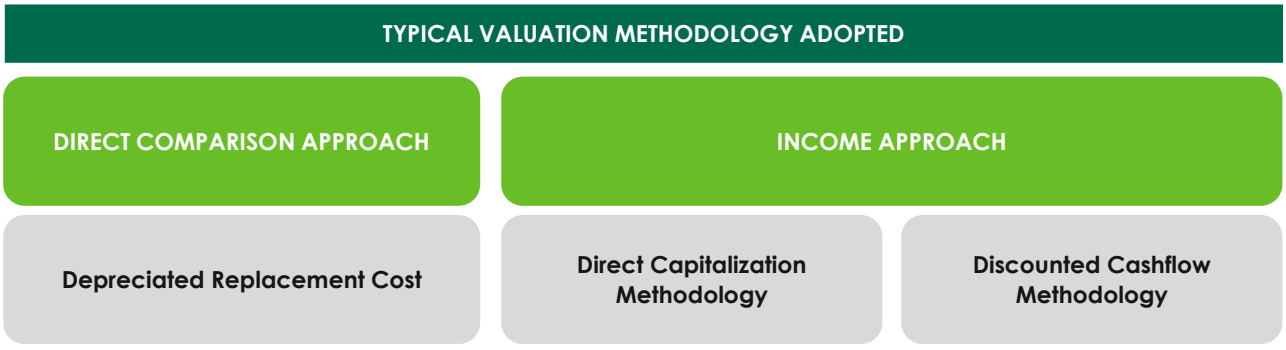
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which a** asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Asset. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are asseted with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the Private Placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.

2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.
3. The Valuer has undertaken physical site inspections to assess the status of the Subject Asset in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

The Palladam-Cochin Frontier Road, the city's primary warehousing corridor, currently accommodates approximately 86% of the total completed supply and is poised for further growth with additional Grade A and B developments. Major players such as Indospace, TVS, NDR, and VSMC have expansion plans, supported by the availability of extensive land banks along this stretch, which adds potential for further warehousing supply. The demand from 3PL, FMCG, and e-commerce sectors primarily fuels large-scale space offtakes from Grade A or B developments.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilitys. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that the leasable area is approx. 100% leased out as on date of valuation (completed blocks). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Services Offered | HVAC (Tonnage) | NA | Client |
| | Power Back-up | KVA | CEIG Safety Certificate |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Not Provided |
| | Cost Already Incurred – Under Construction Block | NA | Not Provided |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Client/Valuer Estimate |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Not Applicable |
| | Construction Completion | Quarter, Year | Not Applicable |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| Coimbatore Park | Discounted Cash Flow (Using rent reversion approach) | N.A. |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the Client, we understand that Subject Asset is an under-construction warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Total Area (sft)[2] | Operational Area (sft)* | Under-Construction Area (sft) |
|---|---|---|---|
| Coimbatore Park - Block I | 6,99,473 | 4,04,332 | - |
| Coimbatore Park - Block I (Mezzanine) | 5,582 | 5,582 | - |
| Coimbatore Park - Block II | 2,53,724 | 2,53,724 | - |
| Coimbatore Park - Block II (open space) | 1,550 | 1,550 | - |
| Coimbatore Park - Block II (Mezzanine) | 22,185 | 22,185 | - |
| Total Area | 9,82,514 | 6,87,373 | - |

*Source: Client Inputs *Area mentioned is chargeable area*

| Tenant | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Coimbatore Park | 6,87,373 | 100% | 22.4 | 15.4 |

*Source: Lease deeds*

[2] *As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Occupancy % |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | N.A. |

*Source: Lease deed and Client inputs;*

### 6.3.2 Lease Rent Analysis

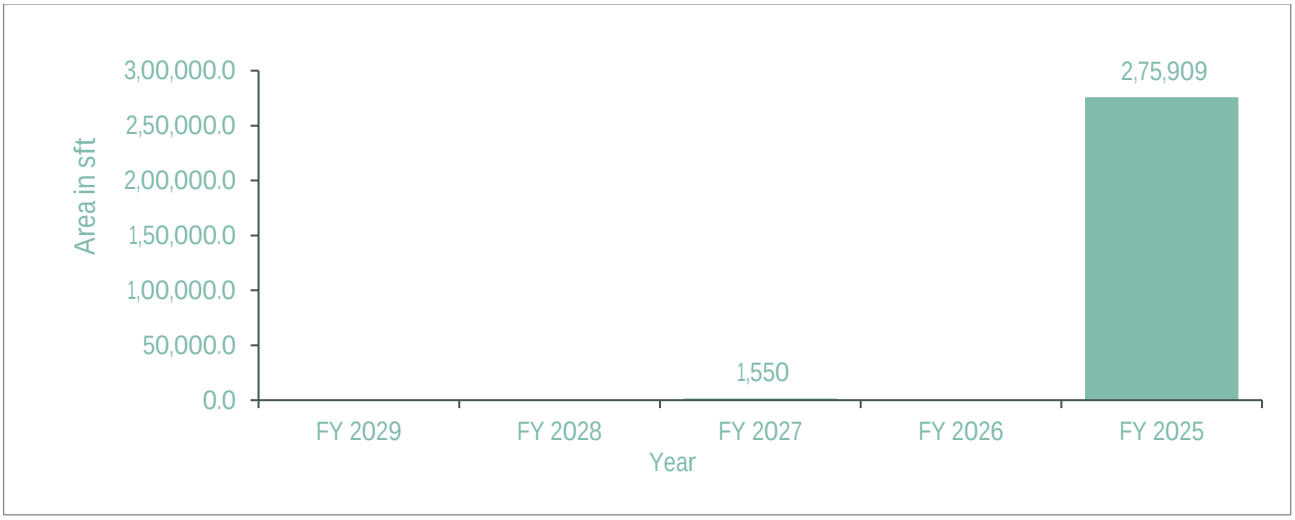
Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Manufacturing Company | Lease Commencement Date | 15th April 2021 |
| | Rent Commencement Date | 15th July 2021 |
| | Lock-in Period | 8 Years |
| | Lease Tenure/Remaining Tenure | 10/6.5 Years |
| | Lease Rent Escalation Terms | 3% every year |
| Manufacturing Company | Lease Commencement Date | 1st February 2024 |
| | Rent Commencement Date | 1st February 2024 |
| | Lock-in Period | 8 Years |
| | Lease Tenure/Remaining Tenure | 8/7.2 Years |
| | Lease Rent Escalation Terms | 3% every year |
| E-Commerce Company | Lease Commencement Date | 08th March 2021 |
| | Rent Commencement Date | 08th March 2021 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/1.4 Years |
| | Lease Rent Escalation Terms | 4% every year |
| E-Commerce Company | Lease Commencement Date | 01st May 2022 |
| | Rent Commencement Date | 01st May 2022 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/2.5 Years |
| | Lease Rent Escalation Terms | 4% every year |
| E-Commerce Company | Lease Commencement Date | 08th March 2021 |
| | Rent Commencement Date | 08th March 2021 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.3/1.4 Years |
| | Lease Rent Escalation Terms | 4% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 4.47 years, with 40% of occupied area expiring in FY 2026 as shown in the chart below.




*Source:* Valuer Workings; The expiry profile has been plotted only for the warehouse areas

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Chargeable Area (sft)* | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Coimbatore Park | 6,81,791 | 100% | 22.4^ | 15.4 |

*Source: Leased Deed and Information provided by the Client*Area considered is chargeable area ^In-place rental considered is inclusive of mezzanine and open area rentals.*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 19.3 – 21.3 per sf per month (say an average rental of INR 20.3 per sf per month of leasable area).

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner with Phase 1 (Block 2 - e-commerce company) completed and operationalised in Q4 2020 and Phase 2 (Block 1 – manufacturing company) completed and operationalised in Q1 2021.

#### 6.3.5.2 Under-Construction/ Proposed Blocks

N.A

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the Subject Asset have an occupancy of 100% as on date of valuation with an average WALE of 4.47 years. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the Client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area – Chargeable (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|---|
| Warehouse | 9,76,932 | 6,81,791 | 6,81,791 | Current Rent for Leased area | 22.4^ |
| | | | | Market rent for reversion/ vacant area | 23.2* |

*Source: Lease deed provided by the Client; Valuer's assessment ^In-place rental is inclusive of mezzanine and open area rentals; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

Please note basis the market research and transactions in the market for similar space, the market rental assumed for the Subject Asset is INR 20.25 per sft per month. However, *the* Weighted average market rent highlighted above includes differential rental adopted for the manufacturing company viz. in with par to its current rental of INR 26.07 per sft per month, space considering the historical evidence, nature of space/service offered to the tenant and details received from the Client.

The above market rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset.

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the Client, it is understood that an industrial open space area/ mezzanine area measuring approx. 22,185 sf of which 100% is leased out. The Mezzanine area will operate as ancillary/ (comment on the utility) providing convenience to the tenants in the Subject Asset as well as surrounding development.

The Valuers have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket and existing leases of Subject Asset. The same has been adopted for the vacant space (currently the asset is 100% leased) for the purpose of this valuation exercise. Given the above, we have assumed a market rent in the range of INR 8.0 to 10.0 psf pm (say INR 9.0 psf pm) as on date of valuation.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 23.2* | 24.4 | 25.6 | 5% escalation year on year |

*Source: Valuer's assessment; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1.0 | INR per sft per month |
| Other Income (For vacant area and Development component) | 3.2% | % of total revenue |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Not applicable. The Subject Asset is an operational asset.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the Client, we understand that there are no major repairs and improvement proposed in the said asset:

### 6.3.11 Operating Cost

An asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 1.32 Mn |
| Insurance* | INR 1.63 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the Client; ^Asset Management fees has been considered as below the NOI line item.*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Completed Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the Client and market benchmarks. The same is a pass through expense.

Based on on the subsequent information provided by the Client, we understand that the 100% of the CAM Income would be received by the Client entity/ InvIT entity and 100% of the CAM Expense would be borne by tenants/ SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.

- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Coimbatore Park | Marudhamalai Industrial & Logistics Parks Private Limited | Completed | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate assets such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for competed asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Palladam – Cochin frontier micromarkets which are in the range of 7.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

8

Under Construction/ Proposed Blocks

For under construction/ proposed blocks, the cost of debt has been considered based on prevalent Construction Finance (CF) rates for warehousing facilities parks across Coimbatore which are in the range of 10.0% – 12.0% depending upon the location, asset quality, developer reputation and credit profile, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed Coimbatore Park assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Coimbatore Park | Marudhamalai Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Coimbatore Park | Constructed | 2,955.4 |
| Total Value of the asset | | 2,955.4 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

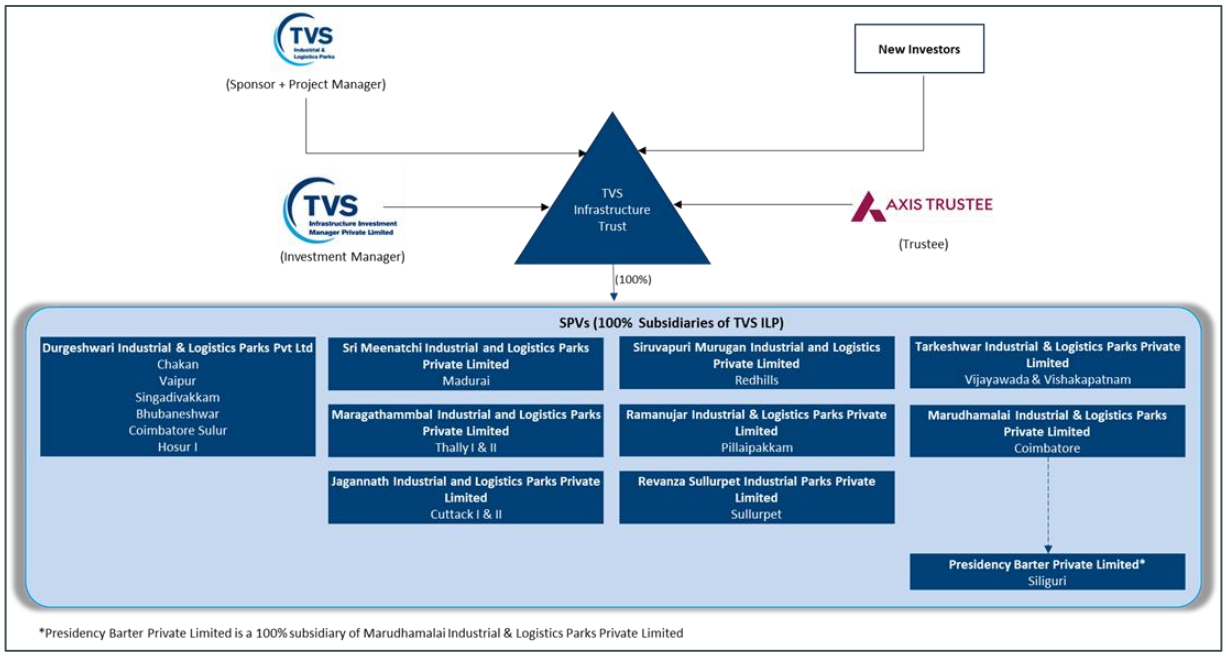
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

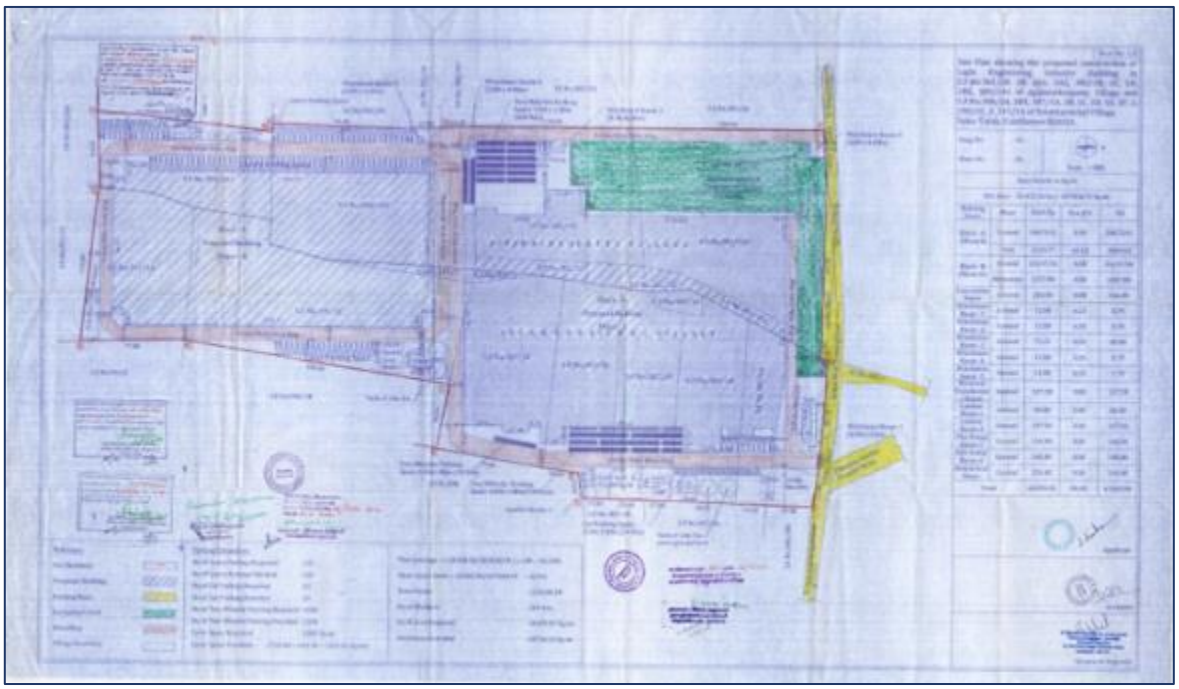
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building 1 is 26.6 years and Building 2 is 26.4 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

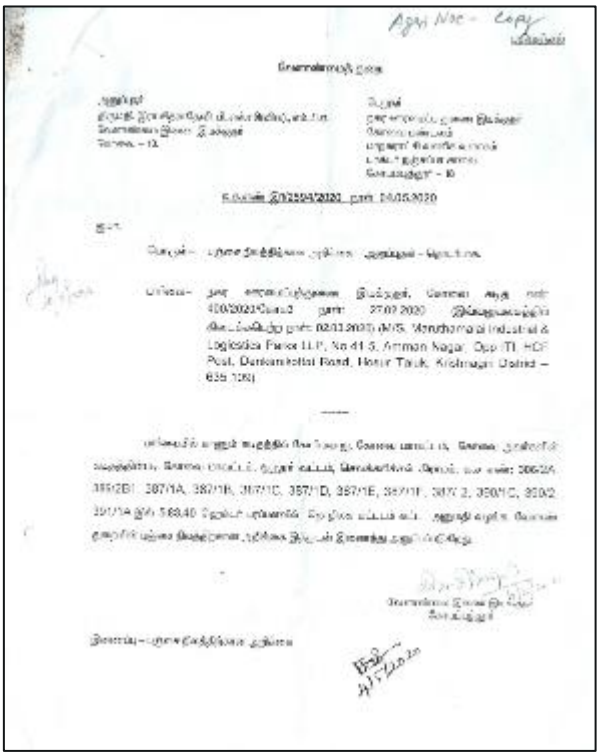
## 7.2 Site Plan

### 7.2.1 Coimbatore Park



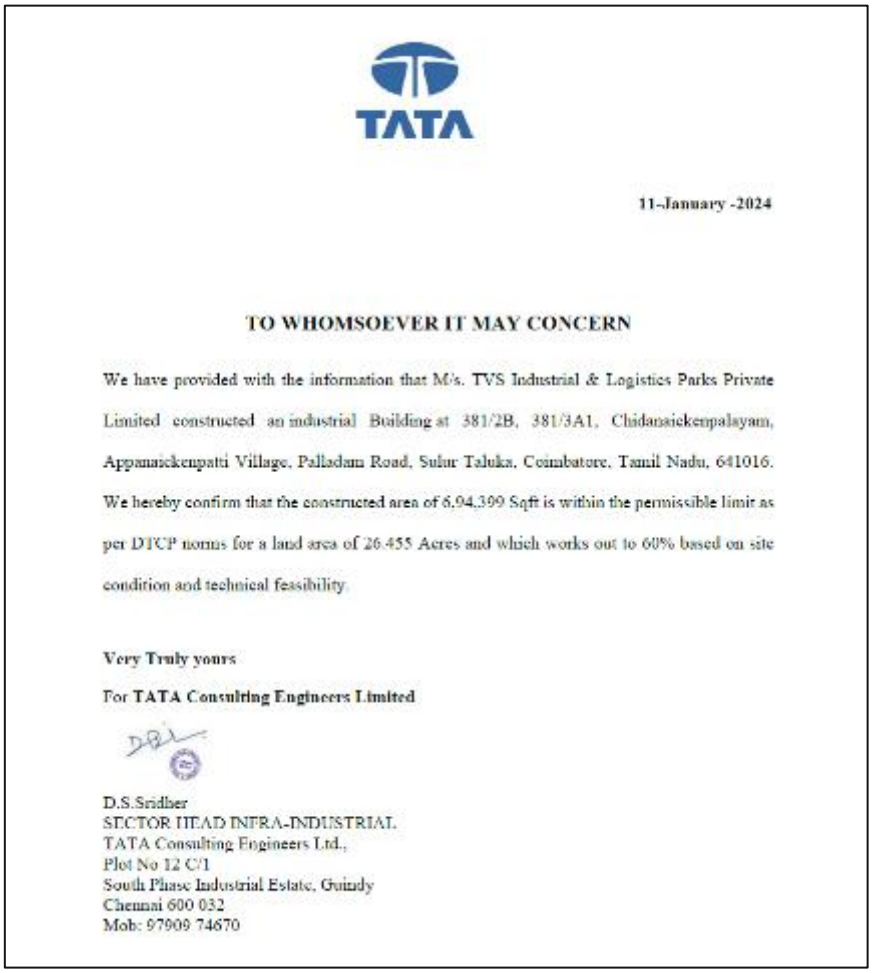
## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Agriculture NOC



*Source: Client Inputs*

## 7.3.2 Architect Certificate



11-January -2024

**TO WHOMSOEVER IT MAY CONCERN**

We have provided with the information that M/s. TVS Industrial & Logistics Parks Private Limited constructed an industrial Building at 381/2B, 381/3A1, Chidanaickenpalayam, Appanaickenpatti Village, Palladam Road, Sulur Taluka, Coimbatore, Tamil Nadu, 641016. We hereby confirm that the constructed area of 6,94,399 Sqft is within the permissible limit as per DTCP norms for a land area of 26.455 Acres and which works out to 60% based on site condition and technical feasibility.

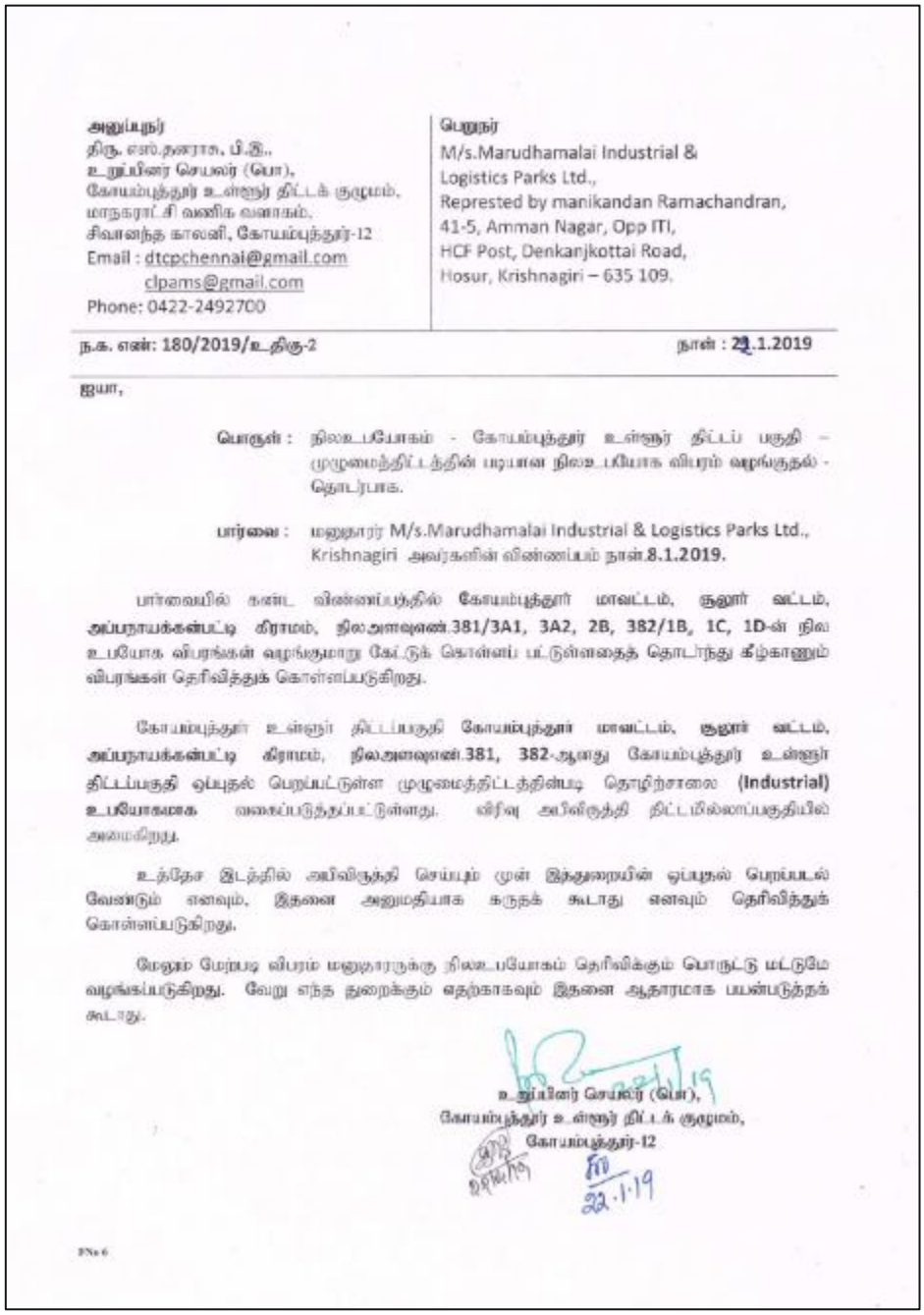
**Very Truly yours**

For **TATA Consulting Engineers Limited**

D.S.Sridher
SECTOR HEAD INFRA-INDUSTRIAL
TATA Consulting Engineers Ltd.,
Plot No 12 C/1
South Phase Industrial Estate, Guindy
Chennai 600 032
Mob: 97909 74670

*Source: Client Inputs*

## 7.3.3 Planning Permit



அனுப்புநர்
திரு. எஸ்.தனராசு, பி.இ.,
உறுப்பினர் செயலர் (பொ),
கோயம்புத்தூர் உள்ளூர் திட்டக் குழுமம்,
மாநகராட்சி வணிக வளாகம்,
சிவானந்த காலனி, கோயம்புத்தூர்-12
Email : dtcpchennai@gmail.com
clpams@gmail.com
Phone: 0422-2492700

பெறுநர்
M/s.Marudhamalai Industrial &
Logistics Parks Ltd.,
Represted by manikandan Ramachandran,
41-5, Amman Nagar, Opp ITI,
HCF Post, Denkanjkottai Road,
Hosur, Krishnagiri – 635 109.

ந.க. எண்: 180/2019/உதிகு-2 நாள் : 22.1.2019

ஐயா,

பொருள் : நிலஉபயோகம் - கோயம்புத்தூர் உள்ளூர் திட்டப் பகுதி – முழுமைத்திட்டத்தின் படியான நிலஉபயோக விபரம் வழங்குதல் - தொடர்பாக.

பார்வை : மனுதாரர் M/s.Marudhamalai Industrial & Logistics Parks Ltd., Krishnagiri அவர்களின் விண்ணப்பம் நாள்.8.1.2019.

பார்வையில் காண் விண்ணப்பத்தில் கோயம்புத்தூர் மாவட்டம், சூலூர் வட்டம், அப்பநாயக்கன்பட்டி கிராமம், நிலஅளவுஎண்.381/3A1, 3A2, 2B, 382/1B, 1C, 1D-ல் நில உபயோக விபரங்கள் வழங்குமாறு கேட்டுக் கொள்ளப் பட்டுள்ளதைத் தொடர்ந்து கீழ்காணும் விபரங்கள் தெரிவித்துக் கொள்ளப்படுகிறது.

கோயம்புத்தூர் உள்ளூர் திட்டப்பகுதி கோயம்புத்தூர் மாவட்டம், சூலூர் வட்டம், அப்பநாயக்கன்பட்டி கிராமம், நிலஅளவுஎண்.381, 382-ஆகிய கோயம்புத்தூர் உள்ளூர் திட்டப்பகுதி ஒப்புதல் பெறப்பட்டுள்ள முழுமைத்திட்டத்தின்படி தொழிற்சாலை (Industrial) உபயோகமாக வகைப்படுத்தப்பட்டுள்ளது. விரிவு அபிவிருத்தி திட்டமில்லாப்பகுதியில் அமைகிறது.

உத்தேச இடத்தில் அபிவிருத்தி செய்யும் முன் இத்துறையின் ஒப்புதல் பெறப்படல் வேண்டும் எனவும், இதனை அனுமதியாக கருதக் கூடாது எனவும் தெரிவித்துக் கொள்ளப்படுகிறது.

மேலும் மேற்படி விபரம் மனுதாரருக்கு நிலஉபயோகம் தெரிவிக்கும் பொருட்டு மட்டுமே வழங்கப்படுகிறது. வேறு எந்த துறைக்கும் எதற்காகவும் இதனை ஆதாரமாக பயன்படுத்தக் கூடாது.

உறுப்பினர் செயலர் (பொ),
கோயம்புத்தூர் உள்ளூர் திட்டக் குழுமம்,
கோயம்புத்தூர்-12

22.1.19

FNo 6

*Source: Client Inputs*

### 7.3.4 Consent to Operate – Air

Category of the Industry :

ORANGE

**CONSENT ORDER NO. 2001230916385 DATED: 16/03/2020.**

**PROCEEDINGS NO.F.3067CBS/OL/DEE/TNPCB/CBS/A/2020 DATED: 16/03/2020**

---

**SUB:** TNPC Board-Consent for Establishment-M/s. MARUDHAMALAI INDUSTRIAL AND LOGISTICS PARKS LLP , S.F. No. 381/2B, 381/3A1, 381/3A2, 381/3B, 382/1B, 382/1C, 382/1D, 382/2B2 of Appanaickenpatti Village and S. Nos. 386/2A, 386/2B1, 387/1A, 387/1B, 387/1C, 387/1D, 387/1E, 387/1F, 387/2, 390/1C, 390/2 & 391/1A of , SELAKKARICHEL village, Sulur Taluk and Coimbatore District - for the establishment or take steps to establish the industry under Section 21 of the Air(Prevention and control of Pollution)Act,1981, as amended in 1987(Central Act. 14 of 1981)-Issued -Reg.

**REF:** 1. Unit's CTE-new application No. 30916385 dated: 22/01/2020
2. IR No. F.3067CBS/OL/AEE/CBS/2020 dated 27/02/2020.
3. Minutes of the 85th ZLCCC meeting held on 13/03/2020.

Consent to establish or take steps to establish is hereby granted under Section 21 of the Air (Prevention and control of Pollution) Act,1981, as amended in 1987 and the Rules and Orders made there under to

Asst. General Manager,
M/s . MARUDHAMALAI INDUSTRIAL AND LOGISTICS PARKS LLP
S.F No.381/2B, 381/3A1, 381/3A2, 381/3B, 382/1B, 382/1C, 382/1D, 382/2B2 of Appanaickenpatti Village and S. Nos. 386/2A, 386/2B1, 387/1A, 387/1B, 387/1C, 387/1D, 387/1E, 387/1F, 387/2, 390/1C, 390/2 & 391/1A of ,
SELAKKARICHEL Village,
Sulur Taluk,
Coimbatore District.

Authorizing occupier to establish or take steps to establish the industry in the site mentioned below:

S.F No. 381/2B, 381/3A1, 381/3A2, 381/3B, 382/1B, 382/1C, 382/1D, 382/2B2 of Appanaickenpatti Village and S. Nos. 386/2A, 386/2B1, 387/1A, 387/1B, 387/1C, 387/1D, 387/1E, 387/1F, 387/2, 390/1C, 390/2 & 391/1A of ,
SELAKKARICHEL Village,
Sulur Taluk,
Coimbatore District.

This Consent to establish is valid upto **March 31, 2024**, or till the industry obtains consent to operate under Section 21 of the Air (Prevention and control of Pollution) Act, 1981, as amended in 1987 whichever is earlier subject to special and general conditions enclosed.

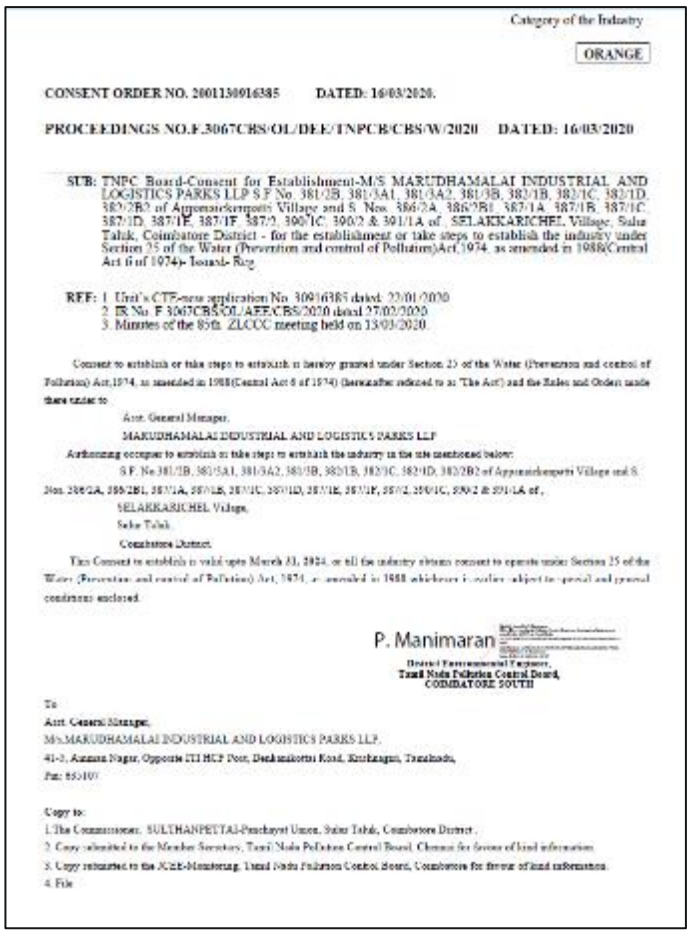
P. Manimaran

**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**COIMBATORE SOUTH**

To
Asst. General Manager,
M/s.MARUDHAMALAI INDUSTRIAL AND LOGISTICS PARKS LLP,
41-5, Amman Nagar, Opposite ITI HCF Post, Denkanikottai Road, Krishnagiri, Tamilnadu,
Pin: 635107

*Source: Client Input*

## 7.3.5 Consent to Operate - Water



Category of the Industry

ORANGE

**CONSENT ORDER NO. 2001130916385 DATED: 16/03/2020.**

**PROCEEDINGS NO.F.3067/CBS/OL/DEE/TNPCB/CBS/W/2020 DATED: 16/03/2020**

**SUB:** TNPC Board-Consent for Establishment-M/S MARUDHAMALAI INDUSTRIAL AND LOGISTICS PARKS LLP S.F No. 381/2B, 381/3A1, 381/3A2, 381/3B, 382/1B, 382/1C, 382/1D, 382/2B2 of Appanaickenpatti Village and S. Nos. 386/2A, 386/2B1, 387/1A, 387/1B, 387/1C, 387/1D, 387/1E, 387/1F, 387/2, 390/1C, 390/2 & 391/1A of SELAKKARICHEL Village, Sulur Taluk, Coimbatore District - for the establishment or take steps to establish the industry under Section 25 of the Water (Prevention and control of Pollution)Act,1974, as amended in 1988(Central Act 6 of 1974)- Issued- Reg.

**REF:** 1. Unit's CTE-new application No. 309/16385 dated: 22/01/2020
2. IR No. F.3067/CBS/OL/AEE/CBS/2020 dated 27/02/2020
3. Minutes of the 85th. ZLCCC meeting held on 13/03/2020.

Consent to establish or take steps to establish is hereby granted under Section 25 of the Water (Prevention and control of Pollution) Act,1974, as amended in 1988(Central Act 6 of 1974) (hereinafter referred to as 'The Act') and the Rules and Orders made there under to

Asst. General Manager,
MARUDHAMALAI INDUSTRIAL AND LOGISTICS PARKS LLP

Authorising occupier to establish or take steps to establish the industry in the site mentioned below:

S.F. No.381/2B, 381/3A1, 381/3A2, 381/3B, 382/1B, 382/1C, 382/1D, 382/2B2 of Appanaickenpatti Village and S. Nos. 386/2A, 386/2B1, 387/1A, 387/1B, 387/1C, 387/1D, 387/1E, 387/1F, 387/2, 390/1C, 390/2 & 391/1A of,
SELAKKARICHEL Village,
Sulur Taluk,
Coimbatore District.

This Consent to establish is valid upto March 31, 2024, or till the industry obtains consent to operate under Section 25 of the Water (Prevention and control of Pollution) Act, 1974, as amended in 1988 whichever is earlier, subject to special and general conditions enclosed.

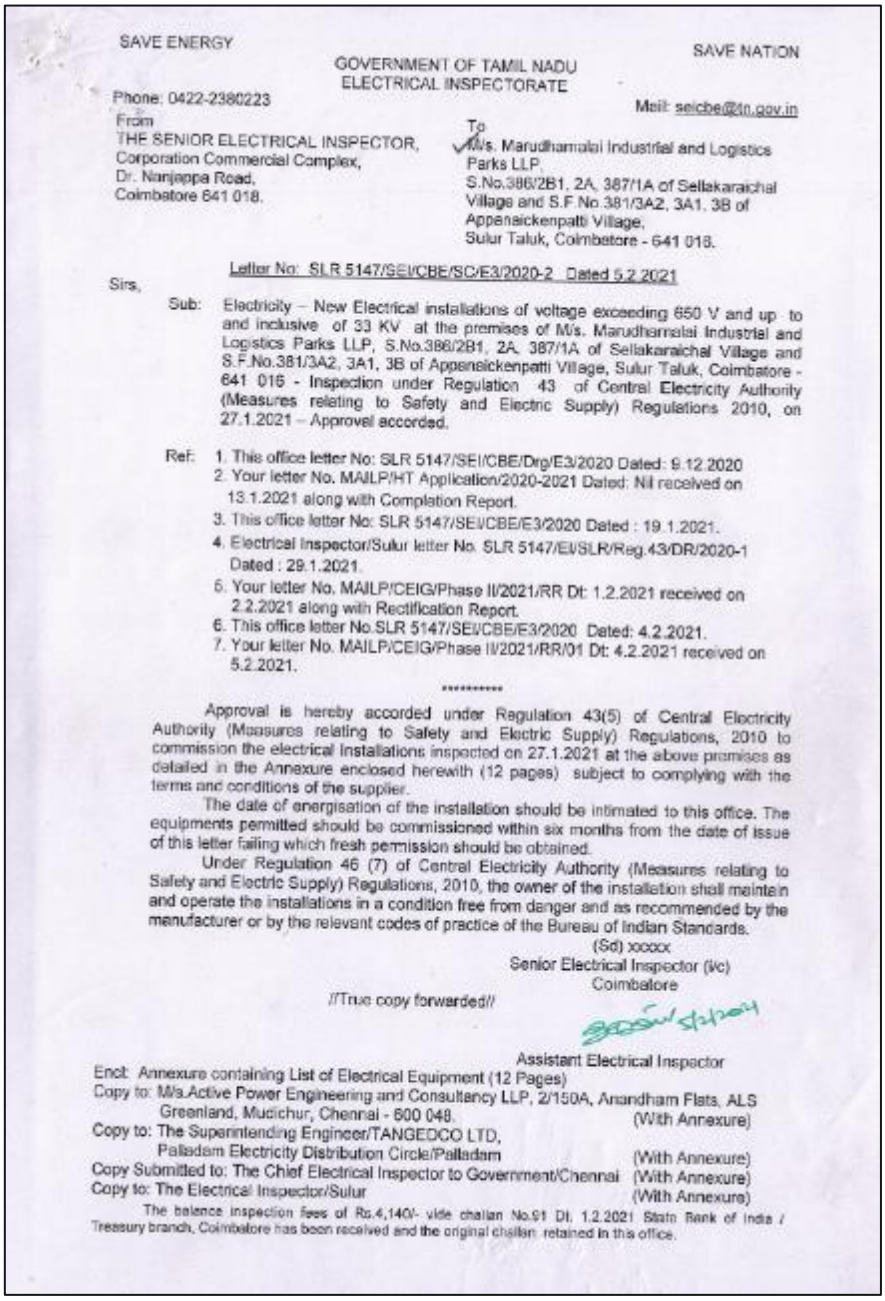
P. Manimaran
District Environmental Engineer,
Tamil Nadu Pollution Control Board,
COIMBATORE SOUTH

To
Asst. General Manager,
M/s.MARUDHAMALAI INDUSTRIAL AND LOGISTICS PARKS LLP,
41-3, Annam Nagar, Opposite ITI HCF Post, Dasbanthottu Road, Kizhangan, Tirunkodu,
Pin: 638107

Copy to:
1.The Commissioner, SULTHANPETTAI-Panchayat Union, Sulur Taluk, Coimbatore District.
2. Copy submitted to the Member Secretary, Tamil Nadu Pollution Control Board, Chennai for favour of kind information.
3. Copy submitted to the JCEE-Monitoring, Tamil Nadu Pollution Control Board, Coimbatore for favour of kind information.
4. File

*Source: Client Input*

## 7.3.6 CEIG – Electrical Installation Approvals



SAVE ENERGY

SAVE NATION

GOVERNMENT OF TAMIL NADU
ELECTRICAL INSPECTORATE

Phone: 0422-2380223

Mail: seicbe@tn.gov.in

From
THE SENIOR ELECTRICAL INSPECTOR,
Corporation Commercial Complex,
Dr. Nanjappa Road,
Coimbatore 641 018.

To
M/s. Marudhamalai Industrial and Logistics Parks LLP,
S.No.386/2B1, 2A, 387/1A of Sellakaraichal Village and S.F.No.381/3A2, 3A1, 3B of Appanaickenpatti Village,
Sulur Taluk, Coimbatore - 641 018.

Letter No: SLR 5147/SEI/CBE/SC/E3/2020-2 Dated 5.2.2021

Sirs,

Sub: Electricity – New Electrical installations of voltage exceeding 650 V and up to and inclusive of 33 KV at the premises of M/s. Marudhamalai Industrial and Logistics Parks LLP, S.No.386/2B1, 2A, 387/1A of Sellakaraichal Village and S.F.No.381/3A2, 3A1, 3B of Appanaickenpatti Village, Sulur Taluk, Coimbatore - 641 018 - Inspection under Regulation 43 of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations 2010, on 27.1.2021 – Approval accorded.

Ref: 1. This office letter No: SLR 5147/SEI/CBE/Drg/E3/2020 Dated: 9.12.2020
2. Your letter No. MAILP/HT Application/2020-2021 Dated: Nil received on 13.1.2021 along with Completion Report.
3. This office letter No: SLR 5147/SEI/CBE/E3/2020 Dated : 19.1.2021.
4. Electrical Inspector/Sulur letter No. SLR 5147/EI/SLR/Reg.43/DR/2020-1 Dated : 29.1.2021.
5. Your letter No. MAILP/CEIG/Phase II/2021/RR Dt: 1.2.2021 received on 2.2.2021 along with Rectification Report.
6. This office letter No.SLR 5147/SEI/CBE/E3/2020 Dated: 4.2.2021.
7. Your letter No. MAILP/CEIG/Phase II/2021/RR/01 Dt: 4.2.2021 received on 5.2.2021.

**********

Approval is hereby accorded under Regulation 43(5) of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 to commission the electrical installations inspected on 27.1.2021 at the above premises as detailed in the Annexure enclosed herewith (12 pages) subject to complying with the terms and conditions of the supplier.

The date of energisation of the installation should be intimated to this office. The equipments permitted should be commissioned within six months from the date of issue of this letter failing which fresh permission should be obtained.

Under Regulation 46 (7) of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010, the owner of the installation shall maintain and operate the installations in a condition free from danger and as recommended by the manufacturer or by the relevant codes of practice of the Bureau of Indian Standards.

(Sd) xxxxx
Senior Electrical Inspector (i/c)
Coimbatore

//True copy forwarded//

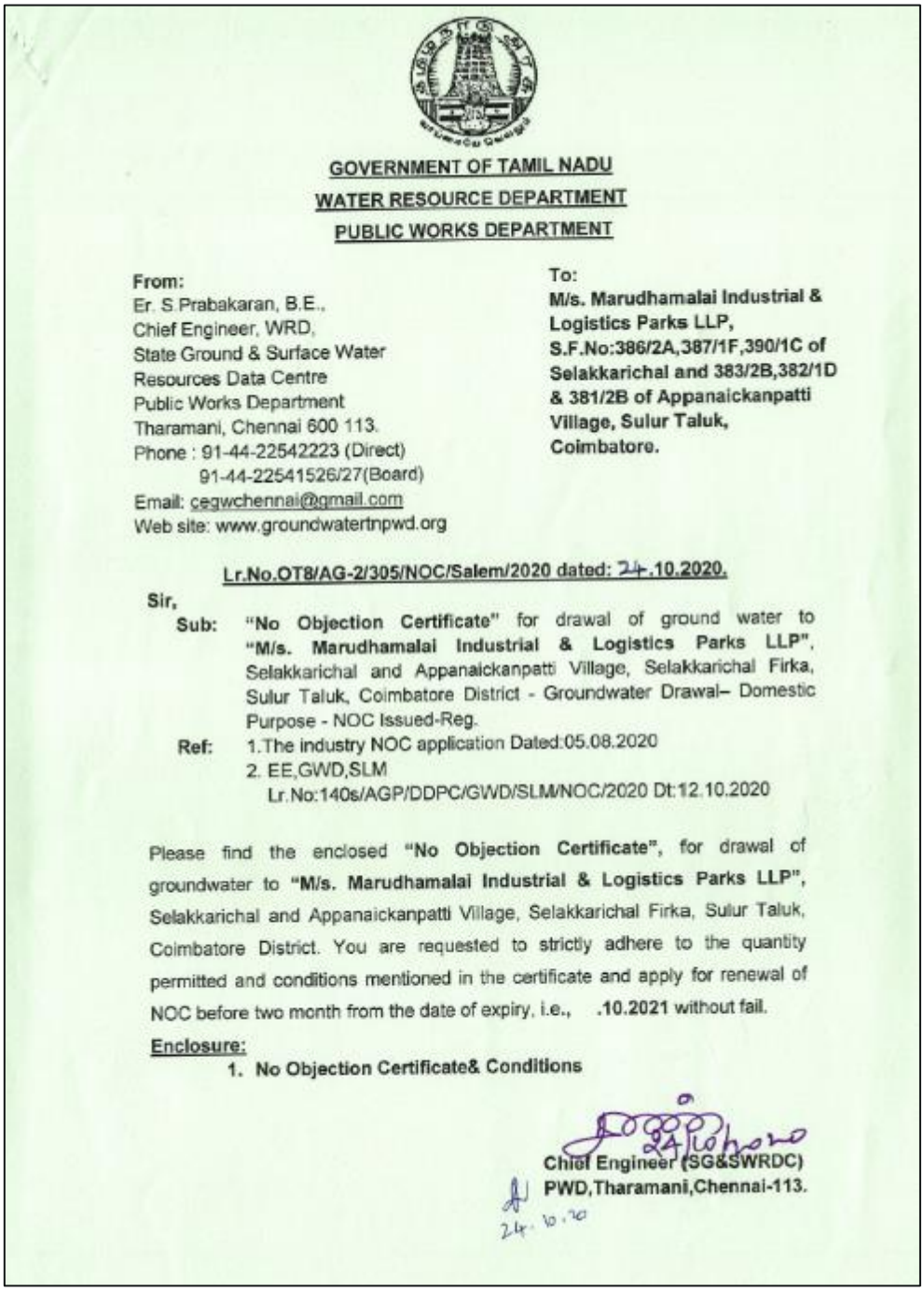
Assistant Electrical Inspector

Encl: Annexure containing List of Electrical Equipment (12 Pages)
Copy to: M/s.Active Power Engineering and Consultancy LLP, 2/150A, Anandham Flats, ALS Greenland, Mudichur, Chennai - 600 048. (With Annexure)
Copy to: The Superintending Engineer/TANGEDCO LTD, Palladam Electricity Distribution Circle/Palladam (With Annexure)
Copy Submitted to: The Chief Electrical Inspector to Government/Chennai (With Annexure)
Copy to: The Electrical Inspector/Sulur (With Annexure)

The balance inspection fees of Rs.4,140/- vide challan No.91 Dt. 1.2.2021 State Bank of India / Treasury branch, Coimbatore has been received and the original challan retained in this office.

*Source: Client Input*

## 7.3.7 Ground Water Abstraction NOC



GOVERNMENT OF TAMIL NADU
WATER RESOURCE DEPARTMENT
PUBLIC WORKS DEPARTMENT

From:
Er. S.Prabakaran, B.E.,
Chief Engineer, WRD,
State Ground & Surface Water
Resources Data Centre
Public Works Department
Tharamani, Chennai 600 113.
Phone : 91-44-22542223 (Direct)
91-44-22541526/27(Board)
Email: cegwchennai@gmail.com
Web site: www.groundwatertnpwd.org

To:
**M/s. Marudhamalai Industrial & Logistics Parks LLP, S.F.No:386/2A,387/1F,390/1C of Selakkarichal and 383/2B,382/1D & 381/2B of Appanaickanpatti Village, Sulur Taluk, Coimbatore.**

Lr.No.OT8/AG-2/305/NOC/Salem/2020 dated: 24.10.2020.

Sir,

Sub: **"No Objection Certificate"** for drawal of ground water to **"M/s. Marudhamalai Industrial & Logistics Parks LLP"**, Selakkarichal and Appanaickanpatti Village, Selakkarichal Firka, Sulur Taluk, Coimbatore District - Groundwater Drawal– Domestic Purpose - NOC Issued-Reg.

Ref: 1.The industry NOC application Dated:05.08.2020
2. EE,GWD,SLM
Lr.No:140s/AGP/DDPC/GWD/SLM/NOC/2020 Dt:12.10.2020

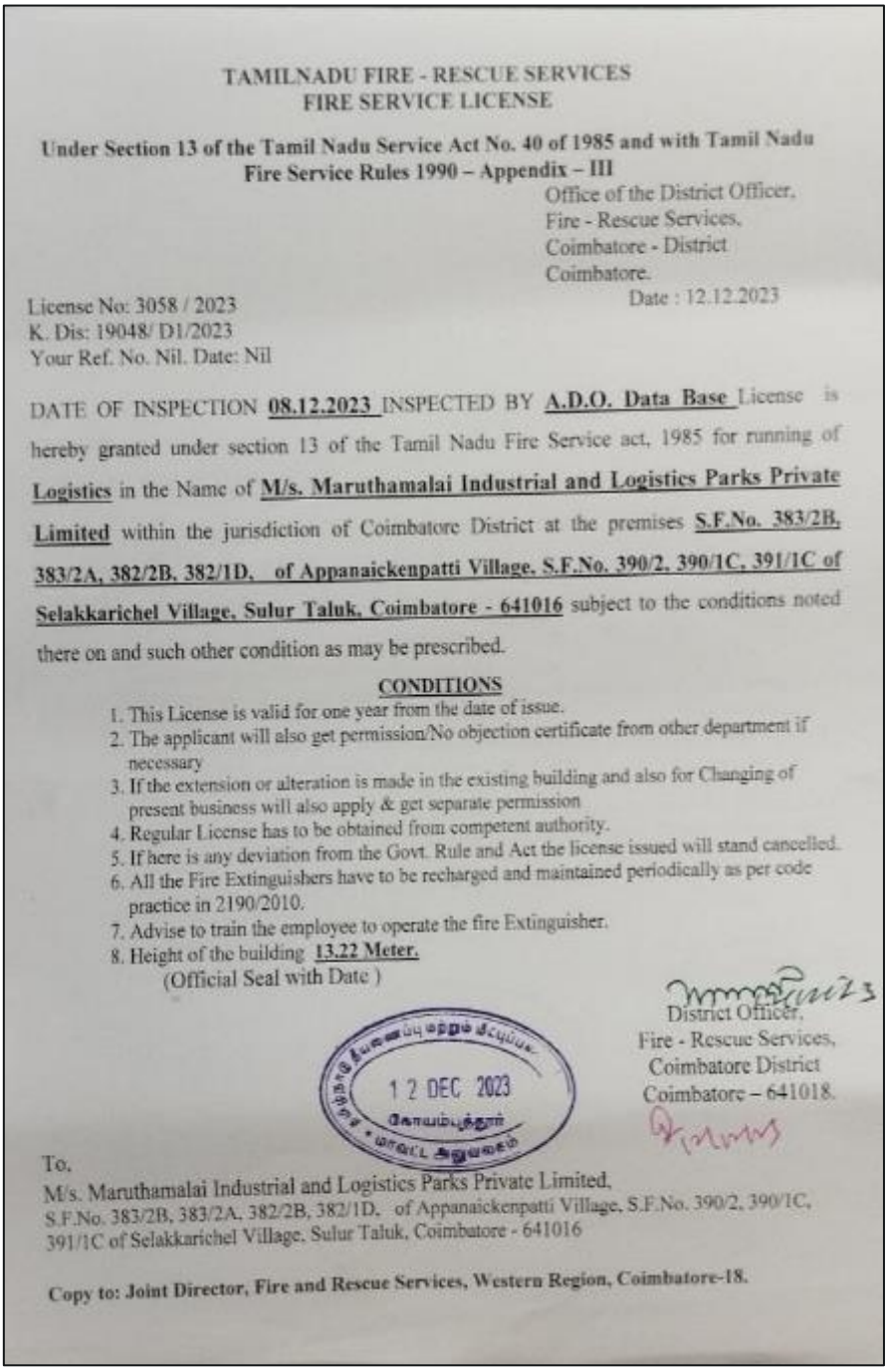
Please find the enclosed **"No Objection Certificate"**, for drawal of groundwater to **"M/s. Marudhamalai Industrial & Logistics Parks LLP"**, Selakkarichal and Appanaickanpatti Village, Selakkarichal Firka, Sulur Taluk, Coimbatore District. You are requested to strictly adhere to the quantity permitted and conditions mentioned in the certificate and apply for renewal of NOC before two month from the date of expiry, i.e., .10.2021 without fail.

Enclosure:
1. **No Objection Certificate& Conditions**

24.10.2020
Chief Engineer (SG&SWRDC)
PWD,Tharamani,Chennai-113.
24.10.20

*Source: Client Input*

### 7.3.8 Fire NOC



TAMILNADU FIRE - RESCUE SERVICES
FIRE SERVICE LICENSE

**Under Section 13 of the Tamil Nadu Service Act No. 40 of 1985 and with Tamil Nadu Fire Service Rules 1990 – Appendix – III**

Office of the District Officer,
Fire - Rescue Services,
Coimbatore - District
Coimbatore.

Date : 12.12.2023

License No: 3058 / 2023
K. Dis: 19048/ D1/2023
Your Ref. No. Nil. Date: Nil

DATE OF INSPECTION **08.12.2023** INSPECTED BY **A.D.O. Data Base** License is hereby granted under section 13 of the Tamil Nadu Fire Service act, 1985 for running of **Logistics** in the Name of **M/s. Maruthamalai Industrial and Logistics Parks Private Limited** within the jurisdiction of Coimbatore District at the premises **S.F.No. 383/2B, 383/2A, 382/2B, 382/1D, of Appanaickenpatti Village, S.F.No. 390/2, 390/1C, 391/1C of Selakkarichel Village, Sulur Taluk, Coimbatore - 641016** subject to the conditions noted there on and such other condition as may be prescribed.

**CONDITIONS**

1. This License is valid for one year from the date of issue.
2. The applicant will also get permission/No objection certificate from other department if necessary
3. If the extension or alteration is made in the existing building and also for Changing of present business will also apply & get separate permission
4. Regular License has to be obtained from competent authority.
5. If here is any deviation from the Govt. Rule and Act the license issued will stand cancelled.
6. All the Fire Extinguishers have to be recharged and maintained periodically as per code practice in 2190/2010.
7. Advise to train the employee to operate the fire Extinguisher.
8. Height of the building **13.22 Meter.**

(Official Seal with Date )

12 DEC 2023

District Officer,
Fire - Rescue Services,
Coimbatore District
Coimbatore – 641018.

To,
M/s. Maruthamalai Industrial and Logistics Parks Private Limited,
S.F.No. 383/2B, 383/2A, 382/2B, 382/1D, of Appanaickenpatti Village, S.F.No. 390/2, 390/1C, 391/1C of Selakkarichel Village, Sulur Taluk, Coimbatore - 641016

**Copy to: Joint Director, Fire and Rescue Services, Western Region, Coimbatore-18.**

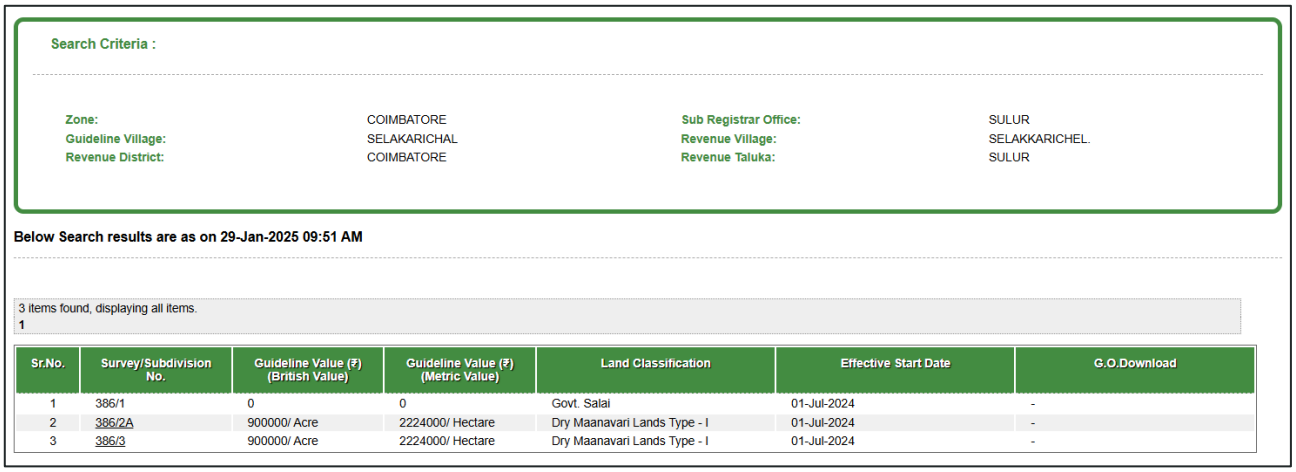
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land") (cents)** | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 381/3A2 | 31 | 8.96 | 0.28 |
| 2 | 386/2A | 68 | 9.00 | 0.61 |

*Source: tnreginet*

**Survey No 386**



Search Criteria :

| | | | |
|---|---|---|---|
| Zone: | COIMBATORE | Sub Registrar Office: | SULUR |
| Guideline Village: | SELAKARICHAL | Revenue Village: | SELAKKARICHEL. |
| Revenue District: | COIMBATORE | Revenue Taluka: | SULUR |

Below Search results are as on 29-Jan-2025 09:51 AM

3 items found, displaying all items.
1

| Sr.No. | Survey/Subdivision No. | Guideline Value (₹) (British Value) | Guideline Value (₹) (Metric Value) | Land Classification | Effective Start Date | G.O.Download |
|---|---|---|---|---|---|---|
| 1 | 386/1 | 0 | 0 | Govt. Salai | 01-Jul-2024 | - |
| 2 | 386/2A | 900000/ Acre | 2224000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 3 | 386/3 | 900000/ Acre | 2224000/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |

## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## THALLY PARK I & THALLY PARK II

SPV

MARAGATHAMMBAL INDUSTRIAL AND LOGISTICS PARK PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: 27 JANUARY 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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## "Legal Notice and Disclaimer"

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Thally Park I and Thally Park II (collectively the "Subject Asset")<br><br>Please note that Thally Park I and Thally Park II form part of a single asset viz. Hosur II. For the purpose of this exercise, we have valued it as single asset considering the SPV is same for both Thally Park I and Thally Park II and form part of the same underlying land parcel |
| Asset Address: | Survey Nos, 138/1A, 138/2, 138/3, 150/1, 150/4, 150/5, 150/8, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 156/1A, 156/1B, 156/1C, 156/2A, 156/2B, 160/6B, 166/2A, 166/2B, 166/2C1 and 167/1 in Mathagondapalli village, and Panchayat, Thally Union, Denkanikottai Taluk, Krishnagiri District, Chennai, Tamil Nadu 635114 |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Maragathammbal Industrial and Logistics Park |
| Interest Valued: | 100% Freehold Interest |
| Land Area: | As per our review of the sanctioned layout provided by the Client, it is understood that the total land area underlying the Subject Asset is approx. 48.225 acres. |
| Brief Description: | Based on the review of sanction layout provided by the Client and subsequent site visit, it is understood that the Subject Asset is an operational warehousing facility located at survey Nos, 138/1A, 138/2, 138/3, 150/1, 150/4, 150/5, 150/8, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 156/1A, 156/1B, 156/1C, 156/2A, 156/2B, 160/6B, 166/2A, 166/2B, 166/2C1 and 167/1 in Mathagondapalli village, and Panchayat, Thally Union, Denkanikottai Taluk, Krishnagiri District, Chennai, Tamil Nadu 635114. The Subject Asset "TVS Industrial & Logistics Parks, Hosur-Park II" is a warehousing facility located along Hosur-Thally Road, a prominent arterial road in the micromarket. By virtue of being located along Hosur-Thally Road and in proximity to Bengaluru – Chennai Highway, the asset enjoys excellent connectivity to major consumption hubs in and around the city. The micromarket is also in close proximity to the manufacturing hubs such as Bommasandra-Jigani, Attibele, Hosur and Bidadi. A few of the prominent warehousing facilities in the micromarket include TVS Industrial & Logistics Parks, Hosur-Park I, TVS Industrial & Logistics Parks, Hosur-Park II (Subject Asset), Avigna Industrial and Logistics Park, Horizon Industrial Parks- Bagur etc.<br><br>The Subject Asset is located along Hosur-Thally Road, Mathagondapalli village, an established warehousing micromarket near Hosur. It is located at a distance of approx. 5-6 kms from Hosur Railway Station, approx. 7-8 kms from SIPCOT – Hosur – Phase I, approx. 41-43 kms from MG Road (CBD of Bengaluru), approx. 42-45 kms from Cantonment Railway Station- Bengaluru and approx. 70-73 kms from Kempegowda International Airport |
| Statement of Assets (sft): | Based on review of rent roll, lease deeds and area statement provided by the Client, the Subject Asset is an operational warehousing facility with approximately 1.25 msf of Warehouse/Mezzanine area with occupancy of 100% as on the date of valuation. Further, as per the details from the Client the total leasable area is 15,37,566 sft, however, the chargeable area viz. 12,55,623 sft has been considered for the purpose of this valuation. |

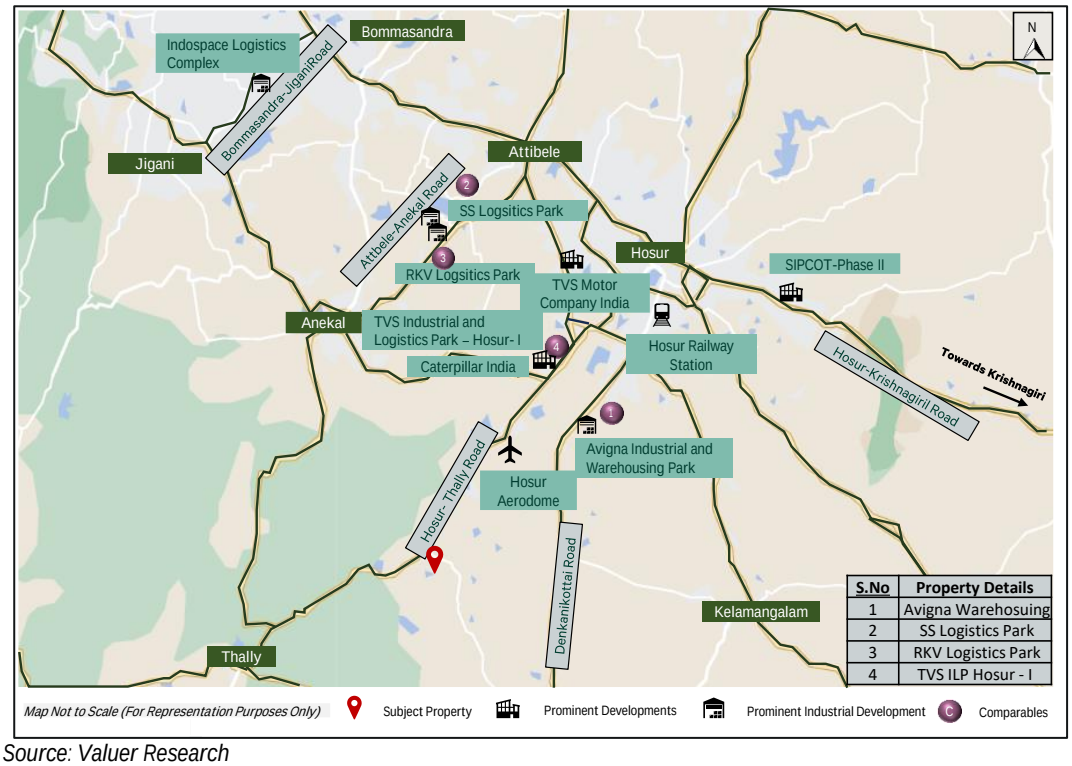
| Blocks | ^Chargeable area (sft) | Built-Up area (sft) | Structure Type |
|---|---|---|---|
| Thally Park I - Block A | E-Commerce Company – Thally Park I - Block A 1A – Part 1- 2,63,341<br>E-Commerce Company Process Mezzanine – Thally Park I - Block A 1A – Part – 1 – 96,361^^^<br>Automobile Manufacturer – Thally Park I - Block A 1A – Part 2- 1,22,976<br>E-Commerce Company – Thally Park I - Block A 1-B – 3,70,164 | 8,49,346 | Warehouse + Mezzanine |
| Thally Park I - Block B | Transportation and Logistics Company- Thally Park I - Block B – Phase I C – 1,49,799<br>Transportation and Logistics Company- Thally Park I - Block B- Phase I D – 53,856 | 2,04,800 | Warehouse + Mezzanine |
| Thally Park II | Automobile Manufacturer – Thally Park II – Phase II – 4,81,069<br>(1,99,126 sft of Warehouse/Mezzanine Area/FG Yard^ and.<br>2,81,943 sft of Ancillary space^^ | 1,99,126 | Warehouse + Mezzanine |
| | 12,55,623 sft (Warehouse/Mezzanine/Process Mezzanine/ FG Yard)<br>2,81,943 sft of Ancillary space | 12,53,272 | |

*Source: Based on review of rent roll, lease deeds and area statement provided by the Client ; ^FG Yard is a supporting warehouse with an eave height of 6m; ^^As per review of the lease deed for Automobile Manufacturing Company-Thally Park II we understand that The tenant pays rent for ancillary spaces such as Test Ride area, Truck Parking, Dock Apron Area etc. .^^^Process Mezzanine area of 96,361 sft for the E-Commerce Company space in Thally Park I - Block A 1A-Part I. The valuer has considered the process mezzanine area as a Tenant Improvement for the existing E-Commerce Company lease in Thally Park I - Block A 1 A-Part 1. Hence, the same has not been capitalized.*

Based on visual site inspection and based on subsequent information received from the client, the Valuer understands that the Subject Asset is a fully operational development and has no development component. Further, the Valuer also understands that no capital expenditure has been budgeted for the Subject Asset as on date of valuation.

Location Map

Location Map for the Subject Asset




*Source: Valuer Research*

Tenancies

As at the valuation date the Subject Asset is fully let to 3 tenants with a WALE of 9.1 years. The largest space occupying tenant is a prominent e-commerce company, with approx. 58% of the area (excluding ancillary area).

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| **Revenue Assumptions** | | |
| Tenure for new/future leases | Year | 10 |
| In-place rent | INR/ sf/ mth | Warehouse- 21.46<br>Mezzanine – 10.9<br>Process Mezzanine – 15.92 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 23.0 |
| Marginal rent – Mezzanine component | INR/ sf/ mth | 11.00 |
| **Capital Expenditures Details** | | |
| Pending cost to complete | INR Mn | - |
| Refurbishment related Capex | INR Mn | - |
| Proposed asset completion timelines (Completed Blocks & Planned/Under Construction Blocks) | Quarter, Year | Completed |
| **Other Financial Assumptions** | | |
| Exit Cap rate –Warehouse components | % | 7.50% |
| Discount rate (During operations) | % | 11.58% |
| DIscount rate (During Under Construction/land stage) | % | NA |
| **NOI Computation – Completed** | | |
| 1 year Forward NOI | INR Mn | 288.31 |

| | | |
|---|---|---|
| (CY Q4 2024 -Q3 2025) | | |
| Stabilized NOI[1] | INR Mn | 286.5 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report as of Q3 2024*

| | |
|---|---|
| Stake Proposed to be held in Asset SPV by TVS Infrastructure Trust: | 100% |
| Date of Inspection: | 2nd February 2024 |
| Date of Valuation: | 30th September 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by State Government): | INR 24.1 Mn (The ready reckoner rate mentioned pertains only to the land component of the subject property) |

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Thally Park I and Thally Park II | Operational | 4,374 |
| Total Value of the asset | | 4,374 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report: |
| Assumptions, Disclaimers, Limitations & Qualifications | *This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.* |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The Valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

*Please note that is an executive summary and it is advisable that the complete valuation report should be referred as a whole.*

| | |
|---|---|
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |
| Notice | This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation. |

Valuer Declaration:

i. the Valuer is competent to undertake the valuation.

ii. the Valuer is independent and has prepared the report on a fair and unbiased basis.

iii. the Valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by: iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") in its capacity as Investment manager of the TVS Industrial & Logistics Parks to estimate upon the Market Value (MV) of an operational Warehousing facility located at Survey No.159/2B2, Mathagondapalli village, Denkanikotta Taluka, Krishnagiri, Tamil Nadu, 635114.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 48.23 acres with a total leasable area admeasuring approx. 15,37,566 sft (12,55,623 sft of Warehouse/Mezzanine/Process Mezzanine Area/FG Yard^ and 2,81,943 sft of Ancillary space^^.

*^FG Yard is a supporting warehouse with an eave height of 6m; ^^As per review of the lease deed for Automobile Manufacturing company-Thally Park II we understand that the tenant pays rent for ancillary spaces such as Test Ride area, Truck Parking, Dock Apron Area etc.*

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Thally Park I and Thally Park II | Maragathammbal Industrial and Logistics Park | Warehouse | Hosur-Thally Road | 48.23 | 3 |

*Source: Client Inputs viz Sanction Plan*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for proposed Offer of units through a private placement as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Offer of units through a private placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to the Valuation report are TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. They do not consider the individual circumstances, financial situation, investment objectives or requirements. They are intended to be used as guide and for information purposes only and do not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

  For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and master's in Client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.5 Valuer Capability

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## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust as of the valuation date. The Valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Hosur warehousing region and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the subject project to ascertain the prevalent activity levels in terms of residential segment in the vicinity of subject project.

This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc. The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Thally Park I and Thally Park II | TVS Industrial & Logistics Parks Private Limited | Hosur | Hosur-Thally Road |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of Valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.
- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Infrastructure Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")
- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.

- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/valuers involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset
- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.

- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust
- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards (effective from 31 January 2022) for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.

The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas. (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

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| Valuation subject to change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuer is not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer is not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners has been formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the Valuer can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the asset and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title search reports and other information provided by the Client, the Valuer understands that the Subject Assets are free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the purview to check the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitably experienced Lawyer or an equivalent professional review these assumptions and confirm they are reasonable before relying in this report. |

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| Environmental Conditions: | In undertaking the valuation exercise we assumed that no contaminative or potentially contaminative use is, or has been, carried out at the property. We did not undertake any investigation into the past or present uses of either the respective assets or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the asset or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the micro market. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the assets and the processes carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the lease deeds provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a Summary of Valuation Reports of Subject Assets and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the Subject Assets. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold assets, we have assumed that the landlord will give any of the necessary consents to an assignment. Unless notified to the contrary we assume that each asset has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of land and building markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |

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| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Asset is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise.<br><br>The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as provided to the Valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>Based on review of the lease deeds and rent roll provided by the Client, we understand that one block of the Subject Asset (Thally Park I - Block B) has been let out to a multinational transportation and logistics company which is an associate company of TVS Industrial and Logistics Park. Based on review of the lease deeds provided by the client, we understand that the in-place rentals of the transportation and logistics tenant are inclusive of CAM charges and are relatively lower than the prevailing market rentals.<br><br>It is to be noted that the rent pertaining to ancillary spaces (viz Dock Apron Area, Landscape area etc.) of the Automobile Manufacturing company space in Thally Park II – Phase II have been loaded as part of the rentals of the Automobile Manufacturing company FG yard for the purpose of this valuation exercise.<br><br>The valuer has considered the E-Commerce Company process mezzanine area as a Tenant Improvement for the existing E-Commerce Company lease in Thally Park I - Block A 1 A-Part 1. Hence, the same has not been capitalized.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | The visual inspection of the Subject Assets did not indicate any significant vulnerability and hence we have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the respective sites are clear of underground mineral or other workings, methane gas or other noxious substances.<br><br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br><br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Subject Assets. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br><br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country where services are to be carried out, which may affect the market value. In the event that the Reliant Party(ies) becomes aware of any further or pending easements, |

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| | encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

# 3 Bengaluru – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Bengaluru and Micromarket

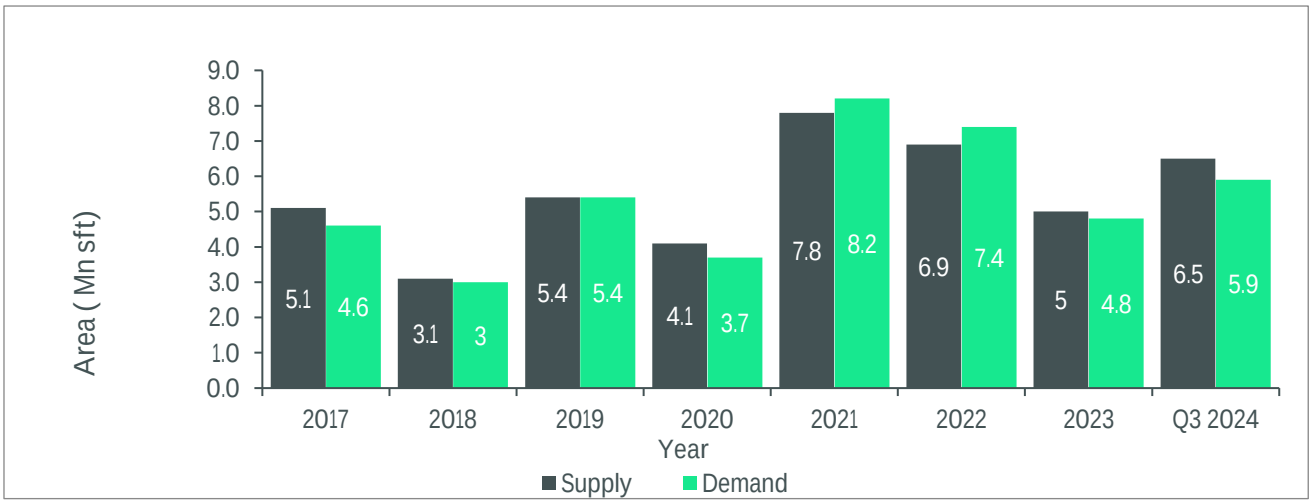
Bommasandra-Hosur micromarket is located along. NH-44 which connects Bengaluru to other Northern states and to Tamil Nadu via Hosur. It has easy accessibility to consumption hubs of Bengaluru via NH-44, NICE Road and SH-87. Total completed stock in Bengaluru as of Q3, CY 2024 is 66.5 msf, out of which Bommasandra-Hosur micromarket accounts for Approx. 22.8%.

| Description | Bengaluru | Bommasandra-Hosur |
|---|---|---|
| Cumulative completed Warehouse stock (Q3 2024) | Approx 66.5 msf | Approx. 15.2 msf |
| Cumulative occupied stock (Q3 2024) | Approx 62.1 msf | Approx. 14.5 msf |
| Current vacancy (Q3 2024) | 6.5 – 7.0 % | 4 - 5 % |
| Future supply (2024-2025) | 12.2 to 12.8 | 2.7 to 2.8 msf |

*Source: Industry Assessment Report dated as of Q3 2024*

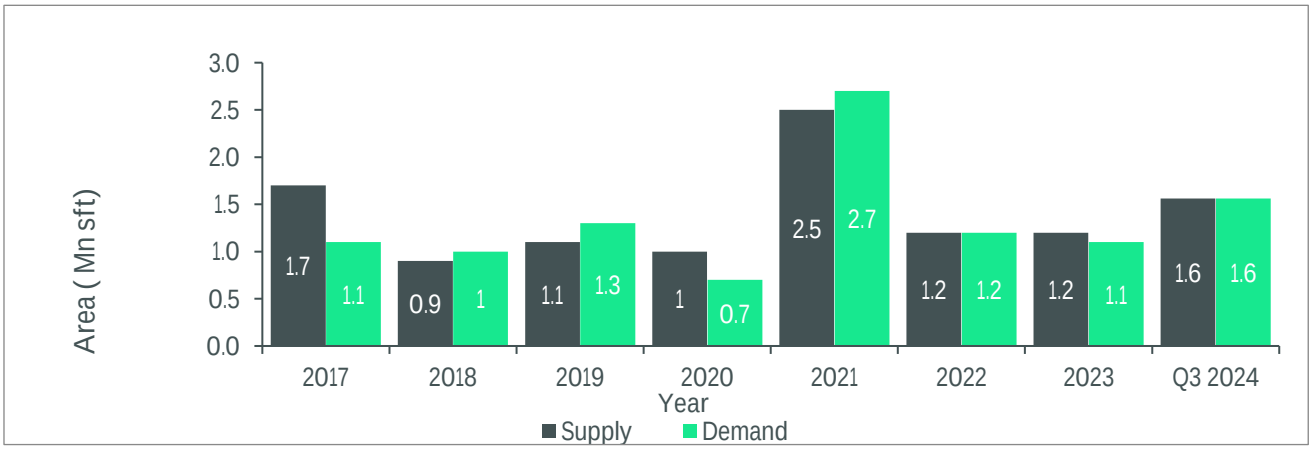
The micro market constitutes a share of nearly 84% of the total completed supply of southern micromarket of Bengaluru. The region predominantly consists of Grade-A warehousing spaces with Grade A spaces accounting for approx. 57% of the total stock of the micromarket followed by Grade-B spaces at approx. 37%. Prominent Grade A developments in the micromarket were observed to be from institutional players such as TVS ILP, Avigna Group, Horizon Industrial Group, Indospace etc. Third Party Logistics, E-Commerce, FMCG, Consumer Durables, Manufacturing Apparel & Retail are key industry sectors predominantly occupying grade A supply in the micromarket with tenants such as Flipkart, Amazon, DHL, TVS Supply Chain, Udaan, Aditya Birla, PUMA, Wakefit, Schaeffler, Ather, MPlastics, etc.

Demand – Supply Dynamics of City: Bengaluru




*Source: Industry Assessment Report as of Q3 2024*

Demand – Supply Dynamics of micromarket: Bommasandra – Hosur micromarket




*Source: Industry Assessment Report as of Q3 2024*

We have perused the information regarding the demand and supply of leased industrial and warehousing spaces within the subject micromarket, as included in the Industry Assessment Report. Bommasandra-Hosur is a key warehousing vector in Bengaluru situated along N4-44 in the southern periphery of Bengaluru, it serves as a hub for commerce between Bengaluru and Hosur-Chennai. Accessible via NH-44 SH-87, and NICE Road, it provides exceptional connectivity and convenient proximity to the city's consumption and distribution centres. In addition, the region accounts for approximately 22.8% of Bengaluru's (2nd largest warehousing market) total completed inventory. The region witnessed a total supply of approx. 15.2 mn sft, with, 95-96% absorption. The region is primarily characterised by Grade A and Grade B developments, with a share of 57% and 37% of the total stock, respectively, Prominent Grade A developments encompass TVS Industrial & Logistics, RKV Logistics, Horizon Industrial Parks, Avigna Warehousing Parks, and more. The availability of large land parcels with moderate land values in comparison to other micromarkets, as well as proximity to manufacturing and consumption hubs, are the primary drivers of warehousing activity in the region.

The region witnessed an average annual absorption of approx. 1.3 to 1.4 Mn sft of warehousing space over the last 6-7 years, and the average annual supply is in the range of 1.3 to 1.4 mn sft between 2017 and 2023.

Limited vacancies (2-3%) were witnessed in Grade A developments on account of growing demand for quality warehouse space with superior accessibility and connectivity to the city The asking rentals for Grade A warehousing facilities in this micromarket have been observed to be in the range of INR 20-24 per sft. 3PL e-commerce FMCG, FMCD, manufacturing, and apparel are key industry sectors in this micro market. Key occupiers in this micromarket are Amazon, Flipkart, DHL TVS Supply Chain. Stellar Value Chain, Aditya Birla, PUMA, Wakefit, Big Basket, Ather, and MPlastics, amongst others.

#### 3.2.1.1 Key Developments in the micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Horizon Industrial and Warehousing Park | 2022 | 5,95,882 | 20.5– 21.5 |
| Avigna Industrial & Logistics Park -Phase 1 | 2021 | 10,11,434 | 22.0 – 23.0 |
| Avigna Industrial & Logistics Park -Phase 2 | 2022 | 6,60,000 | 22.0 – 23.0 |
| RKV Logistics Park | 2017 | 14,70,000 | 23.0 – 24.0 |
| SS Developers - Logistics Park | 2016 | 9,20,000 | 23.0 – 24.0 |

*Source: Industry Assessment Report as of Q3 2024*

#### 3.2.1.2 Future Supply

Based on review of the Industry Assessment Report, we understand that the micromarket of Bommasandra-Hosur has an upcoming supply of approx. 3.3 to 3.4 Mn sft. The details of the same are as below:

| Building Name | Year of Completion | Status* | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Horizon industrial parks | 2024 -25 | Under-Construction | Hosur - Krishnagiri Road (Shoolagiri) | 5,50,000 |
| All Cargo | 2025 | Planned | Hosur | 1,00,000 |
| Avigna Group | 2024 -25 | Under-Construction | Mathigiri, Hosur - Denkanikottai Rd | 5,00,000 |
| Avigna Group | 2025 - 2028 | Planned | Kelamangala, Hosur | 15,00,000 |
| Individual Owner | 2024 | Under-Construction | Attibele on NH-44 | 3,00,000 |

*Source: Industry Assessment Report as of Q3 2024, * UC – Under Construction*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Nature | Name of the Building (Location) | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q2 2024 | 1,00,000 | Manufacturing | Hosur - Denkanikottai Rd | 22 | Base Rental |
| Q2 2024 | 2,00,000 | Automobile | Hosur - Denkanikottai Rd | 22 | Base Rental |
| Q1 2024 | 1,50,000 | Logistics/3PL | Anekal - Thally Road | 24 | Base Rental |
| Q1 2024 | 2,80,000 | Automobile | Hosur - Shoolagiri Road | 21 | Base Rental |
| Q4 2023 | 87,493 | FMCG | Shoolagiri, Hosur Road | 21 | Base Rental |
| Q4 2023 | 30,000 | Electronics & Electricals | Denkanikottai - Shoolagiri Road, Hosur | 19 | Base Rental |
| Q4 2023 | 50,000 | Manufacturing | Denkanikottai - Shoolagiri Road, Hosur | 19 | Base Rental |
| Q4 2023 | 21,000 | Third Party Logistics | Anekal - Attibele Road | 21 | Base Rental |
| Q4 2023 | 32,000 | Engineering & manufacturing | Jigani Industrial Area | 21 | Base Rental |
| Q4 2023 | 30,000 | Auto | Jigani Anekal Road | 18 | Base Rental |
| Q4 2023 | 1,30,000 | Third Party Logistics | Anekal - Attibele Road | 23 | Base Rental |
| Q4 2023 | 1,50,000 | Manufacturing | Hosur - Denkanikottai Rd | 24 | TI |
| Q4 2023 | 1,10,000 | Manufacturing | Hosur - Denkanikottai Rd | 20 | Base Rental |
| Q4 2023 | 60,000 | Third Party Logistics | Thally Road | 21 | Base Rental |

*Source: Industry Assessment Report as of Q3 2024*

As can be observed from the table above and based on our interactions with other market players, the rentals in and around the Subject Asset were observed to range between INR 20 - 24 /sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

The southeast region (Hosur Road) of Bengaluru city is home to several industrial areas, including Attibele Industrial Area, Jigani-Bommasandra Industrial Area, Hosur SIPCOT (Phase 1 & 10, and others, which have contributed to the development of warehouses in the area. Attibele (221 acres), Bommasandra (950 acres) and Jigani (54) acres) Industrial areas are under Karnataka jurisdiction (developed by KIADB) and are fully occupied the major industry Types present in these industrial areas include pharmaceuticals, engineering, metals and electronics, auto parts, garments, and so on. Hosur Industrial Complex Phases I and II fall under Tamil Nadu Jurisdiction developed by SIPCOT) and comprises of 1581 acres of completely occupied industrial land with major industry types such as automobiles, engineering, EV, etc. (Major industries in the Hosur region include Ashok Leyland, TVS Motors, Titan Industries, Taneja Aerospace and Aviation, TTK Prestige Carborundum Universal, TVS Motors, among other. Recent industrial areas

(2022) include Shoolagiri Industrial Park (700 acres) which is currently under construction, with around 23% of the land already assigned to industrial users, and a greater emphasis on the EV industry.

SIPCOT is also in the process of acquiring approx. 2,000 acres for industrial area development, indicating a significant potential for industrial activity in the region.

The Subject Asset is located in proximity to the aforementioned industrial areas and are well connected to Bengaluru city. Because of its presence in Tamil Nadu (qualifying for favourable industrial incentives) and proximity to the Hosur Industrial Hub, the subject site has the potential to attract manufacturing or industrial tenants, potential interest is expected from light industry sectors.

Due to the availability of land and the expansion of industrial activity, warehousing activity has increased significantly in the Hosur-Shoolagiri, Hosur-Thally, Hosur-Mathigiri, and Kelamangalam regions, in particular. The expansion of warehousing operations in the area can be attributed to its ideal connectivity to consumption centres via NH 44 and NICE Road, as well as its proximity to the production hubs of Jigani, Bommasandra, and Hosur Industrial Areas.

# 4 Subject Asset – Thally Park I and Thally Park II

## 4.1 Asset Description

Based on the review of sanctioned layout provided by the Client and subsequent site visit, it is understood that the Subject Asset is an operational warehousing facility, located along Thally Road, Mathagondapalli village, Denkanikotta Taluka, Krishnagiri, Tamil Nadu, 635114

Based on the information provided by the Client viz. sanction plan, lease Deeds, rent roll etc, it is understood that the Subject Asset is an operational warehousing facility with land area admeasuring approx. 48.225 acres and leasable area admeasuring approx. 15,37,566 sft (12,55,623 sft Warehouse/Mezzanine/Process Mezzanine/ FG Yard and 2,81,943 sft of Ancillary space). Based on review of the sanction plan provided and based on our subsequent site visit, it is understood that the Subject Asset consists of three boxes/Phases. The Subject Asset was observed to be fully let out as on date of valuation with a WALE of approx. 9.1 years

According to the information provided by the Client, we understand that Thally Park I - Block A started operations in two phases viz. June 2019 and July 2019, Thally Park I - Block B started operations in two phases viz May 2021 and Feb 2022 and Thally Park II in July 2022. The Subject Asset is understood to have a floor strength of 5 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height for all boxes was observed to be 12m for all blocks whereas, the FG Yard associated with Thally Park II was observed to have an eave height of 6m with a lighting (lux level) of 200 lux on a park level. The DG and transformer capacity is 160 KVA DG. The facility is fenced/ bounded from all sides with boundary wall of approx. 2.4m height (1.8m block work & 0.6m barbed wire). Furthermore, based on the information provided, we understand that the client has set-up a process mezzanine space of approx. 96,361 sft pertaining to the area leased to a major e-commerce company in Thally Park I - Block A 1A – Part 1.

Further, based on the site inspection conducted and as per the information received from the Client, we understand that the Subject Asset has a site office which includes an administrative Office for day-to-day operations. The Hosur facility also has a fire safety system with two jockey pump, two main electrical pumps, and two diesel engine pumps, all supported by a fire water sump. The facility is equipped with yard hydrants, automatic sprinkler system and an automatic Fire Detection and Fire alarm system. The Subject Asset was observed to be occupied by a transportation cum logistics company, an e-commerce company and an Automobile Manufacturing company

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | TVS Industrial & Logistics Parks, Hosur II |
| Address | Survey Nos, 138/1A, 138/2, 138/3, 150/1, 150/4, 150/5, 150/8, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 156/1A, 156/1B, 156/1C, 156/2A, 156/2B, 160/6B, 166/2A, 166/2B, 166/2C1 and 167/1 in Mathagondapalli village, and Panchayat, Thally Union, Denkanikottai Taluk, Krishnagiri district, Chennai, Tamil Nadu 635114 |
| Land Area | Based on review of the sale deeds and sanction plan provided by the Client, the Valuer understands that the total land area of the Subject Asset is approx. 48.23 acres |
| Leasable Area | 15,37,566 sft (12,55,623 sft Warehouse/Mezzanine/Process Mezzanine/ FG Yard)<br>2,81,943 sft of Ancillary space) |

*Source: Client Inputs*

### 4.1.1 Site Details

**Situation:**

Subject Asset – 'TVS Industrial & Logistics Parks, Hosur - II' is an operational warehousing facility located on Survey No.159/2B2, Mathagondapalli village, Denkanikotta Taluka, Krishnagiri, Tamil Nadu, 635114.

**Location:**

Bommasandra-Hosur micromarket is located along. NH-44 which connects Bengaluru to other Northern states and to Tamil Nadu via Hosur. It has easy accessibility to consumption hubs of Bengaluru via NH-44, NICE Road and SH-87.

The micromarket constitutes a share of nearly 84% of the total completed supply of southern micromarket of Bengaluru. The region predominantly consists of Grade-A warehousing spaces with Grade A spaces accounting for approx. 57% of the total stock of the micro market followed by Grade-B spaces at approx. 37%. Prominent Grade A developments in the micromarket were observed to be from institutional players such as TVS ILP, Avigna Group, Horizon Industrial Group, Indospace etc.

Third Party Logistics, E-Commerce, FMCG, Consumer Durables, Manufacturing Apparel & Retail are key industry sectors predominantly occupying grade A supply in the micromarket with tenants such as Flipkart, Amazon, DHL, TVS Supply Chain, Udaan, Aditya Birla, PUMA, Wakefit, Schaeffler, Ather, MPlastics etc

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Hosur Railway Station | 16 – 17 |
| SIPCOT – Hosur – Phase I | 21 – 22 |
| Hosur, TN | 21 – 22 |
| City Railway Station, Bengaluru | 56 – 58 |
| Kempegowda International Airport, Bengaluru | 87 – 90 |

*Source: Valuer's research*

**Catchment Analysis:**

The primary catchment for the purpose of this valuation has been defined as Hosur-Thally Road and its adjoining micromarkets which are predominantly characterized by industrial/warehousing assets. The southeast region (Hosur Road) of Bengaluru city houses several industrial areas, including Attibele Industrial Area, Jigani-Bommasandra Industrial Area, Hosur SIPCOT (Phase 1 & 10, and others, which have contributed to the development of warehouses in the area. Attibele (221 acres), Bommasandra (950 acres) and Jigani (54) acres) Industrial areas are under Karnataka jurisdiction (developed by KIADB) and are fully occupied.

The major industry types present in these industrial areas include pharmaceuticals, engineering, metals and electronics, auto parts, garments, and so on. Hosur Industrial Complex Phases I and II fall under Tamil Nadu Jurisdiction developed by SIPCOT) and comprises of 1581 acres of completely occupied industrial land with major industry types such as automobiles, engineering, EV, etc. (Major industries in the Hosur region include Ashok

Leyland, TVS Motors, Titan Industries, Taneja Aerospace and Aviation, TTK Prestige Carborundum Universal, TVS Motors, among other. Recent industrial areas (2022) include Shoolagiri Industrial Park (700 acres) which is currently under construction, with around 23% of the land already assigned to industrial users, and a greater emphasis on the EV industry. SIPCOT is also in the process of acquiring approx. 2,000 acres for industrial area development, indicating a significant potential for industrial activity in the region.

Surrounds: The Subject Asset is surrounded as follows:

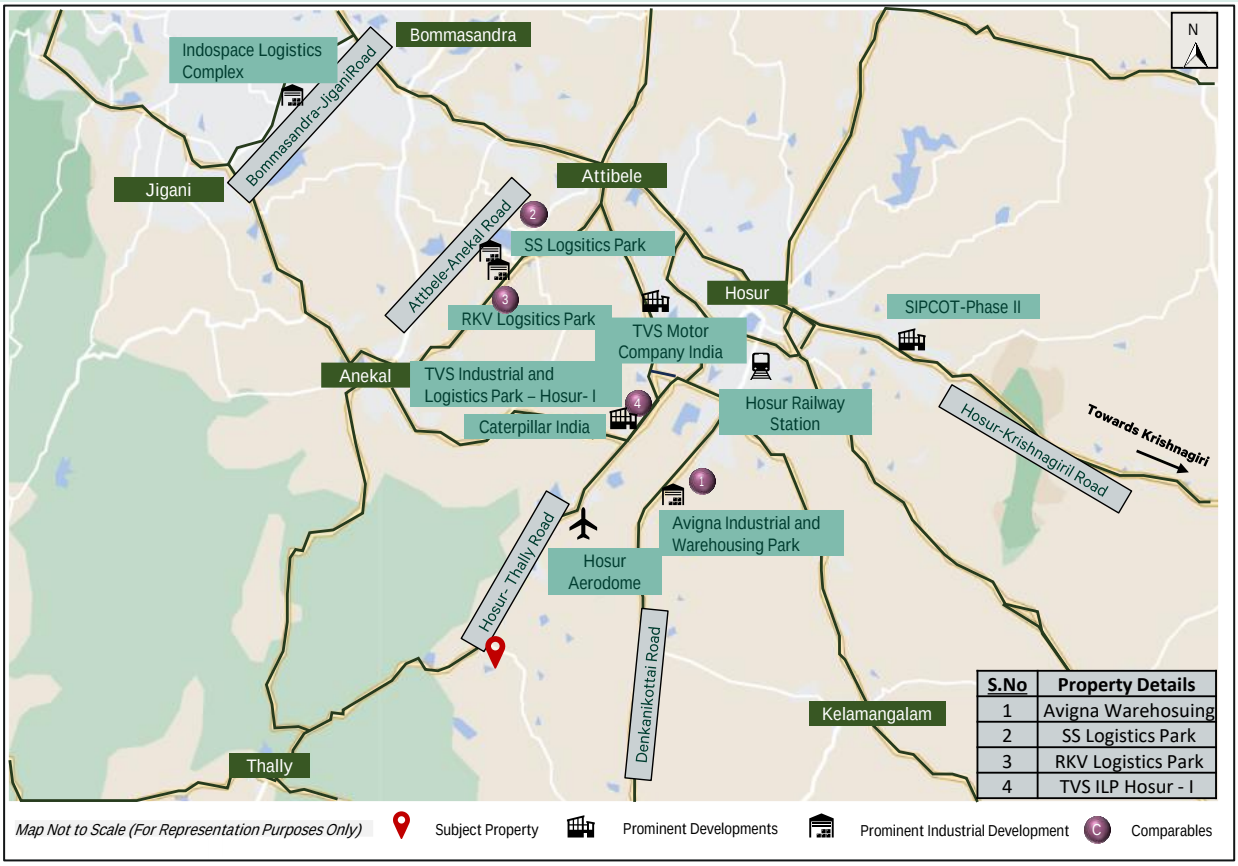
- North: Private Property
- South: Private Property
- East: Private Property
- West: Hosur-Thally Road

Potential changes in surroundings: Based on Valuer's research. It is understood that four-laning works of critical two-lane roads are underway in Hosur under the Chief Minister's Road Development Programme. Road works at approx. INR 1860 Mn are being undertaken in Mathigiri and Poonapalli as part of the infrastructure development of the block. The works are planned in stretches from Poonapalli to Velankanni school on Hosur-Thally road. Storm water drains, construction of culverts etc were other works planned alongside the road-widening. The works are also planned from Mathigiri to TVS Industries. These are expected to improve connectivity of the subject micromarket to other major arterial roads and consumption centres.

Suitability of existing use: Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage.

The following map indicates the location of the Subject Asset and surrounding warehousing facilities:

Location Map for the Subject Asset




*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and on the same level as abutting access roads and adjoining assets. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via the 60-feet wide Hosur- Thally Road. By virtue of the same the asset enjoys excellent accessibility and frontage.<br><br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sale deed, we understand that the exact address of the Subject Asset is Survey Nos, 138/1A, 138/2, 138/3, 150/1, 150/4, 150/5, 150/8, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 156/1A, 156/1B, 156/1C, 156/2A, 156/2B, 160/6B, 166/2A, 166/2B, 166/2C1 and 167/1 in Mathagondapalli village, and Panchayat, Thally Union, Denkanikottai Taluk, Krishnagiri district, Chennai, Tamil Nadu 635114. Additionally, it is understood that the Subject Asset is owned by Maragathammbal Industrial and Logistics Park and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the Land Use Classification certificate provided by the Client and based on review of the sanction plan, we understand that the Subject Asset is approved for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on review of sanction plan issued by DTCP authority and visual inspection during our site visit, the Subject Asset is a completed and operational warehousing facility.<br><br>The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the Client, there are no restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Mathagondapalli Village, where the Subject Asset is located falls in Seismic Zone- II (Least Active) with low risk. Further, based on review of the topographic map of the subject region, it was understood that the subject region falls in a high-lying area due to which the Subject Asset has a low risk of flooding. The city faces low risk in terms of high winds or cyclones too. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details. |

For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received

As per the review of documents provided by the Client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC | Received | Tamil Nadu Fire and Rescue services department | 11-05-2022 |
| Ground Water Abstraction NOC | Received | Water Resource Department – Government of Tamil Nadu | 01.07.2022<br>Valid till 01-07-2025 |
| Ground Water Abstraction NOC - Renewal | Received | | 16.07.2023<br>Valid till 15-07-2026 |
| Land Use Conversion – 156/1A and 156/1B | Received | Directorate of Town and Country Planning | 16-09-2021 |
| Land Conversion | Received | | 25-03-2019 |
| Consent to Operate - Water | Received | Tamil Nadu Pollution Control Board | 26-05-2022<br>Valid till 31-03-2027 |
| Consent to Operate - Air | Received | Tamil Nadu Pollution Control Board | 14-02-2023<br>Valid till 31-03-2033 |
| Hosur Unit II Expansion – Sanction Plan | Received | Directorate of Town and Country Planning | 06.10.2022 |
| Power Connection | Received | Tamil Nadu Generation and Distribution Corporation Ltd | 04.01.2014 |
| Fire License - Renewal | Received | Tamil Nadu Fire and Rescue Service Department | 29.05.2023 |
| CEIG Safety Certificate | Received | Electrical Inspectorate – Government of Tamil Nadu | 25-07-2023 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

Please refer section 7.3 on One-time Sanctions & Periodic Clearances. Based on review of the documents provided by the Client, we understand that there are no overdue periodic clearances.

### 4.1.6 Area Details, Type and Age of Existing Structures

Further, as per the details from the Client the total leasable area is 1639,440 sft, however, the chargeable area viz. 1,255,623 sft has been considered for the purpose of this valuation.

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Approved Developable Area (sft)* | Completed Area (sft) | Leased Area (sft) |
|---|---|---|---|---|---|
| Thally Park I - Block A | 2019 | 4.5 | 8,49,346 | 8,49,346 | E-Commerce Company – Thally Park I - Block A 1A – Part 1- 2,63,341<br>E-Commerce Company Process Mezzanine – Thally Park I - Block A 1A – Part – 1 – 96,361^^^<br>Automobile Manufacturer – Thally Park I - Block A 1A – Part 2- 1,22,976<br>E-Commerce Company – Thally Park I - Block A 1-B – 3,70,164 |
| Thally Park I - Block B | 2021-2022 | 1.5-2.5 | 2,04,800 | 2,04,800 | Transportation and Logistics Company- Thally Park I - Block B – Phase I C – 1,49,799<br>Transportation and Logistics Company- Thally Park I - Block B- Phase I D – 53,856 |
| Thally Park II | 2022 | 1.5 | 1,99,126 | 1,99,126 | Automobile Manufacturer – Thally Park II – Phase II – 4,81,069<br>(1,99,126 sft of Warehouse/Mezzanine Area/FG Yard^<br>2,81,943 sft of Ancillary space^^ |

*Source: Based on review of rent roll, lease deeds and area statement provided by the Client; ^FG Yard is a supporting warehouse with an eave height of 6m; ^^As per review of the lease deed for Automobile Manufacturing Company-Thally Park II we understand that tenant pays rent for ancillary spaces such as Test Ride area, Truck Parking, Dock Apron Area etc. ^^^The valuer has considered the process mezzanine lease as a Tenant Improvement for the existing E-Commerce Company lease in Thally Park I - Block A 1 A-Part 1. Hence, the same has not been capitalized.*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area (sft) | Built-Up area (sft) | Structure Type |
|---|---|---|---|
| Thally Park I - Block A | E-Commerce Company – Thally Park I - Block A 1A – Part 1- 2,63,341<br>E-Commerce Company Process Mezzanine – Thally Park I - Block A 1A – Part – 1 – 96,361^^^<br>Automobile Manufacturer – Thally Park I - Block A 1A – Part 2- 1,22,976<br>E-Commerce Company – Thally Park I - Block A 1-B – 3,70,164 | 8,49,346 | Warehouse + Mezzanine |
| Thally Park I - Block B | Transportation and Logistics Company- Thally Park I - Block B – Phase I C – 1,49,799<br>Transportation and Logistics Company- Thally Park I - Block B- Phase I D – 53,856 | 2,04,800 | Warehouse + Mezzanine |

| | | | |
|---|---|---|---|
| Thally Park II | Automobile Manufacturer – Thally Park II – Phase II – 4,81,069<br>(1,99,126 sft of Warehouse/Mezzanine Area/FG Yard^ and.<br>2,81,943 sft of Ancillary space^^ | 1,99,126 | Warehouse + Mezzanine |
| | 12,55,623 sft (Warehouse/Mezzanine/Process Mezzanine/ FG Yard)<br>2,81,943 sft of Ancillary space | 12,53,272 | |

*Source: Based on review of rent roll, lease deeds and area statement provided by the Client; ^FG Yard is a supporting warehouse with an eave height of 6m; ^^As per review of the lease deed for Automobile Manufacturing Company-Thally Park II we understand that tenant pays rent for ancillary spaces such as Test Ride area, Truck Parking, Dock Apron Area etc. ^^^The valuer has considered the process mezzanine lease as a Tenant Improvement for the existing E-Commerce Company lease in Thally Park I - Block A 1 A-Part 1. Hence, the same has not been capitalized.*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks |
|---|---|---|
| Handover condition | Warm Shell | - |
| Type of Structure | PEB | - |
| Firefighting services | Provided. Fire NOC Available | - |
| Lift provision | No Lifts | - |
| Floor Finish | FM2 Concrete floor | - |
| Floor Strength | 5 MT/Sqm | - |
| Building Height at eave | 12 m | - |
| Fire Protection System | NFPA/NBC standard fire protection system | - |
| Lighting | 200 Lux | - |
| WTP | RO plant of 1500 LPH with 5KL | - |
| Ridge height | 15 m | - |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is maintained well. The table below highlights the major repairs and maintenance work/ infrastructure upgrade works to be undertaken over the next few quarters:

| Expense Head | Total Pending Cost (INR Mn) | Quarter of Completion |
|---|---|---|
| Refurbishment Capex | NA | NA |

*Source: Information provided by the Client*

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below.

TVS Industrial & Logistics Parks, Hosur - II

View of the Subject Asset

View of the Subject Asset

View of the Truck Parking Area

View of the Rainwater harvesting pond

View of the Process Mezzanine Area

View of the Process Mezzanine Area

View of the Access Road

View of the Entrance

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InvIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of the Offer of units through a private placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This Valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all assets were sold in one transaction. Where a summation of the individual assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section X.X for list of Subject Assets forming part of the portfolio.

## 5.2 Basis of Valuation

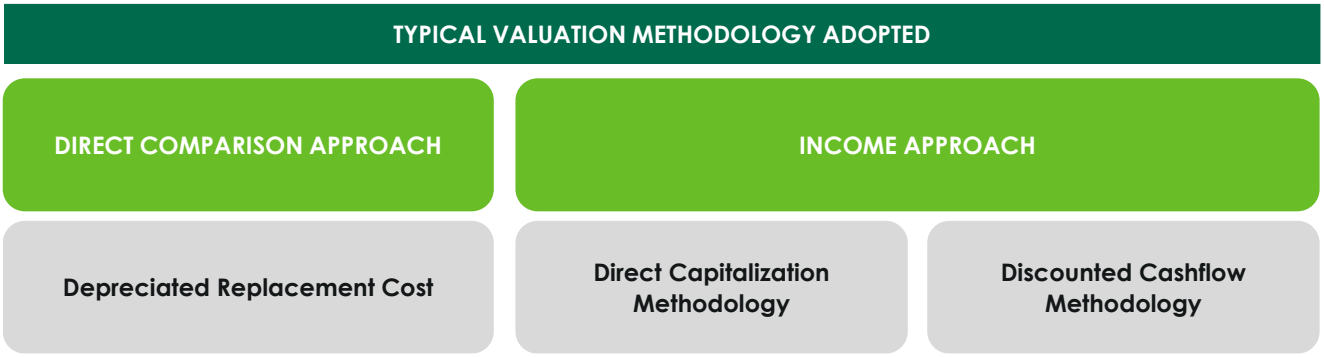
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by an appropriately qualified Valuer and will assess the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a willing **buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Assets for the purpose of the Offer of units through a private placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. the infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. the infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. the infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
    a. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.
    b. The Valuer has undertaken physical site inspections to assess the current status of the Subject Assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

Bommasandra-Hosur is a key warehousing vector in Bengaluru Situated along N4-44 in the southern periphery of Bengaluru, it serves as a hub for commerce between Bengaluru and Hosur-Chennai. Accessible via NH-44 SH-87, and NICE Road, it provides exceptional connectivity and convenient proximity to the city's consumption and distribution centres. In addition, the region accounts for approximately 23% of Bengaluru's (2nd largest warehousing market) total completed inventory. The region witnessed a total supply of approx. 15.2 mn sft, with, 95-96 % absorption. The region is primarily characterised by Grade A and Grade B developments, with a share of 57% and 37% of the total stock, respectively, Prominent Grade A developments encompass TVS Industrial & Logistics, RKV Logistics, Horizon Industrial Parks, Avigna Warehousing Parks, and more. The availability of large land parcels with moderate land values in comparison to other micromarkets, as well as proximity to manufacturing and consumption hubs, are the primary drivers of warehousing activity in the region.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing developments. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing facilities in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Projections:

We have assessed future cash flows from the Subject Assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that a large number of leases at these Assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micro markets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area (if any), the Valuer has assessed the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been assessed for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | No. | Sanction Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Carpet Area (Covered) | Sft | Not Provided |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | Sft | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | Copy as applicable |
| | Building Plan / Site Plan | NA | Copy as applicable |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | | |
| | Fire NOC | NA | Copy as applicable |
| | Environment Clearance | NA | Not Provided |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Commencement Certificate | NA | Copy as applicable |
| | Occupancy Certificate | NA | Copy as applicable |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | TR | Client |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | INR Mn | Client |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Client |
| | Cost Already Incurred – Under Construction Block | INR Mn | Client |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Client/ Valuer Estimate |
| | Maintenance Charges | INR psf | Client |
| | Margin on Maintenance | % of CAM Charges | Valuer's Assessment |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Months | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Not Applicable |
| | Construction Completion | Quarter, Year | Not Applicable |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| Thally Park I and Thally Park II | Discounted Cash Flow (Using rent reversion approach) | NA |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from lease deed and architect certificate provided by the Client, we understand that Subject Asset is an operational warehouse facility. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Status | Developable Area (sft) | Completed Area (sft) | Leased Area (sft) |
|---|---|---|---|---|---|---|
| Thally Park I - Block A | 2019 | 4.5 | Completed | 8,49,346 | 8,49,346 | 8,52,842 |
| Thally Park I - Block B | 2021-2022 | 1.5-2.5 | Completed | 2,04,800 | 2,04,800 | 2,03,655 |
| Thally Park II | 2022 | 1.5 | Completed | 1,99,126 | 1,99,126 | 4,81,069 |

*Source: Client Inputs*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

Based on the review of the rent roll/lease deeds provided by the Client, the table below highlights the historical occupancy rates at the Subject Asset.

| Description | Particulars (%) |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | NA |

### 6.3.2 Lease Deed Analysis

Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| E-Commerce Company – Thally Park I - Block A 1A – Part 1 | Lease Commencement Date | 1st September 2024 |
| | Rent Commencement Date | 1st September 2024 |
| | Lock-in Period | 5 years |
| | Lease Tenure | 9 years^ |
| | Lease Rent Escalation Terms | 4% every year |
| E-Commerce Company – Thally Park I - Block A - 1B | Lease Commencement Date | 1st September 2024 |
| | Rent Commencement Date | 1st September 2024 |
| | Lock-in Period | 5 years |
| | Lease Tenure | 9 years^ |
| | Lease Rent Escalation Terms | 4% every year |
| Automobile Company – Thally Park I - Block A - 1A Part 2 | Lease Commencement Date | 24th October 2020 |
| | Rent Commencement Date | 25th December 2020 |
| | Lock-in Period | 10 Years |
| | Lease Tenure | 20 Years 2 Months |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company – Thally Park I - Block B -1-C | Lease Commencement Date | 01st May 2021 |
| | Rent Commencement Date | 11th June 2021 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company – Thally Park I - Block B -1-D | Lease Commencement Date | 1st August 2022 |
| | Rent Commencement Date | 1st August 2022 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Automobile Company – Thally Park II | Lease Commencement Date | 07th July 2022 |
| | Rent Commencement Date | 07th July 2022 |
| | Lock-in Period | 10 Years |
| | Lease Tenure | 15 Years |
| | Lease Rent Escalation Terms | 4.25% every year |
| E-Commerce Company – Thally Park I - Block A 1A – Part 1 (Process Mezzanine) | Lease Commencement Date | 21st July 2024 |
| | Rent Commencement Date | 01st August 2024 |
| | Lock-in Period | 5 Years |
| | Lease Tenure | 9 Years |
| | Lease Rent Escalation Terms | 4% every year |

*Source: Lease Deed and Client Input ^ Based on the inputs provided by the client, we understand that E-Commerce Company has renewed its lease term for a further tenure of 9 years. Further, the valuer has not received any documentation related to the same.*

### 6.3.3 Lease Rent Analysis

Contractual Rental Details

| Asset | Leasable Area (sft) | % of area leased | Total In-place rental - Warehouse (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Thally Park I and Thally Park II | 12,55,623 sft (Warehouse/Mezzanine/Process Mezzanine/ FG Yard) 2,81,943 sft of Ancillary space | 100% | Warehouse- 21.46 Mezzanine – 10.90 Process Mezzanine – 15.92 | 26.68^ |

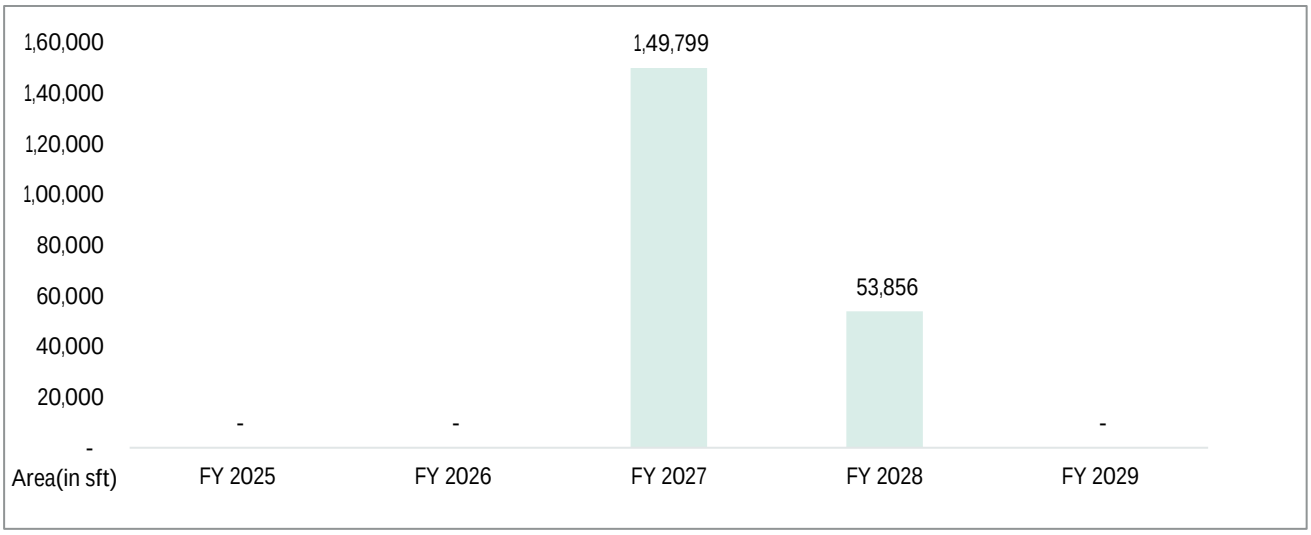
*Source: Sanction Plan, Lease deed, Rent Roll ^ Includes TI/Fitout/Ancillary Area*

Based on the recent transaction witnessed in the micro market as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 22 – 24 per sf per month (say an average rental of INR 23.0 per sf per month of leasable area). The Mezzanine/ Open space area within the Subject Asset provides convenience to the tenants in the Subject Asset.

Also, considering the existing leases within the subject micro market, we have assumed lease rentals for Mezzanine/ Open Spaces in the range of INR 10 - 12 per sf per month (say INR 11 per sf per month) as on date of valuation.

### 6.3.4 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of Subject Asset is 9.1 years, with approx. 16.2% of occupied warehouse area expiring between FY 2025 and FY 2028 as shown in the chart below:




*Source: Valuer Workings*

### 6.3.5 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant

| S. No | Description of operational expenses |
|---|---|
| 1 | Housekeeping within demised premises |
| 2 | Insurance for stored goods |
| 3 | Damages caused by the tenant/lessee to the building |
| 4 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

### 6.3.6 Construction Timelines

The asset was completed in a phase-wise manner - Thally Park I - Block A started operations in two phases viz. June 2019 and July 2019, Thally Park I - Block B started operations in two phases viz May 2021 and Feb 2022 and Thally Park II in July 2022.

### 6.3.7 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.7.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the completed blocks have an occupancy of 100% as on date of valuation. The Subject Asset was observed to be fully let out as on date of valuation with a WALE of approx. 9.1 years

#### 6.3.7.2 Under-Construction/ Proposed Blocks

Not Applicable. Based on review of the rent roll provided by the Client and based on subsequent site inspection conducted by the Valuer, it is understood that the Subject Asset is fully completed and operational.

### 6.3.8 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.8.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased (Property is completely let out as on date of valuation) is based on the rent roll/lease deeds provided by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space/re-leasing upon expiry of leased spaces for the purpose of this valuation exercise.

Based on our review of the Industry Assessment Report and based on the analysis of the rent roll provided by the Client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset.

The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Warehouse Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Warehouse | 10,94,405^ | 10,94,405 | Current Rent for Leased area | 21.46^^ |
| | | | Market rent for reversion/ vacant area | 23.0 |

*Source: Lease deed provided by the Client; Valuer's assessment ^Warehouse Area; ^^In-place Rent*

The above market rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed provided by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rentals of the Subject Asset.

Based on review of the Industry Assessment Report, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental value of the Subject Asset. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

#### 6.3.8.2 Non-Warehouse Component

As per the information provided by the Client, it is understood that an open space area/ mezzanine/Process Mezzanine area measuring approx. 4,43,161 sft of which 100% is leased out. The 4,43,161 sft area will operate as open space area/ mezzanine/Process Mezzanine area such as cell storage yard, truck parking, apron areas etc providing convenience to the tenants in the Subject Asset as well as surrounding development.

The Valuers have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micro market and existing leases of Subject Asset. The same has been adopted for the vacant space for the purpose of this valuation exercise. Given the above, we have assumed a market rent in the range of INR 10 to 12 psf pm (say INR 11 psf pm) as on date of valuation.

| Component | Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Mezzanine and open areas | 4,43,161 ^ | 4,43,161 | Current Rent for Leased area | Mezzanine – 10.90^^ |
| | | | Marginal rent for reversion/ vacant area | Mezzanine – 11.00 |

*Source: Lease deed provided by the Client; Valuer's assessment; ^ Open area/Ancillary rentals pertaining to Ather space in* Thally Park II – Phase II *have been loaded as part of the rentals of the FG yard for the purpose of this valuation exercise^^In-place Rent.*

It is to be noted that the rent pertaining to ancillary spaces (viz Dock Apron Area, Landscape area etc) pertaining to the Ather space in Thally Park II – Phase II have been loaded as part of the rentals of the Ather Warehouse and FG yard for the purpose of this valuation exercise.

The valuer has considered the E-Commerce company's process mezzanine area as a Tenant Improvement for the existing lease in Thally Park I - Block A 1 A-Part 1. Hence, the same has not been capitalized.

### 6.3.9 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset and micromarket is approx. 5% every year, which is in-line with the trend observed in the market. A lease rent escalation of 5% has been adopted for the renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 23.0 | 24.15 | 25.36 | 5% escalation year on year |

### 6.3.10 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc. The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line. The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6 | No. of months' warm shell rental |
| Other Income (Margin on Utilities etc.) | 3.5 | % of Rental Income |
| STP Income-Automobile Manufacturing Company - Thally Park II | 0.29* | INR Mn per Quarter |
| CAM Income (For vacant area and Development component) | 1 | INR per sft per month |

*Source: Valuer's assessment *Contracted as part of Automobile Manufacturing Company lease in Thally Park II – Non-Recurring Cash Flow*

### 6.3.11 Capital Expenditure

#### 6.3.11.1 Pending Cost to Complete

Based on the information provided, we understand that all development activities in the subject property have been completed and that the subject property is completely operational. Further, there is no pending cost to be incurred towards any development activities in the subject development.

### 6.3.12 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise. In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset.

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision* | 0.5% of lease revenue |
| Asset Management Fee^ | 3.0% of revenues from operations |
| Property Tax* | INR 8.2 Mn |
| Insurance* | INR 3.51 Mn |
| Vacancy Allowance during operations | 1.0% of revenues from operations |
| Vacancy Allowance on Exit | 2.5% of revenues from operations |
| CAM Expense | 1.0 psf per month |
| Refurbishment reserve (% of rental income) | 1.5% |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the Client, Property tax and insurance are to be borne by the lessor; ^fees has been considered as below the NOI line item.*

### 6.3.13 Other Assumptions

#### 6.3.13.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the Valuer has adopted a vacancy provision as follows:

| Description | Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.13.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the date of valuation.

#### 6.3.13.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have a rent-free period ranging from 1 months to 3 months from the lease-commencement date.

However, based on the trend observed within the subject development, we have considered a rent-free period of 1 month for new-leases and for re-leasing effective from the lease commencement date and 1 month of downtime for new-leases and for re-leasing.

#### 6.3.13.4 Brokerage

Based on prevalent market dynamics and brokerage activity observed within the subject property, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.13.5 CAM Cashflows

Based on review of the lease deeds pertaining to the Subject Asset, it is understood that the base monthly rental paid by the transportation and logistics tenant is inclusive of CAM Charges. CAM Charges for other tenants have been considered based on review of the rent roll provided by the client.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend from 9.00- 11.00% in last 8 – 9 years to about 7.50% - 8.50% in last 3-4 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.50 – 8.00%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Thally Park I and Thally Park II | Maragathammbal Industrial and Logistics Park | Operational | 7.50% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for this asset has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the

assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for this asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Bommasandra - Hosur micro market which are in the range of 8.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Completed Blocks

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational warehouse facility. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed Thally Park I and Thally Park II asset forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Thally Park I and Thally Park II | TVS Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Thally Park I and Thally Park II | INR 4,374 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft private placement document details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft private placement document details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft private placement document details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

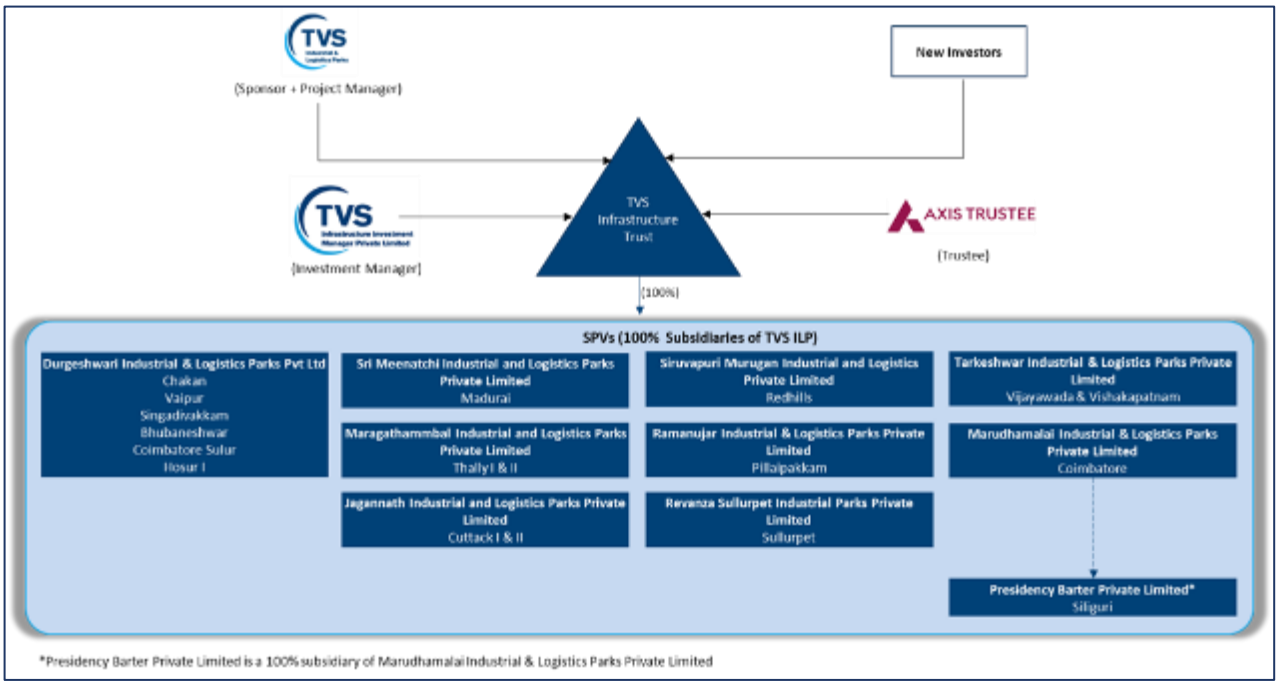
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InvIT) Regulations.

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be held by the InvIT

### 7.1.7 Structure of ownership of the asset by the InvIT



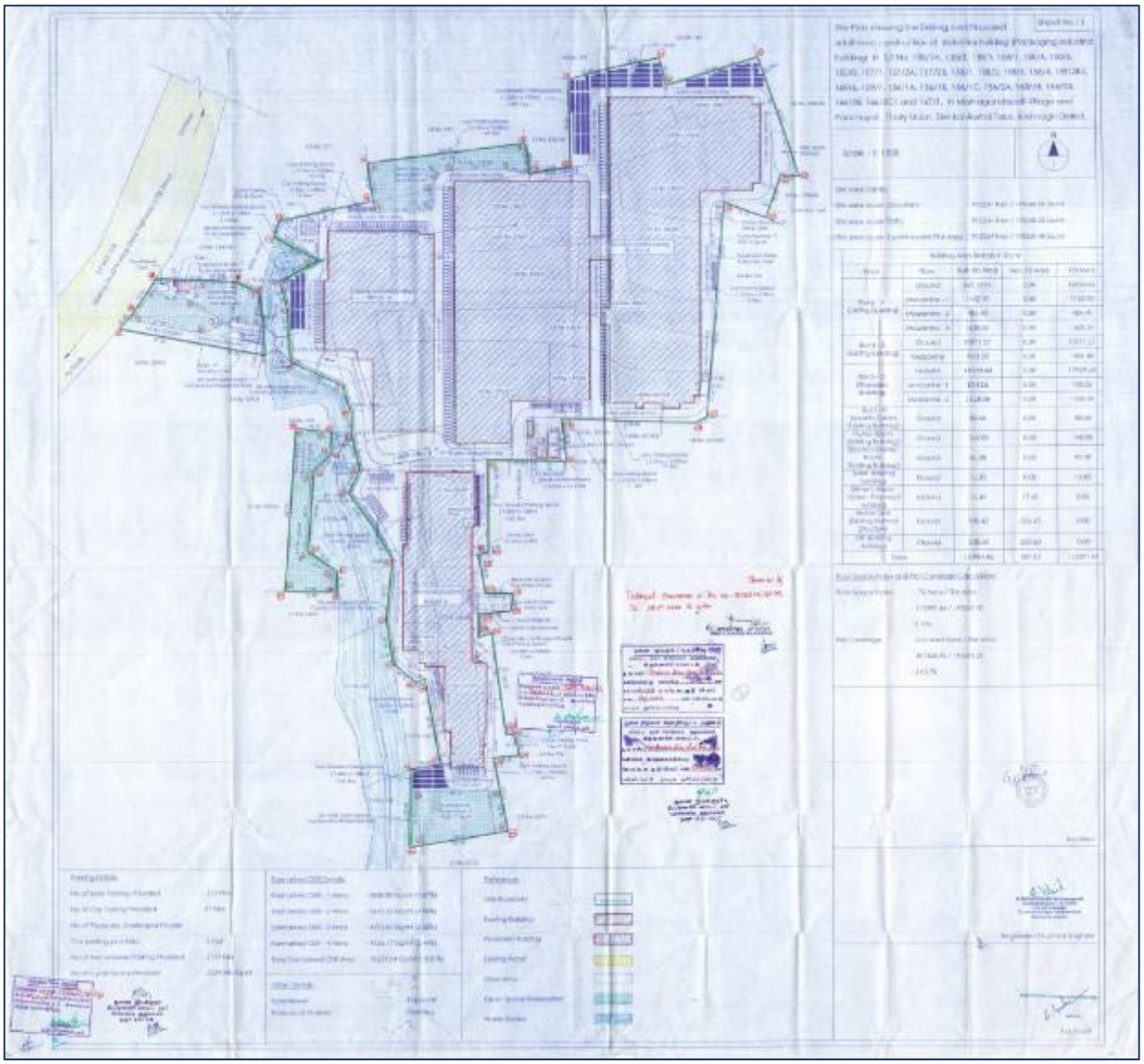

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Thally Park I - Block A- 24 years<br>Remaining period of Thally Park I - Block B- 26-27 years<br>Remaining period of Thally Park II- 26-27 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual as the underlying land is a Freehold Land Parcel |
| 3 | Right to extend the contractual life of land | Not applicable as underlying land is a Freehold Land Parcel |

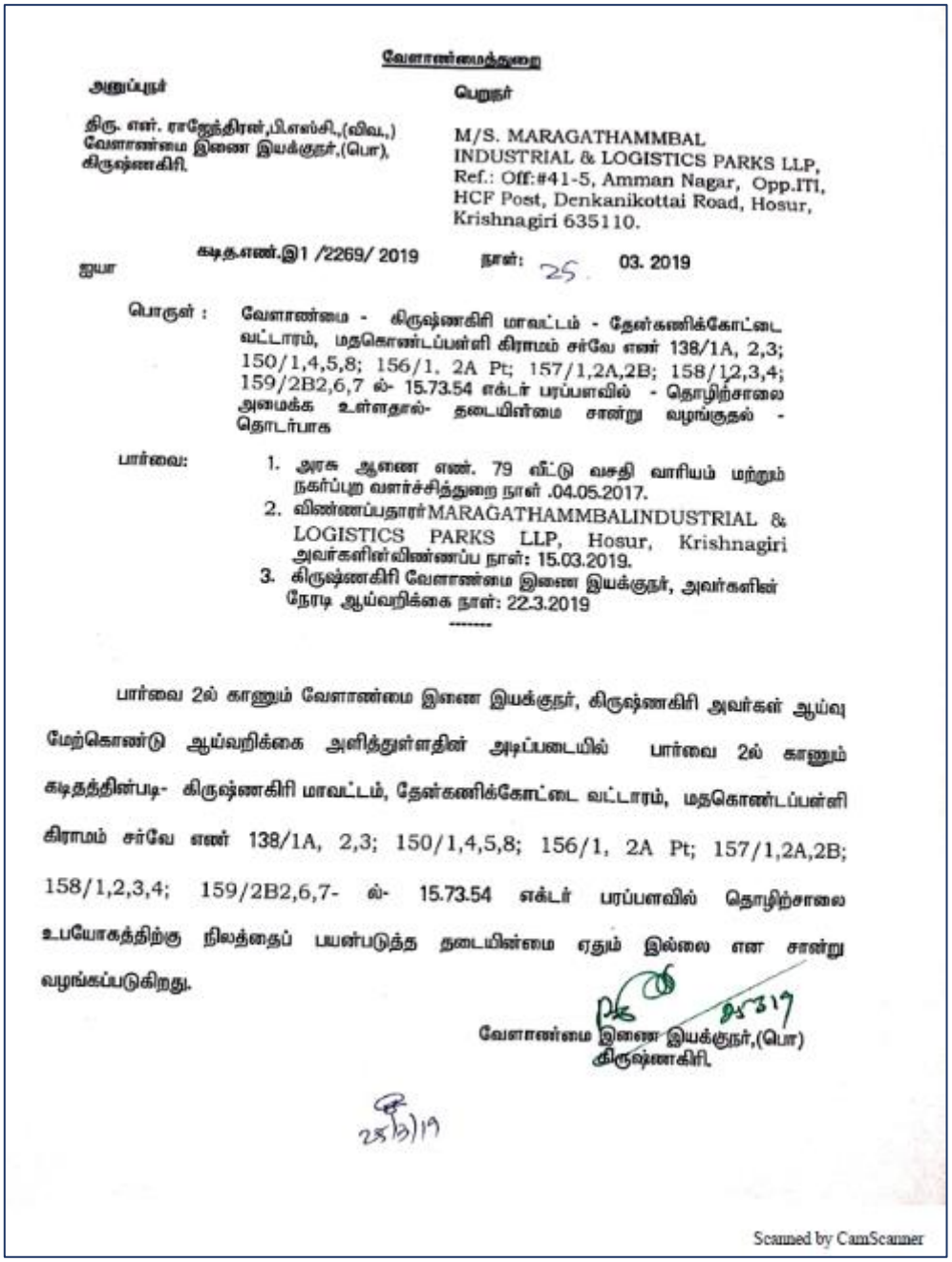
## 7.2 Site Plan – TVS Industrial and Logistics Park, Hosur – II



*Source: Client*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Land Conversion document



வேளாண்மைத்துறை

அனுப்புநர்

திரு. எஸ். ராஜேந்திரன்,பிஎஸ்சி.,(விவ.,)
வேளாண்மை இணை இயக்குநர்,(பொ),
கிருஷ்ணகிரி.

பெறுநர்

M/S. MARAGATHAMMBAL
INDUSTRIAL & LOGISTICS PARKS LLP,
Ref.: Off:#41-5, Amman Nagar, Opp.ITI,
HCF Post, Denkanikottai Road, Hosur,
Krishnagiri 635110.

ஐயா

கடிதஎண்.இ1 /2269/ 2019 நாள்: 25 03. 2019

பொருள் : வேளாண்மை - கிருஷ்ணகிரி மாவட்டம் - தேன்கணிக்கோட்டை வட்டாரம், மதகொண்டப்பள்ளி கிராமம் சர்வே எண் 138/1A, 2,3; 150/1,4,5,8; 156/1, 2A Pt; 157/1,2A,2B; 158/1,2,3,4; 159/2B2,6,7 ல்- 15.73.54 எக்டர் பரப்பளவில் - தொழிற்சாலை அமைக்க உள்ளதால்- தடையின்மை சான்று வழங்குதல் - தொடர்பாக

பார்வை:

1. அரசு ஆணை எண். 79 வீட்டு வசதி வாரியம் மற்றும் நகர்ப்புற வளர்ச்சித்துறை நாள் .04.05.2017.
2. விண்ணப்பதாரர் MARAGATHAMMBALINDUSTRIAL & LOGISTICS PARKS LLP, Hosur, Krishnagiri அவர்களின் விண்ணப்ப நாள்: 15.03.2019.
3. கிருஷ்ணகிரி வேளாண்மை இணை இயக்குநர், அவர்களின் நேரடி ஆய்வறிக்கை நாள்: 22.3.2019

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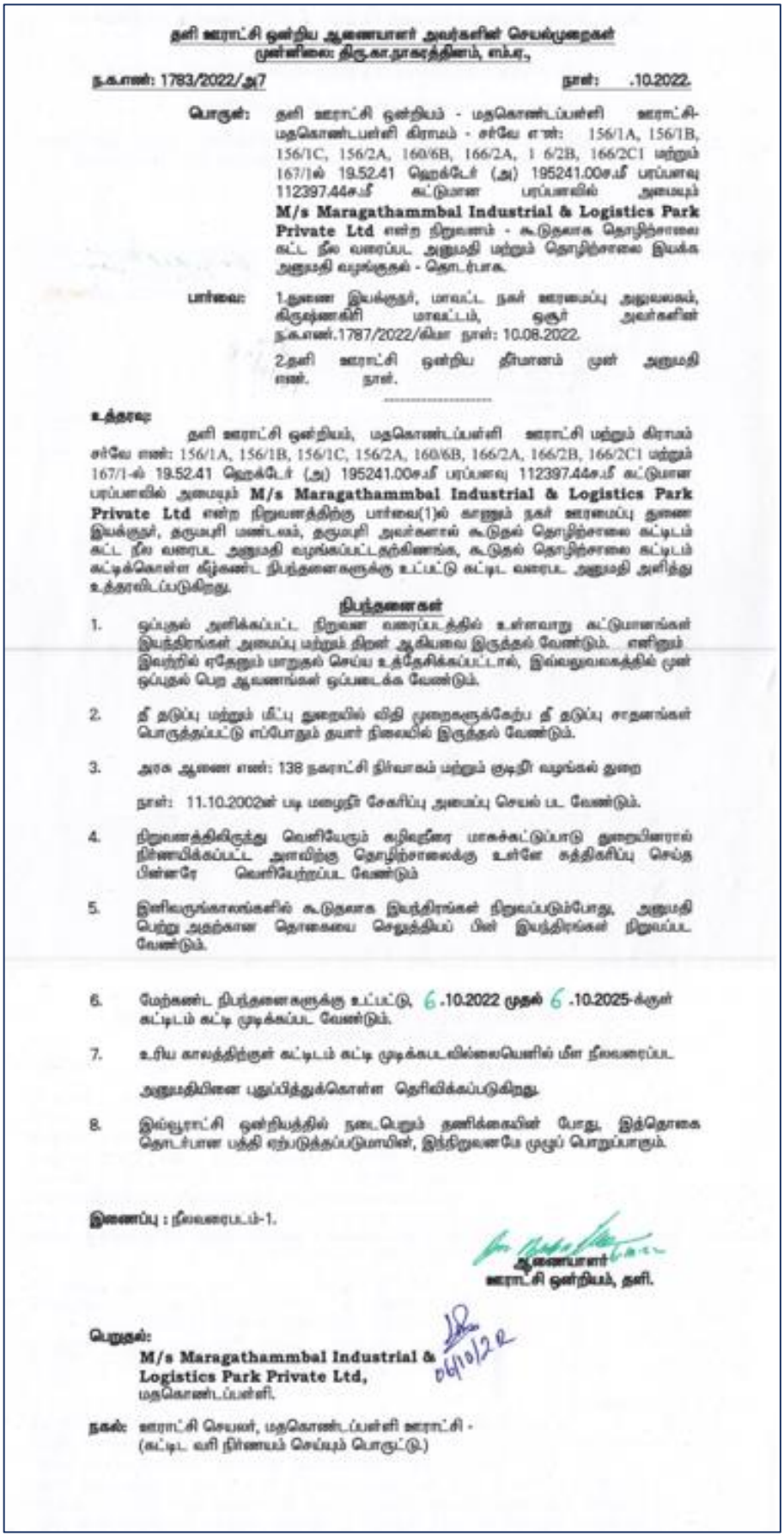
பார்வை 2ல் காணும் வேளாண்மை இணை இயக்குநர், கிருஷ்ணகிரி அவர்கள் ஆய்வு மேற்கொண்டு ஆய்வறிக்கை அளித்துள்ளதின் அடிப்படையில் பார்வை 2ல் காணும் கடிதத்தின்படி- கிருஷ்ணகிரி மாவட்டம், தேன்கணிக்கோட்டை வட்டாரம், மதகொண்டப்பள்ளி கிராமம் சர்வே எண் 138/1A, 2,3; 150/1,4,5,8; 156/1, 2A Pt; 157/1,2A,2B; 158/1,2,3,4; 159/2B2,6,7- ல்- 15.73.54 எக்டர் பரப்பளவில் தொழிற்சாலை உபயோகத்திற்கு நிலத்தைப் பயன்படுத்த தடையின்மை ஏதும் இல்லை என சான்று வழங்கப்படுகிறது.

வேளாண்மை இணை இயக்குநர்,(பொ)
கிருஷ்ணகிரி.

25/3/19

Scanned by CamScanner

## 7.3.2 Panchayat Plan Approval Proceeding



தனி ஊராட்சி ஒன்றிய ஆணையாளர் அவர்களின் செயல்முறைகள்
முன்னிலை: திரு.கா.நாகராஜன், எம்.ஏ.,

ந.க.எண்: 1783/2022/அ7 நாள்: .10.2022.

பொருள்: தனி ஊராட்சி ஒன்றியம் - மதகொண்டப்பள்ளி ஊராட்சி-மதகொண்டபள்ளி கிராமம் - சர்வே எண்: 156/1A, 156/1B, 156/1C, 156/2A, 160/6B, 166/2A, 1 6/2B, 166/2C1 மற்றும் 167/1ல் 19.52.41 ஹெக்டேர் (அ) 195241.00சமீ பரப்பளவு 112397.44சமீ கட்டுமான பரப்பளவில் அமையும் **M/s Maragathammbal Industrial & Logistics Park Private Ltd** என்ற நிறுவனம் - கூடுதலாக தொழிற்சாலை கட்ட நில வரைப்பட அனுமதி மற்றும் தொழிற்சாலை இயக்க அனுமதி வழங்குதல் - தொடர்பாக.

பார்வை: 1.துணை இயக்குநர், மாவட்ட நகர் ஊரமைப்பு அலுவலகம், கிருஷ்ணகிரி மாவட்டம், ஒருர் அவர்களின் ந.க.எண்.1787/2022/மொ நாள்: 10.08.2022.

2.தனி ஊராட்சி ஒன்றிய தீர்மானம் முன் அனுமதி எண். நாள்.

உத்தரவு:

தனி ஊராட்சி ஒன்றியம், மதகொண்டப்பள்ளி ஊராட்சி மற்றும் கிராமம் சர்வே எண்: 156/1A, 156/1B, 156/1C, 156/2A, 160/6B, 166/2A, 166/2B, 166/2C1 மற்றும் 167/1-ல் 19.52.41 ஹெக்டேர் (அ) 195241.00சமீ பரப்பளவு 112397.44சமீ கட்டுமான பரப்பளவில் அமையும் **M/s Maragathammbal Industrial & Logistics Park Private Ltd** என்ற நிறுவனத்திற்கு பார்வை(1)ல் காணும் நகர் ஊரமைப்பு துணை இயக்குநர், தருமபுரி மண்டலம், தருமபுரி அவர்களால் கூடுதல் தொழிற்சாலை கட்டிடம் கட்ட நில வரைபட அனுமதி வழங்கப்பட்டதற்கிணங்க, கூடுதல் தொழிற்சாலை கட்டிடம் கட்டிக்கொள்ள கீழ்கண்ட நிபந்தனைகளுக்கு உட்பட்டு கட்டிட வரைபட அனுமதி அளித்து உத்தரவிடப்படுகிறது.

**நிபந்தனைகள்**

1. ஒப்புதல் அளிக்கப்பட்ட நிறுவன வரைப்படத்தில் உள்ளவாறு கட்டுமானங்கள் இயந்திரங்கள் அமைப்பு மற்றும் நிறுவன ஆகியவை இருத்தல் வேண்டும். எனினும் இவற்றில் ஏதேனும் மாறுதல் செய்ய உத்தேசிக்கப்பட்டால், இவ்வலுவலகத்தில் முன் ஒப்புதல் பெற ஆவணங்கள் ஒப்படைக்க வேண்டும்.
2. தீ தடுப்பு மற்றும் மீட்பு துறையில் விதி முறைகளுக்கேற்ப தீ தடுப்பு சாதனங்கள் பொருத்தப்பட்டு எப்பொழுதும் தயார் நிலையில் இருத்தல் வேண்டும்.
3. அரசு ஆணை எண்: 138 நகராட்சி நிர்வாகம் மற்றும் குடிநீர் வழங்கல் துறை நாள்: 11.10.2002ன் படி மழைநீர் சேகரிப்பு அமைப்பு செயல் பட வேண்டும்.
4. நிறுவனத்திலிருந்து வெளியேறும் கழிவுநீர மாசுக்கட்டுப்பாடு துறையினரால் நிர்ணயிக்கப்பட்ட அளவிற்கு தொழிற்சாலைக்கு உள்ளே சுத்திகரிப்பு செய்த பின்னரே வெளியேற்றப்பட வேண்டும்
5. இனியொருங்காலங்களில் கூடுதலாக இயந்திரங்கள் நிறுவப்படும்போது, அனுமதி பெற்று அதற்கான தொகையை செலுத்தியப் பின் இயந்திரங்கள் நிறுவப்பட வேண்டும்.
6. மேற்கண்ட நிபந்தனைகளுக்கு உட்பட்டு, 6.10.2022 முதல் 6.10.2025-க்குள் கட்டிடம் கட்டி முடிக்கப்பட வேண்டும்.
7. உரிய காலத்திற்குள் கட்டிடம் கட்டி முடிக்கபடவில்லையெனில் மீள நீலவரைப்பட அனுமதியினை புதுப்பித்துக்கொள்ள தெரிவிக்கப்படுகிறது.
8. இவ்வூராட்சி ஒன்றியத்தில் நடைபெறும் தணிக்கையின் போது, இத்தொகை தொடர்பான பத்தி ஏற்படுத்தப்படுமெயின், இந்நிறுவனமே முழுப் பொறுப்பாகும்.

இணைப்பு : நீலவரைபடம்-1.

ஆணையாளர்
ஊராட்சி ஒன்றியம், தனி.

பெறுதல்:
**M/s Maragathammbal Industrial & Logistics Park Private Ltd,**
மதகொண்டப்பள்ளி.

04/10/22

நகல்: ஊராட்சி செயலர், மதகொண்டப்பள்ளி ஊராட்சி -
(கட்டிட வரி நிர்ணயம் செய்யும் பொருட்டு)

## 7.3.3 CEIG – Safety Certificate

SAVE ENERGY SAVE NATION

GOVERNMENT OF TAMIL NADU
ELECTRICAL INSPECTORATE

Web Site: www.tnei.tn.gov.in
E-mail: ceig@tn.gov.in

Phone: 22500 184, 22500 227
22500 430, 22500 796
Fax: 22500 036

From
The Chief Electrical Inspector to Government,
Post Box No. 1152,
Thiru.Vi.Ka Industrial Estate,
Guindy, Chennai – 32.

To
M/s. Maragathammbal Industrial & Logistics Parks LLP,
Mathagondapalli Village, Denkanikottai Taluk,
Krishnagiri District – 635114.

Letter No. KRG 627/CEIG/D5/2023, Dated: 25.07.2023

Sir,

Sub: Electricity – Electrical Installations of voltage exceeding 650V and upto and including 33 kV and upto 650V at the premises of M/s. Maragathammbal Industrial & Logistics Parks LLP, Mathagondapalli Village, Denkanikottai Taluk, Krishnagiri District – 635114 – **Additions and Alterations** - Inspection under **Regulation 45 of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2023** on 06.11.2020 - **Permanent Approval** - Regarding.

Ref:
1. This office letter No. KRG 627/CEIG/D5/Drg/2020, dt. 20.07.2020
2. Your letter No. & dt. Nil, received on 27.10.2020.
3. This office letter No. KRG 627/CEIG/D5/Reg. 43/2020, dt. 29.10.2020
4. The Electrical Inspector/Krishnagiri order No. KRG 627/EI/KRG/R43/DR/20, dt. 06.11.2020.
5. Your letter No. & dt. Nil, received on 16.11.2020.
6. This office letter No. KRG 627/CEIG/D5/2020, dt. 18.11.2020
7. Your letter No. Nil, dt. 18.11.2020
8. This office letter No. KRG 627/CEIG/D5/2020, dt. 04.11.2020
9. This office letter No. KRG 627/CEIG/D5/TC/2020-1, dt. 19.11.2020
10. This office letter No. KRG 627/CEIG/D5/SC/2020-2, dt. 19.11.2020
11. This office letter No. KRG 627/CEIG/D5/SC/2020-1, dt. 19.01.2021
12. Your letter No. & dt. Nil, received on 29.01.2021.
13. This office letter No. KRG 627/CEIG/D5/2020, dt. 01.02.2021
14. Your letter No. & dt. Nil, received on 09.04.2021.
15. This office letter No. KRG 627/CEIG/D5/2021, dt. 15.04.2021
16. Your letter No. & dt. Nil, received on 12.07.2021.
17. This office letter No. KRG 627/CEIG/D5/2021, dt. 15.07.2021
18. Your letter No. & dt. Nil, received on 13.10.2021.
19. This office letter No. KRG 627/CEIG/D5/2021, dt. 20.10.2021
20. Your letter No. & dt. Nil, received on 10.01.2022.
21. This office letter No. KRG 627/CEIG/D5/2021, dt. 11.01.2022
22. Your letter No. & dt. Nil, received on 21.01.2022.
23. This office letter No. KRG 627/CEIG/D5/2021, dt. 25.01.2022
24. Your letter No. & dt. Nil, received on 14.07.2022
25. This office letter No. KRG 627/CEIG/D5/2022-1, dt. 02.08.2022.
26. This office letter No. KRG 627/CEIG/D5/2022-2, dt. 02.08.2022.
27. Your letter No. Nil, dt. 21.01.2023, received on 24.01.2023.
28. This office letter No. KRG 627/CEIG/D5/2022, dt. 03.02.2023.
29. Your letter No. & dt. Nil, received on 08.02.2023.
30. Government Energy (A1) Department G.O (Ms) No. 46, dt. 11.07.2023.
31. Your letter No. & dt. Nil, received on 21.07.2023.

*****

The Provisional permission issued in this office letter under reference 10th cited for the Electrical installation at the above premises is hereby made permanent.

(Sd/-xxx)
Chief Electrical Inspector to Government

//True Copy/Forwarded//

Assistant Electrical Inspector/Technical

Copy to: M/s. Sri Varagaa Electricals, Old No. 201, New No. 102, Nethaji Salai, Thiruvallur – 602001.

Copy to: The Superintending Engineer/TANGEDCO Ltd/Krishnagiri Electricity Distribution Circle/110 KV SS Campus, Kattiganapalli, Krishnagiri – 635002.

Copy to: The Electrical Inspector/Krishnagiri

### 7.3.4 Ground Water - NOC

**GOVERNMENT OF TAMIL NADU**
**WATER RESOURCE DEPARTMENT**

**From:**
Er. S. Prabakaran, B.E.,
Chief Engineer, WRD,
State Ground & Surface Water
Resources Data Centre
Tharamani, Chennai 600 113.
Phone : 91-44-22542223 (Direct)
91-44-22541526/27(Board)
Email: cegwchennai@gmail.com
Web site: www.groundwatertnpwd.org.in

**To:**
**M/s. Maragathammbal Industrial & Logistics Park Private Limited,**
23, Vaagai Complex,
1st Floor, 2nd Main Road,
Ambattur Industrial Estate,
Chennai- 600 058.

**Lr.No.DD(G)/OT 9/G-3/87/Fresh NOC/Vellroe/2022/dated: 01.07.2022.**

**Sir,**

**Sub:** **"No Objection Certificate"** for drawal of groundwater to **"M/s. Maragathammbal Industrial & Logistics Park Private Limited"**, Madakondapalli Village, Thally Firka, Thally Block, Denkanikottai Taluk of Krishnagiri District – Fresh NOC - Reg.

**Ref:** 1. The Industry application dated: 11.04.2022.
2. SE/GWC/CHN/Lr.NO;110CE/AD(GP)/GWC/CH/F30/NOC/2022 /Dt.27.06.2022.

Please find the enclosed **"No Objection Certificate"**, for drawal of groundwater to **"M/s. Maragathammbal Industrial & Logistics Park Private Limited"**, Madakondapalli Village, Thally Firka, Thally Block, Denkanikottai Taluk of Krishnagiri District. You are requested to strictly adhere to the quantity permitted and conditions mentioned in the certificate and **apply for renewal of NOC** before two months from the date of expiry without fail. If you fail to apply for renewal of NOC, it will be treated as "Illegal" and informed to District Monitoring Committee to seal the bore well in your unit as per Madras High Court order, dated.20.03.2020 in WP.No.16299/2018.

**Enclosure:**
1. **No Objection Certificate & Conditions**

1/7/2022
**Chief Engineer (SG&SWRDC)**
**WRD,Tharamani,Chennai-113.**

## 7.3.5 Fire License

**TAMIL NADU FIRE &RESCUE SERVICE DEPARTMENT**
**FIRE LICENSE RENEWAL**

(Under Section 13 of the Tamil Nadu Fire Service Act 1985 and with Tamil Nadu Fire & Rescue Service Rules-1990- Appendix-III)

L.DisNo :2117/A1/2023 Date : 29-05-2023

Licence is hereby granted Under Section 13 of the Tamil Nadu Fire & Rescue Service Act 1985 for Selling / Storing / Manufacturing / Pressing / Processing / Transporting of Fireworks / Crackers / Explosives/ Other Items of Manufacturing of Industrial Infrastructure and Logistics Park in the Name of **M/S. MARAGATHAMMBAL INDUSTRIAL AND LOGISTICS PARK PVT LTD.,**with the Jurisdiction of Panchayat / Municipality / Corporationat the Premises **S.F.No:138/1, 138/1A, 138/2, 138/3, 150/1, 150/4, 150/5, 150/8, 156/1A, 156/1B, 156/1C, 156/2A, 156/2B, 156/2C, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 160/6B, 166/2A, 166/2B, 166/2C1 & 167/1, Madhakondapalli Village, Denkanikottai Taluk, Krishnagiri District,**Tamil Nadu Subject to the Conditions noted thereon and other conditions as may be prescribed.

**This Premise is inspected by District Officer, Krishnagiri on 26.05.2023.**

1) The Existing Fire Fighting Equipments / Extinguishers should always be Kept in working condition.
2) The Emergency Exit should be open always during the Working Time.
3) The Emergency Light should be used at the time of power failure.
4) All Fire prevention and Fire Precautionary measures should be adapted.
5) The Licence is issued from Fire Safety point of view only and it is valid for **One year** from the date of issue. Next Renewal Date: 28.05.2024
6) Fire Drill and Evacuation Drill Should be conducted periodically Along with the local fire Brigade.
7) In Compliance to Section 3.2 of BIS 12459:1988 – Code of Practice for Fire Safety in Cable Regularization, a transparer Fire retardant coating of 1 meter shall be applied on all electrical cables at both sides of termination points in every electrical panel and all the cables in the Distribution Box.

(Office Seal with Date)

29 MAY 2023
Pin-635 001

29/05/23
DISTRICT OFFICER,
Fire and Rescue Service,
KrishnagiriDistrict,Krishnagiri

To :

**M/S. MARAGATHAMMBAL INDUSTRIAL AND LOGISTICS PARK PVT LTD.,**
S.F.No: 138/1, 138/1A, 138/2, 138/3, 150/1, 150/4, 150/5, 150/8, 156/1A, 156/1B, 156/1C, 156/2A, 156/2B, 156/2C, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 160/6B, 166/2A, 166/2B, 166/2C1 & 167/1,
Madhakondapalli Village,
Denkanikottai Taluk,
Krishnagiri District.

Copy to:
Joint Director, Tamil Nadu Fire and Rescue Services,Western Region, Coimbatore-18.

## 7.4 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in this report

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## RED HILLS PARK

SPV

SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORTJANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Red Hills Park (the "Subject Asset") |
| Asset Address: | Survey No: 31/1A1, 31/1A2, 31/2A, 31/1B, 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3, 33/4, 33/5, 33/6, 34/1, 35/2, 35/1A, 35/1B of Sethupakkam Village, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C, 144/3, 144/4, 145 & 146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B and 77/2A3A2 of Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District, Tamil Nadu. |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Siruvapuri Murugan Industrial and Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the building plan approval and sanctioned layout provided by the client, it is understood that the total underlying land area of the Subject Asset is approx. 28.6 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located in close proximity to SH-114, Thiruvallur Taluk, Thiruvallur District, Tamil Nadu. The Subject Asset is spread across a land area of approx. 28.6 acres having ten blocks with leasable area of approx. 11,20,135 sft and a cumulative chargeable area of approx. 10,00,829 sft comprising of nine completed blocks and one under construction block. Further, it was observed that the Subject Asset is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset has limited frontage along the primary access road. The primary access road abuts the Subject Asset in its southern side.<br><br>Please note that as on date of valuation, plans and approvals for the under-development portion viz. 74,253 sft have not been received. However, as discussed with the Client, it is assumed that the approvals would be received for undertaking this development.<br><br>The Subject Asset is a warehousing facility with PEB structures having all requisite facilities such as one DG and Transformer Yard with two transformers (160 KVA, 1250 KVA & 800KVA respectively), two Sewage Treatment Plant – STP (50KLD Daiki tank each), Storm water network (Hume pipe with RCC chamber), Fire Fighting Systems of NFPA/NBC standard, FM2 flooring type with floor load of 5T per sqm and a power load of 500 KVA.<br><br>The Subject Asset is located at a distance of approx. 0 – 1 km from State Highway - 114, approx. 20 – 25 km from Ambattur, approx. 40 – 45 km from Chennai International Airport and approx. 30 – 35 km from Chennai Central Railway station. |

Statement of Assets (sft):

Based on review of rent roll, lease deeds and area statement provided by the client, the Subject Asset has an operational warehousing facility with approx. 10,00,829 sft with 92% occupancy.

| Blocks | Built-Up Area (in sft) | Leasable Area (in sft) | Chargeable Area (in sft) * | Structure Type |
|---|---|---|---|---|
| Poochi Athipet Block I | 3,25,103 | 3,25,103 | 3,25,103 | PEB Structure |
| Poochi Athipet Block II | 91,847 | 91,847 | 71,195 | PEB Structure |
| Poochi Athipet Block III (Mezzanine) | 7,412 | 7,412 | 7,412 | PEB Structure |
| Poochi Athipet Block IV (open yard) | 66,484 | 66,484 | 66,484 | NA |
| Poochi Athipet Block V | 98,380 | 98,380 | 74,154 | PEB Structure |
| Poochi Athipet Block VI | 1,31,062 | 1,31,062 | 1,12,290 | PEB Structure |
| Poochi Athipet Block VII | 87,877 | 87,877 | 74,253 | PEB Structure |
| Poochi Athipet Block VII (open space) | 26,513 | 26,513 | 26,513 | NA |
| Poochi Athipet Block VIII | 74,253 | 74,253 | 74,253 | PEB Structure |
| Poochi Athipet Block IX | 1,07,590 | 1,07,590 | 81,790 | PEB Structure |
| Poochi Athipet Block X A | 63,113 | 63,113 | 46,881 | PEB Structure |
| Poochi Athipet Block X B | 40,501 | 40,501 | 40,501 | PEB Structure |
| Total Area | 11,20,135 | 11,20,135 | 10,00,829 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

** As per the approved plans Block, I form part of Block 1 and all the other blocks from II to X forms part of Block 2.*

**As per the lease deed and the client inputs the leasable area of Block IV is 87,136 sft with warehouse area of 66,484 sft and apron area admeasuring 20,652 sft. Of this, warehouse area of 66,484 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block VI is 1,31,062 sft with warehouse area of 1,12,290 sft and apron area admeasuring 18,772 sft. Of this, warehouse area of 1,12,290 sft is considered as chargeable area.*

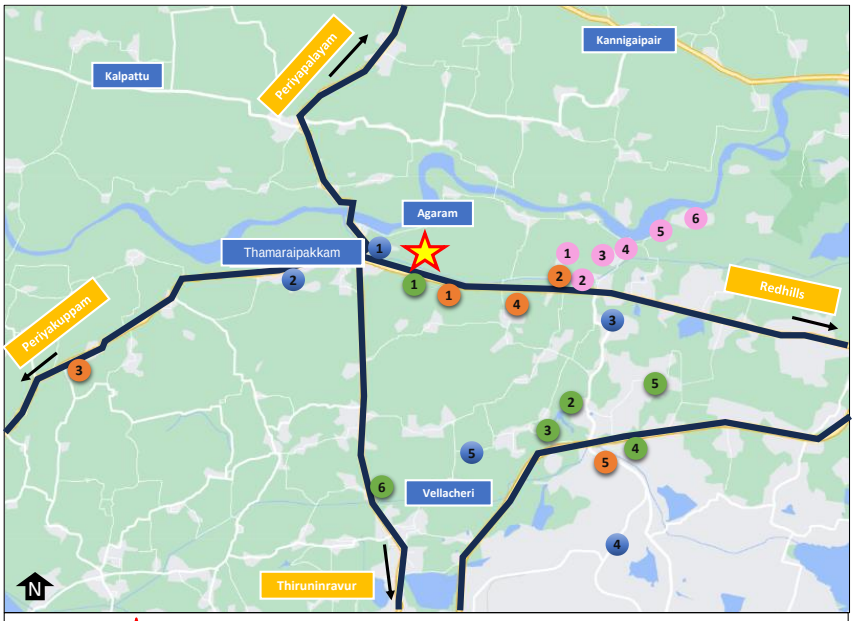
**As per the lease deed and the client inputs the leasable area of Block VII is 87,877 sft with warehouse area of 74,253 sft and apron area admeasuring 13,624 sft. Of this, warehouse area of 74,253 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block IX is 1,07,590 sft with warehouse area of 81,790 sft and open area admeasuring 25,800 sft. Of this, warehouse area of 81,790 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block X A is 63113 sft with warehouse area of 43,010 sft, apron area of 10,350 sft, and open admeasuring 10,350 sft. of this portion of warehouse, apron and open area admeasuring 46,881 sft is chargeable.*

Location Map

**Location Map for the Subject Asset**




Subject Property — Map Not to Scale

**Warehouse Developments**
1. Flipkart International Pvt Ltd
2. Coco Cola Depot
3. Reliance Jio Warehouse
4. Usha International Warehouse
5. NDR Warehouse
6. LG Warehouse

**Industrial Developments**
1. Jayadhitya Groups - Readymix Concrete
2. Metlord Alloys
3. VKN Industries
4. Sree Murugan Industries
5. SASICIRCUITS PVT LTD( pcb board fabrication)

**Social Infrastructure**
1. Thamaraipakkam Chinmaya Sarvesvara Dhyana Nilayam
2. Govt Hospital Velliyur
3. S2K CRICKET GROUND
4. CRPF Composite Hospital
5. M V R Cricket Ground

**Institutional Developments**
1. Magna College of Arts and Science
2. Best Engineering College
3. Great Harvest Bible College
4. Vel Tech Rangarajan Dr.Sagunthala R&D Institute of Science and Technology
5. Vel Tech Engineering College
6. Good Shepherd College Of Education

*Source: Industry Assessment Report*

Tenancies

As at the valuation date the completed block of the Subject Asset is fully let to six tenants at a total current annual rent of 188.8 Mn (including mezzanine area rentals) and with a Weighted average lease expiry (WALE) of 4.47 years. The main tenant is a third-party logistics company, with 32% of the leasable area and accounting for approx. 35% of the current rent.

Key Assumptions

| Particulars | Unit | Redhills - Completed | Redhills – Proposed |
|---|---|---|---|
| | Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 | 10 |
| In-place rent | INR/ sf/ mth | 17.1 | 0.0 |

| | | | |
|---|---|---|---|
| Marginal rent – Warehouse component | INR/ sf/ mth | 21.0 | 21.0 |
| Weighted Average Marginal Rent* | INR/ psf/ mth | 17.6 | 21.0 |
| Capital Expenditures Details | | | |
| Pending cost to complete* | INR Mn | N.A. | 136.5 |
| Proposed asset completion timelines (Completed Blocks & Planned/Under Construction Blocks) | Quarter, Year | N.A. | Q1, 2025 |
| Refurbishment capex | INR Mn | N.A. | N.A. |
| Other Financial Assumptions | | | |
| Exit Cap rate – warehouse components | % | 7.75% | 7.75% |
| Discount rate (for completed blocks) | % | 11.58% | N.A. |
| Discount rate (for under construction blocks | % | N.A. | 12.80% |
| NOI Computation – Completed | | | |
| 1 year Forward NOI | INR Mn | 193.3 | 7.3 |
| Stabilized NOI[1] | INR Mn | 191.8 | 18.6 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces*

| | |
|---|---|
| %stake proposed to be held in Asset SPV by TVS Infrastructure trust: | 100% |
| Date of Inspection: | Feb 09, 2024 |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

| | |
|---|---|
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the Asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Current Government Approved Rates (as per documents published by State Government): | INR 171.6 Mn (INR 6.5 Mn per acre) |

Market Value as of September 30, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| TVS Industrial & Logistics Parks, Redhills | Operational | 2803.1 |
| | Under Construction | 105.9 |
| Total Value of the asset | | 2909.0 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |

Assumptions, Disclaimers, Limitations & Qualifications

*This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*

*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

*Please note that is an executive summary and it is advisable that the report should be the valuation*

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Notice

This Executive Summary [/Valuation Certificate] should be read in conjunction with the entire valuation report and should not be relied upon in isolation.

Valuer Declaration:

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of an operational Warehousing asset located at Sethupakkam Village, Agaram Village & Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District, Tamil Nadu.

Based on information provided by the client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 28.6 acres with a total leasable area of approx. 11,20,135 sft and a cumulative chargeable area of approx. 10,00,829 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Red Hills Park | Siruvapuri Murugan Industrial and Logistics Parks Pvt Ltd | Warehouse | Thiruvallur | 28.6 acres | 10 |

*Source: Client Inputs*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the infrastructure development subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of valuer where such consent to be given at the absolute, exclusive discretion of valuer, which shall not be unreasonably withheld. Where they are to be used with the valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without valuer's prior written consent.

The valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the client has disclosed to the valuer all information which may affect the Services. All opinions expressed by the valuer, or its employees are subject to any conditions contained in the valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered valuers and valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture,

New Delhi in 1997 and master's in client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Thamaraipakkam micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| TVS Industrial & Logistics Parks | Siruvapuri Murugan Industrial and Logistics Parks Pvt Ltd | Thiruvallur | Thamaraipakkam |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The valuer certifies that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park

Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Client, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the client or any other party whom the

TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- The Valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The valuers are not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the valuer identifies certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the valuer recommend as necessary prior to reliance. The valuer is not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br><br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br><br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |

| | |
|---|---|
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the client, the valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the subject assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the client. It must be noted that the above information has been provided by the client and has been verified based on the approvals/ layout plans/building plans provided by the client. However, the valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |

| | |
|---|---|
| Not a Structural Survey: | The valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br>All measurements, areas and ages quoted in our report are approximate.<br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br>As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, Leasable area mentioned is in accordance with the information shared by the client comprising rent rolls and lease agreements. |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation. |

| | |
|---|---|
| | Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

# 3 Chennai – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

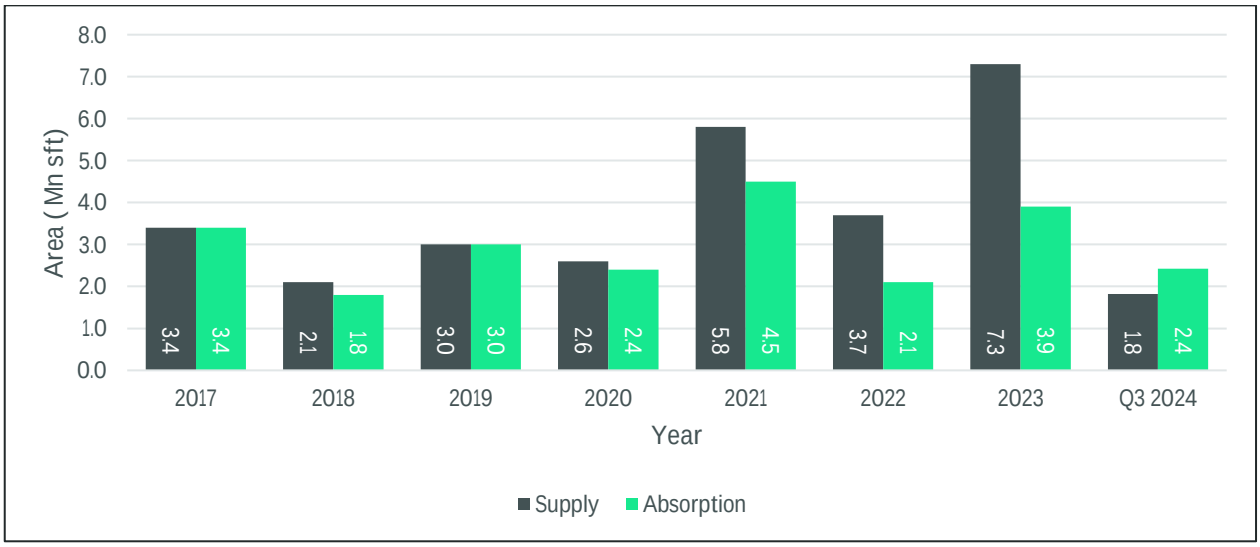
### 3.2.1 Demand and Supply Trends – Chennai and micromarket

Chennai has approx. 46.12 mn sft of operational warehouse supply out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 82% of the cities Completed supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 51%), Grade B developments (approx. 45%) & Grade C developments (approx. 4%). Because of its close proximity to industrial centres, first-rate infrastructure, government backing, plenty of land, and highly qualified labour, Chennai's Western Cluster is the ideal site for warehouse construction. As a result, this area now has a greater concentration of upcoming warehouse supply than the other Clusters.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q4 2023) | Approx. 46.12 msf |
| Cumulative occupied stock (Q4 2023) | Approx. 41.07 msf |
| Current vacancy (Q4 2023) | Approx. 10.9 % |
| Future supply (2024 – 2026) | 5.0 to 5.5 Mn Sft |

*Source: Industry Assessment Report dated of September 30, 2024*

Demand – Supply Dynamics of City: Chennai




*Source: Industry Assessment Report.*

The year-on-year share of Grade-A warehouse supply has grown significantly since 2014, driven by the entry of large-scale organized players like Indospace, ESR, LOGOS, and Ascendas. From 2017 to 2023, supply addition in the overall Chennai warehousing market experienced a Compound Annual Growth Rate (CAGR) of 11-12% due to demand from the Manufacturing Sector. The Western cluster, encompassing Mannur and Oragadam, has been the primary driver due to its strong manufacturing base, particularly in the automotive and ancillary industries.

In the year 2020 there was a slight slump observed in supply and demand owing to worldwide pandemic scenario causing construction delays coupled with deferment in absorption of warehouse space which was already pre-committed in the market.

In year 2021, largest supply and absorption influx was witnessed owing spill over demand of 2020 which was impacted by COVID and coupled with demand from Automobile and 3PL tenant sectors.

Below table highlights the snapshot of the NH-16 warehousing market:

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Chennai | Upcoming Supply | Land Values (INR Mn/acre) |
|---|---|---|---|---|---|---|
| 12.7 Mn sft | 6 - 7% | 1.5 Mn sft | 8- 9% | 6 - 7% | - | 20 – 30 |

The warehousing market of NH 16 Stretch 1 is one of the prominent hubs in the northern cluster of Chennai, predominantly established by organized warehousing parks such as NDR warehouse, Sugal and Damani Warehouse and other local/Home-grown developers present along the stretch. This market constitutes a share of nearly 62% of the completed supply in Northern cluster of Chennai.

NH 16 (Stretch 1) was the first vector to witness warehousing development in Chennai – this was due to the vector's proximity to Chennai port. Currently the vector is primarily characterized by the presence of Grade B & C developments and a very limited Grade A supply. Owing to proximity to city centre and port, 3PL/Logistics, FMCD, Automobile and E- commerce companies are the primary demand drivers in this location ~ contribute to approx. 61% of the demand.

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| NDR Warehouse | 2023 | 760,000 | 21 – 22 |
| Preethi | 2023 | 130,000 | 21 - 22 |
| TVS | 2020 | 737,142 | 20 – 21 |
| Sugal N Damani | 2019 | 220,000 | 19 – 21 |

*Source: Industry Assessment Report*

#### 3.2.1.1 Future Supply

Based on the market research, we understand that the micromarket of NH 16 stretch 1 has an upcoming supply of approx. 1.00 Mn sft expected to be completed in 2024 and 2025. The details of the same are as below:

| Building Name | Year of Completion | Status* | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Sugal & Damani | 2025 | Planned | NH 16 Stretch 1 | 600,000 |
| Primespace Logistics | 2024 | UC | NH 16 Stretch 1 | 100,000 |
| Sugal & Damani | 2024 | UC | NH 16 Stretch 1 | 300,000 |

*Source: Industry Assessment Report * UC – Under Construction*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q1, 2023 | 60,000 | Eureka Forbes | Ascendas - Firstspace-Periyapalayam-Phase I-Box 1 | 16 | Base Rental |
| Q3, 2023 | 218,000 | Apollo Tyres | Ascendas - Firstspace-Periyapalayam-Phase II-Box 1 | 20 | Base Rental |
| Q1, 2023 | 150,000 | ProConnect Integrated Logistics | BT Enterprises-Kavaraipettai-Phase I-Box 6 | 17 | Base Rental |
| Q1, 2023 | 40,000 | SF International | GreenBase Hiranandani-Janapanchathiram-Phase I-Box 1 | 20 | Base Rental |
| Q2, 2023 | 45,000 | SF International | House of Hiranandhani-Janapanchathiram-Phase I-Box 2A | 21 | Base Rental |
| Q2, 2023 | 60,000 | Crown Logistics | House of Hiranandhani-Janapanchathiram-Phase I-Box 2B | 21 | Base Rental |
| Q2, 2023 | 40,000 | Ingram Micro Logistics | House of Hiranandhani-Janapanchathiram-Phase I-Box 3A | 21 | Base Rental |
| Q4, 2023 | 60,000 | Exide Industries | Individual Developer-Red Hills-Phase I-Box 1 | 24 | Base Rental |
| Q3, 2023 | 300,000 | Kuehne+Nagel | NDR-Angadu-Phase I-Box 1 | 21 | Base Rental |
| Q1, 2023 | 110,000 | Havells | Sugal & Damani-Boochiathipattu-Phase I-Box 1 | 21 | Base Rental |

| | | | | | |
|---|---|---|---|---|---|
| Q2, 2023 | 200,000 | Parekh Integrated Services | Welspun One-Chinnambedu-Phase I-Box 1 | 22 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 17 - 21/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the Excellent connectivity, proximity to critical industrial centres, land availability, and the presence of a warehousing ecosystem are the primary demand drivers for this market. There is a projected supply of approximately 1.0 to 1.5 mn sft in NH 16 over the next 2-3 years. Based on the historical absorption observed in the NH 16 market, it is reasonable to anticipate a demand of approximately 0.5 to 0.7 mn sft.

The demand driver for this vector is primarily driven by being located within the expansion of the connectivity to transit corridor viz, Ennore Port. The proximity to critical warehousing hubs and land availability are the primary demand drivers for this market.

Chennai markets have been witnessing linear growth in the supply and demand over the past 4-5 years for warehousing spaces. While the western part of Chennai is considered a prominent segment for Manufacturing the North is chosen by logistic players given its easy access to Chennai port. Redhills by virtue of falling in the northern part of Chennai is gaining traction due to its enhanced connectivity and easy access to the port of Chennai. Enormous small to mid-scale Container Freight Stations, third party logistic centres, small to mid-scale manufacturers have their facilities set up in closer vicinity to Redhills. This is expected to further bolster the growth prospects of NH16 especially for warehousing market given the availability of larger land parcels and development potential.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location, specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 18 - 21 / sft / month as on date of valuation.

# 4 Subject Asset – Red Hills Park

## 4.1 Asset Description

The Subject Asset christened 'Siruvapuri Murugan Industrial and Logistics Private Limited' is an operational warehousing facility with total leasable area of 10,75,644 sft located at Survey No: 31/1A1, 31/1A2, 31/2A, 31/1B, 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3, 33/4, 33/5, 33/6, 34/1, 35/2, 35/1A, 35/1B of Sethupakkam Village, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C, 144/3, 144/4, 145 & 146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B and 77/2A3A2 of Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District. The Subject Asset is currently accessible via an Internal Road which emanates from SH – 114.

The Subject Asset is spread across a land area of approx. 28.6 acres having ten blocks with leasable area of approx. 11,20,135 sft and a cumulative chargeable area of approx. 10,00,829 sft comprising of nine completed blocks and one under construction block

Further, it was observed that the Subject Asset is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset has limited frontage along the primary access road. The primary access road abuts the Subject Asset in its southern side.

Please note that as on date of valuation, plans and approvals for the under-development portion viz. 74,253 sft have not been received. However, as discussed with the Client, it is assumed that the approvals would be received for undertaking this development.

The Subject Asset is located in close proximity to SH – 114, Thiruvallur Taluk, Thiruvallur District. The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as one DG and Transformer Yard with two transformers (160 KVA, 1250 KVA & 800KVA respectively), two Sewage Treatment Plant – STP (50KLD Daiki tank each), Storm water network (Hume pipe with RCC chamber), Fire Fighting Systems of NFPA/NBC standard, FM2 flooring type with floor load of 5T per sqm and a power load of 500 KVA.

Moreover, the park offers a range of amenities such as domestic water supply, electric supply, fire protection, etc. The Subject Asset provides street lighting all around the park, and designated parking areas for trucks, Cars and Two wheelers. The park's landscaping provides a sustainable environment, while the asset is monitored completely with CCTV & security control to ensures safety. The prominent tenant in the Subject Asset includes third-party logistics company, e-commerce company, manufacturing company, logistics company and couple of FMCG company.

As at the valuation date the Subject Asset is fully let to six tenants at a total current annual rent of 197.83 Mn (including mezzanine area rentals) and with a Weighted average lease expiry (WALE) of 4.6 years. The main tenant is third part logistics company, with 29% of the leasable area and accounting for approx. 36% of the current rent.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Red Hills Park |
| Address | Survey No: 31/1A1, 31/1A2, 31/2A, 31/1B, 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3, 33/4, 33/5, 33/6, 34/1, 35/2, 35/1A, 35/1B of Sethupakkam Village, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C, 144/3, 144/4, 145 & 146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B and 77/2A3A2 of Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District. |
| Land Area | Based on the sanctioned layout shared by the client, it is understood that the Subject Asset spread across a land area of approx. 28.6 acres |
| Leasable Area | 11,20,135 sft |
| Chargeable Area | 10,00,829 sft |
| Built-up Area | 11,20,135 sft |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

** As per the approved plans Block, I form part of Block 1 and all the other blocks from II to X forms part of Block 2.*

**As per the lease deed and the client inputs the leasable area of Block IV is 87,136 sft with warehouse area of 66,484 sft and apron area admeasuring 20,652 sft. Of this, warehouse area of 66,484 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block VI is 1,31,062 sft with warehouse area of 1,12,290 sft and apron area admeasuring 18,772 sft. Of this, warehouse area of 1,12,290 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block VII is 87,877 sft with warehouse area of 74,253 sft and apron area admeasuring 13,624 sft. Of this, warehouse area of 74,253 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block IX is 1,07,590 sft with warehouse area of 81,790 sft and open area admeasuring 25,800 sft. Of this, warehouse area of 81,790 sft is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block X A is 63113 sft with warehouse area of 43,010 sft, apron area of 10,350 sft, and open admeasuring 10,350 sft. of this portion of warehouse, apron and open area admeasuring 46,881 sft is chargeable.*

### 4.1.1 Site Details

Situation: Subject Asset – 'Red Hills Park' is an operational warehousing facility located in Sethupakkam Village, Agaram Village, and Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District, Tamil Nadu.

Location:

The Subject Asset is located in an internal road which emanates from SH-114. The Subject Asset is spread across Sethupakkam Village, Agaram Village, and Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District, Tamil Nadu.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| State Highway – 114 | 0-1 |
| Ambattur | 20-25 |
| Chennai Central Railway Station | 30-35 |
| Chennai International Airport | 40-45 |

*Source: Valuer's research*

Catchment Analysis:

The primary catchment for the purpose of this valuation has been defined as Thamaraipakkam Village and its adjoining micromarkets. The subject micromarkets are characterized by the presence of multiple industrial developments and large tracts of vacant land parcels. Some of the notable industrial developments in the micromarket includes Reliance Warehouse, Flipkart Warehouse, Coca cola DC, and Tube Investments of India Warehouse from established Warehousing and logistic developers such as NDR, Sugal-Damani (SN), TVS Industrial Parks etc. The upcoming peripheral ring road of Chennai City which is connecting Ennore Port in the north with Mahabalipuram in the south through Thatchur, Thiruvallur, Sriperumbudur, Oragadam, Singaperumal Koil spanning a total length of approx. 133.38 kms is expected to be the most preferred route for goods container trucks to avoid the busy city traffic and carry cargo to the Chennai-Ennore port.

Surrounds:

The Subject Asset is surrounded as follows:

- North: Private Property
- South: Access Road
- East: Private Property
- West: Private Property

Potential changes in surroundings:

The subject micromarket is currently characterized by the presence of large tracts of vacant land parcels, a few captive industrial developments and unorganised residential plotted layouts catering to the needs of local populace. The Subject Asset is located in close proximity to upcoming peripheral ring road of Chennai City which is connecting Ennore Port in the north with Mahabalipuram in the south through Thatchur, Thiruvallur, Sriperumbudur, Oragadam, Singaperumal Koil spanning a total length of approx. 133.38 kms. The same is expected to get completed by CY 2025 and upon completion, this will be the most preferred route for goods container trucks to avoid the busy city traffic and carry cargo to the Chennai-Ennore port.

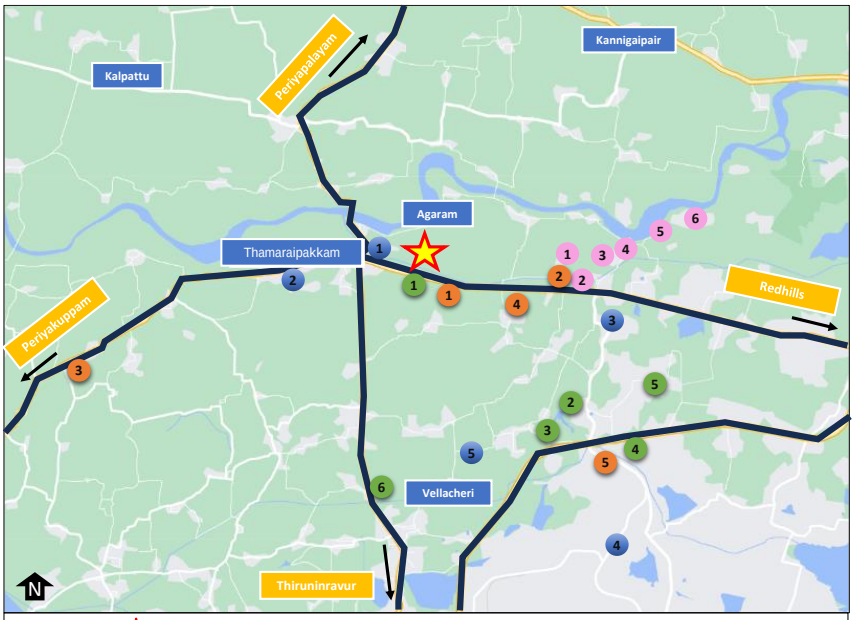
Suitability of existing use:

As per information received from the client, we understand that the Subject Asset is an under-construction warehousing facility. The current use of the asset i.e. 'Warehousing facility' is as per the usage permitted by the Director of Town and Country Planning (DTCP) . We have not verified the same from DTCP or inspected any documentary evidence to the same.

Also considering the nature of Subject Asset coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development.

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




Subject Property — Map Not to Scale

Warehouse Developments
1. Flipkart International Pvt Ltd
2. Coco Cola Depot
3. Reliance Jio Warehouse
4. Usha International Warehouse
5. NDR Warehouse
6. LG Warehouse

Industrial Developments
1. Jayadhitya Groups - Readymix Concrete
2. Metlord Alloys
3. VKN Industries
4. Sree Murugan Industries
5. SASICIRCUITS PVT LTD( pcb board fabrication)

Social Infrastructure
1. Thamaraipakkam Chinmaya Sarvesvara Dhyana Nilayam
2. Govt Hospital Velliyur
3. S2K CRICKET GROUND
4. CRPF Composite Hospital
5. M V R Cricket Ground

Institutional Developments
1. Magna College of Arts and Science
2. Best Engineering College
3. Great Harvest Bible College
4. Vel Tech Rangarajan Dr.Sagunthala R&D Institute of Science and Technology
5. Vel Tech Engineering College
6. Good Shepherd College Of Education

*Source: Industry Assessment Report*

Shape:

Based on the site plan provided by the client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape.

| | |
|---|---|
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining Assets. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has limited frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the client and visual inspection, the primary access to the Subject Asset is via an internal road which emanates from SH-114. By virtue of the same the asset had adequate accessibility<br><br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the client, we understand that the exact address of the Subject Asset is spread across Sethupakkam Village, Agaram Village, and Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District. Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per information received from the client, we understand that the Subject Asset is an operational warehousing facility. The current use of the asset i.e. 'Warehousing facility' is as per the usage permitted by the Director of Town and Country Planning (DTCP). We have not verified the same from DTCP or inspected any documentary evidence to the same.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is an operational warehousing facility. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the client, there are no other restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or |

otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).

For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Thamaraipakkam Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in high-lying area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster

Approvals: As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the client with the relevant development authorities.

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) | Date of Expiry (DD-MM-YY) |
|---|---|---|---|---|
| Fire NOC | Received | Fire and Rescue Department | 06-11-2019 | NA |
| Ground Water Abstraction NOC | Received | Revenue Divisional Officer, Thiruvallur | 08-12-2023 | NA |
| Land Use Conversion NOC | Received | Collectorate, Thiruvallur | 07-09-2019 | NA |
| Planning Permit | Received | Director of Panchayath Union | 21-03-2022 | NA |
| Consent for Establishment – Air & Water | Received | Tamil Nadu Pollution Control Board, Thiruvallur | 07-09-2021 | 31-03-2026 |

*Source: Approval and NOC documents provided by the client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the client, we understand that there are no overdue periodic clearances. Please refer section 7.3 for any further details

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Particulars | Leasable Area (sft) | Operational Area (sft)* | Under-Construction Area (sft) | Year of Completion |
|---|---|---|---|---|
| Poochi Athipet Block I | 3,25,103 | 3,25,103 | N.A. | Q1 2021 |
| Poochi Athipet Block II | 91,847 | 71,195 | N.A. | Q2 2021 |
| Poochi Athipet Block III (Mezzanine) | 7,412 | 7,412 | N.A. | Q2 2021 |
| Poochi Athipet Block IV (open yard) | 66,484 | 66,484 | N.A. | Q2 2021 |
| Poochi Athipet Block V | 98,380 | 74,154 | N.A. | Q2 2021 |
| Poochi Athipet Block VI | 1,31,062 | 1,12,290 | N.A. | Q1 2022 |
| Poochi Athipet Block VII | 87,877 | 74,253 | N.A. | Q1 2022 |
| Poochi Athipet Block VII (open space) | 26,513 | 26,513 | N.A. | Q2 2024 |
| Poochi Athipet Block VIII | 74,253 | - | 74,253 | Q1 2025 |
| Poochi Athipet Block IX | 1,07,590 | 81,790 | N.A. | Q2 2022 |
| Poochi Athipet Block X A | 63,113 | 46,881 | N.A. | Q1 2022 |
| Poochi Athipet Block X B | 40,501 | 40,501 | N.A. | Q1 2022 |
| Total Area | 11,20,135 | 9,26,576 | 74,253 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), *Area mentioned is chargeable area.*

The table below highlights the area details of the Subject Asset:

| Particulars | Leasable Area (sft) | Chargeable Area (sft) |
|---|---|---|
| Poochi Athipet Block I | 3,25,103 | 3,25,103 |
| Poochi Athipet Block II | 91,847 | 71,195 |
| Poochi Athipet Block III (Mezzanine) | 7,412 | 7,412 |
| Poochi Athipet Block IV (open yard) | 66,484 | 66,484 |
| Poochi Athipet Block V | 98,380 | 74,154 |
| Poochi Athipet Block VI | 1,31,062 | 1,12,290 |
| Poochi Athipet Block VII | 87,877 | 74,253 |
| Poochi Athipet Block VII (open space) | 26,513 | 26,513 |
| Poochi Athipet Block VIII | 74,253 | 74,253 |
| Poochi Athipet Block IX | 1,07,590 | 81,790 |

| | | |
|---|---|---|
| Poochi Athipet Block X A | 63,113 | 46,881 |
| Poochi Athipet Block X B | 40,501 | 40,501 |
| Total Area | 11,20,135 | 10,00,829 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks |
|---|---|---|
| Handover condition | Warm Shell | N.A. |
| Type of Structure | PEB | N.A. |
| Firefighting services | Provided. Fire NOC Available | N.A. |
| Lift provision | No Lifts | N.A. |
| Floor Finish | FM2 Concrete floor | N.A. |
| Floor Strength | 5 MT/Sqm | N.A. |

*Source: Information provided by the client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is maintained well.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

| Red Hills Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |

Red Hills Park

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the access road of the Subject Asset

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Assets forming part of the portfolio.

## 5.2 Basis of Valuation

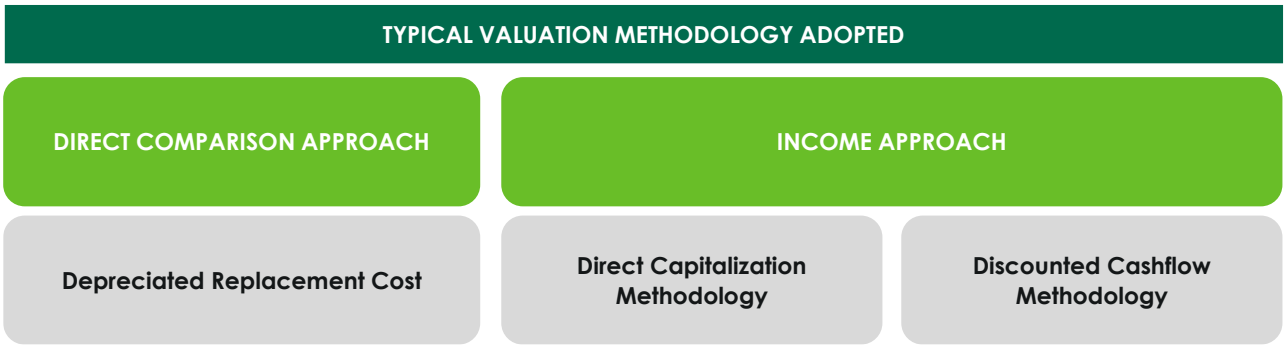
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in infrastructure valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Assets for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.

3. The Valuer has undertaken physical site inspections to assess the status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

The primary catchment for the purpose of this valuation has been defined as Thamaraipakkam Village and its adjoining micromarkets. The subject micromarkets are characterized by the presence of multiple industrial developments and large tracts of vacant land parcels. Some of the notable industrial developments in the micromarket includes Reliance Warehouse, Flipkart Warehouse, Coca cola DC, and Tube Investments of India Warehouse from established Warehousing and logistic developers such as NDR, Sugal-Damani (SN), TVS Industrial Parks etc. The upcoming peripheral ring road of Chennai City which is connecting Ennore Port in the north with Mahabalipuram in the south through Thatchur, Thiruvallur, Sriperumbudur, Oragadam, Singaperumal Koil spanning a total length of approx. 133.38 kms is expected to be the most preferred route for goods container trucks to avoid the busy city traffic and carry cargo to the Chennai-Ennore port.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that it is approx. 92% leased out as on date of valuation. Since the infrastructure industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area and under-construction/proposed area, the valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the valuer by the client unless otherwise mentioned. The valuer has assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | NA | Client |
| | Power Back-up | KVA | Electricity Bill |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Not Provided |
| | Cost Already Incurred – Under Construction Block | NA | Not Provided |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key portfolio characteristics | Opinions expressed on the scale of portfolio, relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| Red Hills Park | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the client, we understand that Subject Asset is an operational warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Particulars | Total Area (sft)[2] | Operational Area (sft)* |
|---|---|---|
| Poochi Athipet Block I | 3,25,103 | 3,25,103 |
| Poochi Athipet Block II | 91,847 | 71,195 |
| Poochi Athipet Block III (Mezzanine) | 7,412 | 7,412 |
| Poochi Athipet Block IV (open yard) | 66,484 | 66,484 |
| Poochi Athipet Block V | 98,380 | 74,154 |
| Poochi Athipet Block VI | 1,31,062 | 1,12,290 |
| Poochi Athipet Block VII | 87,877 | 74,253 |
| Poochi Athipet Block VII (open space) | 26,513 | 26,513 |
| Poochi Athipet Block VIII | 74,253 | 74,253 |
| Poochi Athipet Block IX | 1,07,590 | 81,790 |
| Poochi Athipet Block X A | 63,113 | 46,881 |
| Poochi Athipet Block X B | 40,501 | 40,501 |
| Total Area | 11,20,135 | 10,00,829 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), *Area mentioned in chargeable area*

[2] *As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements.*

| Tenant | Chargeable (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Red Hills Park | 10,00,829 | 100% | 17.1 | 15.8 |

*Source: Lease deed*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Occupancy % |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | N. A |

*Source: Information provided by the client;*

### 6.3.2 Lease Rent Analysis

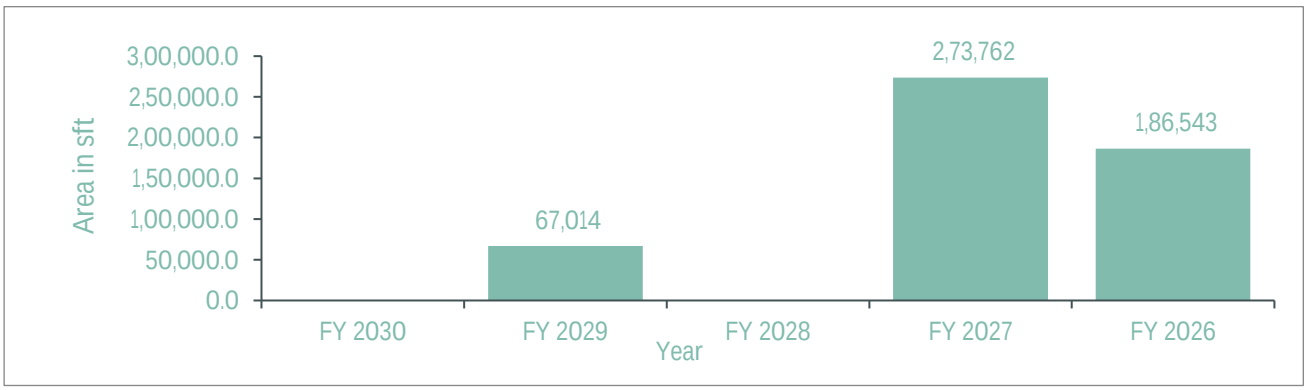
Based on the review of the Lease Deed provided by the client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Third Party Logistics Company | Lease Commencement Date | 21st April 2021 |
| | Rent Commencement Date | 21st July 2021 |
| | Lock-in Period | 4 Years |
| | Lease Tenure/Remaining Tenure | 9.9/6.5 Years |
| | Lease Rent Escalation Terms | 3% every year |
| E-Commerce Company | Lease Commencement Date | 1st October 2021 |
| | Rent Commencement Date | 1st October 2021 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 6.0/3.0 Years |
| | Lease Rent Escalation Terms | 4% every year |
| Logistics Company | Lease Commencement Date | 1st Feb 2022 |
| | Rent Commencement Date | 15th May 2022 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 5.0/2.3 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 22nd March 2022 |
| | Rent Commencement Date | 15th June 2022 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/2.4 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 9th May 2024 |
| | Rent Commencement Date | 9th May 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.6 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 15th April 2022 |
| | Rent Commencement Date | 8th May 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/Remaining Tenure | 5.0/2.5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| FMCG Company | Lease Commencement Date | 22nd June 2024 |
| | Rent Commencement Date | 22nd June 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 3.0/2.7 Years |
| | Lease Rent Escalation Terms | 5% every year |
| FMCG Company | Lease Commencement Date | 1st October 2024 |
| | Rent Commencement Date | 1st October 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/5.0 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 4.6 years, with 50% of occupied area expiring in FY 2027 as shown in the chart below.




*Source:* Valuer Workings; The expiry profile has been plotted only for the warehouse areas

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Red Hills Park | 10,00,829 | 100% | 17.1 | 15.8 |

*Source: Leased Deed and Information provided by the client*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 20.0 – 22.0 per sf per month (say an average rental of INR 21.0 per sf per month of leasable area).

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner with Block 1 completed and operationalised during Q1 2021, Block 2, 3, 4 & 5 completed and operationalised during Q2 2021, Block 6, 7 & 10 completed and operationalised during Q1 2022, Block 9 completed and operationalised during Q2 2022, and Block 8 completed and operationalised during Q2 2024.

#### 6.3.5.2 Under-Construction/ Proposed Blocks

Based on the information provided by the client, the following timelines for construction have been adopted for the purpose of this valuation exercise

| Block | Leasable/ Developable Area (sft) | Construction Commencement | Construction Completion |
|---|---|---|---|
| Poochi Athipet Block VIII | 74,253 | Q2 2024 | Q1 2025 |

*Source: Client Inputs*

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the client, we understand that the competed blocks have an occupancy of 92% as on date of valuation. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

As per the rent roll provided by the client, we understand that the under-construction block hasn't been occupied as on date of valuation and the same is expected to occupy by Q1, 2025.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area - Chargeable (sft) | Basis | Rent Adopted (INR psf pm) |
|---|---|---|---|---|---|
| Warehouse | 11,20,135 | 10,00,829 | 9,26,586 | Current Rent for Leased area | 17.1 |
| | | | | Market rent for reversion/ vacant area | 21.0 |

*Source: Lease deed provided by the client; Valuer's assessment*

The above market rent assumption is adopted for the entire Subject Asset. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the vacant area and renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation – Completed Portion | 17.93 | 18.82 | 19.76 | 5% escalation year on year |
| Market Rent Escalation – UC Portion | 17.93 | 18.82 | 19.76 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1.0 | INR per sft per month |
| Other Income (For vacant area and Development component) | 3.0% | % of total revenue |

*Source: Valuer's assessment*

## 6.3.10 Capital Expenditure

### 6.3.10.1 Development Cost

Based on visual inspection during the site visit and information provided by the client, we understand that all the blocks construction are completed and fully operational.

### 6.3.10.2 Major Repair and improvements

As per information provided by the client, we understand that there are no major repairs and improvement proposed in the said asset.

## 6.3.11 Operating Cost

A development typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.60 Mn |
| Insurance* | INR 2.12 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the client, Asset tax and insurance are to be borne by the client; ^fees has been considered as below the NOI line item.*

Under- Construction Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.05 Mn |
| Insurance* | INR 0.17 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the client, Asset tax and insurance are to be borne by the client; ^fees has been considered as below the NOI line item*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the client and market benchmarks. The same is a pass-through expense.

Based on the subsequent information provided by the client, we understand that the 100% of the CAM Income would be received by the client entity and 100% of the CAM Expense would be borne by the SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.
- The increased appetite for income producing assets and availability of various modes of finance backing such acquisitions.

- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Red Hills Park | Siruvapuri Murugan Industrial and Logistics Parks Pvt Ltd | Operational | 7.75% |
| | | Under-Construction | |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to an infrastructural asset such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for competed assets has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Chennai micromarkets which are in the range of 8% – 9% depending upon the location, asset quality, occupancy, etc.

Under Construction/ Proposed Blocks

For under construction/ proposed blocks, the cost of debt has been considered based on prevalent Construction Finance (CF) rates for warehousing facilities parks across Thiruvallur which are in the range of 10% – 12% depending upon the location, asset quality, developer reputation and credit profile, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed Red Hills Park assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Red Hills Park | Siruvapuri Murugan Industrial and Logistics Parks Pvt Ltd | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

Under - Construction Blocks

Based on above, the following WACC rate has been assumed for the under-construction assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Red Hills Park | Siruvapuri Murugan Industrial and Logistics Parks Pvt Ltd | Debt | 45.0% | 9.50% | 12.80% |
| | | Equity | 55.0% | 15.50% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Red Hills Park | Operational | 2,803.1 |
| | Under-Construction | 105.9 |
| Total Value of the asset | | 2,909.0 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the client, the client has confirmed that there are no material litigation details pertaining to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the client and our scope of services, please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the client, the client has confirmed that there are no Vulnerabilities pertaining to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the client, the client has confirmed that there is no revenue pendency to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

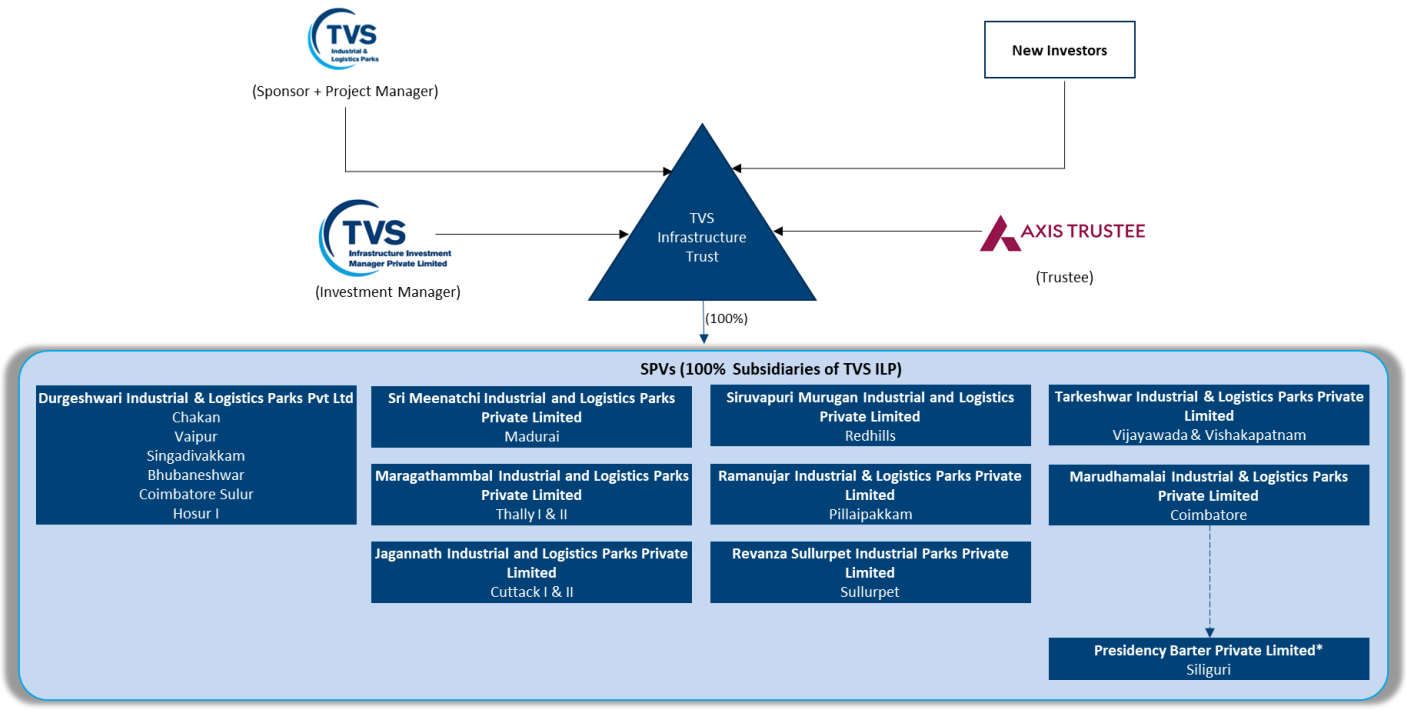
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

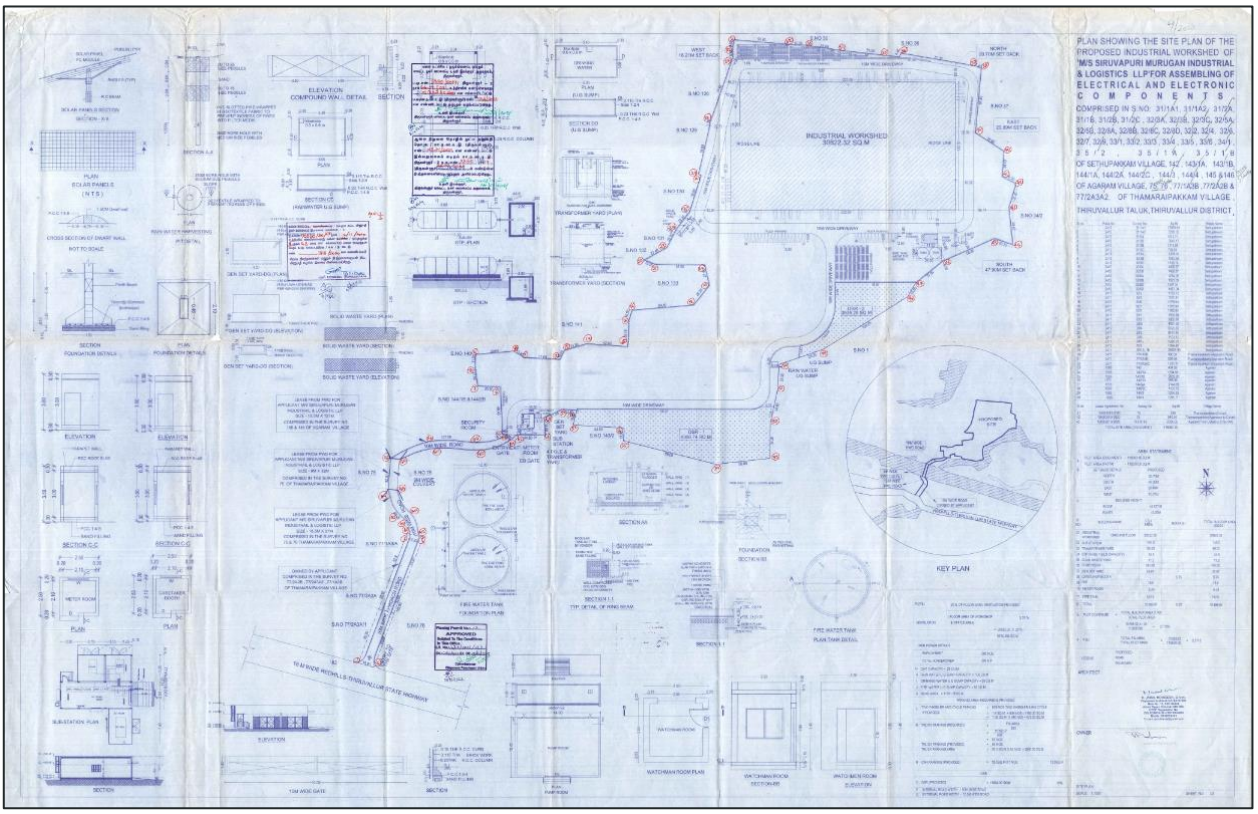
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building 1 is 26.2 years and Building 2 is 27.6 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

## 7.2 Site Plan

### 7.2.1 Red Hills Park




*Source: Client Inputs*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Architect Certificate

**STRUCTURAL SAFETY CERTIFICATE**

With respect to the building work of erection for M/s. TVS Industrial & Logistics Parks at Private Limited at Setthupakkam, Agaram & Thamaraipakkam Village, Thiruvallur Taluk, Thiruvallur District – 601103 (Redhills), within the DTCP area, I certify that the structural plans and details of the building submitted for approval satisfy the structural safety requirements for all situations including natural disasters like cyclone earth quake etc., as applicable, as stipulated under Part-6 ( Structural Design) of the National Building Code of India, 2016 and other relevant codes; and the information given their in is factually correct to the best of my knowledge. I undertake responsibility with regard to supervision of the work at each stage of construction, (after laying of foundation & after casting of each floor) and submit the report to DTCP regularly to effect that the building is being constructed confirming to the approved plan and as per the structural plan prepared by me. I will be responsible and Liable for action by DTCP/Govt. If the plan/ design contains misrepresentation or fraudulent information and the construction is made in deviation of approved plan or if there is any structural failure due to wrong/unsafe structural design, use of low-quality material and or poor workmanship endangering the in-mates public.

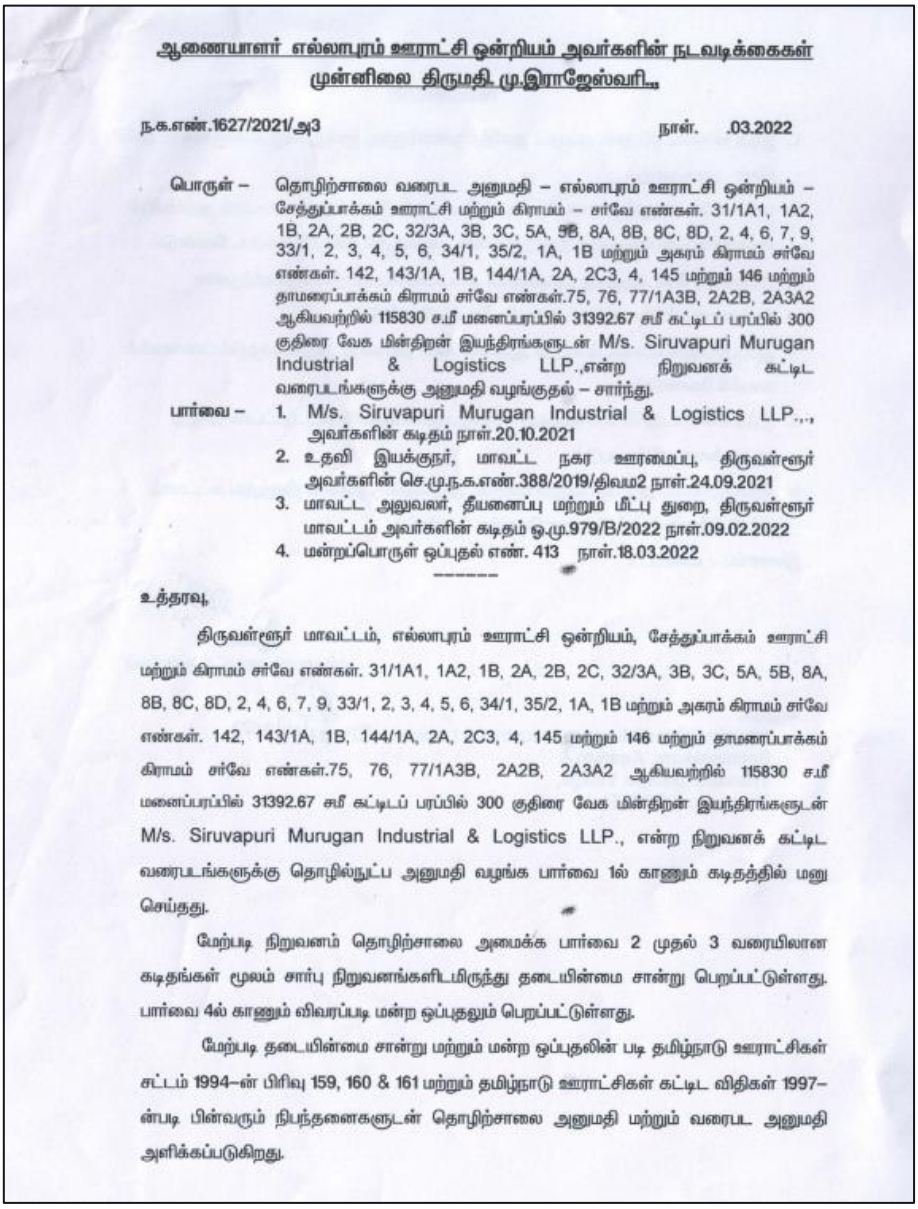
Signature of the Applicant with Date
Name :
Address:

Signature with seal
Name: DS Sridher
Office Postal Address: Chennai 32
Phone No:

TATA CONSULTING ENGINEERS LIMITED
Dhwarco Business Center Private Limited Co-Working Space Area Plot No 12C/1 South Phase Industrial Estate Guindy 600032
Tel +91 80 6622 6000 email mail@tce.co.in website www.tce.co.in CIN U74210MH1999PLC123010
Registered Office Matulya Centre A 249 Senapati Bapat Marg Lower Parel (West) Mumbai 400 013

*Source: Client Inputs*

## 7.3.2 Planning Permit



ஆணையாளர் எல்லாபுரம் ஊராட்சி ஒன்றியம் அவர்களின் நடவடிக்கைகள்
முன்னிலை திருமதி. மு.இராஜேஸ்வரி.,

ந.க.எண்.1627/2021/அ3 நாள். .03.2022

பொருள் – தொழிற்சாலை வரைபட அனுமதி – எல்லாபுரம் ஊராட்சி ஒன்றியம் – சேத்துப்பாக்கம் ஊராட்சி மற்றும் கிராமம் – சர்வே எண்கள். 31/1A1, 1A2, 1B, 2A, 2B, 2C, 32/3A, 3B, 3C, 5A, 5B, 8A, 8B, 8C, 8D, 2, 4, 6, 7, 9, 33/1, 2, 3, 4, 5, 6, 34/1, 35/2, 1A, 1B மற்றும் அகரம் கிராமம் சர்வே எண்கள். 142, 143/1A, 1B, 144/1A, 2A, 2C3, 4, 145 மற்றும் 146 மற்றும் தாமரைப்பாக்கம் கிராமம் சர்வே எண்கள்.75, 76, 77/1A3B, 2A2B, 2A3A2 ஆகியவற்றில் 115830 ச.மீ மனைப்பரப்பில் 31392.67 சமீ கட்டிடப் பரப்பில் 300 குதிரை வேக மின்திறன் இயந்திரங்களுடன் M/s. Siruvapuri Murugan Industrial & Logistics LLP.,என்ற நிறுவனக் கட்டிட வரைபடங்களுக்கு அனுமதி வழங்குதல் – சார்ந்து.

பார்வை –
1. M/s. Siruvapuri Murugan Industrial & Logistics LLP.,., அவர்களின் கடிதம் நாள்.20.10.2021
2. உதவி இயக்குநர், மாவட்ட நகர ஊரமைப்பு, திருவள்ளூர் அவர்களின் செ.மு.ந.க.எண்.388/2019/திவம2 நாள்.24.09.2021
3. மாவட்ட அலுவலர், தீயனைப்பு மற்றும் மீட்பு துறை, திருவள்ளூர் மாவட்டம் அவர்களின் கடிதம் ஒ.மு.979/B/2022 நாள்.09.02.2022
4. மன்றப்பொருள் ஒப்புதல் எண். 413 நாள்.18.03.2022

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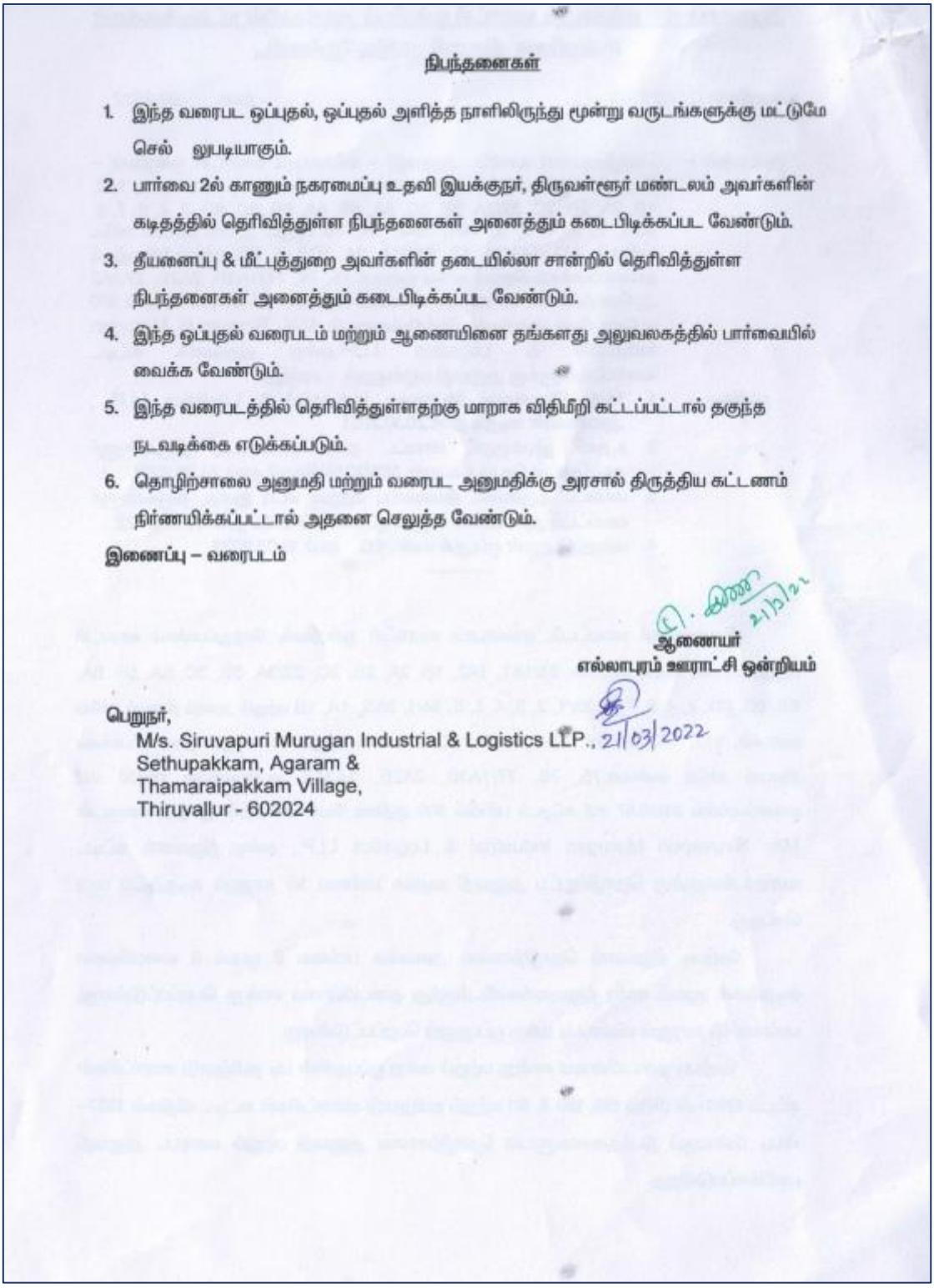
உத்தரவு,

திருவள்ளூர் மாவட்டம், எல்லாபுரம் ஊராட்சி ஒன்றியம், சேத்துப்பாக்கம் ஊராட்சி மற்றும் கிராமம் சர்வே எண்கள். 31/1A1, 1A2, 1B, 2A, 2B, 2C, 32/3A, 3B, 3C, 5A, 5B, 8A, 8B, 8C, 8D, 2, 4, 6, 7, 9, 33/1, 2, 3, 4, 5, 6, 34/1, 35/2, 1A, 1B மற்றும் அகரம் கிராமம் சர்வே எண்கள். 142, 143/1A, 1B, 144/1A, 2A, 2C3, 4, 145 மற்றும் 146 மற்றும் தாமரைப்பாக்கம் கிராமம் சர்வே எண்கள்.75, 76, 77/1A3B, 2A2B, 2A3A2 ஆகியவற்றில் 115830 ச.மீ மனைப்பரப்பில் 31392.67 சமீ கட்டிடப் பரப்பில் 300 குதிரை வேக மின்திறன் இயந்திரங்களுடன் M/s. Siruvapuri Murugan Industrial & Logistics LLP., என்ற நிறுவனக் கட்டிட வரைபடங்களுக்கு தொழில்நுட்ப அனுமதி வழங்க பார்வை 1ல் காணும் கடிதத்தில் மனு செய்தது.

மேற்படி நிறுவனம் தொழிற்சாலை அமைக்க பார்வை 2 முதல் 3 வரையிலான கடிதங்கள் மூலம் சார்பு நிறுவனங்களிடமிருந்து தடையின்மை சான்று பெறப்பட்டுள்ளது. பார்வை 4ல் காணும் விவரப்படி மன்ற ஒப்புதலும் பெறப்பட்டுள்ளது.

மேற்படி தடையின்மை சான்று மற்றும் மன்ற ஒப்புதலின் படி தமிழ்நாடு ஊராட்சிகள் சட்டம் 1994–ன் பிரிவு 159, 160 & 161 மற்றும் தமிழ்நாடு ஊராட்சிகள் கட்டிட விதிகள் 1997–ன்படி பின்வரும் நிபந்தனைகளுடன் தொழிற்சாலை அனுமதி மற்றும் வரைபட அனுமதி அளிக்கப்படுகிறது.

*Source: Client Inputs*



நிபந்தனைகள்

1. இந்த வரைபட ஒப்புதல், ஒப்புதல் அளித்த நாளிலிருந்து மூன்று வருடங்களுக்கு மட்டுமே செல் லுபடியாகும்.
2. பார்வை 2ல் காணும் நகரமைப்பு உதவி இயக்குநர், திருவள்ளூர் மண்டலம் அவர்களின் கடிதத்தில் தெரிவித்துள்ள நிபந்தனைகள் அனைத்தும் கடைபிடிக்கப்பட வேண்டும்.
3. தீயணைப்பு & மீட்புத்துறை அவர்களின் தடையில்லா சான்றில் தெரிவித்துள்ள நிபந்தனைகள் அனைத்தும் கடைபிடிக்கப்பட வேண்டும்.
4. இந்த ஒப்புதல் வரைபடம் மற்றும் ஆணையினை தங்களது அலுவலகத்தில் பார்வையில் வைக்க வேண்டும்.
5. இந்த வரைபடத்தில் தெரிவித்துள்ளதற்கு மாறாக விதிமீறி கட்டப்பட்டால் தகுந்த நடவடிக்கை எடுக்கப்படும்.
6. தொழிற்சாலை அனுமதி மற்றும் வரைபட அனுமதிக்கு அரசால் திருத்திய கட்டணம் நிர்ணயிக்கப்பட்டால் அதனை செலுத்த வேண்டும்.

இணைப்பு – வரைபடம்

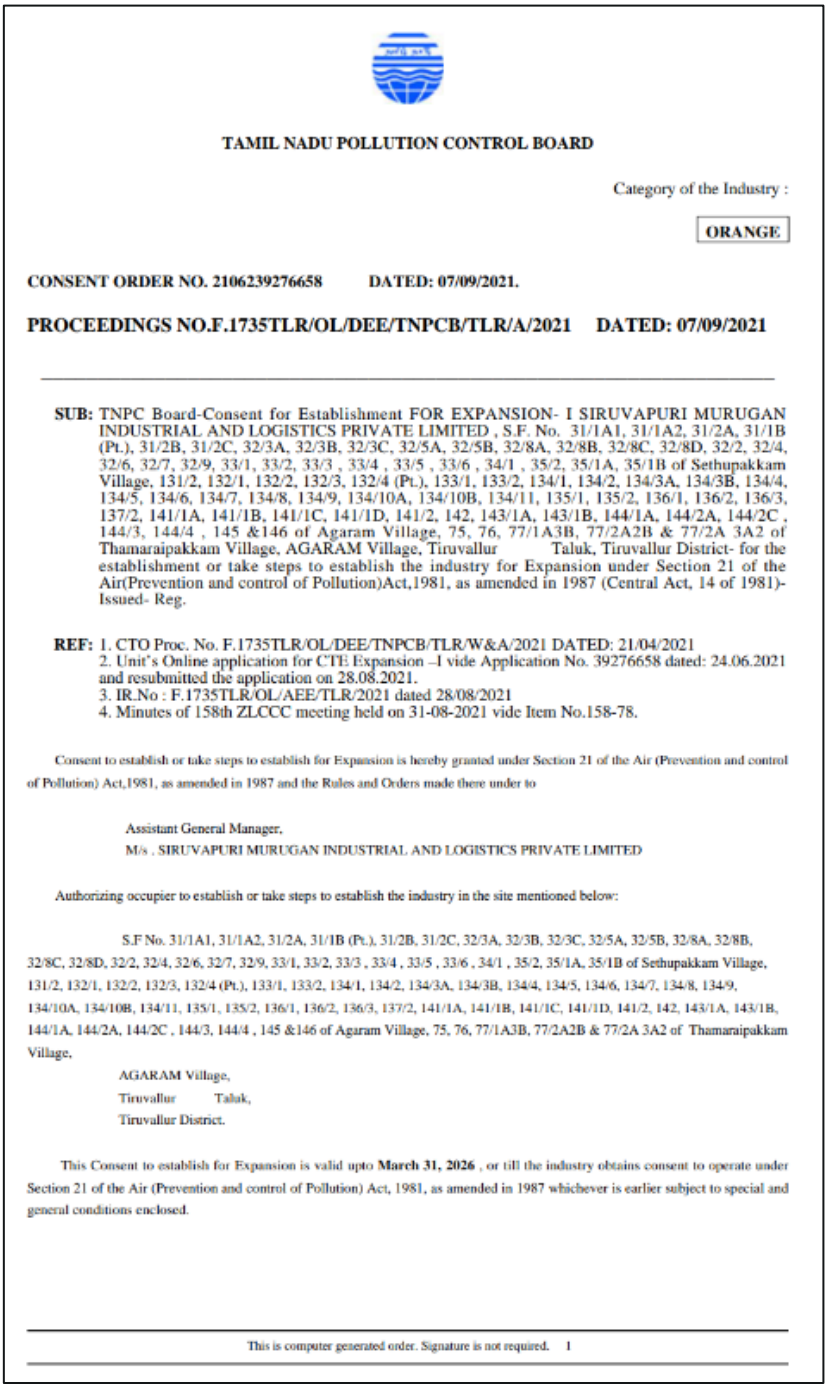
21/3/22

ஆணையர்
எல்லாபுரம் ஊராட்சி ஒன்றியம்

பெறுநர்,
M/s. Siruvapuri Murugan Industrial & Logistics LLP., 21/03/2022
Sethupakkam, Agaram &
Thamaraipakkam Village,
Thiruvallur - 602024

*Source: Client Inputs*

## 7.3.3 Consent to Operate – Air



**TAMIL NADU POLLUTION CONTROL BOARD**

Category of the Industry :

**ORANGE**

**CONSENT ORDER NO. 2106239276658 DATED: 07/09/2021.**

**PROCEEDINGS NO.F.1735TLR/OL/DEE/TNPCB/TLR/A/2021 DATED: 07/09/2021**

**SUB:** TNPC Board-Consent for Establishment FOR EXPANSION- I SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED , S.F. No. 31/1A1, 31/1A2, 31/2A, 31/1B (Pt.), 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3 , 33/4 , 33/5 , 33/6 , 34/1 , 35/2, 35/1A, 35/1B of Sethupakkam Village, 131/2, 132/1, 132/2, 132/3, 132/4 (Pt.), 133/1, 133/2, 134/1, 134/2, 134/3A, 134/3B, 134/4, 134/5, 134/6, 134/7, 134/8, 134/9, 134/10A, 134/10B, 134/11, 135/1, 135/2, 136/1, 136/2, 136/3, 137/2, 141/1A, 141/1B, 141/1C, 141/1D, 141/2, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C , 144/3, 144/4 , 145 &146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B & 77/2A 3A2 of Thamaraipakkam Village, AGARAM Village, Tiruvallur Taluk, Tiruvallur District- for the establishment or take steps to establish the industry for Expansion under Section 21 of the Air(Prevention and control of Pollution)Act,1981, as amended in 1987 (Central Act, 14 of 1981)- Issued- Reg.

**REF:** 1. CTO Proc. No. F.1735TLR/OL/DEE/TNPCB/TLR/W&A/2021 DATED: 21/04/2021
2. Unit's Online application for CTE Expansion –I vide Application No. 39276658 dated: 24.06.2021 and resubmitted the application on 28.08.2021.
3. IR.No : F.1735TLR/OL/AEE/TLR/2021 dated 28/08/2021
4. Minutes of 158th ZLCCC meeting held on 31-08-2021 vide Item No.158-78.

Consent to establish or take steps to establish for Expansion is hereby granted under Section 21 of the Air (Prevention and control of Pollution) Act,1981, as amended in 1987 and the Rules and Orders made there under to

Assistant General Manager,
M/s . SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED

Authorizing occupier to establish or take steps to establish the industry in the site mentioned below:

S.F No. 31/1A1, 31/1A2, 31/2A, 31/1B (Pt.), 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3 , 33/4 , 33/5 , 33/6 , 34/1 , 35/2, 35/1A, 35/1B of Sethupakkam Village, 131/2, 132/1, 132/2, 132/3, 132/4 (Pt.), 133/1, 133/2, 134/1, 134/2, 134/3A, 134/3B, 134/4, 134/5, 134/6, 134/7, 134/8, 134/9, 134/10A, 134/10B, 134/11, 135/1, 135/2, 136/1, 136/2, 136/3, 137/2, 141/1A, 141/1B, 141/1C, 141/1D, 141/2, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C , 144/3, 144/4 , 145 &146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B & 77/2A 3A2 of Thamaraipakkam Village,

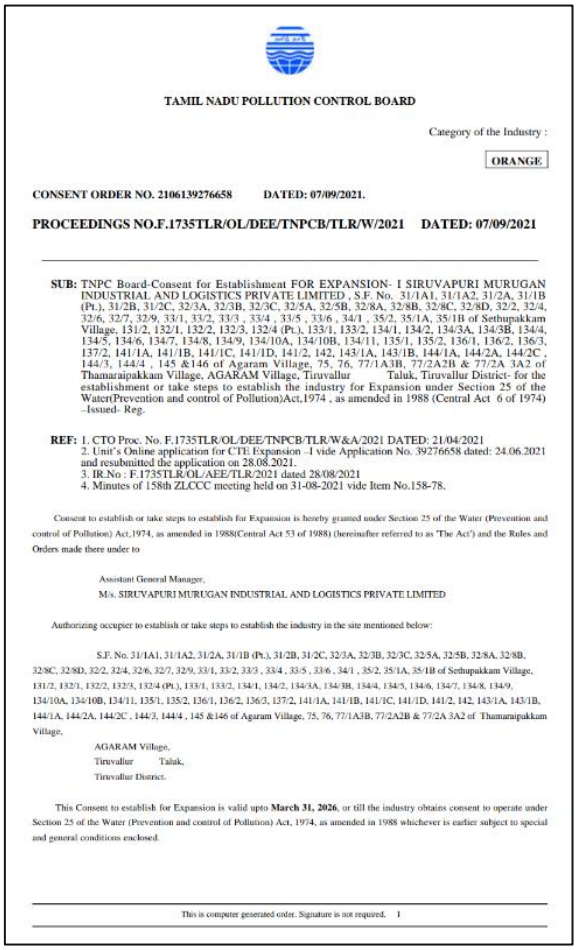
AGARAM Village,
Tiruvallur Taluk,
Tiruvallur District.

This Consent to establish for Expansion is valid upto **March 31, 2026** , or till the industry obtains consent to operate under Section 21 of the Air (Prevention and control of Pollution) Act, 1981, as amended in 1987 whichever is earlier subject to special and general conditions enclosed.

This is computer generated order. Signature is not required. 1

*Source: Client Input*

## 7.3.4 Consent to Operate - Water



TAMIL NADU POLLUTION CONTROL BOARD

Category of the Industry :

ORANGE

**CONSENT ORDER NO. 2106139276658 DATED: 07/09/2021.**

**PROCEEDINGS NO.F.1735TLR/OL/DEE/TNPCB/TLR/W/2021 DATED: 07/09/2021**

**SUB:** TNPC Board-Consent for Establishment FOR EXPANSION- I SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED , S.F. No. 31/1A1, 31/1A2, 31/2A, 31/1B (Pt.), 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3 , 33/4 , 33/5 , 33/6 , 34/1 , 35/2, 35/1A, 35/1B of Sethupakkam Village, 131/2, 132/1, 132/2, 132/3, 132/4 (Pt.), 133/1, 133/2, 134/1, 134/2, 134/3A, 134/3B, 134/4, 134/5, 134/6, 134/7, 134/8, 134/9, 134/10A, 134/10B, 134/11, 135/1, 135/2, 136/1, 136/2, 136/3, 137/2, 141/1A, 141/1B, 141/1C, 141/1D, 141/2, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C , 144/3, 144/4 , 145 &146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B & 77/2A 3A2 of Thamaraipakkam Village, AGARAM Village, Tiruvallur Taluk, Tiruvallur District- for the establishment or take steps to establish the industry for Expansion under Section 25 of the Water(Prevention and control of Pollution)Act,1974 , as amended in 1988 (Central Act 6 of 1974) –Issued- Reg.

**REF:** 1. CTO Proc. No. F.1735TLR/OL/DEE/TNPCB/TLR/W&A/2021 DATED: 21/04/2021
2. Unit's Online application for CTE Expansion -I vide Application No. 39276658 dated: 24.06.2021 and resubmitted the application on 28.08.2021.
3. IR.No : F.1735TLR/OL/AEE/TLR/2021 dated 28/08/2021
4. Minutes of 158th ZLCCC meeting held on 31-08-2021 vide Item No.158-78.

Consent to establish or take steps to establish for Expansion is hereby granted under Section 25 of the Water (Prevention and control of Pollution) Act,1974, as amended in 1988(Central Act 53 of 1988) (hereinafter referred to as 'The Act') and the Rules and Orders made there under to

Assistant General Manager,
M/s. SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED

Authorizing occupier to establish or take steps to establish the industry in the site mentioned below:

S.F. No. 31/1A1, 31/1A2, 31/2A, 31/1B (Pt.), 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3 , 33/4 , 33/5 , 33/6 , 34/1 , 35/2, 35/1A, 35/1B of Sethupakkam Village, 131/2, 132/1, 132/2, 132/3, 132/4 (Pt.), 133/1, 133/2, 134/1, 134/2, 134/3A, 134/3B, 134/4, 134/5, 134/6, 134/7, 134/8, 134/9, 134/10A, 134/10B, 134/11, 135/1, 135/2, 136/1, 136/2, 136/3, 137/2, 141/1A, 141/1B, 141/1C, 141/1D, 141/2, 142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C , 144/3, 144/4 , 145 &146 of Agaram Village, 75, 76, 77/1A3B, 77/2A2B & 77/2A 3A2 of Thamaraipakkam Village,

AGARAM Village,
Tiruvallur Taluk,
Tiruvallur District.

This Consent to establish for Expansion is valid upto **March 31, 2026**, or till the industry obtains consent to operate under Section 25 of the Water (Prevention and control of Pollution) Act, 1974, as amended in 1988 whichever is earlier subject to special and general conditions enclosed.

This is computer generated order. Signature is not required. 1

*Source: Client Input*

## 7.3.5 Ground Water Abstraction NOC

From

Tmt.M.Jaya Raja Pauline.B.E.,
Revenue Divisional Officer,
Tiruvallur.

To

The Proprietor
M/s Siruvapuri Murugan Industrial
and Logistics Pvt Limited,
Agaram and Sethuppakkam Village
Tiruvaluur Taluk, Tiruvallur

**R.C.No.9010/2023/A1 Date: .12.2023**

Sir

Sub: Ground Water - NOC for extraction of Ground Water – Requested – Reg.

Ref: 1. M/s Siruvapuri Murugan Industrial and Logistics Pvt Limited, Petition Dated:29.12.2022

2. The Thasildar. Tiruvallur R.c.5212/2023/A1 Dated:24.11.2023

*****

I enclose herewith the License No.54 Dated: .12.2023 for extraction of ground water for Domestic Purpose under Section 5(4) (a) (i) of the Chennai Metropolitan Area Ground water (Regulation) Act 1987 in respect of M/s Siruvapuri Murugan Industrial and Logistics Pvt Limited, Agaram and Sethuppakkam Village, Tiruvalllur District.

Encl: As above.

Revenue Divisional Officer
Tiruvallur.

Copy to

The Tahsildar, Tiruvallur

Copy submitted to
The District Collector, Tiruvallur – for favor of Kind information.

*Source: Client Input*

## 7.3.6 Fire NOC

தமிழ்நாடு தீயணைப்பு மற்றும் மீட்புப்பணிகள் துறை
படிவம் எண். 41
ஆணை எண்.250-3

ஒ.மு.எண்.7856/ஆ/2019
நாள். 6.11.2019

மாவட்ட அலுவலர் அலுவலகம்,
தீயணைப்பு-மீட்புப்பணிகள்,
திருவள்ளூர் மாவட்டம்

**தடையின்மைச் சான்று**

பொருள் : தீ இன்னல்களுக்கு உள்ளாகக்கூடிய காரியங்களுக்கான இடங்களையும், வணிகங்களையும் பயன்படுத்துதல் - தடையின்மைச் சான்று - வழங்குதல் - தொடர்பாக.

பார்வை : 1. தங்களின் விண்ணப்பம் நாள்.17/10/2019
2. 31-10-2019 நாளிட்ட உதவி மாவட்ட அலுவலரது ஆய்வறிக்கை ந.க.எண்.120/2019

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திருவள்ளூர் வட்டம் மற்றும் மாவட்டம், சர்வே எண்.32/9, 33/2, 33/6, 31/1A1, 31/1A2, 32/1B, 33/1, 33/4, 33/3, 33/5, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/6, 32/7, 35/2, 34/1, 32/3A, 32/3B, 32/3C, 32/2, 32/4, 31/2A, 31/2B, 31/2C, 35/1A, 1B of Sethupakkam Village, S.No.142, 144/1A, 144/2A, 144/2C, 144/3, 144/4, 143/1A, 143/1B, 145 & 146 of Agaram Village, 77/2A2B, 77/2A3A2, 77/1A3B, 75 & 76 of Thamaripakkam Village, என்ற முகவரியில் உள்ள இடத்தை 25-10-2019 அன்று திருவள்ளூர் உதவி மாவட்ட அலுவலரால் தீயணைப்புத்துறை நோக்கில் ஆய்வு செய்யப்பட்டது. மேற்காணும் இடத்தில் **M/s. Siruvapuri Murugan Industrial & Logistics LLP** என்ற நிறுவனத்தார் RCC & Metal Sheet Roofing consist of Ground Floor with the maximum Height of 16.537 mts, Total Plot area of the building in 118983.16 Sq.mt, The Total Proposed Buildup area will be 30762.32 Sq.mt)-ன்படி Industrial & Logistics Building கட்ட தீயணைப்பு மற்றும் மீட்புப்பணிகள் துறையின் தடையின்மைச் சான்று வழங்கப்படுகிறது.

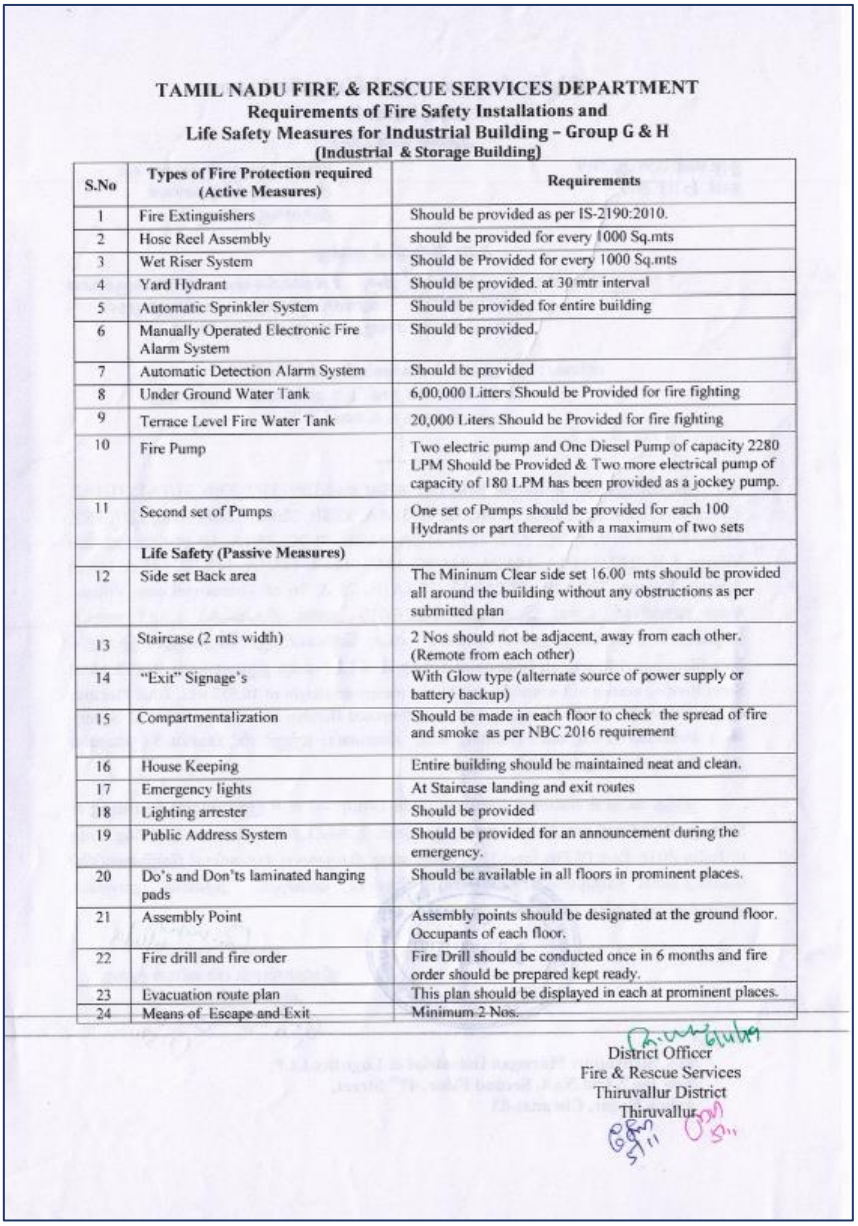
இந்த கட்டிடம் National Building Code Group –G & H (**Industrial Building & Storage Building**) வகைகளை சார்ந்தது ஆகும். இக்கட்டத்தில் National Building Code of India 2016 Part IV Fire and Life Safety-ன்படி தீபாதுகாப்பு சாதனங்கள் **பின்இணைப்பில்** தெரிவித்துள்ள நிபந்தனைகளை முழுமையாக நிறுவப்பட வேண்டும். அதன்பின் முறையாக ஆய்வுக்குட்படுத்தப்பட வேண்டும்.

06 NOV 2019

மாவட்ட அலுவலர்
தீயணைப்பு-மீட்புப்பணிகள் துறை,
திருவள்ளூர் மாவட்டம்,
திருவள்ளூர்.

பெறுநர்
**M/s. Siruvapuri Murugan Industrial & Logistics LLP,**
**New No.7, Old No.4, Second Floor, 47th Street,**
**Ashok Nagar, Chennai-83**

*Source: Client Input*



**TAMIL NADU FIRE & RESCUE SERVICES DEPARTMENT**
**Requirements of Fire Safety Installations and**
**Life Safety Measures for Industrial Building – Group G & H**
**(Industrial & Storage Building)**

| S.No | Types of Fire Protection required (Active Measures) | Requirements |
|---|---|---|
| 1 | Fire Extinguishers | Should be provided as per IS-2190:2010. |
| 2 | Hose Reel Assembly | should be provided for every 1000 Sq.mts |
| 3 | Wet Riser System | Should be Provided for every 1000 Sq.mts |
| 4 | Yard Hydrant | Should be provided. at 30 mtr interval |
| 5 | Automatic Sprinkler System | Should be provided for entire building |
| 6 | Manually Operated Electronic Fire Alarm System | Should be provided. |
| 7 | Automatic Detection Alarm System | Should be provided |
| 8 | Under Ground Water Tank | 6,00,000 Litters Should be Provided for fire fighting |
| 9 | Terrace Level Fire Water Tank | 20,000 Liters Should be Provided for fire fighting |
| 10 | Fire Pump | Two electric pump and One Diesel Pump of capacity 2280 LPM Should be Provided & Two more electrical pump of capacity of 180 LPM has been provided as a jockey pump. |
| 11 | Second set of Pumps | One set of Pumps should be provided for each 100 Hydrants or part thereof with a maximum of two sets |
| | **Life Safety (Passive Measures)** | |
| 12 | Side set Back area | The Minimum Clear side set 16.00 mts should be provided all around the building without any obstructions as per submitted plan |
| 13 | Staircase (2 mts width) | 2 Nos should not be adjacent, away from each other. (Remote from each other) |
| 14 | "Exit" Signage's | With Glow type (alternate source of power supply or battery backup) |
| 15 | Compartmentalization | Should be made in each floor to check the spread of fire and smoke as per NBC 2016 requirement |
| 16 | House Keeping | Entire building should be maintained neat and clean. |
| 17 | Emergency lights | At Staircase landing and exit routes |
| 18 | Lighting arrester | Should be provided |
| 19 | Public Address System | Should be provided for an announcement during the emergency. |
| 20 | Do's and Don'ts laminated hanging pads | Should be available in all floors in prominent places. |
| 21 | Assembly Point | Assembly points should be designated at the ground floor. Occupants of each floor. |
| 22 | Fire drill and fire order | Fire Drill should be conducted once in 6 months and fire order should be prepared kept ready. |
| 23 | Evacuation route plan | This plan should be displayed in each at prominent places. |
| 24 | Means of Escape and Exit | Minimum 2 Nos. |

District Officer
Fire & Rescue Services
Thiruvallur District
Thiruvallur

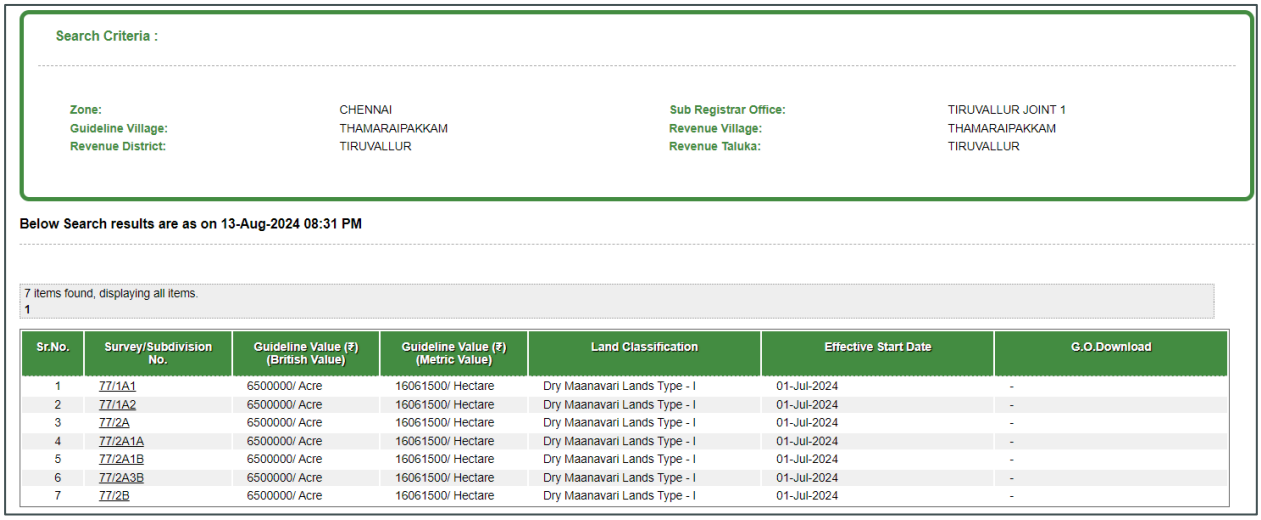
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land") (cents)** | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 75 | 556 | 6.5 | 1.95 |
| 2 | 76 | 491 | 6.5 | 1.72 |
| 3 | 77/1A3B, 77/2A2B & 77/2A3A2 | 651 | 6.5 | 2.28 |

*Source: tnreginet*

**Survey No 77**



Search Criteria :

| | | | |
|---|---|---|---|
| Zone: | CHENNAI | Sub Registrar Office: | TIRUVALLUR JOINT 1 |
| Guideline Village: | THAMARAIPAKKAM | Revenue Village: | THAMARAIPAKKAM |
| Revenue District: | TIRUVALLUR | Revenue Taluka: | TIRUVALLUR |

Below Search results are as on 13-Aug-2024 08:31 PM

7 items found, displaying all items.
1

| Sr.No. | Survey/Subdivision No. | Guideline Value (₹) (British Value) | Guideline Value (₹) (Metric Value) | Land Classification | Effective Start Date | G.O.Download |
|---|---|---|---|---|---|---|
| 1 | 77/1A1 | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 2 | 77/1A2 | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 3 | 77/2A | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 4 | 77/2A1A | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 5 | 77/2A1B | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 6 | 77/2A3B | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |
| 7 | 77/2B | 6500000/ Acre | 16061500/ Hectare | Dry Maanavari Lands Type - I | 01-Jul-2024 | - |

## 7.5 Any matters which may affect the asset or its values

Valuer assessment or statement whether there are any factors beyond what has already been mentioned elsewhere in the report that may have any impact on the valuation.

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## COIMBATORE (SULUR) PARK,
## SELAKARAICHAL, SULUR, COIMBATORE DISTRICT

SPV

DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALAUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

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# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Coimbatore (Sulur) Park (the "Subject Asset") |
| Asset Address: | Survey No: 168/1B, 168/2A, 168/5, 169/1B, 169/2A, 170/1B, 170/2A, 174 & 176/1, Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu – 641 402 |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Durgeshwari Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the building plan approval and sanctioned layout provided by the client, it is understood that the total land area underlying the Subject Asset is approx. 21.88 acres. |
| Brief Description: | Based on the review of sanctioned layout provided by the client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located along Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu. The Subject Asset, which is spread across a land area of approx. 21.88 acres has 3 blocks with a cumulative leasable area of approx. 6,06,375 sft and a chargeable area of approx. 5,12,384 sft comprising of completed blocks (Block – I, Block – II, Block – III A, Block – III B, Block – III C, Block – III D, Block III). The same is occupied by Consumer Durables and Electronics Retailer (Block I), FMCG Company (Block II), Logistics Company (Block III A & Block III), Manufacturing Company (Block III B), FMCG Company (Block III C), and Kitchen Appliances Manufacturing company (Block III D).<br><br>Further, it was observed that the subject land is contiguous in nature, even in terrain, is regular in shape and on the same level as abutting road and adjoining properties. Also, the subject land has limited frontage along the access road. The access road abuts the Subject Asset in its northern side.<br><br>The Subject Asset is located in a private road emanating from Palladam – Cochin Frontier (SH-113) which connects Tirupur town in north and Pollachi town in south. The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant – STP, Storm water network (Fire Fighting Systems of NFPA/NBC standards with a roof monitor ventilation system etc.<br><br>The area details of the asset are as follows: |

| Particulars | Status | Built-up Area (in sft) | Leasable Area (in sft)* | Chargeable Area (in sft) |
|---|---|---|---|---|
| TVSILP – Block I | Completed | 1,00,812 | 1,00,812 | 1,00,812 |
| TVSILP – Block I (Mezzanine) | Completed | 2,575 | 2,575 | 2,575 |
| TVSILP – Block II | Completed | 1,88,347 | 1,88,347 | 1,31,896 |
| TVSILP – Block III A | Completed | 90,115 | 90,115 | 74,590 |
| TVSILP – Block III B | Completed | 37,760 | 37,760 | 37,760 |

| | | | | |
|---|---|---|---|---|
| TVSILP – Block III C | Completed | 82,458 | 82,458 | 64,418 |
| TVSILP – Block III D | Completed | 8,047 | 8,047 | 6,000 |
| TVSILP – Block III | Completed | 1,03,828 | 1,03,828 | 1,03,828 |
| Total | | 6,13,942 | 6,13,942 | 5,21,879 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

**As per the lease deed the leasable area of Block II is 1,88,347 sft with warehouse carpet area of 1,21,350 sft, cafeteria area of 1,730 sft, security room of 187 sft, parking area of 17,577 sft and open area of 47,503 sft of which warehouse carpet area, cafeteria area, security room and part of parking area is considered as chargeable area*

** As per the lease deed the leasable area of Block III A is 90,115 sft with warehouse carpet area of 74,090 sft, Mezzanine area 500 sft, apron area of 12,525 sft, open parking area of 3,000 sft of which warehouse carpet area, and Mezzanine area is considered as chargeable area.*

The Subject Asset is located in close proximity to Palladam – Cochin Frontier (SH-163) which connects Tirupur to Pollachi. The Subject Asset is located at a distance of approx. 29-30 kms from Coimbatore International Airport, approx. 30-31 kms from Coimbatore Railway Station, approx. 38-39 kms from Coimbatore New Bus Stand.

Statement of Assets (sft):

The Subject Asset has an operational warehousing facility admeasuring approx. 6,06,375 sft of leasable area and 5,12,384 sft of chargeable area which is fully leased out

| Particulars | Built-up Area (in sft) | Leasable Area (in sft)* | Chargeable Area (in sft) | Structure |
|---|---|---|---|---|
| TVSILP – Block I | 1,00,812 | 1,00,812 | 1,00,812 | PEB |
| TVSILP – Block I (Mezzanine) | 2,575 | 2,575 | 2,575 | PEB |
| TVSILP – Block II | 1,88,347 | 1,88,347 | 1,31,896 | PEB |
| TVSILP – Block III A | 90,115 | 90,115 | 74,590 | PEB |
| TVSILP – Block III B | 37,760 | 37,760 | 37,760 | PEB |
| TVSILP – Block III C | 82,458 | 82,458 | 64,418 | PEB |
| TVSILP – Block III D | 8,047 | 8,047 | 6,000 | PEB |
| TVSILP – Block III | 1,03,828 | 1,03,828 | 1,03,828 | PEB |
| Total | 6,13,942 | 6,13,942 | 5,21,879 | |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

**As per the lease deed the leasable area of Block II is 1,88,347 sft with warehouse carpet area of 1,21,350 sft, cafeteria area of 1,730 sft, security room of 187 sft, parking area of 17,577 sft and open area of 47,503 sft of which warehouse carpet area, cafeteria area, security room and part of parking area is considered as chargeable area*

** As per the lease deed the leasable area of Block III A is 90,115 sft with warehouse carpet area of 74,090 sft, Mezzanine area 500 sft, apron area of 12,525 sft, open parking area of 3,000 sft of which warehouse carpet area, and Mezzanine area is considered as chargeable area.*

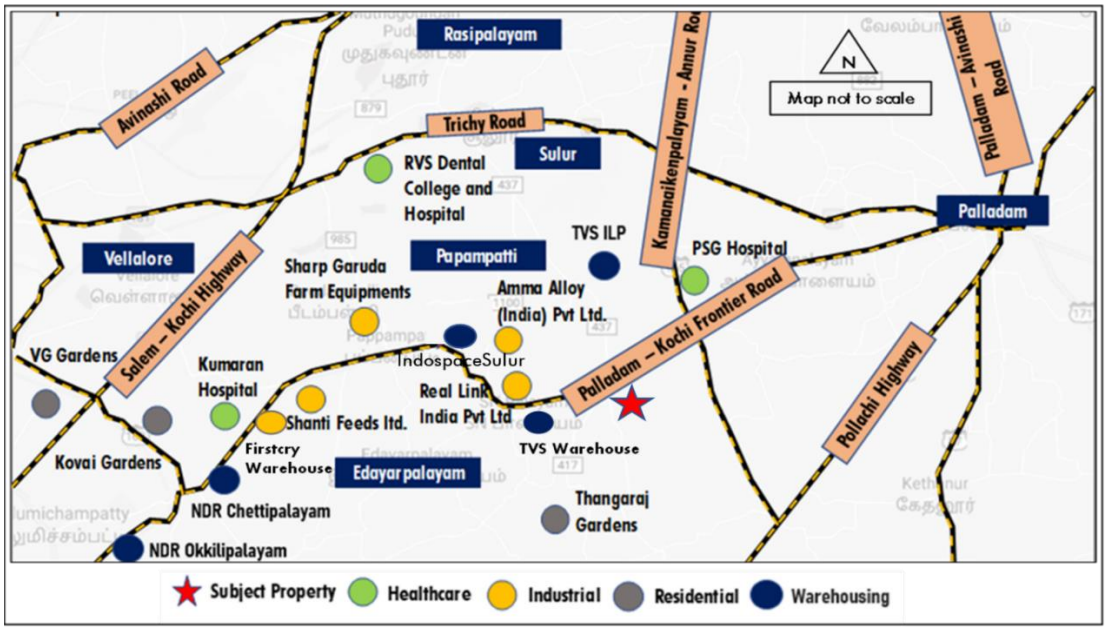
Summary of the above table is as follows:

| Block | Total Area (sft) | Operational Area (sft)* | Under construction Area (sft)* |
|---|---|---|---|
| TVSILP – Block I | 1,00,812 | 1,00,812 | - |
| TVSILP – Block I (Mezzanine) | 2,575 | 2,575 | - |
| TVSILP – Block II | 1,88,347 | 1,31,896 | - |
| TVSILP – Block III A | 90,115 | 74,590 | - |
| TVSILP – Block III B | 37,760 | 37,760 | - |
| TVSILP – Block III C | 82,458 | 64,418 | - |
| TVSILP – Block III D | 8,047 | 6,000 | - |
| TVSILP – Block III | 1,03,828 | 1,03,828 | - |
| Total | 6,13,942 | 5,21,879 | - |

*Source: Client inputs; *Area mentioned is chargeable area.*

Location Map

## Location Map for the Subject Asset




*Source: Industry Assessment Report*

Tenancies

As at the valuation date the Subject Asset is fully let to 6 tenants at a total current annual rent of 97.13 Mn and with a Weighted average lease expiry (WALE) of 5.8 years. The main tenant is TCI, with 33% of the completed leasable area and accounting for approx. 32% of the current rent.

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent | INR/ sf/ mth | 19.2 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 21.0 |
| Marginal rent – Weighted Average* | INR/ sf/ mth | 20.1 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | NA |
| Proposed asset completion timelines (Under Construction Blocks) | Quarter, Year | NA |
| Refurbishment Capex | INR Mn | NA |
| Other Financial Assumptions | | |
| Exit Cap rate – warehouse components | % | 7.75% |
| Discount rate (for completed blocks) | % | 11.58% |
| Discount rate (for under construction blocks | % | NA |
| Cap rate – Under-construction warehouse components | % | NA |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 113.66 |
| Stabilized NOI[1] | INR Mn | 120.51 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

%stake proposed to be held in Asset SPV by TVS Infrastructure trust: 100%

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

| | |
|---|---|
| Date of Inspection: | February 09, 2024 |
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Current Government Approved Rates (as per documents published by State Government): | INR 16.41 Mn (INR 0.75 Mn per acre) |

Market Value as of September 30, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Coimbatore (Sulur) Park | Operational | 1,776.1 |
| Total Value of the asset | | 1,776.1 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |
| Assumptions, Disclaimers, Limitations & Qualifications | *This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*<br>*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.* |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term. |

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

**Construction Cost Volatility:**

Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.

In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

**Valuer Declaration:**

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

**Prepared by:**

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

**Official Signatory:**

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer' ) represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party" , or the "Client) to estimate upon the Market Value (MV) of an operational Warehousing asset located at Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu – 641 402.

Based on information provided by the client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 21.88 acres with a total leasable area admeasuring approx. 6,13,942 sft and a chargeable area of approx. 5,21,879 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Coimbatore (Sulur) Park | Durgeshwari Industrial & Logistics Parks Private Limited | Warehouse | Sulur, Coimbatore | 21.88 acres | 3 |

*Source: Client Inputs*

For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ( " Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ( "Offer Document" ). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report. The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.oValuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. They do not consider the individual circumstances, financial situation, investment objectives or requirements. They are intended to be used as guide and for information purposes only and do not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of Valuer where such consent to be given at the absolute, exclusive discretion of Valuer, which shall not be unreasonably withheld. Where they are to be used with the Valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by Valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without Valuer's prior written consent.

The Valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The Valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the Management has disclosed to the Valuer all information which may affect the Services. All opinions expressed by the Valuer, or its employees are subject to any conditions contained in the Valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in planning from the School of Planning and Architecture, New Delhi in 1997 and master's in Client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the subject asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Sulur micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Coimbatore (Sulur) Park | TVS Industrial & Logistics Parks Private Limited | Coimbatore | Sulur |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.eThe Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.dThe Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation,

there are no impediments for Valuer to give an independent professional value opinion of the assetgThe Valuer has not made false, misleading or exaggerated claims in order to secure assignments.

- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- the valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the Subject Asset. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the client, the Valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the subject assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |

| | |
|---|---|
| Town Planning: | The current zoning of the Subject Asset has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Asset adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the Client. It must be noted that the above information has been provided by the client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise.<br><br>The land area as per sale deed is 22.10 acres and the land area as per the sanctioned layout plan/approved plans is 21.88 acres. We have considered the land area as per the building approval plans for the purpose of this valuation. |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation. |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Asset is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate. |

| | |
|---|---|
| | We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br>As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, Leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements. |
| Flooding risk: | We have assume that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Development Valuations | The value of real estate developments is traditionally volatile and can be subject to rapid changes of value in short timeframes. Development assets appeal to specific types of purchasers and can be significantly impacted by many factors such as broader economic conditions, fluctuating levels of supply and demand for the product, changes in building costs and the availability and cost of development finance. All these (and more) factors could have a significant impact on the value and demand for the Subject Asset. |

Going forward there will be several key factors impacting on the viability of some development assets and their underlying land values. Key concerns are fluctuations in construction costs, substantial new supply levels and easing investor demand for final product. In addition, we also note that ongoing monitoring and governance of banking systems may significantly restrict development capital and increase the cost of development finance.

As experienced in previous market cycles, the value of real estate developments can undergo rapid and significant price corrections, as supply, demand and cost factors change. Any Reliant Party is strongly advised to consider this inherent risk in their investment and lending decisions. Lending and investment caution is advised in this regard.

The applicant's ability to service debt should also be carefully considered, should development opportunities and settlements be extended, construction/funding costs increase, or sales rescinded

Construction Cost Volatility

Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.

In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

# 3 Coimbatore – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Coimbatore

Coimbatore has approx. 5.09 mn sft of operational warehouse supply out of which approx. 4.44 mn sft is occupied. The Southern vector constitutes about 86% of the Completed supply. Industrial and Warehousing market of Coimbatore is primarily driven by the demand arising from Third party logistics, E-Commerce, Industrial Manufacturers, FMCG etc. The city predominantly houses Grade B developments of ~ 39% and about ~ 38% of Grade A and 23 % Grade C developments respectively.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 5.09 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 4.44 msf |
| Current vacancy (Q3 2024) | Approx. 12.77 % |
| Future supply (2024 – 2025) | Planned supply: 0.4 to 0.5 Mn Sft |

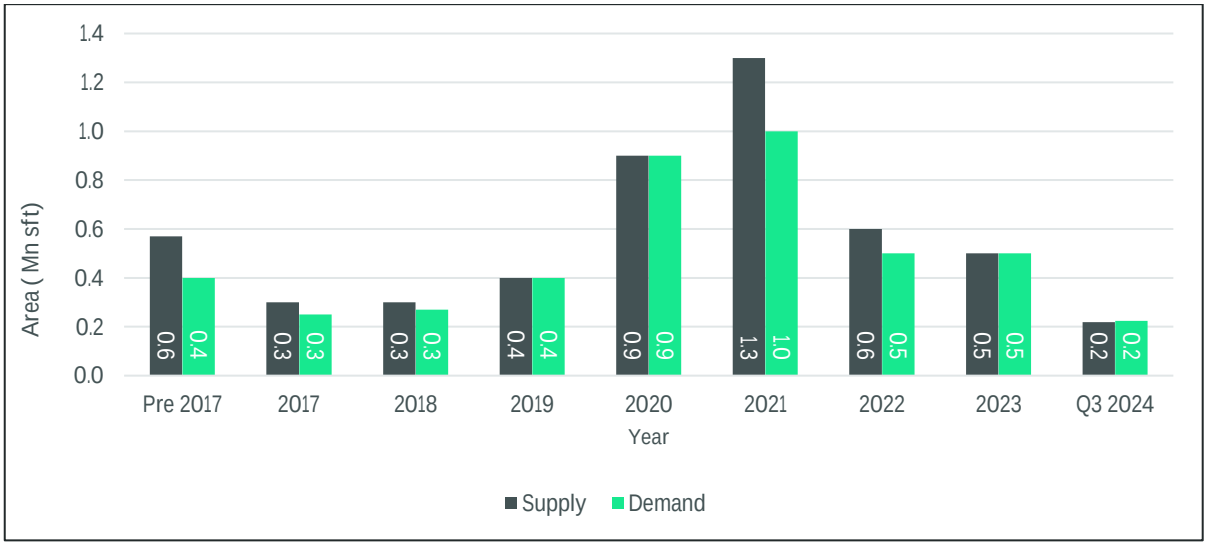
*Source: Industry Assessment Report dated September 30, 2024*

Warehousing activity in Coimbatore is primarily spread across the three major clusters i.e. Northern Cluster (Sathy road, National Highway 181 and National Highway 198); Eastern part (Avinashi Road Southern Cluster (Kochi Frontier road, Palakkad road and Salem Highway) and Southern Cluster (Palladam-Cochin Frontier Road).

## 3.3 Coimbatore - Completed Supply and Absorption Dynamics

Coimbatore has approx. 5.09 mn sft of operational warehouse supply out of which approx. 4.44 mn sft is occupied. The Southern vector constitutes about 86% of the Completed supply. Industrial and Warehousing market of Coimbatore is primarily driven by the demand arising from Third party logistics, E-Commerce, Industrial Manufacturers, FMCG etc. The city predominantly houses Grade B developments of ~ 39% and about ~ 38% of Grade A and 23 % Grade C developments respectively.

Demand – Supply Dynamics of City: Coimbatore




*Source: Industry Assessment Report*

Northern Cluster:

Northern Cluster Warehouses in this stretch are majorly concentrated on the Periya Pudur Region. The warehousing demand is steadily rising along this vector with co-relation to the established industries being converted to warehousing establishments.

Eastern Cluster:

Second most prominent Warehousing cluster in Coimbatore. Most of the Grade C warehouses are concentrated along this Vector.

Southern Cluster:

This cluster is the major warehousing cluster of Coimbatore and hosts all Grade A developments in the city. All Major Warehousing players are located along this vector (TVS, Indospace, NDR, VSMC)

The Southern Cluster is home to the majority of warehouses, accounting for approximately 86% of the completed supply in Coimbatore. These micromarkets predominantly serve the needs of third-party logistics, FMCG, e-commerce, and manufacturing companies.

A global pandemic scenario that resulted in construction delays and a postponement of the utilisation of pre-committed warehouse space on the market in 2020 caused a slight decrease in supply and demand, which demand in 2021 made up for. Due to spillover demand from 2020, which had an impact on the automotive and 3PL tenant industries as well as COVID-19, 2021 saw the greatest influx of supply and absorption.

The average annual absorption across all grades of warehouses has been between 0.4 and 0.5 million square feet, indicating a consistent demand over the past three years (2021–2023). The strategic location of Coimbatore as a

significant industrial hub in South India with easy access to important transportation routes is what drives this consistent demand.

SNAPSHOT OF SOUTHERN VECTOR

| Completed Supply | Vacancy | Grade A Supply | Grade A Vacancy | Share of Grade A Supply in Coimbatore | Upcoming Supply |
|---|---|---|---|---|---|
| 4.39 Mn sft | 7- 8% | 1.93 Mn sft | 4- 5% | 100% | 0.4 – 0.5 Mn sft |

Source: CBRE Research ; Updated as of Q3 2024

The Southern Cluster Micro Market comprises of locations along the Palladam-Cochin Frontier Road such as Pappampatti, Chettipalayam, Kallapalayam, Okkilipalayam and Pachapalayam. This cluster is the most prominent warehousing cluster of Coimbatore and hosts all Grade A developments in the city – Indospace and TVS. The cluster comprises of approximately 86% of the completed supply in the Coimbatore City. Out of the completed supply in Southern cluster approximately 44% of the supply is Grade A. Majority of the Warehousing demand is driven by FMCG, FMCD and 3PL tenants. Further, details of micro markets are elaborated in the following paragraphs.

The Palladam-Kochi Frontier Road holds major warehousing developments for clusters such as Indospace, TVS, NDR, VSMC, etc. Currently, there is only a vacancy in grade C warehouses, and grade A and B warehouses are completely occupied. The presence of developable land banks, as well as its proximity to manufacturing clusters and the Kochi industrial market, are the major demand drivers for this cluster. The strategic location of the Palladam-Kochi Frontier Road also makes it an attractive option for companies looking to establish distribution centres in South India, specifically in Kerala. The availability of skilled labour in the surrounding areas further enhances the appeal of this location for companies looking to set up operations. Additionally, the well-connected road network and access to major ports make it an ideal choice for businesses seeking efficient logistics solutions.

### 3.3.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Development 1 | 2020-22 | 7,10,000 | 21 – 22 |
| Development 2 | 2019 | 1,10,000 | 16 – 17 |
| Development 3 | 2019-22 | 3,55,000 | 21 – 22 |
| Development 4 | 2017-19 | 5,65,000 | 21 – 22 |

*Source: Industry Assessment Report*

### 3.3.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q2, 2023 | 90,000 | Pidilite | VSMC | 18 | Base Rental |
| Q2, 2023 | 1,00,000 | Walkkaro | Independent Warehouse | 16 | Base Rental |
| Q3, 2023 | 50,000 | Vasanth & Co. | NDR | 19 | Base Rental |
| Q1, 2024 | 30,000 | Page (Jockey) | Indospace | 21 | Base Rental |
| Q3, 2024 | 31,000 | V Logistics | Indospace | 21 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 18-21/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, volume of space uptake, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, specialised infrastructure, etc.

## 3.4 Market Outlook

Based on the market research, we understand that the subject micromarket is perceived as a favourable destination for various industry players owing to the excellent connectivity (via Palladam – Cochin Frontier), attractive rentals, availability of developable land parcels etc. Sulur has many small and large-scale industries which has enabled it to develop as an industrial ecosystem. Further, owing to the growth of E-Commerce sector and its continuous demand, the requirement for Grade A warehouse spaces have been increasing consistently which is seen via the highest absorption levels in Grade A parks in the market.

Major infrastructure initiatives such as the upcoming Kochi-Coimbatore-Bengaluru Industrial Corridor, which is expected to come by 2026, six lane corridor from Karur to Coimbatore which is expected to be operational by 2028, Airport expansion programme is expected to amplify the warehousing demand due to better connectivity and efficient transportation within production and distribution zones of Coimbatore.

Thus, the subject micro-market is expected to experience sustained demand and supply in the coming years.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location (Palladam Kochi Frontier Road), specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 20 - 22 / sft / month as on date of valuation.

# 4 Subject Asset – TVS Sulur

## 4.1 Asset Description

The subject asset christened 'Coimbatore (Sulur) Park' is an operational warehousing facility with a total leasable area of 6,13,942 sft with a cumulative chargeable area of 5,21,879 sft located at Survey No: 168/1B, 168/2A, 168/5, 169/1B, 169/2A, 170/1B, 170/2A, 174 & 176/1, Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu – 641 402. The Subject Asset is currently accessible via a private road, which emanates from Palladam – Cochin Frontier (SH – 163).

Based on the review of sanctioned layout shared by the client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational warehousing facility, located along Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu. The Subject Asset, which is spread across a land area of approx. 21.88 acres having 3 blocks with a cumulative leasable area of approx. 6,13,942 sft and a chargeable area of approx. 5,21,879 sft comprising of completed blocks (Block – I, Block – II, Block – III A, Block – III B, Block – III C, Block – III D, Block III). The same is occupied by Consumer Durables and Electronics Retailer (Block I), FMCG Company (Block II), Logistics Company (Block III A & Block III), Manufacturing Company (Block III B), FMCG Company (Block III C), and Kitchen Appliances Manufacturing company (Block III D).

The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard (62.5 KVA and 1,250 KVA respectively), Sewage Treatment Plant – STP (50KLD Daiki tank), Storm water network (Hume pipe with RCC Chamber), Fire Fighting Systems of NFPA/NBC standards with a roof monitor ventilation system and a maximum power load of 270 KVA extendable up to 1,250 KVA.

Moreover, the park offers a range of amenities such as domestic water supply, electric supply, fire protection, etc. The Subject Asset provides street lighting all around the park, and designated parking areas for trucks, cars and two wheelers. The park has been provided with landscaping while the asset is monitored completely with CCTV & security control to ensure safety. The prominent tenant in the Subject Asset includes Consumer Durables and Electronics Retailer, FMCG Company and Logistics Company.

As at the valuation date the Subject Asset is fully let to 6 tenants at a total current annual rent of 97.13 Mn and with a Weighted average lease expiry (WALE) of 5.8 years. The main tenant is a FMCG Company, with 31% of the completed leasable area and accounting for approx. 34% of the current rent.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Coimbatore (Sulur) Park |
| Address | Selakaraichal Village, Coimbatore District, Tamil Nadu – 641 402 |
| Land Area | Based on review of the sale deed, it is understood that the Subject Asset is built over a land measuring approx. 21.88 acres |
| Leasable Area | 6,13,942 sft* |
| Chargeable Area | 5,21,879 sft |
| Built-up Area | 6,13,942 sft* |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

**As per the lease deed the leasable area of Block II is 1,88,347 sft with warehouse carpet area of 1,21,350 sft, cafeteria area of 1,730 sft, security room of 187 sft, parking area of 17,577 sft and open area of 47,503 sft of which warehouse carpet area, cafeteria area, security room and part of parking area is considered as chargeable area * As per the lease deed the leasable area of Block III A is 90,115 sft with warehouse carpet area of 74,090 sft, Mezzanine area 500 sft, apron area of 12,525 sft, open parking area of 3,000 sft of which warehouse carpet area, and Mezzanine area is considered as chargeable area.*

### 4.1.1 Site Details

**Situation:** Subject Asset – 'Coimbatore (Sulur) Park' is an operational warehousing facility located in Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu.

**Location:** The Subject Asset is located in an private road emanating from Palladam – Cochin Frontier (SH-113) connecting Tirupur town in north and Pollachi town in south. The Subject Asset is located in Selakaraichal Village on the southern periphery of Coimbatore City.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Coimbatore International Airport | 29 – 30 |
| Coimbatore Railway Station | 30 – 31 |
| Coimbatore New Bus Stand | 38 – 39 |

*Source: Valuer's research*

**Catchment Analysis:** The primary catchment for the purpose of this valuation has been defined as Sulur and its adjoining micromarkets which are predominantly characterized by industrial/warehousing facility. Organised developments in Sulur, Selakaraichal Village, where the Subject Asset is located, and its neighbouring villages are in nascent stages. The subject micromarket has large tracts of vacant agricultural lands along with few industrial and warehouse developments with presence of unorganized residential activity. However, the micromarket has been gaining traction due to its easier connectivity to Kerala and Tamil Nadu thereby

gaining interest from prominent players like Indospace Logistics Park and local developers like VSMC Logistics Park. Other standalone developments include Amma Alloy (India) Pvt. Ltd, Garuda Farm Equipment Limited, Real Links India Private Limited, etc.

Surrounds:

The Subject Asset is surrounded as follows:

- North: Access Road
- South: Private Property
- East: Private Property
- West: Private Property

Potential changes in surroundings:

The subject micromarket is currently characterized by the presence of large tracts of vacant land parcels, a few captive industrial developments and unorganised residential plotted layouts. However, in recent times, the micromarket has been witnessing significant infrastructure initiatives which has been driving the industrial demand in the subject location viz., the commissioning of the six-lane green field road project connecting Coimbatore to Karur. The six lane Karur-Coimbatore bypass, with service roads, will include an outer ring road for Coimbatore. It will connect Madukkarai, Sulur, Karumathampatti, Annur and Perianaikenpalayam. The total length of the highway is assessed to be approx. 182.5 km and is currently underway. On completion, the project will act as a primary transportation corridor for the micromarket and is expected to significantly enhance the connectivity/ accessibility of the subject micromarket.

The availability of land and improved infrastructure initiative is likely to enhance organized connectivity thereby attracting manufacturers and developers which will drive the demand in the subject micromarket over medium to long term.

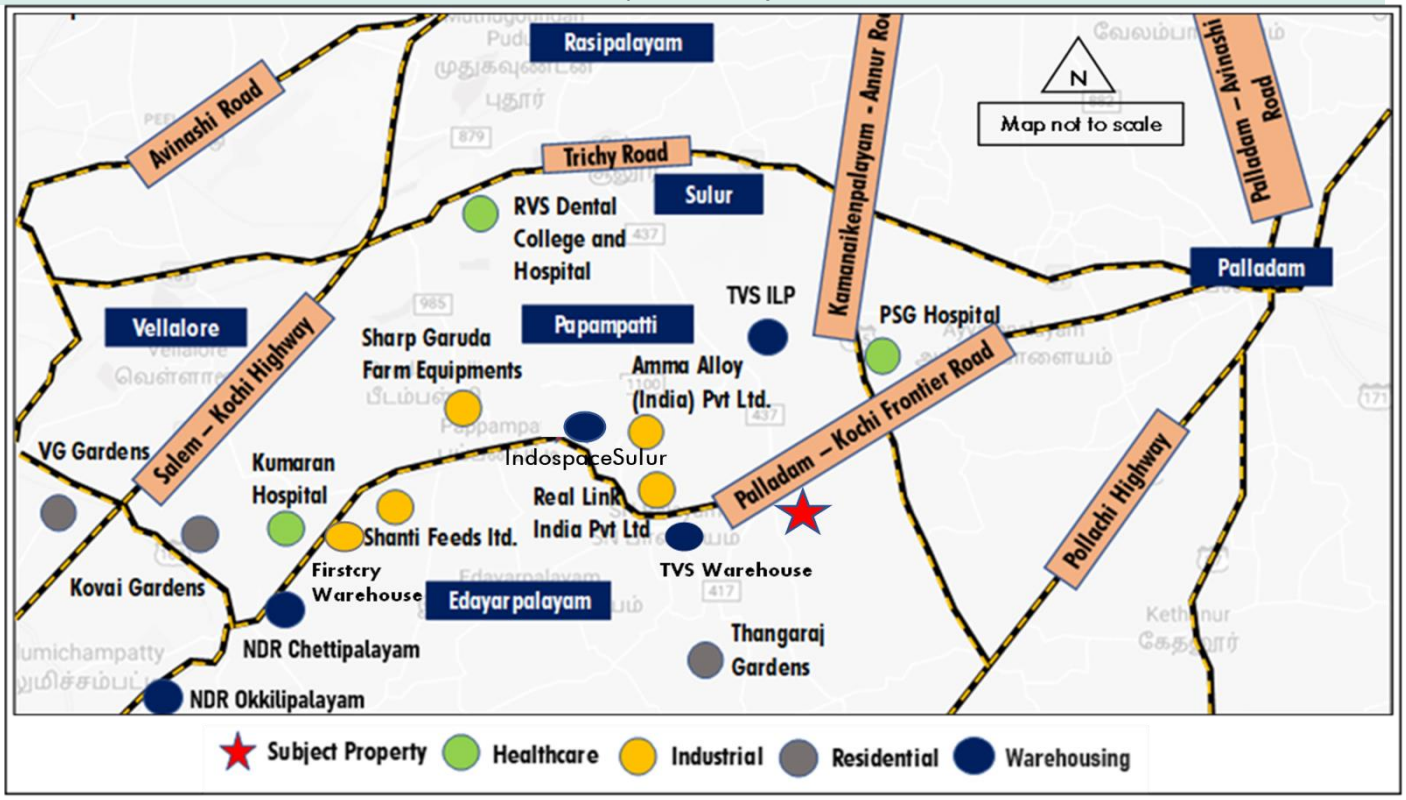
Suitability of existing use:

As per information received from the client and the site visit undertaken, we understand that the Subject Asset is an operational warehousing facility. The current use of the property i.e. 'Industrial & Logistic Park' is as per the usage permitted by the development authority. We have not verified the same from the Director of Town and Country Planning Authority or inspected any documentary evidence to the same.

Also considering the nature of subject development coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development.

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




*Source: Valuers' research*

Shape: Based on the site plan provided by the client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape.

Topography: Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining Assets.

Frontage: Based on review of site plan and visual inspection, we understand that the Subject Asset has limited frontage along the access road.

Accessibility: Based on the site plan provided by the client and visual inspection, the access to the Subject Asset is via a private road which emanates from Palladam – Cochin Frontier (SH-163). By virtue of the same the asset enjoys excellent accessibility and frontage.

Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset.

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the client, we understand that the exact address of the Subject Asset is located at Survey No: 168/1B, 168/2A, 168/5, 169/1B, 169/2A, 170/1B, 170/2A, 174 & 176/1, Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu – 641 402. Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/

statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the inputs shared by the client, we understand that the Subject Asset is zoned for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local panchayat or Director of Town and Country Planning authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is partly an operational and partly an under-construction warehouse development. The current use of the Subject Asset is in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the client, there are no other restrictions or constraints on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Selakaraichal Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in high-lying area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster. |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the client with the relevant development authorities. |

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC | Received | Fire and Rescue Department | 21-03-2022 |
| Ground Water Abstraction NOC | Received | Water Resource Department, Government of Tamilnadu | 07-03-2022 |
| Agriculture NOC | Received | Agriculture Department, Government of Tamilnadu | 11-05-2022 |
| Building Permit/Planning Approval | Received | Director of Town and Country Planning | 05-08-2022 |
| Consent for Establishment – Air & Water | Received | Tamilnadu Pollution Control Board, Coimbatore | 24-06-2022 |

*Source: Approval documents provided by the client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the client, we understand that there are no overdue periodic clearances. Please refer section 7.3 for any further details

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Total Area (sft)* | Operational Area (sft)* | Under construction Area (sft)* | Year of Completion |
|---|---|---|---|---|
| TVSILP – Block I | 1,00,812 | 1,00,812 | N.A. | Q1 2023 |
| TVSILP – Block I (Mezzanine) | 2,575 | 2,575 | N.A. | Q1 2023 |
| TVSILP – Block II | 1,31,896 | 1,31,896 | N.A. | Q2 2023 |
| TVSILP – Block III A | 74,590 | 74,590 | N.A. | Q1 2024 |
| TVSILP – Block III B | 37,760 | 37,760 | N.A. | Q3 2024 |
| TVSILP – Block III C | 64,418 | 64,418 | N.A. | Q3 2024 |
| TVSILP – Block III D | 6,000 | 6,000 | N.A. | Q3 2024 |
| TVSILP – Block III | 1,03,828 | 1,03,828 | N.A. | Q3 2024 |
| Total | 5,21,879 | 5,21,879 | N.A. | |

*Source: Client Inputs *Area mentioned is chargeable area.*

The table below highlights the area details of the Subject Asset:

| Block | Leasable Area (in sft)* | Chargeable Area (in sft) |
|---|---|---|
| TVSILP – Block I | 1,00,812 | 1,00,812 |
| TVSILP – Block I (Mezzanine) | 2,575 | 2,575 |
| TVSILP – Block II | 1,88,347 | 1,31,896 |
| TVSILP – Block III A | 90,115 | 74,590 |
| TVSILP – Block III B | 37,760 | 37,760 |
| TVSILP – Block III C | 82,458 | 64,418 |
| TVSILP – Block III D | 8,047 | 6,000 |
| TVSILP – Block III | 1,03,828 | 1,03,828 |
| Total | 6,13,942 | 5,21,879 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

**As per the lease deed the leasable area of Block II is 1,88,347 sft with warehouse carpet area of 1,21,350 sft, cafeteria area of 1,730 sft, security room of 187 sft, parking area of 17,577 sft and open area of 47,503 sft of which warehouse carpet area, cafeteria area, security room and part of parking area is considered as chargeable area * As per the lease deed the leasable area of Block III A is 90,115 sft with warehouse carpet area of 74,090 sft, Mezzanine area 500 sft, apron area of 12,525 sft, open parking area of 3,000 sft of which warehouse carpet area, and Mezzanine area is considered as chargeable area.*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks |
|---|---|---|
| Handover condition | Warm Shell | N.A. |
| Type of Structure | PEB | N.A. |
| Firefighting services | Provided. Fire NOC Available | N.A. |
| Lift provision | No Lifts | N.A. |
| Floor Finish | FM2 Concrete floor | N.A. |
| Floor Strength | 5 MT/Sqm | N.A. |

*Source: Information provided by the client, site visit*

### 4.1.8 Condition & Repair

Based on information provided by the client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is well maintained. The table below highlights the major repairs and maintenance work/ infrastructure upgrade works to be undertaken over the next few quarters:

| Expense Head | Total Cost (INR Mn) |
|---|---|
| Refurbishment capex | NA |

*Source: Valuer Estimate and Information provided by the Client*

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

| Coimbatore (Sulur) Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the access road of the Subject Asset |

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Asset forming part of the portfolio.

## 5.2 Basis of Valuation

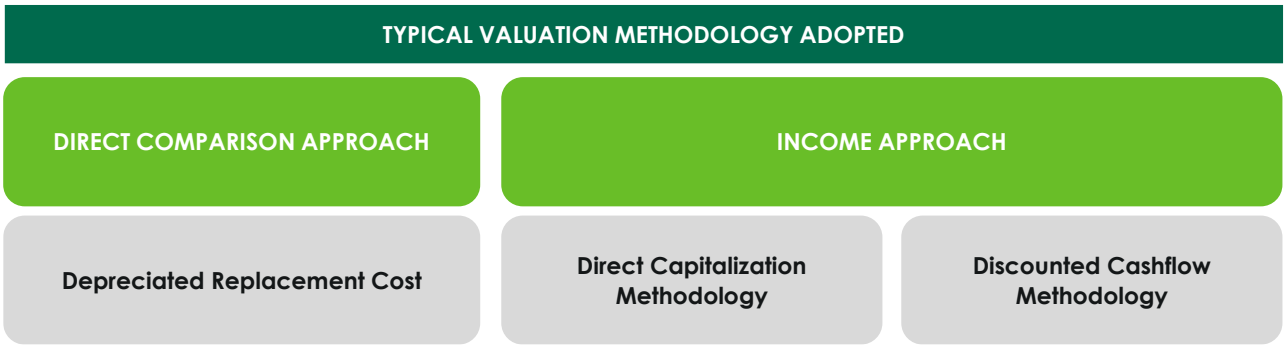
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** a asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Asset. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

<u>Asset-specific Review:</u>

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.

3. The Valuer has undertaken physical site inspections to assess the status of the Subject Asset in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

The Palladam-Cochin Frontier Road, the city's primary warehousing corridor, currently accommodates approximately 86% of the total completed supply and is poised for further growth with additional Grade A and B developments. Major players such as Indospace, TVS, NDR, and VSMC have expansion plans, supported by the availability of extensive land banks along this stretch, which adds potential for further warehousing supply. The demand from 3PL, FMCG, and e-commerce sectors primarily fuels large-scale space offtakes from Grade A or B developments.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facility. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that the operational leasable area is approx. 100% leased out as on date of valuation (completed blocks). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area and under-construction/proposed area, the Valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Services Offered | HVAC (Tonnage) | NA | Client |
| | Power Back-up | KVA | Electricity Bill |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Not Provided |
| | Cost Already Incurred – Under Construction Block | NA | Not Provided |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Client/Valuer's Estimate |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| TVS Industrial and Logistics Park, Sulur | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the client, we understand that Subject Asset is an under-construction warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Total Area (sft)* | Operational Area (sft)[2] | Under construction Area (sft)* |
|---|---|---|---|
| TVSILP – Block I | 1,00,812 | 1,00,812 | - |
| TVSILP – Block I (Mezzanine) | 2,575 | 2,575 | |
| TVSILP – Block II | 1,31,896 | 1,31,896 | - |
| TVSILP – Block III A | 74,590 | 74,590 | - |
| TVSILP – Block III B | 37,760 | 37,760 | - |
| TVSILP – Block III C | 64,418 | 64,418 | - |
| TVSILP – Block III D | 6,000 | 6,000 | - |
| TVSILP – Block III | 1,03,828 | 1,03,828 | - |
| Total | 5,21,879 | 5,21,879 | - |

*Source: Client Inputs *Area mentioned is chargeable area*

| Tenant | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park, Sulur | 5,21,879 | 100%* | 19.2 | 10.0 |

*Source: Lease deed *100% of the operational area is leased.*

[2] *As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Occupancy % |
|---|---|
| Occupancy (completed blocks) | 100% |
| Pre-Commitment (under construction blocks) | 0% |

*Source: Lease deed and Client inputs;*

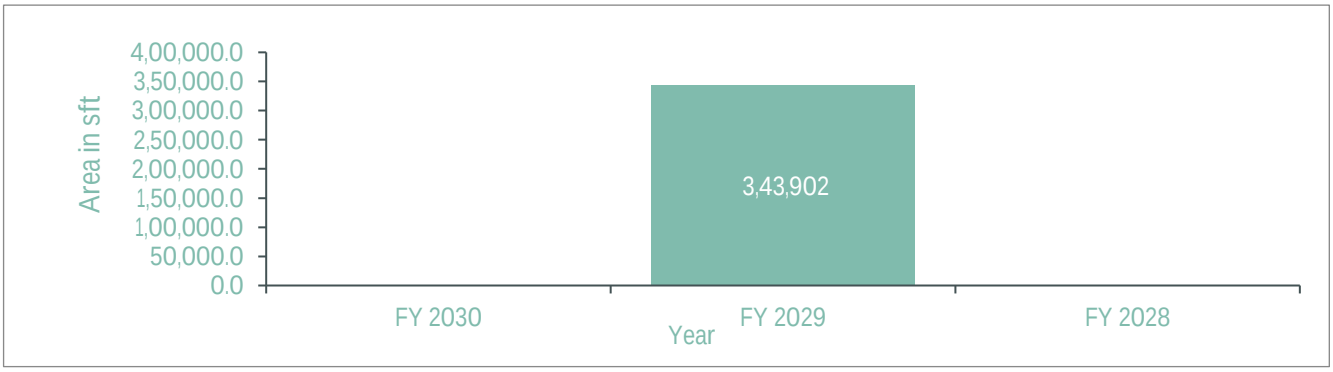
### 6.3.2 Lease Rent Analysis

Based on the review of the Lease Deed provided by the client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Consumer Durables and Electronics Retailer | Lease Commencement Date | 25 July 2024 |
| | Rent Commencement Date | 08 September 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.75 Years |
| | Lease Rent Escalation Terms | 5% every year |
| FMCG Company | Lease Commencement Date | 25 July 2024 |
| | Rent Commencement Date | 08 September 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.75 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 1st July 2024 |
| | Rent Commencement Date | 1st August 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.75 Years |
| | Lease Rent Escalation Terms | 4% every year |
| Consumer Durables and Electronics Retailer | Lease Commencement Date | 10th February 2023 |
| | Rent Commencement Date | 10th February 2023 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 9.0/7.6 Years |
| | Lease Rent Escalation Terms | 4.25% every year |
| FMCG Company | Lease Commencement Date | 08th May 2023 |
| | Rent Commencement Date | 08th May 2023 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 6.0/4.7 Years |
| | Lease Rent Escalation Terms | 4% every year |
| Consumer Durables and Electronics Retailer | Lease Commencement Date | 12th January 2024 |
| | Rent Commencement Date | 12th January 2024 |
| | Lock-in Period | 3 Years |
| | Lease Tenure/Remaining Tenure | 9.0/8.5 Years |
| | Lease Rent Escalation Terms | 4% every year |

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 5.8 years, with 65% of occupied area expiring in FY 2029 as shown in the chart below.




*Source:* Valuer Workings; The expiry profile has been plotted only for the warehouse areas

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Chargeable Area* (sft) | % of area leased^ | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park, Sulur | 5,12,384 | 100%* | 19.2 | 10.0 |

*Source: Leased Deed and Information provided by the Client *Area considered is chargeable area ^100% of the operational area.*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 20 – 22 per sf per month (say an average rental of INR 21.0 per sf per month of leasable area).

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner with Phase 1 (Block 1) completed and operationalised during Q1 2023, Phase 2 (Block 2) completed and operationalised during Q2 2023, Phase 3 (Block 3 A) completed and operationalised during Q1 2024, Phase 4 (Block 3 B, Block 3 C, Block 3 D) completed and operationalised during Q 3 2024 and Phase 5 (Block 3) completed during Q4 2024 and will be operationalised during Q1 2025.

#### 6.3.5.2 Under-Construction/ Proposed Blocks

Based on the information provided by the client, we understand the subject asset is completed and fully operational.

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the client, we understand that the completed blocks have an occupancy of 100% as on date of valuation. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

Based on the information provided by the client, we understand the subject asset is completed and fully operational.

### 6.3.7 Revenue Assumptions

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area - Chargeable (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|---|
| Warehouse | 6,06,375 | 5,12,384 | 5,12,384 | Current Rent for Leased area | 19.2^ |
| | | | | Market rent for reversion/ vacant area | 21.0 |

*Source: Lease deed provided by the client; Valuer's assessment*

The above market rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset.

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the client, it is understood that an industrial open space area/ mezzanine area measuring approx. 2,575 sf of which 100% is leased out. The Mezzanine area will operate as ancillary/ (comment on the utility) providing convenience to the tenants in the Subject Asset as well as surrounding development.

The Valuers have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket and existing leases of Subject Asset. The same has been adopted for the vacant space for the purpose of this valuation exercise. Currently the completed blocks are 100% leased. Given the above, we have assumed market rent in the range of INR 9.0 to 11.0 psf pm (say INR 9 psf pm) as on date of valuation.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the vacant area and renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 20.1* | 21.1 | 22.1 | 5% escalation year on year |

*Source: Valuer's assessment; *Weighted Average Market Rent*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1.0 | INR per sft per month |
| Other Income | 2.0% | % of total revenue |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

The subject property is an operational warehousing facility.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the client and our visual inspection, we understand that there are no major repairs and improvement proposed in the said asset.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.74 Mn |
| Insurance* | INR 0.40 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the Client; ^Asset Management fees has been considered as below the NOI line item.*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is fully occupied with significantly longer lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Completed Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 1 month of rental income for future / new leases

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the Client and market benchmarks. The same is a pass through expense.

Based on on the subsequent information provided by the Client, we understand that the 100% of the CAM Income would be received by the Client entity/ InvIT entity (as per details from Client) and 100% of the CAM Expense would be borne by tenants/ SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.

- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| TVS Industrial and Logistics Park, Sulur | Durgeshwari Industrial & Logistics Parks Private Limited | Completed | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate assets such as execution risk (construction status, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for competed blocks has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Palladam – Cochin frontier micromarkets which are in the range of 7.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

Under Construction/ Proposed Blocks

For under construction/ proposed blocks, the cost of debt has been considered based on prevalent Construction Finance (CF) rates for warehousing facilities parks across Coimbatore which are in the range of 10.0% – 12.0% depending upon the location, asset quality, developer reputation and credit profile, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed TVS Industrial and Logistics Park, Sulur assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Coimbatore (Sulur) Park | TVS Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.50% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Coimbatore (Sulur) Park | Constructed | 1776.1 |
| Total Value of the asset | | 1776.1 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no Vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

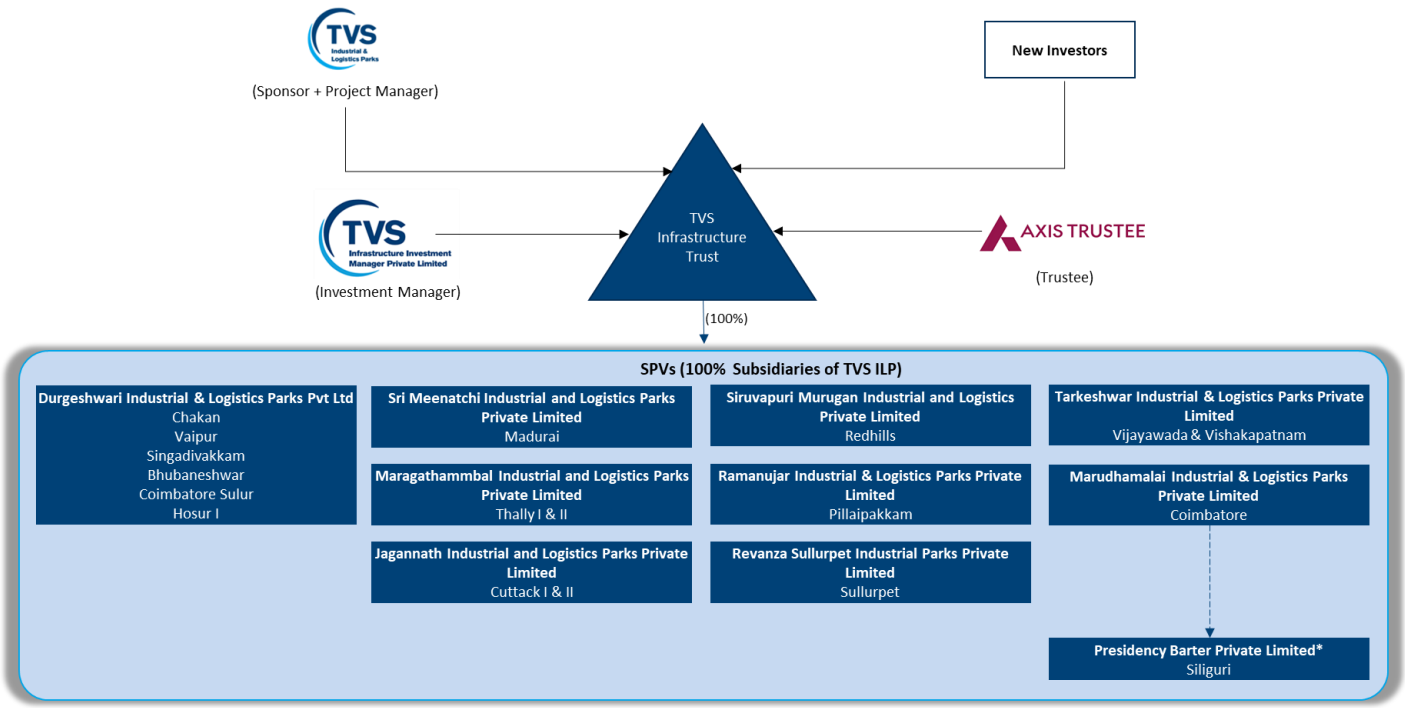
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

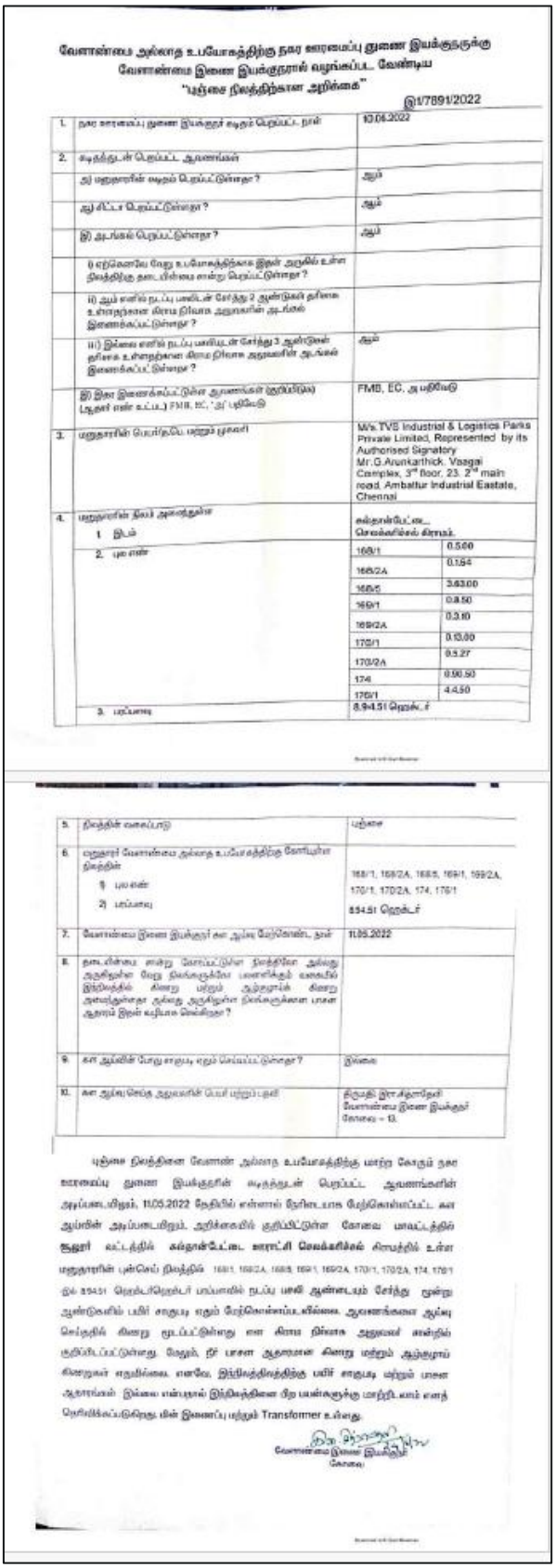
| S.No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building 1 is 28.2 years, Building 2 is 28.6 years, Building 3 is 29.9 years and Building 4 is 29.8 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

## 7.2 Site Plan

### 7.2.1 TVS Industrial and Logistics Park, Sulur

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Agriculture NOC



வேளாண்மை அல்லாத உபயோகத்திற்கு நகர ஊரமைப்பு துணை இயக்குநருக்கு
வேளாண்மை இணை இயக்குநரால் வழங்கப்பட வேண்டிய
"புஞ்சை நிலத்திற்கான அறிக்கை"

இ1/7891/2022

| | | |
|---|---|---|
| 1. | நகர ஊரமைப்பு துணை இயக்குநர் வடிதம் பெறப்பட்ட நாள் | 10.06.2022 |
| 2. | வடிதத்துடன் பெறப்பட்ட ஆவணங்கள் | |
| | அ) மனுதாரரின் வடிதம் பெறப்பட்டுள்ளதா ? | ஆம் |
| | ஆ) சிட்டா பெறப்பட்டுள்ளதா ? | ஆம் |
| | இ) அடங்கல் பெறப்பட்டுள்ளதா ? | ஆம் |
| | i) ஏற்கெனவே வேறு உபயோகத்திற்காக இதன் அருகில் உள்ள நிலத்திற்கு தடையின்மை சான்று பெறப்பட்டுள்ளதா ? | |
| | ii) ஆம் எனில் நடப்பு பணியின் சேர்த்து 2 ஆண்டுகள் தரிசை உள்ளதற்கான கிராம நிர்வாக அலுவலரின் அடங்கல் இணைக்கப்பட்டுள்ளதா ? | |
| | iii) இல்லை எனில் நடப்பு பணியுடன் சேர்த்து 3 ஆண்டுகள் தரிசை உள்ளதற்கான கிராம நிர்வாக அலுவலரின் அடங்கல் இணைக்கப்பட்டுள்ளதா ? | ஆம் |
| | இ) இதர இணைக்கப்பட்டுள்ள ஆவணங்கள் (குறிப்பிடுக) (ஆதார் எண் உட்பட) FMB, EC, அ பதிவேடு | FMB, EC, அ பதிவேடு |
| 3. | மனுதாரரின் பெயர்/நபெ மற்றும் முகவரி | M/s.TVS Industrial & Logistics Parks Private Limited, Represented by its Authorised Signatory Mr.G.Arunkarthick, Vasagai Complex, 3rd floor, 23, 2nd main road, Ambattur Industrial Eastate, Chennai |
| 4. | மனுதாரரின் நிலம் அமைந்துள்ள | |
| | 1. இடம் | கல்தான்பேட்டை செலக்கரிச்சல் கிராமம். |
| | 2. புல எண் | 168/1 — 0.5.00 |
| | | 168/2A — 0.1.64 |
| | | 168/5 — 3.63.00 |
| | | 169/1 — 0.8.50 |
| | | 169/2A — 0.3.10 |
| | | 170/1 — 0.13.00 |
| | | 170/2A — 0.5.27 |
| | | 174 — 0.90.50 |
| | | 176/1 — 4.4.50 |
| | 3. பரப்பளவு | 8.94.51 ஹெக்டர் |

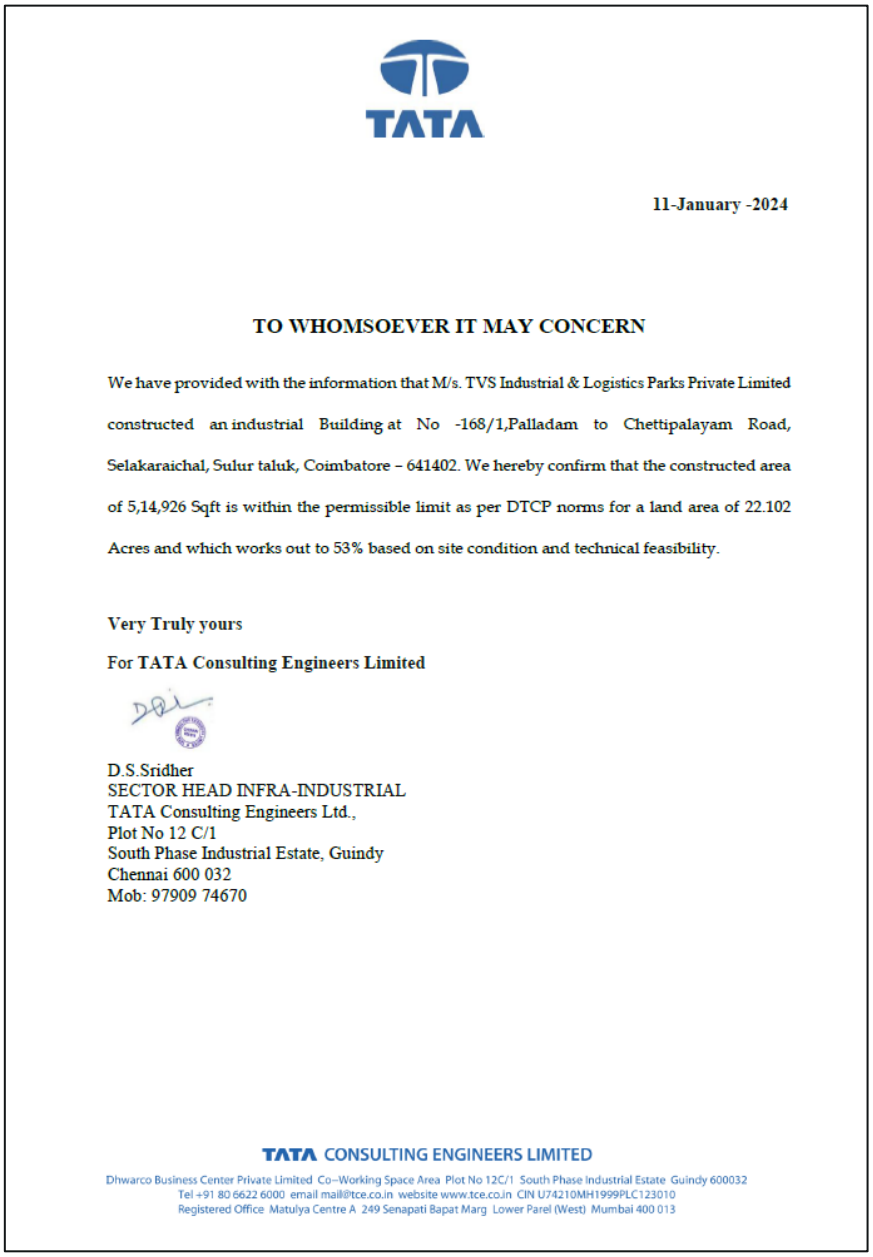
| | | |
|---|---|---|
| 5. | நிலத்தின் வகைப்பாடு | புஞ்சை |
| 6. | மனுதாரர் வேளாண்மை அல்லாத உபயோகத்திற்கு கோரியுள்ள நிலத்தின் | |
| | 1) புல எண் | 168/1, 168/2A, 168/5, 169/1, 169/2A, 170/1, 170/2A, 174, 176/1 |
| | 2) பரப்பளவு | 8.94.51 ஹெக்டர் |
| 7. | வேளாண்மை இணை இயக்குநர் கள ஆய்வு மேற்கொண்ட நாள் | 11.05.2022 |
| 8. | தடையின்மை சான்று கோரப்பட்டுள்ள நிலத்தினை அல்லது அருகிலுள்ள வேறு நிலங்களுக்கோ பணனிக்கும் வகையில் இந்நிலத்தில் கிணறு மற்றும் ஆழ்குழாய் கிணறு அமைந்துள்ளதா அல்லது அருகிலுள்ள நிலங்களுக்கான பாசன ஆதாரம் இதன் வழியாக செல்கிறதா ? | |
| 9. | கள ஆய்வின் போது சாகுபடி எதும் செய்யப்பட்டுள்ளதா ? | இல்லை |
| 10. | கள ஆய்வு செய்த அலுவலரின் பெயர் மற்றும் பதவி | திருமதி இராஜேஸ்வரி வேளாண்மை இணை இயக்குநர் கோவை – 13. |

புஞ்சை நிலத்தினை வேளாண் அல்லாத உபயோகத்திற்கு மாற்ற கோரும் நகர ஊரமைப்பு துணை இயக்குநரின் வடிதத்துடன் பெறப்பட்ட ஆவணங்களின் அடிப்படையிலும், 11.05.2022 தேதியில் என்னால் நேரிடையாக மேற்கொள்ளப்பட்ட கள ஆய்வின் அடிப்படையிலும், அறிக்கையில் குறிப்பிட்டுள்ள கோவை மாவட்டத்தில் ஆனூர் வட்டத்தில் கல்தான்பேட்டை ஊராட்சி செலக்கரிச்சல் கிராமத்தில் உள்ள மனுதாரரின் புன்செய் நிலத்தில் 168/1, 168/2A, 168/5, 169/1, 169/2A, 170/1, 170/2A, 174, 176/1 ஆகிய 8.94.51 ஹெக்டர்ஹெக்டர் பரப்பளவில் நடப்பு பசலி ஆண்டையும் சேர்த்து மூன்று ஆண்டுகளில் பயிர் சாகுபடி எதும் மேற்கொள்ளப்படவில்லை. ஆவணங்களை ஆய்வு செய்ததில் கிணறு மூடப்பட்டுள்ளது என கிராம நிர்வாக அலுவலர் சான்றில் குறிப்பிடப்பட்டுள்ளது. மேலும், நீர் பாசன ஆதாரமான கிணறு மற்றும் ஆழ்குழாய் கிணறுகள் எதுவில்லை. எனவே, இந்நிலத்திலத்திற்கு பயிர் சாகுபடி மற்றும் பாசன ஆதாரங்கள் இல்லை என்பதால் இந்நிலத்தினை பிற பயன்களுக்கு மாற்றிடலாம் எனத் தெரிவிக்கப்படுகிறது. மின் இணைப்பு மற்றும் Transformer உள்ளது.

வேளாண்மை இணை இயக்குநர்
கோவை

*Source: Client Inputs*

### 7.3.2 Architect Certificate



TATA

11-January -2024

**TO WHOMSOEVER IT MAY CONCERN**

We have provided with the information that M/s. TVS Industrial & Logistics Parks Private Limited constructed an industrial Building at No -168/1,Palladam to Chettipalayam Road, Selakaraichal, Sulur taluk, Coimbatore – 641402. We hereby confirm that the constructed area of 5,14,926 Sqft is within the permissible limit as per DTCP norms for a land area of 22.102 Acres and which works out to 53% based on site condition and technical feasibility.

**Very Truly yours**

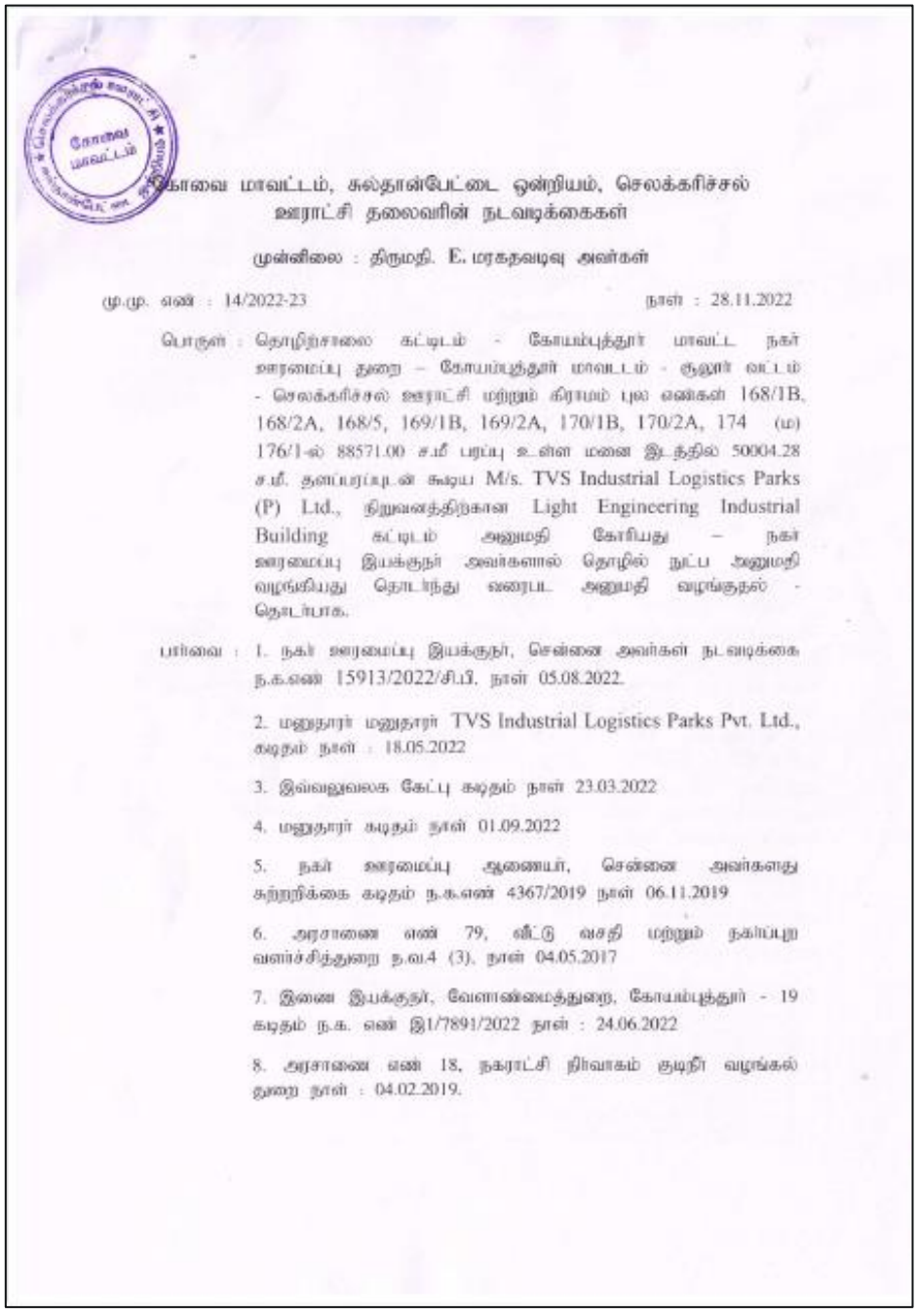
For **TATA Consulting Engineers Limited**

D.S.Sridher
SECTOR HEAD INFRA-INDUSTRIAL
TATA Consulting Engineers Ltd.,
Plot No 12 C/1
South Phase Industrial Estate, Guindy
Chennai 600 032
Mob: 97909 74670

TATA CONSULTING ENGINEERS LIMITED
Dhwarco Business Center Private Limited Co-Working Space Area Plot No 12C/1 South Phase Industrial Estate Guindy 600032
Tel +91 80 6622 6000 email mail@tce.co.in website www.tce.co.in CIN U74210MH1999PLC123010
Registered Office Matulya Centre A 249 Senapati Bapat Marg Lower Parel (West) Mumbai 400 013

*Source: Client Inputs*

## 7.3.3 Planning Permit



கோவை மாவட்டம், சுல்தான்பேட்டை ஒன்றியம், செலக்கரிச்சல் ஊராட்சி தலைவரின் நடவடிக்கைகள்

முன்னிலை : திருமதி. E. மரகதவடிவு அவர்கள்

மு.மு. எண் : 14/2022-23 நாள் : 28.11.2022

பொருள் : தொழிற்சாலை கட்டிடம் - கோயம்புத்தூர் மாவட்ட நகர் ஊரமைப்பு துறை – கோயம்புத்தூர் மாவடம் - சூலூர் வட்டம் - செலக்கரிச்சல் ஊராட்சி மற்றும் கிராமம் புல எண்கள் 168/1B, 168/2A, 168/5, 169/1B, 169/2A, 170/1B, 170/2A, 174 (ம) 176/1-ல் 88571.00 ச.மீ பரப்பு உள்ள மனை இடத்தில் 50004.28 ச.மீ. தளப்பரப்புடன் கூடிய M/s. TVS Industrial Logistics Parks (P) Ltd., நிறுவனத்திற்கான Light Engineering Industrial Building கட்டிடம் அனுமதி கோரியது – நகர் ஊரமைப்பு இயக்குநர் அவர்களால் தொழில் நுட்ப அனுமதி வழங்கியது தொடர்ந்து வரைபட அனுமதி வழங்குதல் - தொடர்பாக.

பார்வை : 1. நகர் ஊரமைப்பு இயக்குநர், சென்னை அவர்கள் நடவடிக்கை ந.க.எண் 15913/2022/சி.பி. நாள் 05.08.2022.

2. மனுதாரர் மனுதாரர் TVS Industrial Logistics Parks Pvt. Ltd., கடிதம் நாள் : 18.05.2022

3. இவ்வலுவலக கேட்பு கடிதம் நாள் 23.03.2022

4. மனுதாரர் கடிதம் நாள் 01.09.2022

5. நகர் ஊரமைப்பு ஆணையர், சென்னை அவர்களது சுற்றறிக்கை கடிதம் ந.க.எண் 4367/2019 நாள் 06.11.2019

6. அரசாணை எண் 79, வீட்டு வசதி மற்றும் நகர்ப்புற வளர்ச்சித்துறை ந.வ.4 (3), நாள் 04.05.2017

7. இணை இயக்குநர், வேளாண்மைத்துறை, கோயம்புத்தூர் - 19 கடிதம் ந.க. எண் இ1/7891/2022 நாள் : 24.06.2022

8. அரசாணை எண் 18, நகராட்சி நிர்வாகம் குடிநீர் வழங்கல் துறை நாள் : 04.02.2019.

*Source: Client Inputs*

## 7.3.4 Consent to Operate – Air

Category of the Industry :

ORANG
E

**CONSENT ORDER NO. 2304252335798 DATED: 03/07/2023.**

**PROCEEDINGS NO.F.3742CBS/OL/DEE/TNPCB/CBS/A/2023 DATED: 03/07/2023**

---

**SUB:** Tamil Nadu Pollution Control Board –CONSENT TO OPERATE –After CTE -M/s. TVS INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED - RESTRICTED TO PHASE I (SHED A, SHED B, SHED C, SHED E & COMMON BUILDINGS) , S.F.No. 168/1B, 168/2A, 168/5 Part, 169/1B, 169/2A, 170/1B, 170/2A, 174 Part & 176/1, SELAKKARICHEL village Sulur Taluk and Coimbatore District - Consent for operation of the plant and discharge of emissions under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981) –Issued- Reg.

**REF:** 1. CTE Proc. No. F.3742CBS/OL/DEE/TNPCB/CBS/W&A/2022 dated 24.06.2022
2. Unit's application for CTO-after CTE vide OCMMS application No. 52335798 dated 01.06.2023
3. I.R No.: F.3742CBS/OL/AE/CBS/2023 dated 26.06.2023
4. Minutes of the 136th ZLCCC meeting dated 27.06.2023 held at the O/o, JCEE (M), Coimbatore Region vide (Item No. 136 – 07)

CONSENT TO OPERATE is hereby granted under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 as amended in 1987 (Central Act 14 of 1981) (hereinafter referred to as "The Act") and the rules and orders made there under to

The Authorized Signatory
M/s . TVS INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED - RESTRICTED TO PHASE I (SHED A, SHED B, SHED C, SHED E & COMMON BUILDINGS)
S.F No. 168/1B, 168/2A, 168/5 Part, 169/1B, 169/2A, 170/1B, 170/2A, 174 Part & 176/1
SELAKKARICHEL Village
Sulur Taluk
Coimbatore District.

Authorizing the occupier to operate the industrial plant in the Air Pollution Control Area as notified by the Government and to make discharge of emission from the stacks/chimneys.

This is subject to the provisions of the Act, the rules and the orders made there under and the terms and conditions incorporated under the Special and General conditions stipulated in the Consent Order issued earlier and subject to the special conditions annexed.

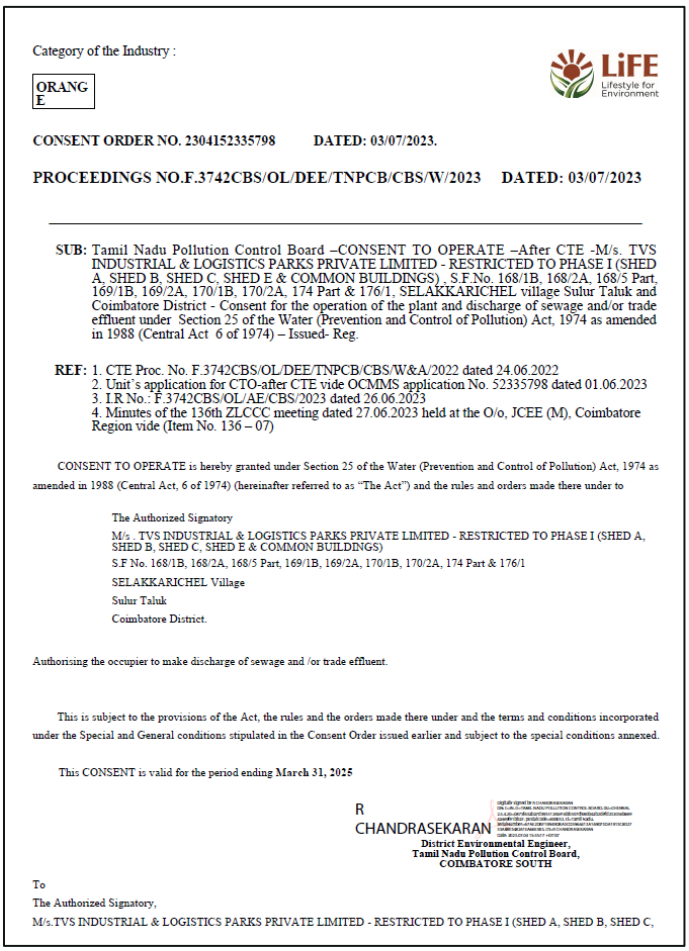
This CONSENT is valid for the period ending **March 31, 2025**

R
CHANDRASEKARAN
**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**COIMBATORE SOUTH**

To

*Source: Client Input*

## 7.3.5 Consent to Operate - Water



Category of the Industry :

ORANGE

LiFE Lifestyle for Environment

**CONSENT ORDER NO. 2304152335798 DATED: 03/07/2023.**

**PROCEEDINGS NO.F.3742CBS/OL/DEE/TNPCB/CBS/W/2023 DATED: 03/07/2023**

**SUB:** Tamil Nadu Pollution Control Board –CONSENT TO OPERATE –After CTE -M/s. TVS INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED - RESTRICTED TO PHASE I (SHED A, SHED B, SHED C, SHED E & COMMON BUILDINGS) , S.F.No. 168/1B, 168/2A, 168/5 Part, 169/1B, 169/2A, 170/1B, 170/2A, 174 Part & 176/1, SELAKKARICHEL village Sulur Taluk and Coimbatore District - Consent for the operation of the plant and discharge of sewage and/or trade effluent under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 as amended in 1988 (Central Act 6 of 1974) – Issued- Reg.

**REF:** 1. CTE Proc. No. F.3742CBS/OL/DEE/TNPCB/CBS/W&A/2022 dated 24.06.2022
2. Unit's application for CTO-after CTE vide OCMMS application No. 52335798 dated 01.06.2023
3. I.R No.: F.3742CBS/OL/AE/CBS/2023 dated 26.06.2023
4. Minutes of the 136th ZLCCC meeting dated 27.06.2023 held at the O/o, JCEE (M), Coimbatore Region vide (Item No. 136 – 07)

CONSENT TO OPERATE is hereby granted under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 as amended in 1988 (Central Act, 6 of 1974) (hereinafter referred to as "The Act") and the rules and orders made there under to

The Authorized Signatory
M/s , TVS INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED - RESTRICTED TO PHASE I (SHED A, SHED B, SHED C, SHED E & COMMON BUILDINGS)
S.F No. 168/1B, 168/2A, 168/5 Part, 169/1B, 169/2A, 170/1B, 170/2A, 174 Part & 176/1
SELAKKARICHEL Village
Sulur Taluk
Coimbatore District.

Authorising the occupier to make discharge of sewage and /or trade effluent.

This is subject to the provisions of the Act, the rules and the orders made there under and the terms and conditions incorporated under the Special and General conditions stipulated in the Consent Order issued earlier and subject to the special conditions annexed.

This CONSENT is valid for the period ending **March 31, 2025**

R CHANDRASEKARAN
**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**COIMBATORE SOUTH**

To
The Authorized Signatory,
M/s.TVS INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED - RESTRICTED TO PHASE I (SHED A, SHED B, SHED C,

*Source: Client Input*

### 7.3.6 CEIG – Electrical Installation Approvals

SAVE ENERGY

**GOVERNMENT OF TAMILNADU**
**ELECTRICAL INSPECTORATE**

SAVE NATION

www.tnei.tn.gov.in

Ph: 0422-2688305
From
Electrical Inspector,
4/13B, S.R.S.Puram,
Kalangal Road,
Sulur- 641 402.

To
Thiru. TVS Industrial & Logistics Parks Pvt Ltd,
S.F. No16 8/1,169/1,170/1,168/2A,
169/2A,170/2A,168/5,176/1,174,
Palladam – Chettipalam Road,
Selakaraichal Village, Coimbatore – 641 402.

**Letter No : SLR 5193/ EI / Sulur / A1/SC / 2023 Dated: 15-05-2023**

Sir,

Sub : Electricity –Electrical Installations of voltage exceeding 650 V and up to and including 33 KV at the premises of Thiru. TVS Industrial & Logistics Parks Pvt Ltd, S.F. No: S.F. No: 8/1,169/1,170/1,168/2A,169/2A,170/2A, 168/5,176/1,174,Palladam – Chettipalam Road,Selakaraichal Village, Coimbatore – 641 402. – MV Additions- Inspection under Regulation 43 of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 on 02.05.2023 Approval – Accorded.

Ref : 1. This office letter No:.SLR 5193/EI/SLR/DRAG/A1/2023 Dt. 23.03.2023.
2. Your letter No. NIL Dt:02.05.2023 along with completion report
3. This office Letter No.SLR 5193/EI/SLR/R43(4)/2023 Dated: 04.05.2023
4. Your letter No. NIL Dt:09.05.2023 Rectification Report.

**********

Approval is hereby accorded under Regulation 43 of Central Electricity Authority (Measures relating to safety and Electric Supply) Regulation, 2010 to commission the Electrical Installations inspected on 02.05.2023 at the above premises as detailed in Annexure enclosed herewith subject to complying with the terms and conditions of the supplier.

The date of energisation of the installation should be intimated to this office. The equipments approval should be commissioned within six months from the date of issue of this letter failing which fresh approval should be obtained.

Under Regulation 46(7) of Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010, the owner of the installation shall maintain and operate the installations in a condition free from danger and as recommended by the manufacturer or by the relevant codes of practice of the Bureau of India Standards

Electrical Inspector
Sulur

*Source: Client Input*

## 7.3.7 Ground Water Abstraction NOC

GOVERNMENT OF TAMIL NADU
WATER RESOURCE DEPARTMENT

**From:**
Er. S.Prabakaran, B.E.,
Chief Engineer, WRD,
State Ground & Surface Water
Resources Data Centre
Tharamani, Chennai 600 113.
Phone : 91-44-22542223 (Direct)
91-44-22541526/27(Board)
Email: cegwchennai@gmail.com
Web site: www.groundwatertnpwd.org

**To:**
**M/s.TVS Industrial & Logistics Parks Pvt Ltd.,**
**Selakarichal Village,**
**Sulur Taluk,**
**Coimbatore District**

**Lr.No.OT8/AG-2/24/NOC/Salem/2022 dated: 07.03.2022.**

**Sir,**

**Sub:** **"No Objection Certificate"** for drawal of ground water to **"M/s. TVS Industrial & Logistics Parks Pvt Ltd.," Selakarichal Village, Selakarichal Firka, Sulur Taluk, Coimbatore District** - Groundwater Drawal– Domestic Purpose - NOC Issued-Reg.

**Ref:** 1.The industry NOC application Dated:20.11.2021
2.SE,GWC,ThanjavurLr.No:38s/AG/T.F44C(SLM)/NOC/GWC/TNJ/2022 Dt:24.02.2022

Please find the enclosed **"No Objection Certificate"**, for drawal of groundwater to **"M/s. TVS Industrial & Logistics Parks Pvt Ltd.," Selakarichal Village, Selakarichal Firka, Sulur Taluk, Coimbatore District**. As per the G.O.(Ms).No 142 PW(R2)Department dt:23.07.2014, NOC should be renewed three years once for the non-water based industries. You are requested to strictly adhere to the quantity permitted and conditions mentioned in the certificate and apply for renewal of NOC before two month from the date of expiry, i.e., **06.03.2025** without fail.

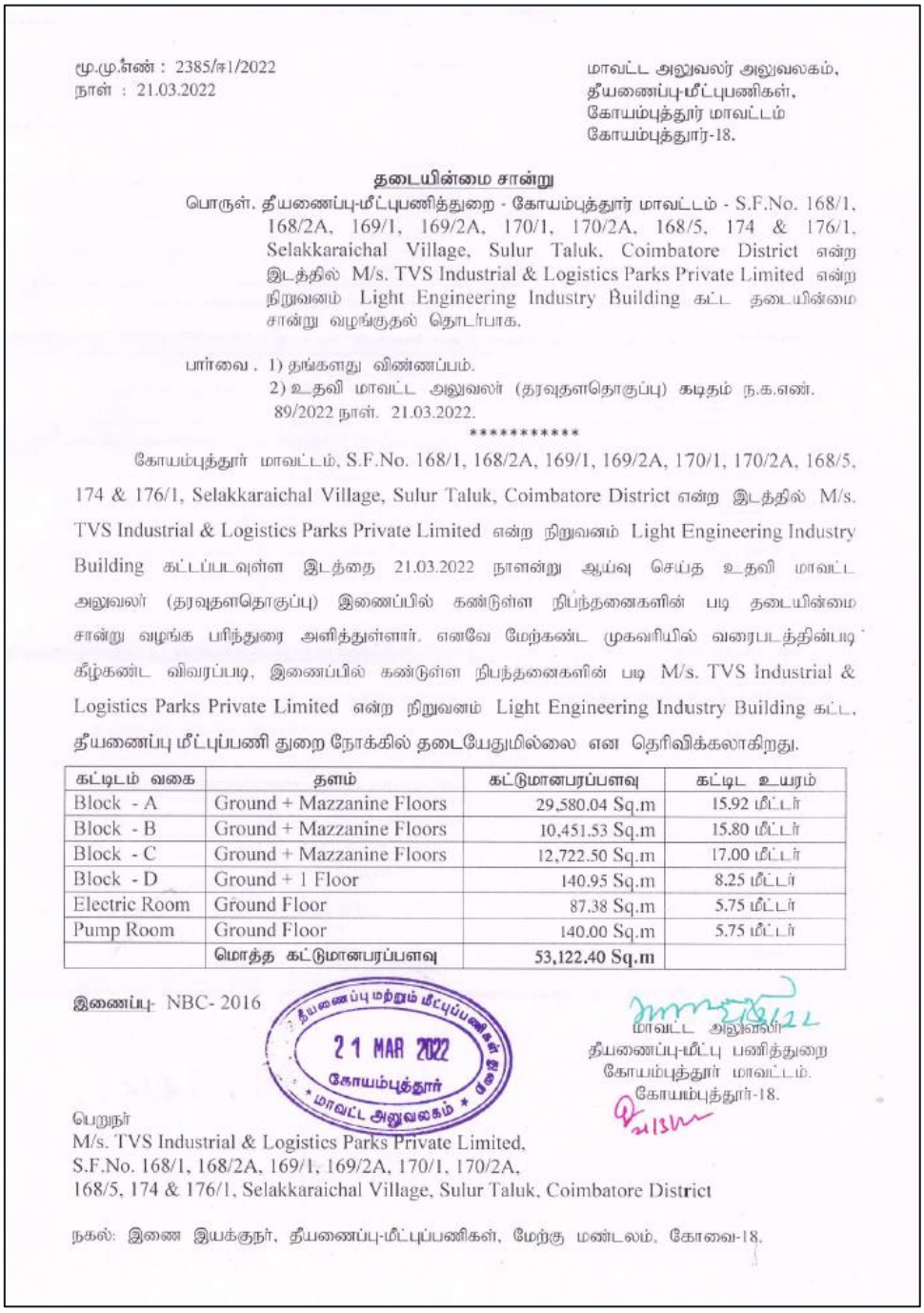
**Enclosure:**

1. **No Objection Certificate& Conditions**

**Chief Engineer (SG&SWRDC)**
**WRD,Tharamani,Chennai-113.**

*Source: Client Input*

## 7.3.8 Fire NOC



மூ.மு.எண் : 2385/ஈ1/2022
நாள் : 21.03.2022

மாவட்ட அலுவலர் அலுவலகம்,
தீயணைப்பு-மீட்புபணிகள்,
கோயம்புத்தூர் மாவட்டம்
கோயம்புத்தூர்-18.

**தடையின்மை சான்று**

பொருள். தீயணைப்பு-மீட்புபணித்துறை - கோயம்புத்தூர் மாவட்டம் - S.F.No. 168/1, 168/2A, 169/1, 169/2A, 170/1, 170/2A, 168/5, 174 & 176/1, Selakkaraichal Village, Sulur Taluk, Coimbatore District என்ற இடத்தில் M/s. TVS Industrial & Logistics Parks Private Limited என்ற நிறுவனம் Light Engineering Industry Building கட்ட தடையின்மை சான்று வழங்குதல் தொடர்பாக.

பார்வை . 1) தங்களது விண்ணப்பம்.
2) உதவி மாவட்ட அலுவலர் (தரவுதளதொகுப்பு) கடிதம் ந.க.எண். 89/2022 நாள். 21.03.2022.

**********

கோயம்புத்தூர் மாவட்டம், S.F.No. 168/1, 168/2A, 169/1, 169/2A, 170/1, 170/2A, 168/5, 174 & 176/1, Selakkaraichal Village, Sulur Taluk, Coimbatore District என்ற இடத்தில் M/s. TVS Industrial & Logistics Parks Private Limited என்ற நிறுவனம் Light Engineering Industry Building கட்டப்படவுள்ள இடத்தை 21.03.2022 நாளன்று ஆய்வு செய்த உதவி மாவட்ட அலுவலர் (தரவுதளதொகுப்பு) இணைப்பில் கண்டுள்ள நிபந்தனைகளின் படி தடையின்மை சான்று வழங்க பரிந்துரை அளித்துள்ளார். எனவே மேற்கண்ட முகவரியில் வரைபடத்தின்படி கீழ்கண்ட விவரப்படி, இணைப்பில் கண்டுள்ள நிபந்தனைகளின் படி M/s. TVS Industrial & Logistics Parks Private Limited என்ற நிறுவனம் Light Engineering Industry Building கட்ட, தீயணைப்பு மீட்புப்பணி துறை நோக்கில் தடையேதுமில்லை என தெரிவிக்கலாகிறது.

| கட்டிடம் வகை | தளம் | கட்டுமானபரப்பளவு | கட்டிட உயரம் |
|---|---|---|---|
| Block - A | Ground + Mazzanine Floors | 29,580.04 Sq.m | 15.92 மீட்டர் |
| Block - B | Ground + Mazzanine Floors | 10,451.53 Sq.m | 15.80 மீட்டர் |
| Block - C | Ground + Mazzanine Floors | 12,722.50 Sq.m | 17.00 மீட்டர் |
| Block - D | Ground + 1 Floor | 140.95 Sq.m | 8.25 மீட்டர் |
| Electric Room | Ground Floor | 87.38 Sq.m | 5.75 மீட்டர் |
| Pump Room | Ground Floor | 140.00 Sq.m | 5.75 மீட்டர் |
| | மொத்த கட்டுமானபரப்பளவு | 53,122.40 Sq.m | |

இணைப்பு- NBC- 2016

தீயணைப்பு மற்றும் மீட்புப்பணிகள் துறை
21 MAR 2022
கோயம்புத்தூர்
மாவட்ட அலுவலகம்

மாவட்ட அலுவலர்
தீயணைப்பு-மீட்பு பணித்துறை
கோயம்புத்தூர் மாவட்டம்.
கோயம்புத்தூர்-18.

பெறுநர்
M/s. TVS Industrial & Logistics Parks Private Limited,
S.F.No. 168/1, 168/2A, 169/1, 169/2A, 170/1, 170/2A,
168/5, 174 & 176/1, Selakkaraichal Village, Sulur Taluk, Coimbatore District

நகல்: இணை இயக்குநர், தீயணைப்பு-மீட்புப்பணிகள், மேற்கு மண்டலம், கோவை-18.

*Source: Client Input*

### 7.3.9 Structural Stability Certificate

**P.S. Mukundan, M.Tech.**
***Consulting Civil Engineer***

Chennai, dated 15th May 2023.

To

Mr. K.Subbarayan
AGM, TVS Industrial & Logistics Parks Pvt. Ltd.,
23, Vaagai Complex, 1st Floor,
Second Main Road,
Ambattur Industrial Estate,
Chennai - 600 058.

Dear Sir,

**Sub: Construction of Warehouse Building-01 at Coimbatore facility Unit-II – Reg.**

With respect to the **Building - 01** work of erection for **M/s. TVS Industrial & Logistics Park Private Limited** situated in Survey Nos. 168/1B,168/2A,168/5, 169/1B, 169/2A, 170/1B, 170/2A, 174 & 176/1, Palladam to Chettipalayam Road, Selakaraichal Village, Coimbatore District, Tamil Nadu – 641 402, within the DTCP area, I certify that the structural plans and details of the building submitted for approval satisfy the structural safety requirements for all situations including natural disasters like cyclone, earthquake, etc., as applicable, as stipulated under Part-6 (Structural Design) of the National Building Code of India, 2016 and other relevant codes. The information given herein is factually correct to the best of my knowledge. I hereby undertake that, I will be responsible and liable for action by DTCP/Govt, if the plan/ design contains misrepresentation or fraudulent information and the construction is made in deviation of approved plan or if there is any structural failure due to wrong/ unsafe structural design, use of low-quality material and or poor workmanship endangering the in-mates and the public.

Also, it is hereby informed that the RCC floor of the abovesaid warehouse has been designed with a load bearing capacity of 5MT/ Sqm (UDL).

Thanks & Regards,

Signature of the Applicant with Date

Name: **P.S.MUKUNDAN**

**P.S. MUKUNDAN, M.TECH**
(STRUCTURAL ENGINEER GR-II)
CMDA REGN. NO. SE/GR-II/19/07/132
DATED: 10.07.2019
FLAT # J0301, The Bloomingdale,
East Main Road, Shankar Nagar,
Pammal, Chennai - 600 075.
Mob: 94448 02025 / 98846 72025
Email: mukundanps@alumni.iitm.ac.in

Place: Chennai

Date: 15.05.2023.

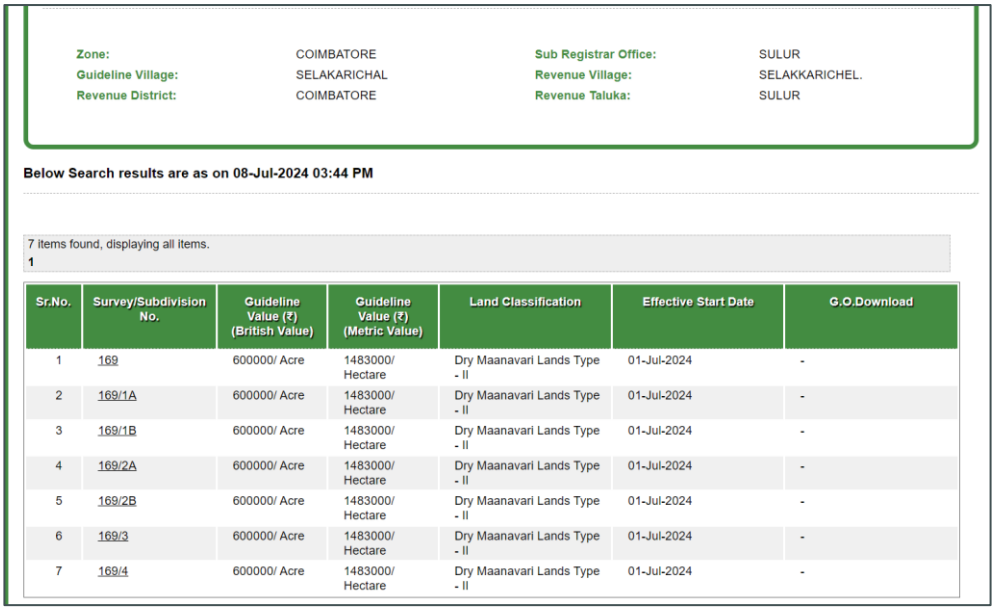
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land")** (cents) | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 168/1 | 4.1 | 0.9 | 0.04 |
| 2 | 169/1 | 7 | 0.6 | 0.06 |
| 3 | 170/1 | 10.7 | 0.6 | 0.10 |

*Source: tnreginet*

**Survey No 169**



| | | | |
|---|---|---|---|
| Zone: | COIMBATORE | Sub Registrar Office: | SULUR |
| Guideline Village: | SELAKARICHAL | Revenue Village: | SELAKKARICHEL. |
| Revenue District: | COIMBATORE | Revenue Taluka: | SULUR |

Below Search results are as on 08-Jul-2024 03:44 PM

7 items found, displaying all items.
1

| Sr.No. | Survey/Subdivision No. | Guideline Value (₹) (British Value) | Guideline Value (₹) (Metric Value) | Land Classification | Effective Start Date | G.O.Download |
|---|---|---|---|---|---|---|
| 1 | 169 | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |
| 2 | 169/1A | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |
| 3 | 169/1B | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |
| 4 | 169/2A | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |
| 5 | 169/2B | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |
| 6 | 169/3 | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |
| 7 | 169/4 | 600000/ Acre | 1483000/ Hectare | Dry Maanavari Lands Type - II | 01-Jul-2024 | - |

## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report:

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## MADURAI PARK

SPV

SRI MEENATCHI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

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# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Madurai Park (the "Subject Asset") |
| Asset Address: | Survey Nos: 76/3, 76/4, 765A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D, 78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1, and 78/4 of Vairavanatham Village and Panchayat, Madurai West Panchayat Union, Madurai North Taluk, Madurai District, Tamil Nadu. |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Sri Meenatchi Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the sanctioned layout provided by the client, it is understood that the total underlying land area of the Subject Asset is approx. 16.02 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the client and subsequent site visit undertaken, it is understood that the Subject Asset is a partly development warehousing facility with 2 operational blocks and an under-construction block located at Vairavanatham Village, Madurai District. The Subject Asset, which admeasures a land area of approx. 16.02 acres, comprises of three blocks with leasable area of approx. 3,92,648 sft and a cumulative chargeable area of approx. 3,91,623 sft (Phase I – approx. 3,01,533 sft & Phase II – approx. 90,439 sft), compromising of Block I Part 1, 2, 3, 4 and 5 & Block II Part 1, 2 & 3, and Block III Part 1, 2 & 3.<br><br>Further, based on the information provided by the client and the visual inspection undertaken, it was observed that the subject land parcel is contiguous in nature, even in terrain, is regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset enjoys good frontage along the primary access road. The access road abuts the Subject Asset in its northern side.<br><br>The subject asset is located in close proximity to NH-44, Vairavanatham Village, Madurai. The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard (25 KVA and 630 KVA respectively), Sewage Treatment Plant – STP (50KLD Daiki tank), Storm water network (Hume pipe), Fire Fighting Systems of NFPA/NBC standard, FM2 flooring type with floor load of 5T per sqm and a maximum power load of 175 KVA extendable up to 630 KVA.<br><br>The area details of the asset are as follows: |

| Particulars | Status | Built-Up Area (in sft) | Leasable Area (in sft) * | Chargeable Area (in sft) |
|---|---|---|---|---|
| Madurai Park - Block I – Part 1 | Completed | 58,082 | 58,082 | 50,741 |
| Madurai Park - Block I – Part 2 | Completed | 24,029 | 24,029 | 18,822 |
| Madurai Park - Block I – Part 3 | Completed | 45,538 | 45,538 | 45,538 |

| | | | | |
|---|---|---|---|---|
| Madurai Park - Block I – Part 4 | Completed | 17,420 | 17,420 | 15,165 |
| Madurai Park - Block I – Part 5 | Completed | 28,976 | 28,976 | 28,976 |
| Madurai Park - Block II – Part 1 | Completed | 40,014 | 40,014 | 40,014 |
| Madurai Park - Block II – Part 2 | Completed | 1,06,938 | 1,06,938 | 81,000 |
| Madurai Park - Block II – Part 3 | Completed | 21,277 | 21,277 | 21,277 |
| Madurai Park - Block III Part 1 | Completed | 17,340 | 17,340 | 17,340 |
| Madurai Park - Block III Part 2 | Completed | 62,750 | 62,750 | 62,750 |
| Madurai Park - Block III Part 3 | Completed | 10,349 | 10,349 | 10,349 |
| Total Area | | 4,32,713 | 4,32,713 | 3,91,972 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

** As per the lease deed and the client inputs the leasable area of Block I-Part 4 is 17,420 sft with warehouse area of 15,165 sft and Apron Area of 2,255 sft. Of this, warehouse area is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block II-Part 2 is 106,938 sft with warehouse area of 81,000 sft, Apron Area & Open Area of 25,938 sft. Of this, warehouse area is considered as chargeable area.*

The Subject Asset is located at a distance of approx. 05 – 06 km from Samayanallur Railway Station, approx. 20 – 21 km from Madurai Bus Stand, and approx. 40 – 41 km from Madurai Airport.

Statement of Assets (sft):

The Subject Asset is a warehousing facility comprising of three blocks with leasable area of approx. 4,32,713 sft and a cumulative chargeable area of approx. 3,91,972 sft.

| Particulars | Status | Built-Up Area (in sft) | Leasable Area (in sft) * | Chargeable Area (in sft) | Structure Type |
|---|---|---|---|---|---|
| Madurai Park - Block I – Part 1 | Completed | 58,082 | 58,082 | 50,741 | PEB Structure |
| Madurai Park - Block I – Part 2 | Completed | 24,029 | 24,029 | 18,822 | PEB Structure |
| Madurai Park - Block I – Part 3 | Completed | 45,538 | 45,538 | 45,538 | PEB Structure |
| Madurai Park - Block I – Part 4 | Completed | 17,420 | 17,420 | 15,165 | PEB Structure |
| Madurai Park - Block I – Part 5 | Completed | 28,976 | 28,976 | 28,976 | PEB Structure |

| | | | | | |
|---|---|---|---|---|---|
| Madurai Park - Block II – Part 1 | Completed | 40,014 | 40,014 | 40,014 | PEB Structure |
| Madurai Park - Block II – Part 2 | Completed | 1,06,938 | 1,06,938 | 81,000 | PEB Structure |
| Madurai Park - Block II – Part 3 | Completed | 21,277 | 21,277 | 21,277 | PEB Structure |
| Madurai Park - Block III Part 1 | Completed | 17,340 | 17,340 | 17,340 | PEB Structure |
| Madurai Park - Block III Part 2 | Completed | 62,750 | 62,750 | 62,750 | PEB Structure |
| Madurai Park - Block III Part 3 | Completed | 10,349 | 10,349 | 10,349 | PEB Structure |
| Total Area | | 4,32,713 | 4,32,713 | 3,91,972 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

** As per the lease deed and the client inputs the leasable area of Block I-Part 4 is 17,420 sft with warehouse area of 15,165 sft and Apron Area of 2,255 sft. Of this, warehouse area is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block II-Part 2 is 106,938 sft with warehouse area of 81,000 sft, Apron Area & Open Area of 25,938 sft. Of this, warehouse area is considered as chargeable area.*

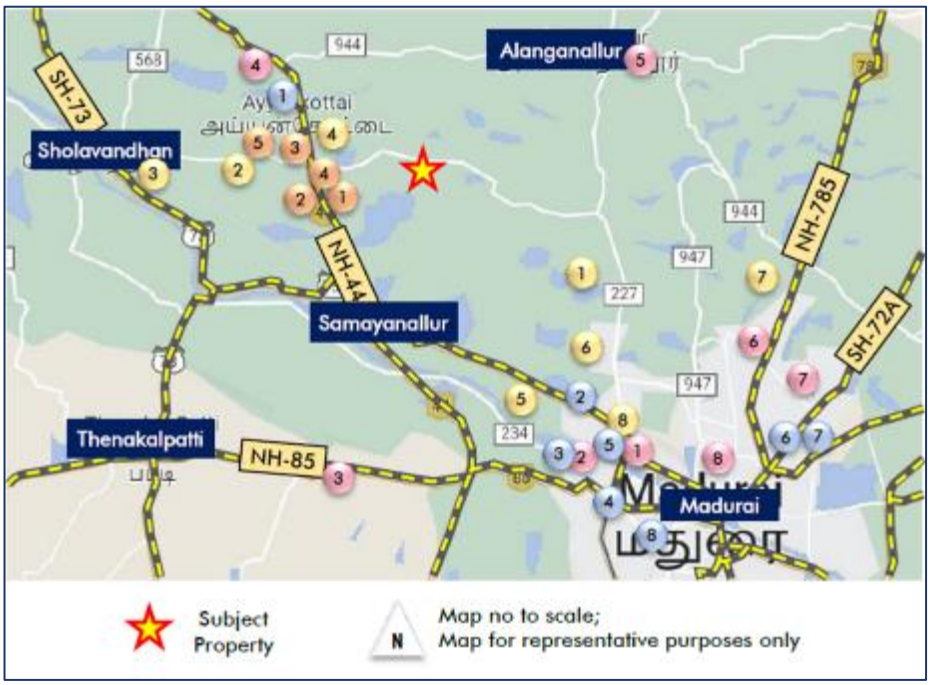
Summary of the above table is as follows:

| Block | Total Area (sft)* | Operational Area (sft)* | Under Construction Area (sft)* |
|---|---|---|---|
| Madurai Park - Block I – Part 1 | 58,082 | 50,741 | N.A. |
| Madurai Park - Block I – Part 2 | 24,029 | 18,822 | N.A. |
| Madurai Park - Block I – Part 3 | 45,538 | 45,538 | N.A. |
| Madurai Park - Block I – Part 4 | 17,420 | 15,165 | N.A. |
| Madurai Park - Block I – Part 5 | 28,976 | 28,976 | N.A. |
| Madurai Park - Block II – Part 1 | 40,014 | 40,014 | N.A. |
| Madurai Park - Block II – Part 2 | 1,06,938 | 81,000 | N.A. |
| Madurai Park - Block II – Part 3 | 21,277 | 21,277 | N.A. |
| Madurai Park - Block III Part 1 | 17,340 | 17,340 | N.A. |
| Madurai Park - Block III Part 2 | 62,750 | 62,750 | N.A. |
| Madurai Park - Block III Part 3 | 10,349 | 10,349 | N.A. |
| Total Area | 4,32,713 | 3,91,972 | N.A. |

*Source: Client inputs *Area mentioned is chargeable area.*

Location Map

**Location Map for the Subject Asset**




| | |
|---|---|
| **Hospital Developments** | **Hospitality Developments** |
| 1. NTC Multispeciality Hospitals | 1. Hotel Temple City |
| 2. G.V.Hospital | 2. The Alp Hotel |
| 3. Madurai Kamaraj University Hospital | 3. Heritage Madurai |
| 4. VSMC Hospital | 4. Ramtel Inn |
| 5. Sri Thilagam Hospital | 5. Hotel Heritage Residency |
| 6. BGM Speciality Hospitals | 6. Hotel Tamilnadu |
| 7. St.Mary of Leuca Hospital | 7. Hotel Annamalai |
| 8. Saravana Multi-Speciality Hospital Pvt Ltd | 8. Hotel Pearls |
| **Institutional Developments** | **Industrial Developments** |
| 1. Vijay Nursery and Primary School | 1. Veegrip Belts Pvt Ltd |
| 2. Kalvi International Public School (CBSE) | 2. Bharath Rubber India Ltd |
| 3. Vivekananda College | 3. Manna Food Private Ltd |
| 4. Sri Balaji College of Education for Women | 4. Perrys Biscuits Private Limited |
| 5. Mangayarkarasi College of Education | 5. Vaighai Agro Products |
| 6. Maharishi Vidya Mandir School | |
| 7. Yadava College | |
| 8. Fatima College | |

*Source: Industry Assessment Report*

Tenancies

As at the valuation date the completed block of the Subject Asset is fully let to 7 tenants at a total current annual rent of 74.49 Mn and with a Weighted average lease expiry (WALE) of 3.7 years. The main tenant is a logistics company, with 25% of the completed leasable area and accounting for approx. 24% of the current rent.

Key Assumptions

| Particulars | Unit | Madurai – Phase I | Madurai – Phase II |
|---|---|---|---|
| Revenue Assumptions | | | |

| | | | |
|---|---|---|---|
| Tenure for any new/ future leases | Year | 10 | 10 |
| In-place rent | INR/ sf/ mth | 15.9 | 17.7 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 18.5 | 18.5 |
| Marginal rent – Weighted Average* | INR/ sf/ mth | 14.9 | 18.5 |
| Capital Expenditures Details | | | |
| Pending cost to complete* | INR Mn | NA, Subject Asset is Operational | NA, Subject Asset is Operational |
| Proposed asset completion timelines (Under Construction Blocks) | Quarter, Year | NA | NA |
| Refurbishment Capex | INR Mn | NA | NA |
| Other Financial Assumptions | | | |
| Exit Cap rate – warehouse component | % | 8.0% | 8.0% |
| Discount rate (for completed blocks) | % | 11.58% | 11.58% |
| Discount rate (for under construction blocks) | % | NA | NA |
| Exit Cap rate - Under Construction warehouse component | % | NA | NA |
| NOI Computation – Completed | | | |
| 1 year Forward NOI (CY Q4 2024 to CY Q3 2025) | INR Mn | 56.7 | 14.5 |
| Stabilized NOI[1] | INR Mn | 58.0 | 18.6 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

| | |
|---|---|
| Stake Proposed to be held in Asset SPV by TVS Infrastructure: | 100% |
| Date of Inspection: | Feb 09, 2024 |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

| | |
|---|---|
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Current Government Approved Rates (as per documents published by State Government): | INR 5.6 Mn (INR 0.35 Mn per acre) |

Market Value as of September 30th, 2024:

| Asset Name | Component | Total Market Value (INR Mn) |
|---|---|---|
| Madurai Park | Phase I | 746.7 |
| | Phase II | 268.3 |
| Total Value of the asset | | 1,014.9 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |
| Assumptions, Disclaimers, Limitations & Qualifications | *This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*<br><br>*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*<br><br>*Please note that is an executive summary and it is advisable that the report should be the valuation* |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term. |

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

**Construction Cost Volatility:**

Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.

In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

**Valuer Declaration:**

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

**Prepared by:**

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

**Official Signatory:**

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of a Warehousing asset located at Vairavanatham Village and Panchayat, Madurai West Panchayat Union, Madurai North Taluk, Madurai District.

Based on information provided by the client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 16.02 acres with a total leasable area of approx. 4,32,713 sft and a cumulative chargeable area of approx. 3,91,972 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Madurai Park | Sri Meenatchi Industrial & Logistics Parks Pvt Ltd | Warehouse | Vairavanatham, Madurai | 16.02 acres | 3 |

*Source: Client Inputs*

For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the infrastructure development subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of valuer where such consent to be given at the absolute, exclusive discretion of valuer, which shall not be unreasonably withheld. Where they are to be used with the valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without valuer's prior written consent.

The valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the client has disclosed to the valuer all information which may affect the Services. All opinions expressed by the valuer, or its employees are subject to any conditions contained in the valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered valuers and valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture,

New Delhi in 1997 and master's in client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Madurai micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| TVS Industrial & Logistics Parks | Sri Meenatchi Industrial & Logistics Parks Pvt Ltd | Madurai | Vairavanatham |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park

Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Client, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the client or any other party whom the

TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- The Valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The valuers are not engaged to carry out all possible investigations in relation to the Subject Asset. Where in our report the valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the valuer recommend as necessary prior to reliance. The valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the client, the valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The valuer understands that the Subject Asset may have encumbrances, disputes and claims. The valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |

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| Town Planning: | The current zoning of the Subject Asset has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Asset adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the client. It must be noted that the above information has been provided by the client and has been verified based on the approvals/ layout plans/building plans provided by the client. However, the valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Asset is based on the rent roll provided by the client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration |

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|---|---|
| | has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br>As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, Leasable area mentioned is in accordance with the information shared by the client comprising rent rolls and lease agreements. |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Development Valuations | The value of infrastructural developments is traditionally volatile and can be subject to rapid changes of value in short timeframes. Development assets appeal to specific types of purchasers and can be significantly impacted by many factors such as broader economic conditions, fluctuating levels of supply and demand for the product, changes in building costs and the availability and cost of development finance. All these (and more) factors could have a significant impact on the value and demand for the Subject Asset.<br>Going forward there will be several key factors impacting on the viability of some development assets and their underlying land values. Key concerns are fluctuations in construction costs, substantial new supply levels and |

| | |
|---|---|
| | easing investor demand for final product. In addition, we also note that ongoing monitoring and governance of banking systems may significantly restrict development capital and increase the cost of development finance.<br><br>As experienced in previous market cycles, the value of infrastructural developments can undergo rapid and significant price corrections, as supply, demand and cost factors change. Any Reliant Party is strongly advised to consider this inherent risk in their investment and lending decisions. Lending and investment caution is advised in this regard.<br><br>The applicant's ability to service debt should also be carefully considered, should development opportunities and settlements be extended, construction/funding costs increase, or sales rescinded |
| Construction Cost Volatility | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Madurai – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Madurai

The Madurai Region currently has approximately 1.31 Mn sft of operational warehouse space, with around 0.94 Mn sft occupied. Around 74% of the completed supply, equivalent to 0.97 Mn sft, falls under Grade C classification, mainly due to the absence of significant Grade A and limited presence of Grade B players besides TVS. Madurai is emerging as a pivotal warehousing hub due to its close proximity to the VOC port in Tuticorin (approximately 150 – 155 kilometres away), the presence of MSME and SME clusters, and its role as a major distribution centre for nearby towns and Tier III cities such as Dindigul, Pudukkottai, Virudhunagar and Theni.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 1.31 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 0.94 msf |
| Current vacancy (Q3 2024) | Approx. 28.24% |
| Future supply (2024 – 2025) | Under construction – 0.2 msf |

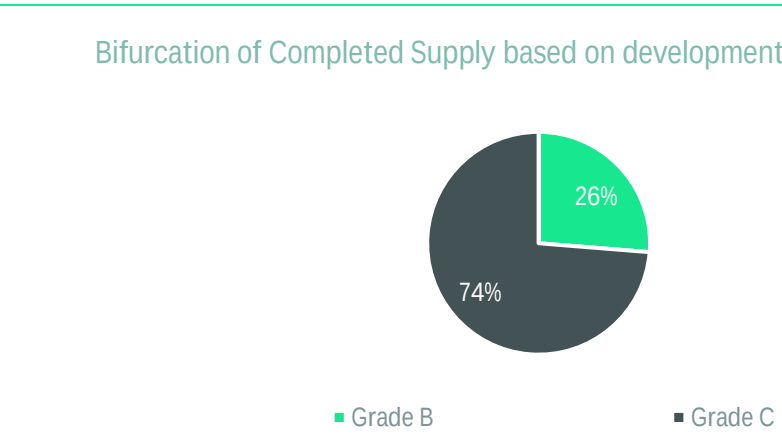
*Source: Industry Assessment Report dated of September 30, 2024*

Some of the major developments in the market include Sri Meenatchi industrial and logistics Park Private Limited – TVS (0.34 Mn sft – completed supply), CWC Warehouse (0.24 Mn sft), and SPG Warehouse (0.19 Mn sft). The Under construction/planned supply from major developments include the Independent Warehouse with a 0.095 Mn sft in Kappalur and TVS with a 0.09 Mn sft in Alanganallur.

The key industries preferred by Grade B warehousing spaces include FMCG, FMCD, 3PL, Automobile etc with a typical space off take between 30,000 – 50,000 sft. Grade C is mostly preferred by Apparel, paints and manufacturing industries with a space off take ranging between 10,000 – 20,000 sft. The growth of organized retail and manufacturing sectors has spurred the demand for warehouses that cater to their varied needs, emphasizing the enhancement of supply chain efficiencies and the reduction of transportation costs to impact overall logistic expenses positively. Consequently, there is a growing need for strategically positioned and well-connected warehouses. The growth of E-commerce has heightened the demand for efficient and technologically advanced warehousing space throughout Madurai.

As of Q3 2024 the completed supply in Madurai Grade B amounts to nearly 0.34 Mn sft (26% share) and Grade C – 0.97 Mn sft (74%).

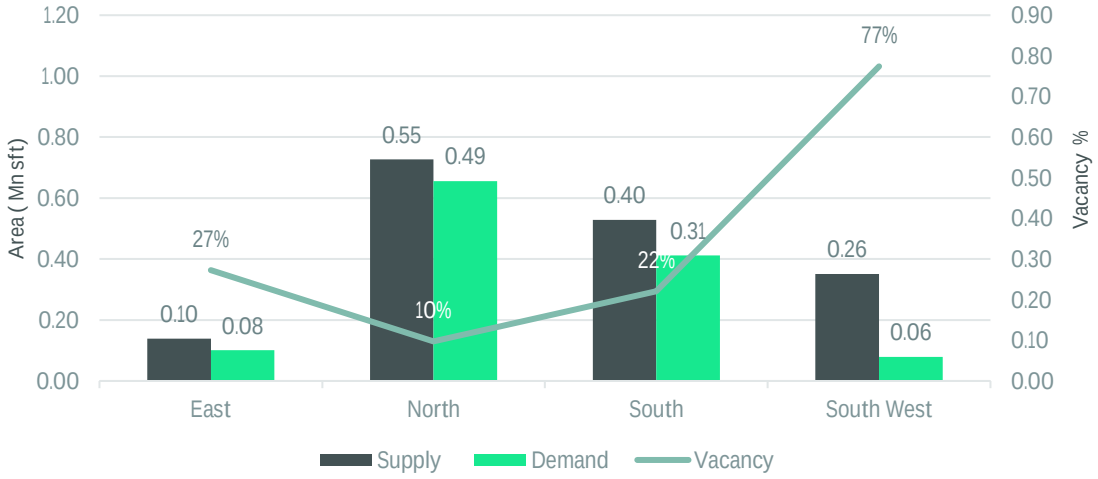
Bifurcation of completed supply based on development grade




*Source: Industry Assessment Report*

Healthy absorption levels have been witnessed in Grade-B developments which indicates the preference of occupiers for smaller development size of 30,000 to 50,000 sft warehouse box sizes. Due to this trend in absorption and presence of institutional developers are in negligible levels. Grade C warehouses have exhibited substantial vacancy rates, approximately 39%. This trend is particularly pronounced in the Southwest Cluster (Thiruparankundram), where vacancy levels have reached 77%. The primary factors contributing to this high vacancy rate are the quality of the available warehouse stock and the concentration of development by a single entity, the Central Warehousing Corporation (CWC).

Cluster wise supply & absorption levels in Madurai




*Source: Industry Assessment Report*

The major Industries driving demand for warehousing in the region include 3PL, E-Commerce, FMCD and Automobile which accounts to 75% - 76% of total absorption. Based on the current market leasing scenario, typical space offtake by Automobile and FMCD players are approx. 40,000 – 50,000 sft. Grade C is found to be the most preferred category among all the tenant segments present in the business ecosystem of Madurai.

#### 3.2.1.1 Future Supply

Based on the market research, we understand that the micromarket of Madurai has an upcoming supply of approx. 0.19 – 0.20 Mn sft which is expected to be completed by 2024 and 2025. The details of the upcoming supply is detailed in the table below:

| GRADE B | GRADE C |
|---|---|
| 0.09 Mn sft | 0.10 Mn sft |

*Source: Industry Report*

The upcoming supply for Madurai is to be witnessed on Southern and Northern Cluster. The locations where the majority of the upcoming supply envisaged are along the Kappalur – Airport Ring Road and along the NH 44 in Alanganallur. The following table enumerates the details of the upcoming Grade B Supply from TVS.

| Building Name | Year of Completion | Status* | Location | Leasable Area (sft) |
|---|---|---|---|---|
| TVS, Alanganallur | 2024 | UC | NH 44 | 90,000 |

*Source: Industry Report, * UC – Under Construction*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q1, 2024 | 54,000 | SPG | SPG Warehouse – 2 | 18 | Base Rental |
| Q1, 2024 | 10,000 | Individual | Individual Owner | 20^ | Base Rental |
| Q1, 2024 | 16,500 | SPG | SPG Warehouse - 2 | 20^ | Base Rental |

*Source: Industry Assessment Report Note: All the transaction quoted are Grade B developments. As per the market research , the base rentals for the transactions are at INR 18-19 with INR 1 or 2 going towards tenant specific improvements carried out.*

The average rental witnessed in the Eastern and Southern Cluster is approx. INR 16 - 18/ Sft / month and developments along the North cluster record warehousing rentals approx. INR 17 – 19 / Sft / month. The overall rentals in the Madurai market is rangebound, ranging from 16 to 19/ sft/month with few transactions in the North market witnessing INR 20/sft/month.

As can be observed from the table above and our interactions with other market players, the rental value in the micromarket ranges between INR 17 – 19 /sft/month (base rentals) for Grade B developments. The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc. The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

The warehouse market in Madurai is experiencing muted growth. The primary driver is the growth in local consumption, increasing e-commerce activities. The proposed establishment of manufacturing units over the

next 3-5 years is coupled with increase in domestic consumption within the city and its surrounding areas would be the primary drivers for the growth in rentals and demand.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location (North Madurai), specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 17 - 19 / sft / month as on date of valuation.

# 4 Subject Asset – TVS - Madurai

## 4.1 Asset Description

The Subject Asset christened 'Sri Meenatchi Industrial & Logistics Parks Pvt Ltd, Madurai' is an under-construction warehousing facility with total leasable area of 3,92,531 sft located at Survey Nos –76/3, 76/4, 765A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D, 78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1, AND 78/4 of Vairavanatham Village and Panchayat, Madurai West Panchayat Union, Madurai North Taluk, Madurai District. The Subject Asset is currently accessible via Kumaran Road which emanates from NH – 44(Salem – Madurai National Highway).

The Subject Asset, which admeasures a land area of approx. 16.02 acres, comprises of three blocks with leasable area of approx. 4,32,713 sft and a cumulative chargeable area of approx. 3,91,972 sft (Phase I – approx. 3,01,533 sft & Phase II – approx. 90,439 sft), compromising of Block I Part 1, 2, 3, 4 and 5 & Block II Part 1, 2 & 3, and Block III Part 1, 2 & 3.

Further, it was observed that the Subject Asset is contiguous in nature, even in terrain, is regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset enjoys good frontage along the primary access road. The primary access road abuts the Subject Asset in its northern side.

The Subject Asset is located in close proximity to NH-44, Vairavanatham Village, Madurai. The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard (25 KVA and 630 KVA respectively), Sewage Treatment Plant – STP (50KLD Daiki tank), Storm water network (Hume pipe), Fire Fighting Systems of NFPA/NBC standard, FM2 flooring type with floor load of 5T per sqm and a maximum power load of 175 KVA extendable up to 630 KVA.

As at the valuation date the completed block of the Subject Asset is fully let to 7 tenants at a total current annual rent of 57.50 Mn and with a Weighted average lease expiry (WALE) of 3.05 years. The main tenant is a logistics company, with 24% of the completed leasable area and accounting for approx. 24% of the current rent.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Madurai Park |
| Address | Vairavanatham Village, Madurai District, Tamil Nadu |
| Land Area | Based on the review of the sale deed shared by the client, it is understood that the Subject Asset is spread across a land area of approx. 16.02 acres |
| Leasable Area | 4,32,713 sft |
| Chargeable Area | 3,91,972 sft |
| Built-up Area | 4,32,713 sft^ |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

** As per the lease deed and the client inputs the leasable area of Block I-Part 4 is 17,420 sft with warehouse area of 15,165 sft and Apron Area of 2,255 sft. Of this, warehouse area is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block II-Part 2 is 106,938 sft with warehouse area of 81,000 sft, Apron Area & Open Area of 25,938 sft. Of this, warehouse area is considered as chargeable area.*

### 4.1.1 Site Details

**Situation:**

Subject Asset – 'Madurai Park' is an under-construction warehousing facility located in Vairavanatham Village, Madurai District, Tamil Nadu.

**Location:**

The Subject Asset is located along Kumaran Road which emanates from NH – 44 (Salem – Madurai National Highway). The Subject Asset is located in Vairavanatham Village on the northern periphery of Madurai City.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Samayanallur Railway Station | 05 – 06 |
| Madurai Bus Stand | 20 – 21 |
| Madurai Airport | 40 – 41 |

*Source: Valuer's research*

**Catchment Analysis:**

The primary catchment for the purpose of this valuation has been defined as Vairavanatham Village and its adjoining micromarkets which are predominantly characterized by small to mid-scale industrial/warehousing development and large tracts of vacant land parcels. By virtue of the asset being located near the Kappalur Industrial estate, the influence zone of the Subject Asset is characterised by the presence of numerous small to medium sized industrial/warehousing facilities coupled with residential developments with few notable developments in the micromarket include CWC Warehouse and SPG Warehouse. The upcoming outer ring road which aims to connect NH38 and NH44 would help in easy movement within and outside the Madurai city, thereby aiding mobility.

**Surrounds:**

The Subject Asset is surrounded as follows:

- North: Access Road
- South: Private Property
- East: Private Property
- West: Private Property

**Potential changes in surroundings:**

The subject micromarket is currently characterized by the presence of large tracts of vacant land parcels, a few captive industrial developments and unorganised residential developments. The Subject Asset is located in close proximity to NH- 44 which connects Salem and Madurai. The upcoming Outer Ring Road (connecting NH38 and NH45) would enhance the connectivity would help decongest traffic to access the city. This would boost local connectivity.

The proposed Madurai – Thoothukudi Industrial corridor connecting 6 nodes viz, Madurai, Dindigul, Theni, Virudhunagar, Thirunelveli and Thoothukudi aims at developing industrial activities in manufacturing and agri-business hubs which would boost the demand for entry of warehousing developments once the project progresses. This coupled with Coimbatore Madurai industrial corridor would also help integrate the industrial developments in the

above-mentioned districts by providing necessary industrial infrastructure focussing predominantly on textile, light engineering and agro-based industries.

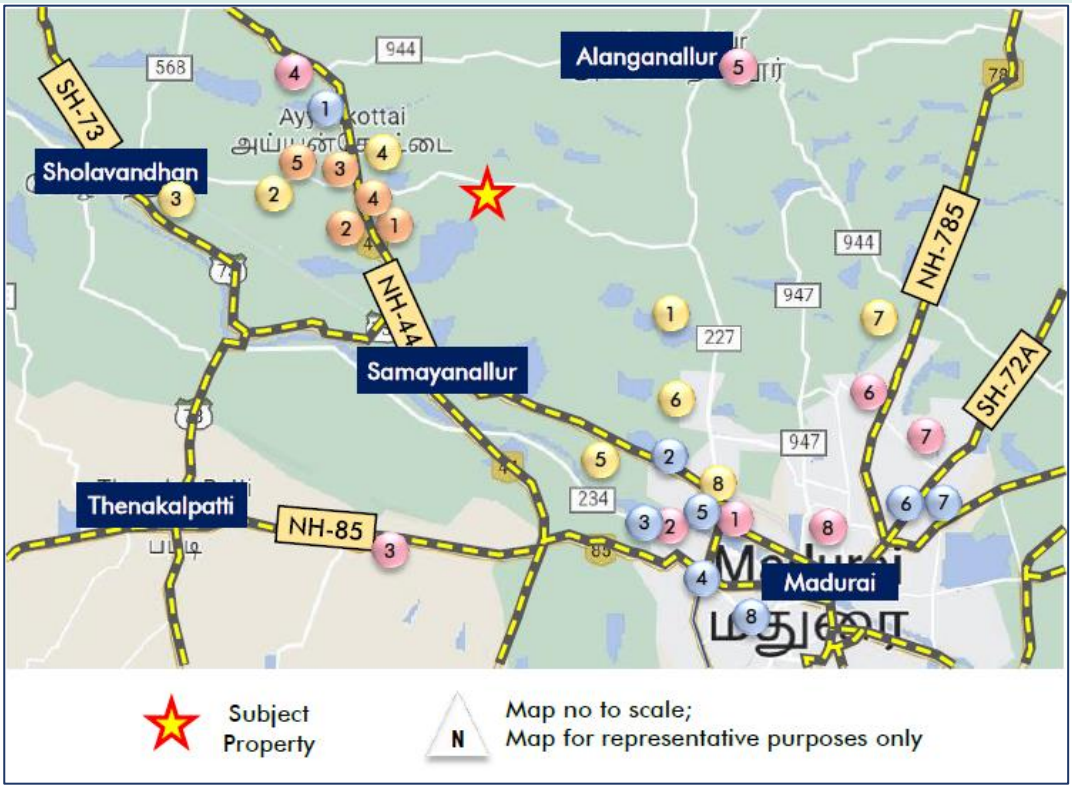
Suitability of existing use:

As per information received from the client, we understand that the Subject Asset is an under-construction warehousing facility. The current use of the asset i.e. 'Warehousing facility' is as per the usage permitted by the Director of Town and Country Planning (DTCP) . We have not verified the same from DTCP or inspected any documentary evidence to the same.

Also considering the nature of Subject Asset coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development.

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




**Hospital Developments**

1. NTC Multispeciality Hospitals
2. G.V.Hospital
3. Madurai Kamaraj University Hospital
4. VSMC Hospital
5. Sri Thilagam Hospital
6. BGM Speciality Hospitals
7. St.Mary of Leuca Hospital
8. Saravana Multi-Speciality Hospital Pvt Ltd

**Hospitality Developments**

1. Hotel Temple City
2. The Alp Hotel
3. Heritage Madurai
4. Ramtel Inn
5. Hotel Heritage Residency
6. Hotel Tamilnadu
7. Hotel Annamalai
8. Hotel Pearls

**Institutional Developments**

1. Vijay Nursery and Primary School
2. Kalvi International Public School (CBSE)
3. Vivekananda College
4. Sri Balaji College of Education for Women
5. Mangayarkarasi College of Education
6. Maharishi Vidya Mandir School
7. Yadava College
8. Fatima College

**Industrial Developments**

1. Veegrip Belts Pvt Ltd
2. Bharath Rubber India Ltd
3. Manna Food Private Ltd
4. Perrys Biscuits Private Limited
5. Vaighai Agro Products

*Source: Valuer's Research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining Assets. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the subject land enjoys a good frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the client and visual inspection, the access to the Subject Asset is via Kumaran Road which emanates from NH- 44 (Salem – Madurai National Highway). By virtue of the same the asset enjoys excellent accessibility and frontage.<br><br>Please refer Section 7.2 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the client, we understand that the exact address of the Subject Asset is located at Survey Nos –76/3, 76/4, 765A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D, 78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1, AND 78/4 of Vairavanatham Village and Panchayat, Madurai West Panchayat Union, Madurai North Taluk, Madurai District. Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per information received from the client, we understand that the Subject Asset falls in non-planned area and there are necessary approvals for constructing a warehouse facility. The current use of the asset i.e. 'Warehousing facility' is as per the usage permitted by the Director of Town and Country Planning (DTCP). Valuer has made no further inquiries with the local panchayat or Director of Town and Country Planning authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is a partly developed warehousing facility with two completed and one under construction blocks. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |

| | |
|---|---|
| Restrictions: | As per feedback received from the client, there are no other restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Vairavanatham Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in high-lying area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster. |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the client with the relevant development authorities |

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (One-time Sanctions & Periodic Clearances)

As per the review of documents provided by the client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) | Date of Expiry (DD-MM-YY) |
|---|---|---|---|---|
| Fire NOC | Received | Fire and Rescue Department | 07-12-2021 | NA |
| Ground Water Abstraction NOC | Received | Water Resource Department, Government of Tamil Nadu | 11-03-2022 | NA |
| Building Permit/Planning Approval | Received | Director of Panchayath Union | 19-05-2022 | NA |
| Consent for Establishment – Air & Water | Received | Tamil Nadu Pollution Control Board, Madurai | 07-09-2022 | 31-03-2027 |
| Structural Safety Certificate – Phase – 02 | Received | Private Consultant | 23-01-2022 | NA |

*Source: Approval documents provided by the client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the client, we understand that there are no overdue periodic clearances. Please refer section 7.3 for any further details

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the operational and under-construction blocks of the Subject Asset:

| Block | Leasable Area (sft) | Operational Area (sft)* | Under- Construction Area (sft)* | Year of Completion |
|---|---|---|---|---|
| Madurai Park - Block I – Part 1 | 58,082 | 50,741 | N.A. | Q1 2022 |
| Madurai Park - Block I – Part 2 | 24,029 | 18,822 | N.A. | Q2 2022 |
| Madurai Park - Block I – Part 3 | 45,538 | 45,538 | N.A. | Q2 2022 |
| Madurai Park - Block I – Part 4 | 17,420 | 15,165 | N.A. | Q2 2022 |
| Madurai Park - Block I – Part 5 | 28,976 | 28,976 | N.A. | Q2 2023 |
| Madurai Park - Block II – Part 1 | 40,014 | 40,014 | N.A. | Q3 2023 |
| Madurai Park - Block II – Part 2 | 1,06,938 | 81,000 | N.A. | Q4 2023 |
| Madurai Park - Block II – Part 3 | 21,277 | 21,277 | N.A. | Q1 2024 |
| Madurai Park - Block III Part 1 | 17,340 | 17,340 | N.A. | Q3 2024 |
| Madurai Park - Block III Part 2 | 62,750 | 62,750 | N.A. | Q3 2024 |
| Madurai Park - Block III Part 3 | 10,349 | 10,349 | N.A. | Q3 2024 |
| Total Area (sft) | 4,32,713 | 3,91,972 | NA | |

*Source: Client Inputs *Area mentioned is chargeable area.*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|
| Madurai Park - Block I – Part 1 | 58,082 | 50,741 |
| Madurai Park - Block I – Part 2 | 24,029 | 18,822 |
| Madurai Park - Block I – Part 3 | 45,538 | 45,538 |
| Madurai Park - Block I – Part 4 | 17,420 | 15,165 |
| Madurai Park - Block I – Part 5 | 28,976 | 28,976 |
| Madurai Park - Block II – Part 1 | 40,014 | 40,014 |
| Madurai Park - Block II – Part 2 | 1,06,938 | 81,000 |
| Madurai Park - Block II – Part 3 | 21,277 | 21,277 |
| Madurai Park - Block III Part 1 | 17,340 | 17,340 |
| Madurai Park - Block III Part 2 | 62,750 | 62,750 |

| | | |
|---|---|---|
| Madurai Park - Block III Part 3 | 10,349 | 10,349 |
| Total Area | 4,32,713 | 3,91,972 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise).*

** As per the lease deed and the client inputs the leasable area of Block I-Part 4 is 17,420 sft with warehouse area of 15,165 sft and Apron Area of 2,255 sft. Of this, warehouse area is considered as chargeable area.*

**As per the lease deed and the client inputs the leasable area of Block II-Part 2 is 106,938 sft with warehouse area of 81,000 sft, Apron Area & Open Area of 25,938 sft. Of this, warehouse area is considered as chargeable area.*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks |
|---|---|---|
| Handover condition | Warm Shell | Warm Shell |
| Type of Structure | PEB | PEB |
| Firefighting services | Provided. Fire NOC Available | Provided. Fire NOC Available |
| Lift provision | No Lifts | No Lifts |
| Floor Finish | FM2 Concrete floor | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm | 5 MT/Sqm |

*Source: Information provided by the client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the client and corroborated with our visual inspection during the site visit, it is understood that the operational block of the Subject Asset is in good condition and is maintained well.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

Sri Meenatchi Industrial & Logistics Parks Pvt Ltd, Madurai

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

View of the Subject Asset

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement (the "Private Placement") of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Asset forming part of the portfolio.

## 5.2 Basis of Valuation

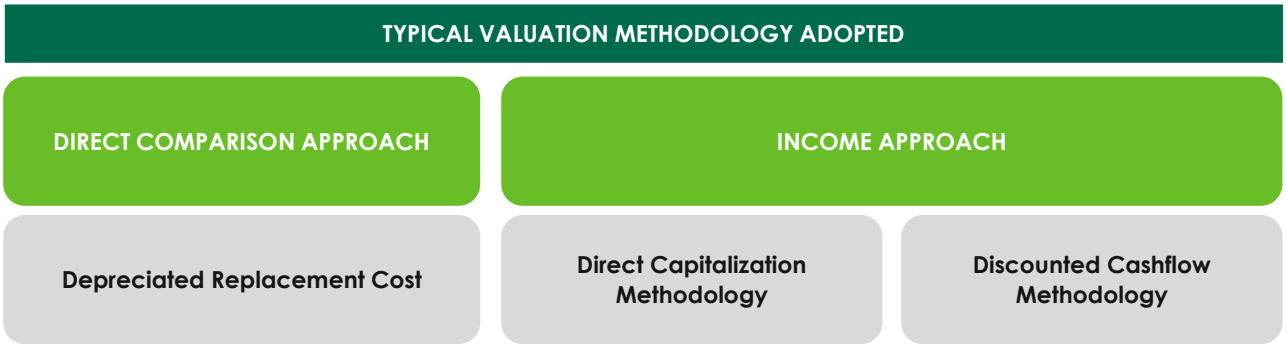
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Asset. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in infrastructure valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the Private Placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

<u>Asset-specific Review:</u>

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.

2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.
3. The Valuer has undertaken physical site inspections to assess the status of the Subject Asset in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

The primary catchment for the purpose of this valuation has been defined as Vairavanatham Village and its adjoining micromarkets which are predominantly characterized by small to mid-scale industrial/warehousing development and large tracts of vacant land parcels. By virtue of the asset being located near the Kappalur Industrial estate, the influence zone of the Subject Asset is characterised by the presence of numerous small to medium sized industrial/warehousing facilities coupled with residential developments with few notable developments in the micromarket include CWC Warehouse and SPG Warehouse.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that it is approx. 100% leased out as on date of valuation (completed blocks). Since the infrastructure industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area and under-construction/proposed area, the valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the valuer by the client unless otherwise mentioned. The valuer has assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Not Provided |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | NA | Client |
| | Power Back-up | KVA | Electricity Bill |
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Not Provided |
| | Cost Already Incurred – Under Construction Block | NA | Not Provided |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client & valuer's assessment |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| Madurai Park | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the client, we understand that Subject Asset is a partly developed warehousing facility with two operational and one under-construction blocks. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Total Area (sft)* | Operational Area (sft)*[2] | Under- Construction Area (sft)* |
|---|---|---|---|
| Madurai Park - Block I – Part 1 | 58,082 | 50,741 | N.A. |
| Madurai Park - Block I – Part 2 | 24,029 | 18,822 | N.A. |
| Madurai Park - Block I – Part 3 | 45,538 | 45,538 | N.A. |
| Madurai Park - Block I – Part 4 | 17,420 | 15,165 | N.A. |
| Madurai Park - Block I – Part 5 | 28,976 | 28,976 | N.A. |
| Madurai Park - Block II – Part 1 | 40,014 | 40,014 | N.A. |
| Madurai Park - Block II – Part 2 | 1,06,938 | 81,000 | N.A. |
| Madurai Park - Block II – Part 3 | 21,277 | 21,277 | N.A. |
| Madurai Park - Block III Part 1 | 17,340 | 17,340 | N.A. |
| Madurai Park - Block III Part 2 | 62,750 | 62,750 | N.A. |
| Madurai Park - Block III Part 3 | 10,349 | 10,349 | N.A. |
| Total Area (sft) | 4,32,713 | 3,91,972 | NA |

*Source: Client Inputs *Area mentioned in chargeable area*

[2] *As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements.*

| Tenant | Leased Area – Chargeable (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Madurai Park | 3,91,972 | 97%^ | 16.27 | 6.2 |

*Source: Lease deeds*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Occupancy % |
|---|---|
| Occupancy (Completed blocks) | 97% |
| Pre-Commitment (Under Construction blocks) | NA |

*Source: Lease deed and Client inputs.*

### 6.3.2 Lease Rent Analysis

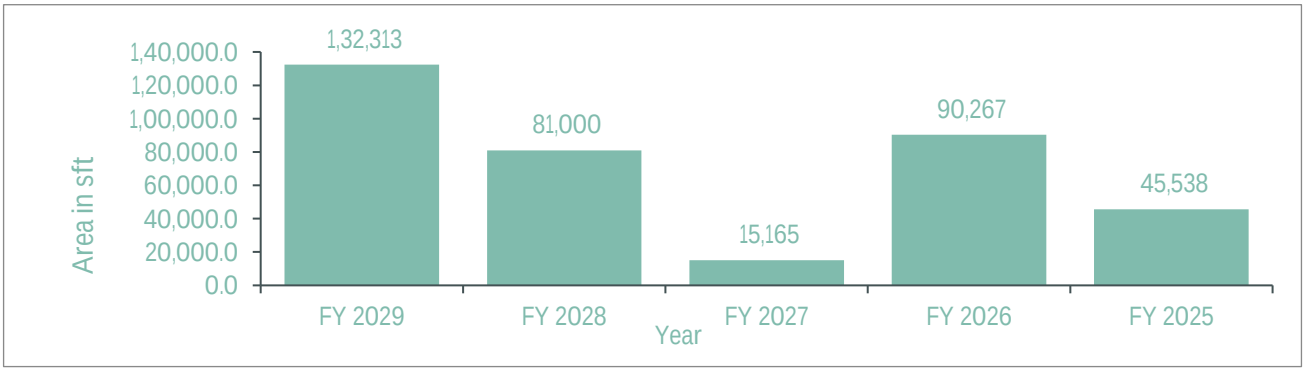
Based on the review of the Lease Deed provided by the client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| FMCG Company | Lease Commencement Date | 25th July 2024 |
| | Rent Commencement Date | 08th September 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.8 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Kitchen Appliance Manufacturing Company | Lease Commencement Date | 25th July 2024 |
| | Rent Commencement Date | 08th September 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.8 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 01stJuly 2022 |
| | Rent Commencement Date | 01stJuly 2022 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 3.0/0.8 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 07thJuly 2022 |
| | Rent Commencement Date | 07thJuly 2022 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/2.7 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 07th April 2023 |
| | Rent Commencement Date | 07th April 2023 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 3.0/1.5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 15th August 2023 |
| | Rent Commencement Date | 01st September 2023 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 3.0/1.9 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 06th November 2023 |
| | Rent Commencement Date | 06th November 2023 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/4.1 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturing Company | Lease Commencement Date | 12th February 2023 |
| | Rent Commencement Date | 12th February 2023 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 3.0/2.4 Years |
| | Lease Rent Escalation Terms | 5% every year |
| FMCG Company | Lease Commencement Date | 25th September 2024 |
| | Rent Commencement Date | 25th November 2024 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 10.0/10.0 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Logistics Company | Lease Commencement Date | 15th November 2024 |
| | Rent Commencement Date | 15th January 2025 |
| | Lock-in Period | 2 Years |
| | Lease Tenure/Remaining Tenure | 5.0/5.0 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 3.7 years as shown in the chart below.




*Source:* Valuer Workings; The expiry profile has been plotted only for the warehouse areas

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Leased - Chargeable Area *(sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Madurai Park | 3,91,972 | 97% | 15.8^ | 6.2 |

*Source: Leased Deed and Information provided by the client *Area considered is chargeable Area; ^Weighted Average of Phase I & Phase II*

Based on the recent transaction witnessed in the micromarket as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 17.5 – 19.5 per sf per month (say an average rental of INR 18.5 per sf per month of leasable area).

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner with Block 1 Part 1 completed and operationalised during Q1 2022, Block 1 Part 2, 3, 4 completed and operationalised during Q2 2022, Block 1 Part 5 completed and operationalised during Q2 2023, Block 2 Part 1 completed and operationalised during Q3 2023, and Block 2 Part 3 completed and operationalised during Q4 2023 and Block 3 has been completed during Q2 2024

#### 6.3.5.2 Under-Construction Blocks

Based on visual inspection during the site visit and information provided by the client, we understand that construction for all the blocks has been completed

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the client, we understand that the competed blocks have an occupancy of 97% as on date of valuation. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket. Further, a leasable area of approx. 10,000 sft is expected to be absorbed by Q2, 2025.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

NA

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Leased Area (sft) | Basis | Rent Adopted (INR psf pm) |
|---|---|---|---|---|---|
| Warehouse | 4,32,713 | 3,91,972 | 3,81,623 | Current Rent for Leased area | 15.8^ |
| | | | | Market rent for reversion/ vacant area | 18.5 |

*Source: Lease deed provided by the client; Valuer's assessment; ^Weighted Average of Phase I & Phase II*

The above market rent assumption is adopted for the entire Subject Asset. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset

#### 6.3.7.2 Non-Warehouse Component

N.A

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1.0 | INR per sft per month |
| Other Income (For vacant area and Development component) | 3.0% | % of total revenue |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

The following table highlights the assumptions towards the development cost for the under-construction/proposed blocks at the subject development:

| Block | Total Cost of Construction (INR Mn) | Pending Cost to be Spent (INR Mn) |
|---|---|---|
| Under Construction Blocks | NA | NA |

*Source: Client Inputs.*

### 6.3.10.2 Major Repair and improvements

As per information provided by the client, we understand that there are no major repairs and improvement proposed in the said asset.

## 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.44 Mn |
| Insurance* | INR 0.87 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the client, Asset tax and insurance are to be borne by the client; ^fees has been considered as below the NOI line item.*

Under- Construction Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.11 Mn |
| Insurance* | INR 0.34 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the client, Asset tax and insurance are to be borne by the client; ^fees has been considered as below the NOI line item*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the client and market benchmarks. The same is a pass-through expense.

Based on the subsequent information provided by the client, we understand that the 100% of the CAM Income would be received by the client entity and 100% of the CAM Expense would be borne by the SPV (for particular asset).

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.

- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Madurai Park | Sri Meenatchi Industrial & Logistics Parks Pvt Ltd | Operational | 8.0% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 to 15 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), approval risk, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for competed assets has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Madurai micromarkets which are in the range of 8% – 9% depending upon the location, asset quality, occupancy, etc.

Under Construction/ Proposed Blocks

For under construction/ proposed blocks, the cost of debt has been considered based on prevalent Construction Finance (CF) rates for warehousing facilities parks across Madurai which are in the range of 10% – 12% depending upon the location, asset quality, developer reputation and credit profile, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Madurai Park | Sri Meenatchi Industrial & Logistics Parks Pvt Ltd | Debt | 35.0% | 8.50% | 11.58% |
| | | Equity | 65.0% | 13.50% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Madurai Park | Phase I | 746.7 |
| | Phase II | 268.3 |
| Total Value of the asset | | 1,014.9 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the client, the client has confirmed that there are no material litigation details pertaining to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the client and our scope of services, please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the client, the client has confirmed that there is no revenue pendency to the asset. Please note that the valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

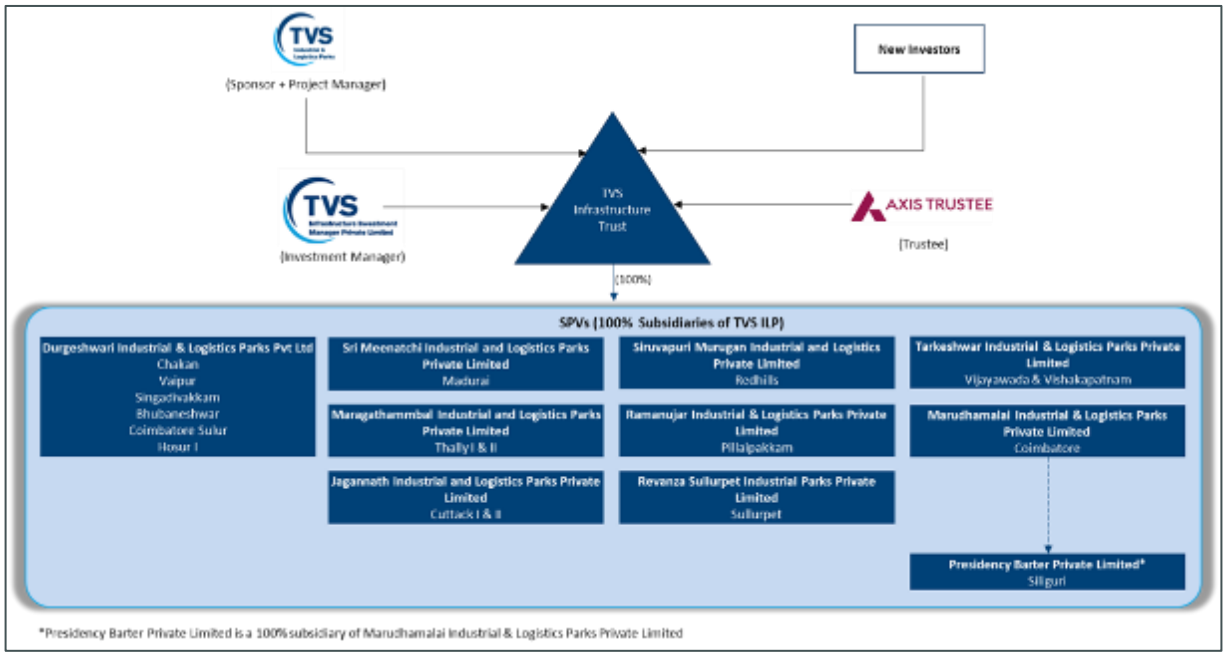
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

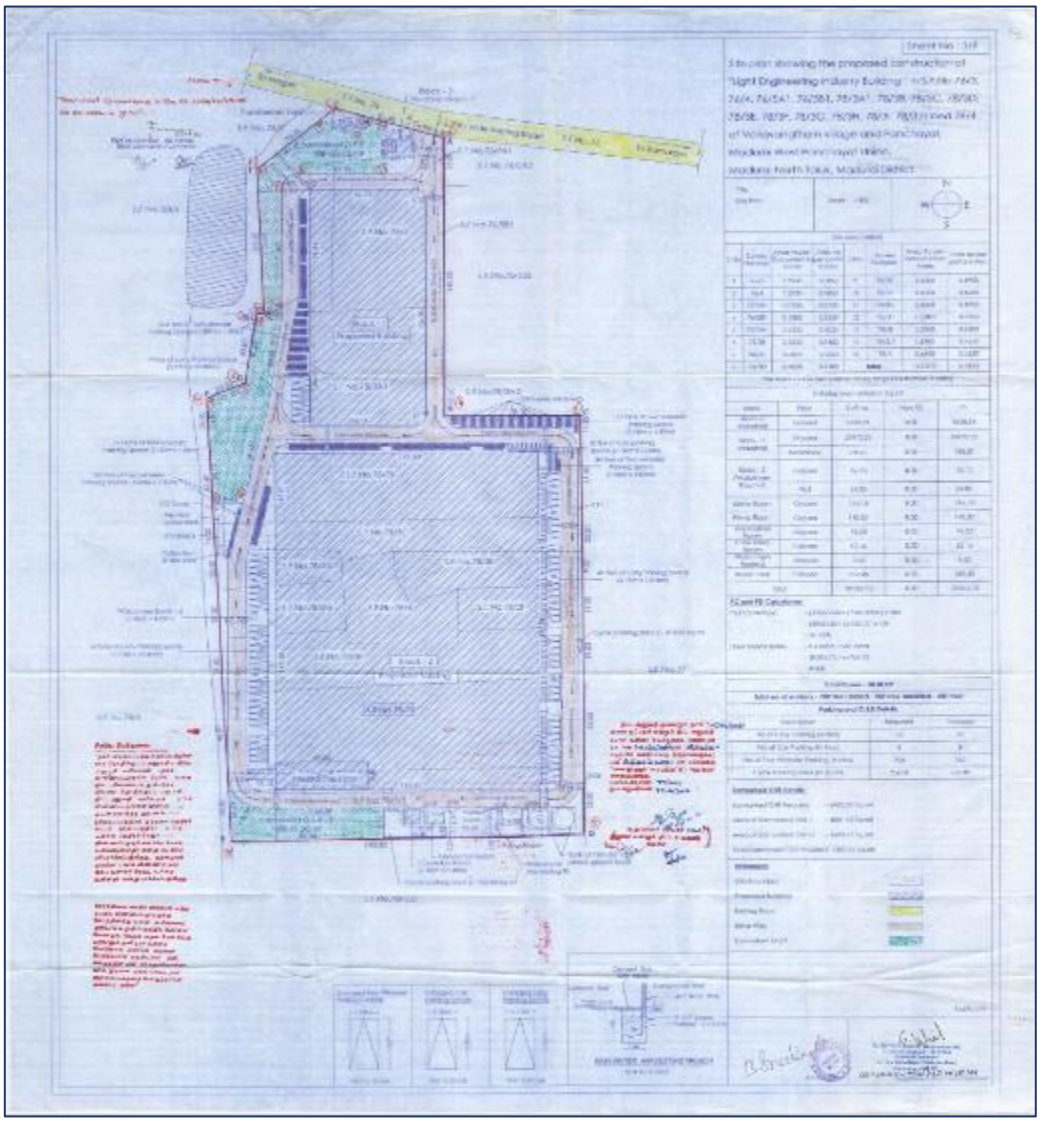
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building 3 is 29.4 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

## 7.2 Site Plan

### 7.2.1 Madurai Park



*Source: Client Inputs*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Architect Certificate

**STRUCTURAL SAFETY CERTIFICATE**

With respect to the building work of erection for M/s. TVS Industrial & Logistics Parks Private Limited constructed an industrial Building at Survey No. 78/3H, 78/3I, 78/3J1, Nagari to Kumaram Road, No. 4 Vairavanatham Village in Patta No.410, Vairavanatham, Madurai, Tamil Nadu, 625402, within the DTCP area, I certify that the structural plans and details of the building submitted for approval satisfy the structural safety requirements for all situations including natural disasters like cyclone earth quake etc., as applicable, as stipulated under Part-6 ( Structural Design) of the National Building Code of India, 2016 and other relevant codes; and the information given their in is factually correct to the best of my knowledge. I undertake responsibility with regard to supervision of the work at each stage of construction, (after laying of foundation & after casting of each floor) and submit the report to DTCP regularly to effect that the building is being constructed confirming to the approved plan and as per the structural plan prepared by me. I will be responsible and Liable for action by DTCP/Govt. If the plan/ design contains misrepresentation or fraudulent information and the construction is made in deviation of approved plan or if there is any structural failure due to wrong/unsafe structural design, use of low-quality material and or poor workmanship endangering the in-mates public.

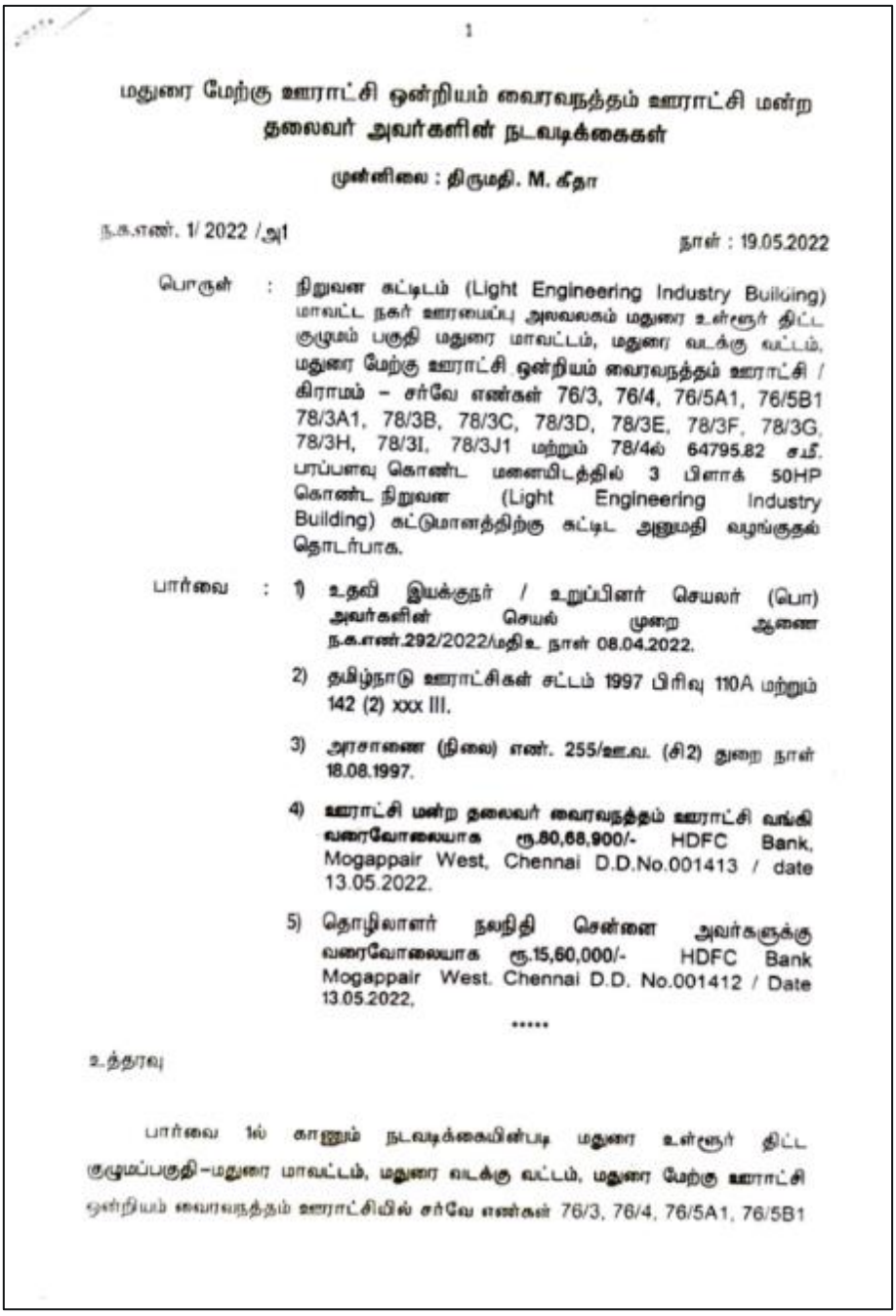
Signature of the Applicant with Date
Name :
Address:

Signature with seal
Name: DS Sridher
Office Postal Address: Chennai 32
Phone No:

TATA CONSULTING ENGINEERS LIMITED

*Source: Client Inputs*

## 7.3.2 Planning Permit



1

மதுரை மேற்கு ஊராட்சி ஒன்றியம் வைரவநத்தம் ஊராட்சி மன்ற தலைவர் அவர்களின் நடவடிக்கைகள்

முன்னிலை : திருமதி. M. கீதா

ந.க.எண். 1/ 2022 /அ1

நாள் : 19.05.2022

பொருள் : நிறுவன கட்டிடம் (Light Engineering Industry Building) மாவட்ட நகர் ஊரமைப்பு அலுவலகம் மதுரை உள்ளூர் திட்ட குழுமம் பகுதி மதுரை மாவட்டம், மதுரை வடக்கு வட்டம், மதுரை மேற்கு ஊராட்சி ஒன்றியம் வைரவநத்தம் ஊராட்சி / கிராமம் – சர்வே எண்கள் 76/3, 76/4, 76/5A1, 76/5B1 78/3A1, 78/3B, 78/3C, 78/3D, 78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1 மற்றும் 78/4ல் 64795.82 சமீ. பரப்பளவு கொண்ட மனையிடத்தில் 3 பிளாக் 50HP கொண்ட நிறுவன (Light Engineering Industry Building) கட்டுமானத்திற்கு கட்டிட அனுமதி வழங்குதல் தொடர்பாக.

பார்வை :

1) உதவி இயக்குநர் / உறுப்பினர் செயலர் (பொ) அவர்களின் செயல் முறை ஆணை ந.க.எண்.292/2022/மதிஉ நாள் 08.04.2022.

2) தமிழ்நாடு ஊராட்சிகள் சட்டம் 1997 பிரிவு 110A மற்றும் 142 (2) xxx III.

3) அரசாணை (நிலை) எண். 255/ஊ.வ. (சி2) துறை நாள் 18.08.1997.

4) ஊராட்சி மன்ற தலைவர் வைரவநத்தம் ஊராட்சி வங்கி வரைவோலையாக ரூ.80,68,900/- HDFC Bank, Mogappair West, Chennai D.D.No.001413 / date 13.05.2022.

5) தொழிலாளர் நலநிதி சென்னை அவர்களுக்கு வரைவோலையாக ரூ.15,60,000/- HDFC Bank Mogappair West. Chennai D.D. No.001412 / Date 13.05.2022.

.....

உத்தரவு

பார்வை 1ல் காணும் நடவடிக்கையின்படி மதுரை உள்ளூர் திட்ட குழுமப்பகுதி–மதுரை மாவட்டம், மதுரை வடக்கு வட்டம், மதுரை மேற்கு ஊராட்சி ஒன்றியம் வைரவநத்தம் ஊராட்சியில் சர்வே எண்கள் 76/3, 76/4, 76/5A1, 76/5B1

*Source: Client Inputs*

### 7.3.3 Consent to Operate – Air

Category of the Industry :

ORANG
E

**CONSENT ORDER NO. 2201242617417 DATED: 07/09/2022.**

**PROCEEDINGS NO.F.2648MDU/OL/DEE/TNPCB/MDU/A/2022 DATED: 07/09/2022**

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**SUB:** TNPC Board-Consent for Establishment-M/s. SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED , S.F. No. 76/3,76/4, 76/5A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D,78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1 & 78/4, VAIRAVANATHAM village, Madurai north Taluk and Madurai District - for the establishment or take steps to establish the industry under Section 21 of the Air(Prevention and control of Pollution)Act,1981, as amended in 1987(Central Act. 14 of 1981)-Issued -Reg.

**REF:** 1. Unit's Application for CTE dated : 05.01.2022 Resubmitted on 25.08.2022
2. IR.No : F.2648MDU/OL/AE/MDU/2022 dated 29/08/2022
3. Minutes of 77th ZLCCC Meeting held on 07.09.2022 (77 - 01)

Consent to establish or take steps to establish is hereby granted under Section 21 of the Air (Prevention and control of Pollution) Act,1981, as amended in 1987 and the Rules and Orders made there under to

The Authorized Signatory,
M/s . SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED
S.F No.76/3,76/4, 76/5A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D,78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1 & 78/4,
VAIRAVANATHAM Village,
Madurai north Taluk,
Madurai District.

Authorizing occupier to establish or take steps to establish the industry in the site mentioned below:

S.F No. 76/3,76/4, 76/5A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D,78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1 & 78/4,
VAIRAVANATHAM Village,
Madurai north Taluk,
Madurai District.

This Consent to establish is valid upto **March 31, 2027**, or till the industry obtains consent to operate under Section 21 of the Air (Prevention and control of Pollution) Act, 1981, as amended in 1987 whichever is earlier subject to special and general conditions enclosed.

GURUSAMY RAMARAJ Digitally signed by GURUSAMY RAMARAJ Date: 2022.09.07 21:11:56 +05'30'
**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**MADURAI**

To
The Authorized Signatory,
M/s.SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,
78/3A,3B,3C,3D, Nagari to Kumaram Road, Vairavanatham Village, Vairavanatham, Madurai North,
Pin: 625402

*Source: Client Input*

## 7.3.4 Consent to Operate - Water

Category of the Industry :

ORANGE

**CONSENT ORDER NO. 2201142617417 DATED: 07/09/2022.**

**PROCEEDINGS NO.F.2648MDU/OL/DEE/TNPCB/MDU/W/2022 DATED: 07/09/2022**

**SUB:** TNPC Board Consent for Establishment-M/S SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED S.F No. 76/3,76/4, 76/5A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D,78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1 & 78/4, VAIRAVANATHAM Village, Madurai north Taluk, Madurai District - for the establishment or take steps to establish the industry under Section 25 of the Water (Prevention and control of Pollution)Act,1974, as amended in 1988(Central Act 6 of 1974)- Issued- Reg.

**REF:** 1. Unit's Application for CTE dated : 05.01.2022 Resubmitted on 25.08.2022
2. IR.No : F.2648MDU/OL/AE/MDU/2022 dated 29/08/2022
3. Minutes of 77th ZLCCC Meeting held on 07.09.2022 (77 - 01)

Consent to establish or take steps to establish is hereby granted under Section 25 of the Water (Prevention and control of Pollution) Act,1974, as amended in 1988(Central Act 6 of 1974) (hereinafter referred to as 'The Act') and the Rules and Orders made there under to

The Authorised Signatory,
SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED

Authorizing occupier to establish or take steps to establish the industry in the site mentioned below:

S.F. No.76/3,76/4, 76/5A1, 76/5B1, 78/3A1, 78/3B, 78/3C, 78/3D,78/3E, 78/3F, 78/3G, 78/3H, 78/3I, 78/3J1 & 78/4,
VAIRAVANATHAM Village,
Madurai north Taluk,
Madurai District.

This Consent to establish is valid upto **March 31, 2027**, or till the industry obtains consent to operate under Section 25 of the Water (Prevention and control of Pollution) Act, 1974, as amended in 1988 whichever is earlier subject to special and general conditions enclosed.

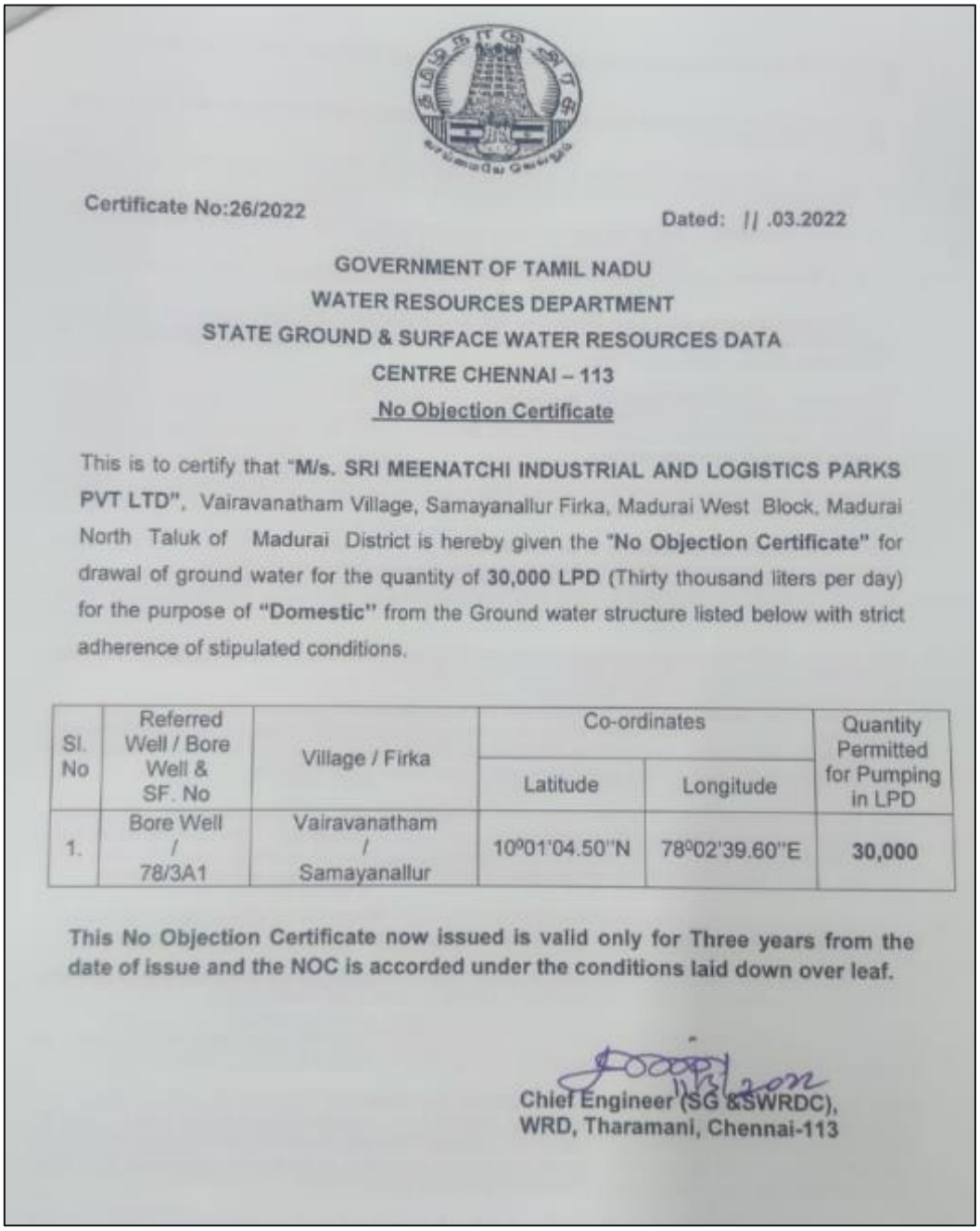
GURUSAMY RAMARAJ
District Environmental Engineer,
Tamil Nadu Pollution Control Board,
MADURAI

To
The Authorised Signatory,
M/s SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,
78/3A,3B,3C,3D, Nagaiah Kumaran Road, Vairavanathan Village, Vairavanathan, Madurai North,
Pin 625402

**Copy to:**
1.The Commissioner, MADURAI WEST-Panchayat Union, Madurai north Taluk, Madurai District.,
2. Copy submitted to the Member Secretary, Tamil Nadu Pollution Control Board, Chennai for favour of kind information.
3. Copy submitted to the JCEE-Monitoring, Tamil Nadu Pollution Control Board, Madurai for favour of kind information.
4. File

*Source: Client Input*

### 7.3.5 Ground Water Abstraction NOC



Certificate No:26/2022

Dated: // .03.2022

GOVERNMENT OF TAMIL NADU
WATER RESOURCES DEPARTMENT
STATE GROUND & SURFACE WATER RESOURCES DATA
CENTRE CHENNAI – 113
No Objection Certificate

This is to certify that "**M/s. SRI MEENATCHI INDUSTRIAL AND LOGISTICS PARKS PVT LTD**", Vairavanatham Village, Samayanallur Firka, Madurai West Block, Madurai North Taluk of Madurai District is hereby given the "**No Objection Certificate**" for drawal of ground water for the quantity of **30,000 LPD** (Thirty thousand liters per day) for the purpose of "**Domestic**" from the Ground water structure listed below with strict adherence of stipulated conditions.

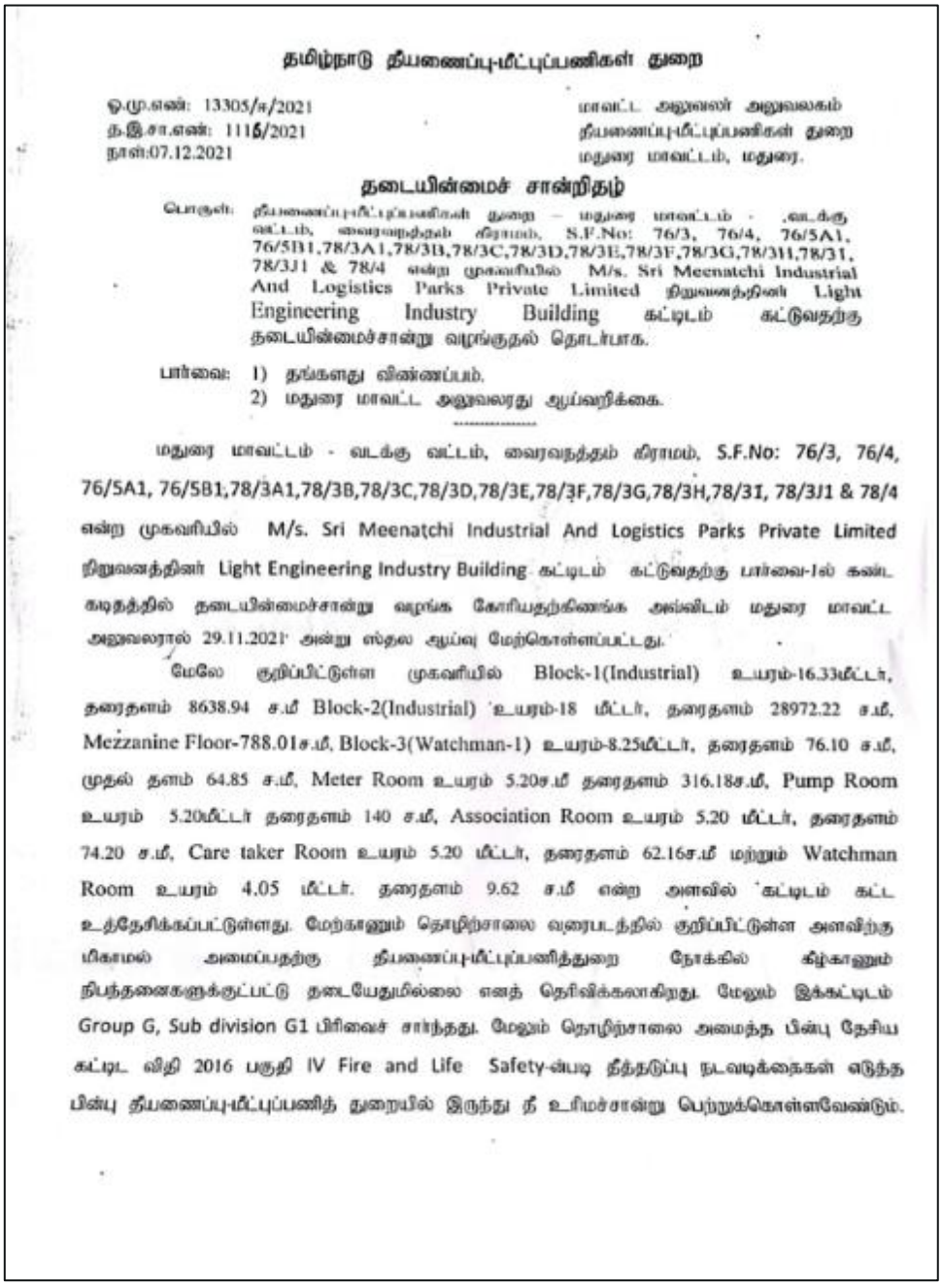
| Sl. No | Referred Well / Bore Well & SF. No | Village / Firka | Co-ordinates | | Quantity Permitted for Pumping in LPD |
|---|---|---|---|---|---|
| | | | Latitude | Longitude | |
| 1. | Bore Well / 78/3A1 | Vairavanatham / Samayanallur | 10°01'04.50"N | 78°02'39.60"E | **30,000** |

**This No Objection Certificate now issued is valid only for Three years from the date of issue and the NOC is accorded under the conditions laid down over leaf.**

Chief Engineer (SG &SWRDC),
WRD, Tharamani, Chennai-113

*Source: Client Input*

## 7.3.6 Fire NOC



தமிழ்நாடு தீயணைப்பு-மீட்புப்பணிகள் துறை

ஒ.மு.எண்: 13305/உ/2021
த.இ.சா.எண்: 111ஆ/2021
நாள்:07.12.2021

மாவட்ட அலுவலர் அலுவலகம்
தீயணைப்பு-மீட்புப்பணிகள் துறை
மதுரை மாவட்டம், மதுரை.

தடையின்மைச் சான்றிதழ்

பொருள்: தீயணைப்பு-மீட்புப்பணிகள் துறை – மதுரை மாவட்டம் - வடக்கு வட்டம், வைரவநத்தம் கிராமம், S.F.No: 76/3, 76/4, 76/5A1, 76/5B1,78/3A1,78/3B,78/3C,78/3D,78/3E,78/3F,78/3G,78/3H,78/31, 78/3J1 & 78/4 என்ற முகவரியில் M/s. Sri Meenatchi Industrial And Logistics Parks Private Limited நிறுவனத்தின் Light Engineering Industry Building கட்டிடம் கட்டுவதற்கு தடையின்மைச்சான்று வழங்குதல் தொடர்பாக.

பார்வை: 1) தங்களது விண்ணப்பம்.
2) மதுரை மாவட்ட அலுவலரது ஆய்வறிக்கை.

மதுரை மாவட்டம் - வடக்கு வட்டம், வைரவநத்தம் கிராமம், S.F.No: 76/3, 76/4, 76/5A1, 76/5B1,78/3A1,78/3B,78/3C,78/3D,78/3E,78/3F,78/3G,78/3H,78/31, 78/3J1 & 78/4 என்ற முகவரியில் M/s. Sri Meenatchi Industrial And Logistics Parks Private Limited நிறுவனத்தின் Light Engineering Industry Building கட்டிடம் கட்டுவதற்கு பார்வை-1ல் கண்ட கடிதத்தில் தடையின்மைச்சான்று வழங்க கோரியதற்கிணங்க அவ்விடம் மதுரை மாவட்ட அலுவலரால் 29.11.2021 அன்று ஸ்தல ஆய்வு மேற்கொள்ளப்பட்டது.

மேலே குறிப்பிட்டுள்ள முகவரியில் Block-1(Industrial) உயரம்-16.33மீட்டர், தரைதளம் 8638.94 ச.மீ Block-2(Industrial) உயரம்-18 மீட்டர், தரைதளம் 28972.22 ச.மீ, Mezzanine Floor-788.01ச.மீ, Block-3(Watchman-1) உயரம்-8.25மீட்டர், தரைதளம் 76.10 ச.மீ, முதல் தளம் 64.85 ச.மீ, Meter Room உயரம் 5.20ச.மீ தரைதளம் 316.18ச.மீ, Pump Room உயரம் 5.20மீட்டர் தரைதளம் 140 ச.மீ, Association Room உயரம் 5.20 மீட்டர், தரைதளம் 74.20 ச.மீ, Care taker Room உயரம் 5.20 மீட்டர், தரைதளம் 62.16ச.மீ மற்றும் Watchman Room உயரம் 4.05 மீட்டர், தரைதளம் 9.62 ச.மீ என்ற அளவில் கட்டிடம் கட்ட உத்தேசிக்கப்பட்டுள்ளது. மேற்காணும் தொழிற்சாலை வரைபடத்தில் குறிப்பிட்டுள்ள அளவிற்கு மிகாமல் அமைப்பதற்கு தீயணைப்பு-மீட்புப்பணித்துறை நோக்கில் கீழ்காணும் நிபந்தனைகளுக்குட்பட்டு தடையேதுமில்லை எனத் தெரிவிக்கலாகிறது. மேலும் இக்கட்டிடம் Group G, Sub division G1 பிரிவைச் சார்ந்தது. மேலும் தொழிற்சாலை அமைத்த பின்பு தேசிய கட்டிட விதி 2016 பகுதி IV Fire and Life Safety-ன்படி நீத்தடுப்பு நடவடிக்கைகள் எடுத்த பின்பு தீயணைப்பு-மீட்புப்பணித் துறையில் இருந்து நீ உரிமச்சான்று பெற்றுக்கொள்ளவேண்டும்.

*Source: Client Input*

**CONDITIONS**

1. The building should be constructed as per the plan and complied with DCR Norms.
2. Fire Extinguishers Should be provided as per 2190 : 2010
3. First Aid and Hose Reel Assembly system should be provided
4. Automatic Sprinkler System should be provided for Entire Building.
5. Manually operated electronic fire Alarm should be provided.
6. Automatic detection and alarm system should be provided
7. Terrace Level over head tank 20,000 Liters capacity should be provided.
8. Fire Pump Capacity of 450 LPM at Terrace Level tank should be maintained minimum pressure of 3.5kg/cm2 at the farthest point.
9. Side set back should be provided all around the building, for easy movement of fire service vehicle.

07 DEC 2021

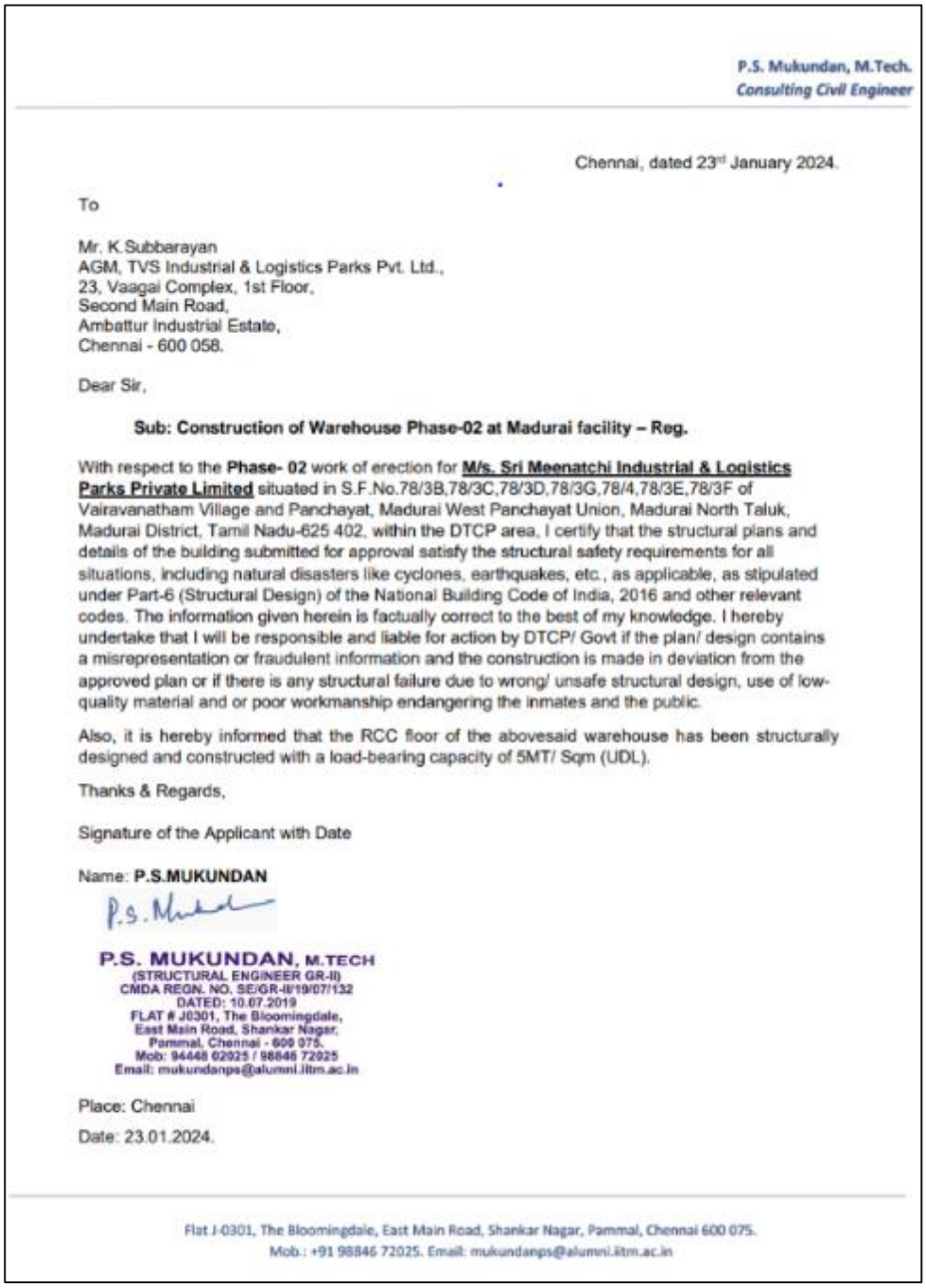
மாவட்ட அலுவலர்,
தீயணைப்புமீட்புப்பணிகள் துறை,
தேனி மாவட்டம், தேனி,
(மு.கூ.பொ)மதுரை மாவட்டம், மதுரை.

பெறுநர்:

M/s. Sri Meenatchi Industrial and Logistics Parks Private Limited,
Vaigai Complex, 3rd Floor,
No:23, 2nd Main Road, Ambattur Industrial Estate,
Chennai – 600 058.

*Source: Client Input*

### 7.3.7 Structural Stability Certificate



P.S. Mukundan, M.Tech.
*Consulting Civil Engineer*

Chennai, dated 23rd January 2024.

To

Mr. K.Subbarayan
AGM, TVS Industrial & Logistics Parks Pvt. Ltd.,
23, Vaagai Complex, 1st Floor,
Second Main Road,
Ambattur Industrial Estate,
Chennai - 600 058.

Dear Sir,

**Sub: Construction of Warehouse Phase-02 at Madurai facility – Reg.**

With respect to the **Phase- 02** work of erection for **M/s. Sri Meenatchi Industrial & Logistics Parks Private Limited** situated in S.F.No.78/3B,78/3C,78/3D,78/3G,78/4,78/3E,78/3F of Vairavanatham Village and Panchayat, Madurai West Panchayat Union, Madurai North Taluk, Madurai District, Tamil Nadu-625 402, within the DTCP area, I certify that the structural plans and details of the building submitted for approval satisfy the structural safety requirements for all situations, including natural disasters like cyclones, earthquakes, etc., as applicable, as stipulated under Part-6 (Structural Design) of the National Building Code of India, 2016 and other relevant codes. The information given herein is factually correct to the best of my knowledge. I hereby undertake that I will be responsible and liable for action by DTCP/ Govt if the plan/ design contains a misrepresentation or fraudulent information and the construction is made in deviation from the approved plan or if there is any structural failure due to wrong/ unsafe structural design, use of low-quality material and or poor workmanship endangering the inmates and the public.

Also, it is hereby informed that the RCC floor of the abovesaid warehouse has been structurally designed and constructed with a load-bearing capacity of 5MT/ Sqm (UDL).

Thanks & Regards,

Signature of the Applicant with Date

Name: **P.S.MUKUNDAN**

P.S. Mukundan

**P.S. MUKUNDAN, M.TECH**
(STRUCTURAL ENGINEER GR-II)
CMDA REGN. NO. SE/GR-II/19/07/132
DATED: 10.07.2019
FLAT # J0301, The Bloomingdale,
East Main Road, Shankar Nagar,
Pammal, Chennai - 600 075.
Mob: 94448 02025 / 98846 72025
Email: mukundanps@alumni.iitm.ac.in

Place: Chennai

Date: 23.01.2024.

Flat J-0301, The Bloomingdale, East Main Road, Shankar Nagar, Pammal, Chennai 600 075.
Mob.: +91 98846 72025. Email: mukundanps@alumni.iitm.ac.in

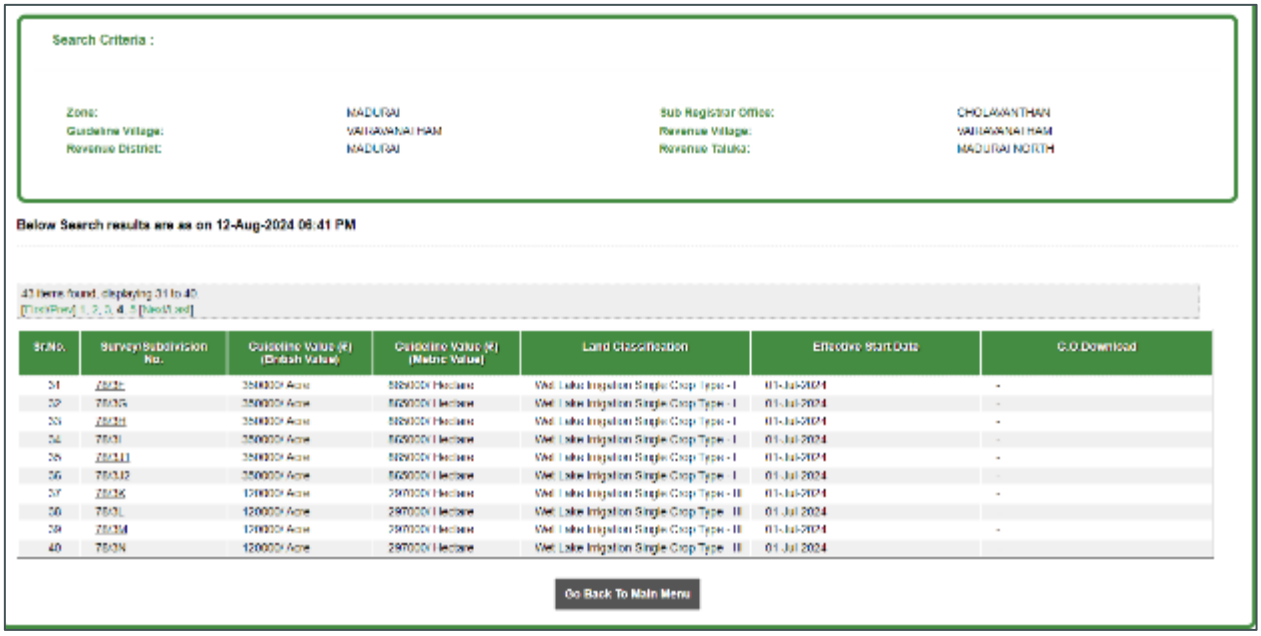
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land") (cents)** | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 78/3H, 3I, 3J1 | 556 | 0.35 | 1.95 |
| 2 | 76/ 3, 4, 5A, 5B | 491 | 0.35 | 1.72 |
| 3 | 78/3B, 3C, 4 | 651 | 0.35 | 2.28 |

*Source: tnreginet*

**Survey No 78**




## 7.5 Any matters which may affect the asset or its values

There are no matters which may affect the assets or it's values beyond what has already been stated in this report.

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## SULLURPET PARK

SPV

REVANZA SULLURPET INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

IVAS®

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Sullurpet Park (the "Subject Asset") |
| Asset Address: | 9/1A, 9/2, 10/2, 11/3, 11/3A, 11/4B, 11/6, 11/7, 11/8, 12/1, 12/2, 13/1, 13/2, 13/5 Zuvve Chelika Village, 30-3,30-P2,30-P5B,30-P4B,.12-2,12-1,11-6,11-4b,11-3a,11-3,10-2,9-2E,9-1a,13-1,13-2,13-5,11-7,11-8 Padamati Kandriga Village, Sullurupet Mandal, Nellore District, AP |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Revanza Sullurpet Industrial Parks Private Limited/ TVS ILP |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the architect certificate provided by the Client, it is understood that the total land area of the Subject Asset is approx. 44.1 acres. |
| Brief Description: | Based on the review of land use certificate, building permit order shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset "TVSILP, Sullurpet" is an industrial manufacturing facility. Phase 1 of the Subject Asset is operational whereas Phase 2 is under construction.<br><br>The larger project is developed on Built-to-Suit (BTS) basis to meet the operational requirements of the sole occupier and is a manufacturer of composite parts. The Subject Asset is contracted under a long lease and part of it viz. Phase 1, is currently being utilized for the storage & manufacturing of manufacturing windmill blades and ancillary products. The under-development phase viz. Phase 2 is being developed for similar purposes to be occupied by the same tenant. As per the information received from the Client, the lease documents are already executed in favor of the same manufacturing tenant for Phase 2.<br><br>The Subject Asset is located along 10m wide internal road. The access to the Subject Asset emanates from an internal road, passes through the subject micromarket of Sullurpet, and merges with NH – 16 Chennai – Kolkata Highway.<br><br>The Subject Asset is located at a distance of approx. 0.8 - 1 kms from National Highway 16 (Chennai – Kolkata Highway), approx. 3 - 4 kms from Bus stand, approx. 60 - 65 kms from Tirupati International Airport, approx. 5 - 6 kms from Sullurpet Railway Station. |
| Statement of assets (sft): | Based on review of rent roll, lease deeds, Agreement to lease (ATL) and area statement provided by the Client, we understand that the overall chargeable area of the Subject Asset is approximately 13,78,077 sft, with the entire area contracted under long lease by a single tenant. Further the total chargeable area is bifurcated in two phases viz. Phase - 1 & Phase – 2, respectively.<br><br>Based on the site visit undertaken & review of information provided, we understand that the Phase 1 of Subject Asset is already operational, and Phase 2 is at nascent stage of development. The block-wise area details are exhibited in the table below: |

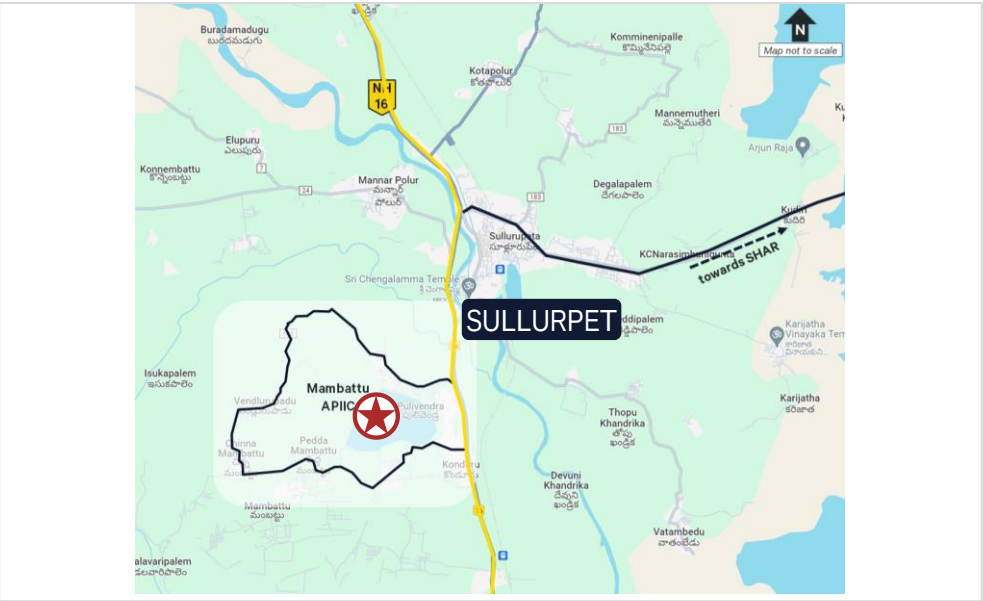
| Particulars | Construction Status | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|---|
| Phase I | Completed | 8,77,790 | 8,77,790 |

| | | | |
|---|---|---|---|
| Phase II | Under-development | 5,00,690 | 5,00,287 |
| Total | | 13,78,480 | 13,78,077 |

*Source: Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Location Map:

Location Map for the Subject Asset




*Source: Industry Assessment Report*

Tenancies

As at the valuation date, Phase 1 of the Subject Asset is fully let to a single tenant who is into manufacturing of composite parts, with a WALE of 9.55 years. The same tenant has pre-leased Phase 2 of the Subject Asset which is presently under construction and the rent for Phase 2 premise is expected to commence from March 2025.

Key Assumptions:

| Particulars | Unit | Sullurpet – Phase I | Sullurpet – Phase II |
|---|---|---|---|
| Revenue Assumptions | | | |
| Tenure for any new/ future leases | Year | 10 | 10 |
| In-place rent | INR/ sf/ mth | 14.4 | 13.7 |
| Market rent – Warehouse component | INR/ sf/ mth | 24.5 | 24.5 |
| Weighted Average Marginal rent# | INR/ sf/ mth | 14.1 | 13.3 |
| Market rent – Open Space component | INR/ sf/ mth | 6.5 | 6.5 |
| Capital Expenditures Details | | | |

| | | | |
|---|---|---|---|
| Pending cost to complete | INR Mn | NA. Subject Asset is Operational | 383.0 |
| Proposed Capex (Under development Blocks) | Quarter, Year | NA | 2025 - Q1 |
| Refurbishment Capex (if any) | INR Mn | NA | NA |
| Other Financial Assumptions | | | |
| Exit Cap rate | % | 8.00% | 8.00% |
| Discount rate (During Operations) | % | 11.58% | NA |
| Discount rate (During Under development/land stage) | % | NA | 12.50% |
| NOI Computation | | | |
| 1 year Forward NOI (CY Q4 2024 -Q3 2025) [1] | INR Mn | 155.8 | 39.9 |
| Stabilized NOI[2] | INR Mn | 151.8 | 79.4 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report, #Weighted average market rent arrived considering differential market calls for spaces such as mezzanine, open spaces, any tenant specific spaces basis their agreement with the Client and any other spaces.*

| | |
|---|---|
| Stake proposed to be held in Asset SPV by TVS Infrastructure Trust: | 100% |
| Date of Inspection: | 16th February 2024 |
| Date of Valuation: | 30th September 2024 |

[1] *Based on inputs from the Client, in addition to the above rental income, the tenant is also contracted to pay an additional income in the form of Tenant Improvement rent of INR 190.4 Mn until year 2027 for Phase 1 of the Subject Asset.*

[2] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the property*

| | |
|---|---|
| Purchase Price for the Asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by State Government): | INR 1,418 per sqm for Land with Agricultural use (Kindly refer Annexure Section 7.4) |

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Sullurpet Park | Completed | 2,221.67 |
| Sullurpet Park | Under Construction | 598.79 |
| Total Value of the asset | | 2,820.45 |

*Source: Valuer's assessment*

Any matters which may affect the asset or its value:

Please refer section 7.7 of this report

Assumptions, Disclaimers, Limitations & Qualifications:

This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.

Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

| | |
|---|---|
| Construction Cost Volatility: | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

---

Valuer Declaration:

i. The valuer is competent to undertake the valuation.

ii. The valuer is independent and has prepared the report on a fair and unbiased basis.

iii. The valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client" or the "Sponsor") in its capacity as Sponsor of the TVS Infrastructure Trust to estimate the Market Value (MV) of 'TVSILP, Sullurpet', an industrial manufacturing facility developed on Built-to-Suit (BTS) basis & located at in Padamati Kandriga (V), Sullurpet (M), Tirupati (D), Andhra Pradesh. (herein referred as the 'Subject Assets' across the report).

iVAS Partners ('the Valuer') utilized the deliverables of CBRE South Asia Private Limited (CBRE), an independent agency appointed by the Client to undertake market research, provide market commentary, and data for the purpose of this assignment. The Valuer has utilized the market intelligence provided by CBRE to arrive at the Market Value of the respective assets as per the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("SEBI (InvIT) Regulations 2014") and amended to date.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 44.10 acres with a total chargeable area admeasuring approx. 13,78,077 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Phases |
|---|---|---|---|---|---|
| Sullurpet Park | Revanza Sullurpet Industrial Parks Private Limited/ TVS ILP | Industrial Manufacturing unit | Sullurpet, Andhra Pradesh | 44.1 | 2 |

*Source: Architect certificate, rent roll provided by the Client;*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to this Valuation Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions

of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the information provided within this Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared this Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently

complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of Valuer where such consent to be given at the absolute, exclusive discretion of Valuer, which shall not be unreasonably withheld. Where they are to be used with the Valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by Valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without Valuer's prior written consent.

The Valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The Valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the Management has disclosed to the Valuer all information which may affect the Services. All opinions expressed by the Valuer, or its employees are subject to any conditions contained in the Valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine

professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and Master's in Management studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarkets, etc.

The primary catchment for the valuation has been defined as Kaddaluru, Pedda Mambattu region and the surrounding areas of Sullurpet. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of warehousing/Industrial segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Holdco | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Sullurpet Park | Revanza Sullurpet Industrial Parks Private Limited/ TVS ILP | Sullurpet | Kaddaluru, Pedda Mambattu |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation)

Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Infrastructure Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")
- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/valuers involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs),

holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.

- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset
- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust
- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards (effective from 31 January 2022) for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.

The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas. (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuer is not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer is not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners has been formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the Valuer can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which may or may not affect the valuation: | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance. |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the asset and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title search reports and other information provided by the Client, the Valuer understands that the Subject Assets are free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the purview to check the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitably experienced Lawyer or an equivalent professional review these assumptions and confirm they are reasonable before relying in this report. |

| | |
|---|---|
| Environmental Conditions: | In undertaking the valuation exercise we assumed that no contaminative or potentially contaminative use is, or has been, carried out at the property. We did not undertake any investigation into the past or present uses of either the respective assets or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the asset or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the micro market. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the assets and the processes carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the lease deeds provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a Summary of Valuation Reports of Subject Assets and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the Subject Assets. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold assets, we have assumed that the landlord will give any of the necessary consents to an assignment. Unless notified to the contrary we assume that each asset has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of land and building markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, |

| | |
|---|---|
| | rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br>All measurements, areas and ages quoted in our report are approximate.<br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | The visual inspection of the Subject Assets did not indicate any significant vulnerability and hence we have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the respective sites are clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials: | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Subject Assets. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests: | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country where services are to be carried out, which may affect the market value. In the event that the Reliant Party(ies) becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard. |

| | |
|---|---|
| | It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Sullurpet– Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Sullurpet and the subject Micromarket

Industrial and warehousing activity in Sullurpet is concentrated near the Mambattu APIIC area located towards the western side of the town. The region has various industries set up within the APIIC industrial area with captive warehousing space and hence most of the existing industries have no requirement for external warehousing. Based on our market understanding, the subject region does not have many warehousing developments owing to lower demand. The existing supply is built-to-suit and on-demand basis for partial/complete industrial setup, mostly in the small-scale manufacturing segment.

The Mambattu region has approx. 0.52 mn sft of warehousing supply as of CY Q3 2024. All the supply is absorbed as the majority supply in the region is constructed on a built-to-suit basis. The warehouses within the Mambattu region have been occupied by manufacturing plant suppliers and other industrial suppliers operating majorly in the APIIC cluster.

| Particulars | Citywide | Kadaluru, Pedda Mambattu |
|---|---|---|
| Cumulative completed stock (Q3 2024) | Approx. 0.52 msf | Approx. 0.52 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 0.52 msf | Approx. 0.52 msf |
| Current vacancy (Q3 2024) | Approx. 0% | Approx. 0% |
| Future supply (2024 – 2025) | Approx. 0.27 – 0.28 msf | Approx. 0.27 – 0.28 msf |

*Source: Industry Assessment Report dated Q3 of 2024*

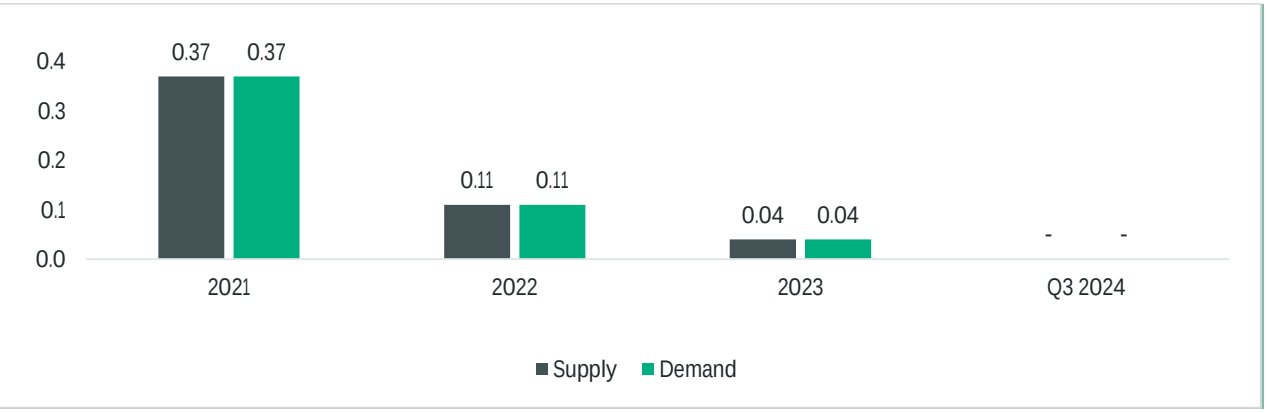
Since the subject region is primarily an industrial location with very minimal activity of warehousing, the supply in the region is of a Built-to-Suit nature. Another 0.05 – 0.06 mn sft of supply is planned for construction in the region dependent on the potential demand in the future. Of the completed supply of 0.52 mn sft, 0.37 Mn sft (Grade A) supply was completed in 2021. The region experienced the completion of a 40,000 square foot Grade B development in 2023, which was subsequently leased to an engineering and manufacturing tenant. Additionally, the region has not seen any substantial increase in supply as of Q3, 2024.

| Particulars | Value |
|---|---|
| Total Completed Supply | Approx. 0.52 msf |
| Total Absorption | Approx. 0.52 msf |
| Share of Grade A Supply (%) | Approx. 0.37 msf ~ 71% |

| Particulars | Value |
|---|---|
| Share of Grade B & Grade C Supply (%) | Approx. 0.15 msf ~ 29% |

*Source: Industry Assessment Report dated Q3 of 2024*

The Supply Absorption dynamics of warehousing/industrial developments in Sullurpet is represented in the exhibit below -




*Source: Industry Assessment Report dated Q3 of 2024*

### 3.2.1.1 Industrial Establishment Dynamics

The Subject Asset is located within Tarakeswara Textile Park, however, there is no other industrial activity in the immediate surroundings of the subject property. The closest industrial establishment is located in the Mambattu APIIC region which is located approx. 5 km from the subject property.

The total gross extent of the Mambattu APIIC region is approx. 983.35 acres of which an extent of approx. 900.22 acres have been allocated to various industries. Approx 75% of the allotted land of 900.22 acres has been developed. The majority of industries belong to footwear, polymers, and chemical sectors. Some of the major allottees in the region are:

The table below highlights the prominent developments:

| Name of Allottees | Industry/Sector | Land Area (Acres) |
|---|---|---|
| Bharathiya International Ltd | Leather Apparel | 250.49 |
| Bharat Forge Limited | Metal Forging | 97.34 |
| Tata Chemicals Limited | Chemicals | 44.81 |
| Regen Powertech Private Limited | Wind Energy | 44.73 |
| Indus Coffee Pvt. Ltd. | Food Products & Beverages | 28.59 |
| Epack Polymers Private Limited | Prefabricated Structure Manufacturer | 23.3 |
| Apache Investments Holding | Footwear | 313.57 |

*Source: Industry Assessment Report dated Q3 of 2024, Valuer research*

Limited warehousing developments are located in the vicinity of the subject property. Notwithstanding this, a considerable number of operators in the manufacturing sector have built and are currently utilizing state-of-the-art industrial facilities. The facilities comply with the building specifications for Grade A warehouse developments.

The rentals commanded by grade B warehouses in the market are in the range of INR 23 – 25 per sft per month. The subject property's achievable rent level would be in a similar range for warehousing purposes. Still, considering that the subject property has additional fitouts, plant & machinery along with open storage yards provided by the client, the rentals are expected to be on the higher side for the subject property. This is due to the added value of these amenities and features, which can justify a higher rental rate compared to standard grade B warehouses in the market in the range of INR 29 – 30 per sft per month. The subject property's unique offerings make it a desirable option for potential tenants looking for a well-equipped space.

The various industrial establishments in the vicinity of the subject property are located within the Mambattu industrial region with land parcels being allotted by the APIIC, hence the industries get various benefits from the government such as stamp and registration fee waivers, single desk clearances, provision of support infrastructure, etc. Hence, the rentals for the subject site would not be exactly comparable to the industrial facilities located in the Mambattu region. Also, of the allocated land of 900.22 acres, only 208.03 acres have been allotted under the lease deed.

#### 3.2.1.2 Future Supply

Based on our market research, we understand that the micromarket of Mambattu is anticipated to see an influx of new warehouse space in the range of 0.27 to 0.28 million square feet by the end of 2024 or early 2025. This upcoming supply will be primarily comprised of Grade A development along with Grade B warehousing, catering to the area's established Engineering & Manufacturing sector.

### 3.2.2 Market Rent

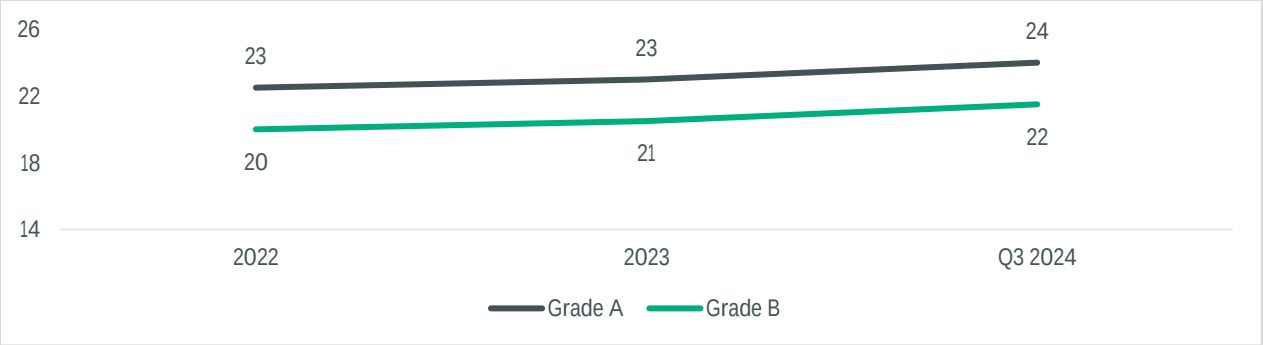
The table below highlights the recent lease transactions in the micromarket:

| Year of Transaction | Chargeable Area (sft) | Tenant Sector | Location | Total Rent (INR per sft per month) | Development Grade |
|---|---|---|---|---|---|
| 2021 | 3,70,719 | Engineering & Manufacturing | Sullurpet | 24 – 25 | Grade B |
| 2022 | 35,000 | Engineering & Manufacturing | Mambattu | 21 – 22 | Grade B |
| 2022 | 35,000 | Engineering & Manufacturing | Mambattu | 22 – 23 | Grade B |
| 2022 | 40,000 | Engineering & Manufacturing | Mambattu | 22 – 23 | Grade B |
| 2023 | 40,000 | Engineering & Manufacturing | Mambattu | 22 – 23 | Grade B |

*Source: Industry Assessment Report dated Q3 of 2024*

Opinion on Rentals

The average quoted base rental in Sullurpet is INR 23 – 25 /sft /month for a Grade A development, and INR 21 – 23 /sft /month for Grade B development. The Grade A and B average asking rentals are enumerated below in the table:




*Source: Industry Assessment Report dated Q3 of 2024*

Based on our market research, it is understood that the Subject Asset is well positioned in the market owing to its location superior specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micro market, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 24.5 per sft month for the covered space as on date of valuation.

## 3.3 Market Outlook

Based on our market research, we understand that the subject region is projected to receive an estimated 0.4 – 0.5 mn sft of industrial and warehousing supply, the majority of which will be Grade A/B over the next two years. Industrial and warehousing developments in the region are primarily motivated by the industrial ecosystem, land accessibility, and strategic location that facilitates industrial units. Demand is projected to increase by 0.6 to 0.7 mn sft over the subsequent three to four years, according to historical micro market absorption data. However, given the built-to-suit nature of the subject development for an industrial facility, the subject development is leased out by the existing tenant, a manufacturer of composite parts with a 5-year lock-in period and a lease term of 12-years as per the lease agreement on 24-02-2021. Also, as per the site-level understanding and phase 2 lease agreement, the existing tenant has an agreement to occupy the under-construction phase 2 development with 4 years and 6 months of lock-in period and a lease term of 10 years. This is expected to suffice the demand at the subject site.

In case the existing tenant vacates the property, a tenant of similar profile and requirements has to take up the space considering the provisions and equipment at the subject property, or it can be expected that the asset would be leased at a discounted rate. It is crucial to ensure a smooth transition to maintain the property's value and profitability.

# 4 Subject Asset –Sullurpet Park

## 4.1 Asset Description

The Subject Asset christened 'Sullurpet Park' is a partly operational industrial manufacturing facility developed on a total land area of 44.10 acres with a total leasable area of 13,78,480 sft and the total chargeable area is approx. 13,78,077 sft, located at Padamati Kandriga (V), Sullurpet (M), Tirupati (D), Andhra Pradesh.

The subject asset is understood to have a floor strength of 8 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height of the development is 18.5 m along with a lighting (lux level) of 500 lux LED lighting.

As mentioned previously, Phase 1 of the Subject Asset is operational whereas Phase 2 is under construction. The larger project is developed on Built-to-Suit (BTS) basis to meet the operational requirements of the sole occupier, a manufacturer of composite parts. The Subject Asset is contracted under a long lease and part of it viz. Phase 1, is currently being utilized for the storage & manufacturing of manufacturing windmill blades and ancillary products. The under-construction phase viz. Phase 2 is being developed for similar purposes to be occupied by the same tenant. As per the information received from the Client, the lease documents are already executed in favour of the Tenant for Phase 2.

Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via approx. 10 m wide internal road emanating from NH-16 Chennai – Kolkata Highway. By virtue of the same the property enjoys convenient accessibility.

The design for the developed phase of the industrial manufacturing facility promotes a sustainable environment with provisions for rooftop solar power setup and rainwater harvesting systems. 24/7 support, including surveillance dedicated facility and a ground support team, ensuring operational continuity, enhanced security features, modern water treatment systems, and NBC standard firefighting systems.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Sullurpet Park |
| Address | 9/1A, 9/2, 10/2, 11/3, 11/3A, 11/4B, 11/6, 11/7, 11/8, 12/1, 12/2, 13/1, 13/2, 13/5 Zuvve Chelika Village, 30-3,30-P2,30-P5B,30-P4B,.12-2,12-1,11-6,11-4b,11-3a,11-3,10-2,9-2E,9-1a,13-1,13-2,13-5,11-7,11-8, Padamati Kandriga (V), Sullurpet (M), Tirupati (D), Andhra Pradesh |
| Land Area | Based on review of the sale deed and building permit order, the Valuer understand that the total land area of the subject asset is approx. 44.10 acres |
| Leasable Area | 13,78,480 sft |
| Chargeable Area | 13,78,077 sft |

*Source: Architect certificate, rent roll provided by the Client;*

### 4.1.1 Site Details

**Situation:**

As mentioned previously, Phase 1 of the Subject Asset viz. 'TVS Industrial & Logistics Parks, Sullurpet' is an operational industrial manufacturing facility whereas Phase 2 of the Subject Asset is under construction. The larger project is developed on Built-to-Suit (BTS) basis to meet the operational requirements of the sole occupier who is utilizing this park for manufacturing of composite parts. The primary access to the Subject Asset is via approx. 10 m wide internal road emanating from NH-16 Chennai – Kolkata Highway. The park is being utilised as a wind blade manufacturing facility serving global multinational corporations.

**Location:**

The Subject Asset is located in Pedda Mambattu which is primarily an industrial location with very minimal activity of warehousing. The Subject Asset is situated in proximity to other prominent industrial micro-markets such as Mambattu APIIC, Sri City etc.

Sullurpet Mandal forms part of the newly carved out Tirupati district. With the reorganization of districts and formation of new revenue divisions, Sullurpet was made the mandal headquarters and the headquarters of the Sullurpet revenue division making it the key destination for surrounding villages for any economic and industrial activity. Sullurpet Municipality is a gateway to "Sathish Dhavan Space Centre (SHAR)" Sriharikota, which is India's Rocket Launching Space Centre located at a distance of approx. 23 km from Sullurpet. Its location on NH16 and proximity to industrial centers like Sri City and Chennai make it a significant trade hub. The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Chennai – Kolkata Highway (NH-16) | 0 – 1 |
| Sullurpet Bus Stand | 3 – 4 |
| Sullurpet Railway Station | 5 – 6 |
| Tirupati International Airport | 60 – 65 |

*Source: Valuer's research*

**Catchment Analysis:**

The primary catchment for the purpose of this valuation has been defined as Pedda Mambattu and its adjoining micromarkets which are predominantly characterized by industrial and manufacturing facilities with limited warehousing activity. The micromarket is perceived as an emerging destination for various industry players owing to the excellent connectivity via Chennai - Kolkata Highway. The park is strategically positioned in Sullurpet, equidistant from Krishnapatnam and Ennore ports, and within 65 kilometers of an airport.

**Surrounds:**

The subject asset is surrounded as follows:

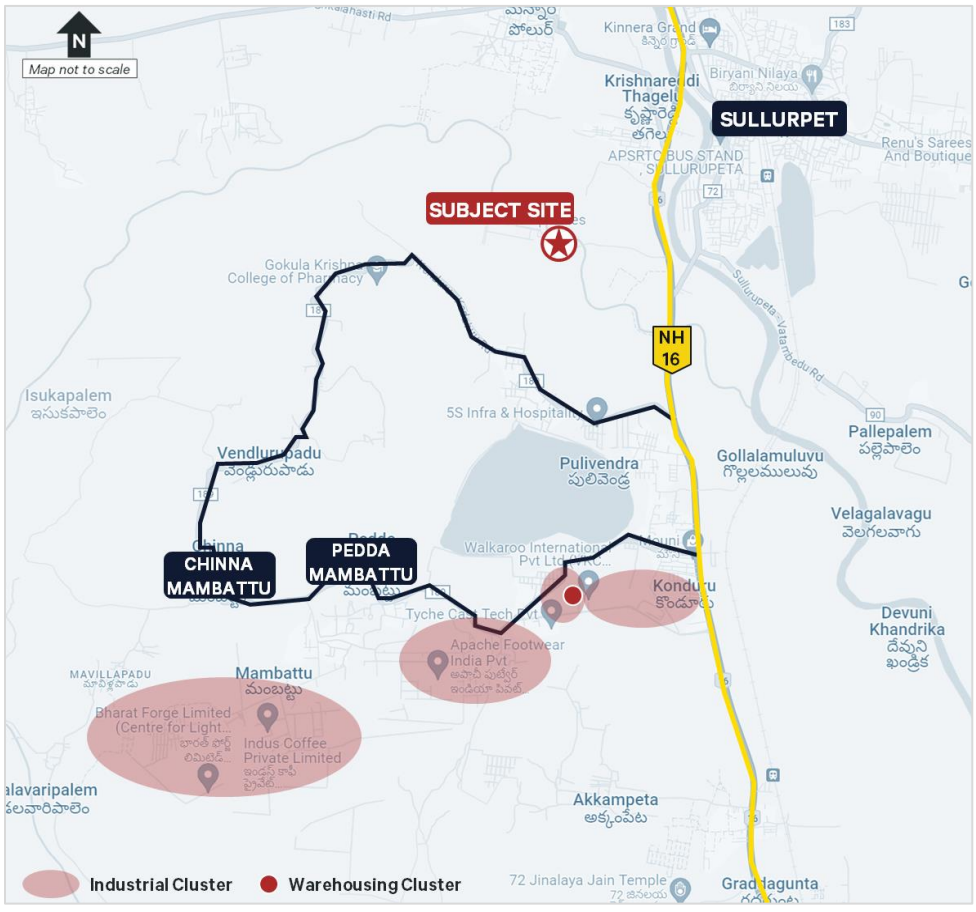
- North: Vacant Land / Pamula Kaluva

- South: Vacant Land
- East: 10m wide Internal Road
- West: Vacant Land

| | |
|---|---|
| Potential changes in surroundings: | The key transportation route connecting Chennai and Kolkata, makes Sullurpet a crucial transit point for goods. The proximity to major ports like Chennai and Krishnapatnam further enhances its importance for import-export activities. The region's expanding industrial base, encompassing textiles, pharmaceuticals, and automotive components, is expected to continue driving the demand for industrial & manufacturing facilities. The ongoing infrastructure development, such as improvements to NH-16 and the construction of dedicated freight corridors, is likely to enhance Sullurpet's connectivity and attractiveness as a manufacturing location. |
| Suitability of existing use: | Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage. |

The following map indicates the location of the Subject Asset and surrounding developments :

Location Map for the Subject Asset




*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is irregular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and on the same level as abutting access roads and adjoining properties. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the subject property has adequate frontage along the primary access road. |
| Accessibility : | Based on the site plan provided by the Client and visual inspection, the primary access to the subject asset is via approx. 10 m wide internal road primary access road off Chennai – Kolkata Highway. By virtue of the same the asset enjoys excellent accessibility and frontage. |

Please refer the below map for the accessibility of the subject property:

*Source: Valuers' research*

Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset.

### 4.1.2 Review of Sale Deed

As per the sale deed received, we understand that the exact address of the Subject Asset is Sy.no 30-3,30-P2,30-P5B,30-P4B,.12-2,12-1,11-6,11-4b,11-3a,11-3,10-2,9-2E,9-1a,13-1,13-2,13-5,11-7,11-8 Padamati Khandrkia Village, Sullurpeta Mandal, Nellore District, Andhra Pradesh. Additionally, it is understood that the Subject Asset is owned by Revanza Sullurpet Industrial Parks Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report. It must be noted that the Client currently enjoys conditional

allotment of the land from the authority and the title document shall be executed in favour of the Client only post adhering to the usage and development objectives as outlined in detail in the allotment certificate. For this assessment we have assumed that the due conditions shall be met by the client and accordingly the client is expected to subsequently enjoy the freehold rights.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the approved site plan and change in land use certificate from revenue divisional officer & sub-divisional magistrate, Sullurpet and Naidupet provided by the Client, we understand that the Subject Asset is converted from agriculture use to **"Industrial use"**. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on copies of approved site plan provided by the Client and visual inspection during our site visit, the Subject Asset is an industrial manufacturing unit. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the Client, there are no other restrictions or constraints on the current use of the Subject Asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Sullurpet, where the Subject Asset is located falls in Seismic Zone III with moderate risk and is a cyclone prone region owing to its distance under 25Km from the coastline of Sri Harikota, Andhra Pradesh. The city faces Very high damage risk (Zone B) in terms of high winds[3]. Considering the topography of the subject location, it is also understood that the Subject Asset is situated in the downstream of Kalangi river, with about 60% of the periphery being surrounded by the downstream catchment which makes the Subject Asset likely to face flooding risk. To mitigate this flooding risk, the client has constructed 5M high retaining walls to avoid water ingress from the outside where the maximum flood level is estimated at 1.8M. Further, the park is also equipped with 5 nos. of high pressure pumps to dewater the catchment area of the park. |

[3] Source-https://www.bmtpc.org/DataFiles/CMS/file/map%20of%20india/wind-india.pdf

No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.

Approvals: As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that the Subject Asset adheres to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (including One-time Sanctions & Periodic Clearances)

As per the information provided by the Client, we understand that majority of the requisite approvals are received for the Subject Asset due to Phase 2 of the asset being under-construction.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Change in Land Use ~ (43.57 Acres) | Received | Revenue divisional officer & sub-divisional magistrate, Sullurpet | 08-06-2022 |
| Change in Land Use ~ (1.70 Acres) | Received | Revenue divisional officer & sub-divisional magistrate, Naidupet | 05-07-2021 |
| Building Plan Permit – Phase 1 | Received | Nellore Urban Development Authority | 03-07-2021 |
| Building Plan Permit – Phase 2 | Received | Nellore Urban Development Authority | 31-01-2023 |
| Building Plan Approval | Received | Andhra Pradesh Development and Planning Model Services | 28-01-2023 |
| Road Access NOC | Received | Municipal Corporation, Sullurpet | 06-07-2023 |
| NOC from Airport Authority of India | Received | Andhra Pradesh State Disaster Response & Fire Services Department | 23-12-2021 |
| NOC from Ministry of Environment & Forest | Not Received | | |
| Provisional Fire NOC – Phase I | Received | Andhra Pradesh State Disaster Response & Fire Services Department, Vijayawada, AP | 23-12-2021 |
| Provisional Fire NOC – Phase II | Received | Andhra Pradesh State Disaster Response & Fire Services Department, Vijayawada, AP | 11-09-2023 |
| NOC from Pollution Control Board | Received | Andhra Pradesh Pollution Control Board, Vijayawada | 24-11-2021 |
| Temporary Power connection | Not Received | | |
| Temporary Water connection | Received | Andhra Pradesh State Ground Water & Water Audit Department | 09-03-2022 |
| CEIG approval for electrical installations | Received | Andhra Pradesh Directorate of Electrical Safety | 02-08-2022 |
| Final Fire NOC – Phase I | Received | Andhra Pradesh State Disaster Response & Fire Services Department | 13-06-2023 |

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Final Fire NOC – Phase II | Not Received | | Not Applicable at this stage |
| Electricity NOC | Received | Southern Power Distribution Company Andhra Pradesh | 01-01-2024 |
| Ground Water Abstraction NOC/Permission for digging borewell | Received | Department of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Authority | 17-03-2022 |
| Water Supply NOC | Received | Andhra Pradesh State Ground water & Water Audit Department | 09-03-2022 |
| Structural Stability Certificate | Received | Licenced Structural Engineer | 08-09-2021 |
| Consent to Operate | Received | Andhra Pradesh Pollution Control Board, Vijayawada | 24-11-2022 |
| Occupancy Certificate | Not Received | | |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

Not applicable as mentioned in earlier sections, we understand that Phase 2 of the Subject Asset is at under-construction stage. Please refer to section 7.0 for any additional details.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Chargeable Area (sft)* |
|---|---|---|---|---|---|
| Phase 1 | 2022 | 2.5 | 3,55,201 | 3,55,201 | 8,77,790 |
| Phase 2 | Q1, CY 2025 | Under Construction | 1,92,067 | NA | 5,00,287 |
| | Total | | 5,47,268 | 3,55,201 | 13,78,077 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) *Chargeable areas are inclusive of open space*

The table below highlights the area details of the Subject Asset:

| Blocks | Chargeable area – Box (sft) | Chargeable Area – Open Space (sft) | Built-up area (sft)* | Structure Type |
|---|---|---|---|---|
| Phase 1 | 3,70,719 | 5,07,071 | 3,55,201 | Precast & Pre-Engineered Building |
| Phase 2 | 1,99,597 | 3,00,690 | 1,92,067 | Precast & Pre-Engineered Building |
| | 5,70,316 | 8,07,761 | 5,47,268 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) *Chargeable areas are inclusive of open space, the efficiency from leasable area to built-up area is 96%.*

### 4.1.7 Site Services and Finishes

| Particulars | Sullurpet Park |
|---|---|
| Handover condition | Warm Shell with Tenant Improvements |
| Type of Structure | Precast & Pre-Engineered Building Structure |
| Firefighting services | Provided. |
| Lift provision | No Lifts |
| Floor Finish | FM2 Concrete floor |
| Floor Strength | 8 MT/Sqm |
| Ridge Height | 01:10 |
| Lighting (Lux Level) | 500 Lux LED Lighting |
| Fire fighting | Proposed as per NFPA/NBC fire protection system |
| Power Backup | No DG Available, 2 Transformers of 2500 KVA each installed |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and coupled with our visual inspection during the site visit undertaken, it is understood that Phase 1 of the Subject Asset has been delivered in the year 2023 and Phase 2 of the Subject Asset is under construction. Therefore, only a marginal refurbishment capex to the tune of 2% of the Net Operating Income is adopted. This assumption would allow for the refurbishment reserve to be created to undertake any potential major refurb at the Subject Asset post during the asset operations.

The table below highlights the capital expenses to be incurred for project construction and other activities (such as approvals cost, admin costs, marketing and sales expenses, contingencies etc):

| Expense Head | Total Cost (INR Mn) | Incurred Cost (INR Mn) | Q4, CY 2024 | Q1, CY 2025 |
|---|---|---|---|---|
| Capital Expenditure – Phase 2 | 459.65 | 76.61 | 229.82 | 153.22 |

*Source: Client Inputs*

### 4.1.9 Asset Photographs

Please refer to the Asset photographs highlighted below:

| TVS Industrial & Logistics Parks, Sullurpet | |
|---|---|
| | |
| View of the subject asset | View of the subject asset |
| | |
| View of the subject asset | View of the subject asset |

*Source: iVAS site inspection conducted on 16th February 2024*

### 4.1.10 Details of the asset including whether the transaction is a related party transaction.

Please refer to the Annexure section 7.5

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

Please refer to the Annexure section 7.5

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.5

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.5

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.5

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of offer of units by Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

The Valuer has assessed the Market Value of each Individual Subject Asset(s), not the value of the portfolio as if all assets are being sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio.

## 5.2 Basis of Valuation

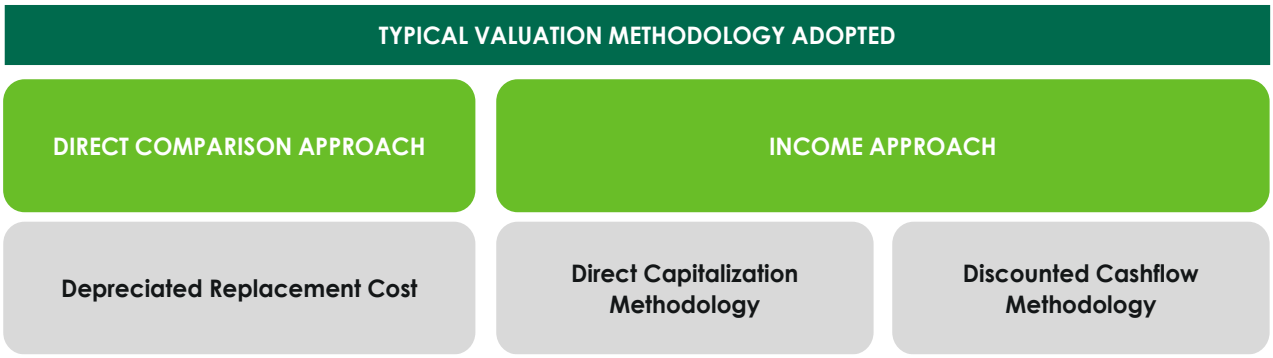
The valuations have been conducted in accordance with the IVSC International Valuation Standards (effective from 31 January 2022) and is in compliance with the International Valuation Standards (IVS), which was the applicable standards as on the date of valuation. The valuation exercise has been undertaken by appropriately qualified Valuer and would be aimed at assessing the Market Value of the Subject Assets.

According to IVS 104, Market Value is defined as:

***'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the*** *parties had each acted knowledgeably, prudently an***d without compulsion'.**

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the subject assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the asset and future economic conditions in the local market. The income and expense figures are projected with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulations effectively prescribe that the InvIT assets need to be generating income or has the potential to do so and hence the most appropriate method to capture the income generating nature of the assets is Income approach method.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing Market rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue the current agreed terms. In the event the rent is higher than the Market rent threshold, we have assumed that the lease would be renegotiated to Market rent terms (at the time of the lock-in expiry, next escalation, etc.).

<u>Asset-specific Review:</u>

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.

3. The Valuer has undertaken physical site inspections to assess the status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing facilities in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Projections:

We have projected future cash flows from the subject assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Assets, we noted that a large number of leases at these assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period. It has also been witnessed that the market rent for some assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For the vacant area, the Valuer has projected the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

The asset related information referred for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Sale Deed |
| | Achieved FSI | No. | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area (Covered) | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Client |
| | Leasable Area – Future Development (if applicable) | Sft | Client |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Client |
| | Approved Sanction Plan | NA | Client |
| | Building Plan / Site Plan | NA | Client |
| | Floor Plans | NA | Client |
| | Area proposed for Future development | NA | Sanctioned Layout Plan |
| | Provisional Fire NOC | NA | Sanctioned Layout Plan |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Not Provided |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not Provided |
| Services Offered | HVAC (Tonnage) | TR | Not Provided |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Not Applicable |
| | No. of staircase | No. | Client |
| | Pending Construction Cost (if any) | INR Mn | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Cost Assumptions | Total Budgeted Cost – Land Stage Block | INR Mn | Client |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Client |
| | Cost Already Incurred – Under Construction Block | INR Mn | Client |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Client/Valuer Estimate |
| | Maintenance Charges | INR psf | Client |
| | Margin on Maintenance | % of CAM Charges | Not Applicable |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Asset Management Fee | % of revenues | Client |
| | Brokerage on lease | No. of Months | Client |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent Roll/Lease Agreement |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Rent Roll/Lease Agreement |
| | Rent Achieved | INR psf pm | Rent Roll/Lease Agreement |
| | Pre-Committed Rent | INR psf pm | Rent Roll/Lease Agreement |
| | Market Rent | INR psf pm | Rent Roll/Lease Agreement |
| | Fit out Rent | INR psf pm | Rent Roll/Lease Agreement |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Miscellaneous Income | INR Mn | Not Applicable |
| | Interest on Security Deposit | NA | Valuer's Assessment |
| | Reversion Thresh hold | % | Valuer's Assessment |
| | Escalation in in-place Rent | % | Not Applicable |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Client |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuer's Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer's Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Sullurpet Park | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from sale deed and copy of Sanctioned Layout provided by the client, we understand that Subject Asset is an under-construction warehousing/ industrial development. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Chargeable Area (sft)* |
|---|---|---|---|---|---|
| Phase 1 | April 2022 | 2.5 | 3,55,201 | 3,55,201 | 8,77,790 |
| Phase 2 | Q2, CY 2025 | Under Construction | 1,92,067 | NA | 5,00,287 |
| | Total | | 5,47,268 | 3,55,201 | 13,78,077 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) *Chargeable areas are inclusive of open space*

| Blocks | Chargeable area – Box (sft) | Chargeable Area – Open Space (sft) | Built-up area (sft)* | Structure Type |
|---|---|---|---|---|
| Phase 1 | 3,70,719 | 5,07,071 | 3,55,201 | Pre-Engineered Building |
| Phase 2 | 1,99,597 | 3,00,690 | 1,92,067 | Pre-Engineered Building |
| | 5,70,316 | 8,07,761 | 5,47,268 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) *Chargeable areas are inclusive of open space , the efficiency from Chargeable area to built-up area is 96%.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject asset:

| Particulars | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Occupancy (completed block) – Phase 1 | 100.0% | 100.0% | 100.0% | 100.0% |
| Pre-Commitment (under construction block) – Phase 2 | NA | NA | 75.0% | 100.0% |

*Source: Information provided by the Client;*

### 6.3.2 Lease Rent Analysis

Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between Revanza Sullurpet Industrial Parks Private Limited and the Tenant, details of which are mentioned below –

| Tenant | Particulars | Details |
|---|---|---|
| Manufacturer of composite parts– Phase 1 – Box | Lease Commencement Date | 1st April 2022 |
| | Rent Commencement Date | 1st April 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure | 12 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturer of composite parts – Phase 1 – Open Space | Lease Commencement Date | 1st May 2022 |
| | Rent Commencement Date | 1st May 2022 |
| | Lock-in Period | 5 Years |
| | Lease Tenure | 12 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturer of composite parts – Phase 2 – Box | Lease Commencement Date | 15th March 2025 |
| | Rent Commencement Date | 15th March 2025 |
| | Lock-in Period | 3 Years, 9 Months |
| | Lease Tenure | 10 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Manufacturer of composite parts– Phase 2 – Open Space | Lease Commencement Date | 15th March 2025 |
| | Rent Commencement Date | 15th March 2025 |
| | Lock-in Period | 3 Years, 9 Months |
| | Lease Tenure | 10 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Information provided by the Client;*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of Phase 1 in the Subject Asset is 9.5 years, with 100.0% of occupied area expiring in the year 2034. Further, The Weighted Average Lease Expiry (WALE) of Phase 2 in the Subject Asset is 10.5 years, with 100.0% of occupied area expiring in the year 2035.

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | General Wear and Tear |
| 3 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

Contractual Rental Details

| Tenant | Chargeable Area (sft) | % of area leased | Total In-place Rental (INR psf pm) | Total In-place Rental (INR Mn pm) |
|---|---|---|---|---|
| Manufacturer of composite parts- Phase 1 | 3,70,719 | 27% | 24.0 | 8.88 |
| Manufacturer of composite parts– Phase 1 (Open Space) | 5,07,071 | 37% | 7.5 | 3.8 |
| Manufacturer of composite parts– Phase 2 | 1,72,705 | 13% | 24.0 | 4.14 |
| Manufacturer of composite parts– Phase 2 (Open Space) | 3,00,690 | 22% | 7.5 | 2.26 |
| Manufacturer of composite parts– Phase 2 Scrap Yard | 26,892 | 2% | 18.0 | 0.48 |
| Total | 13,78,077 | | | 19.56 |

*Source: Rent Roll provided by the Client*

Based on the review of above information and considering the Built-to-suit nature of this asset, we understand that the Subject Asset would command a market rental (for manufacturing space) of INR 24.5 per sf per month.

The open space area within the subject asset provides convenience to the tenants in the subject asset. Also, considering the existing leases within the subject micromarket, we have assumed lease rentals for Open Spaces in the range of INR 6.5 per sf per month (rental adjusted as per contracted rental for open spaces) as on date of valuation.

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

As per inputs provided by the Client, Phase 1 of the Subject Asset was completed and operationalised in the year 2022.

#### 6.3.5.2 Under Construction Blocks

Based on visual inspection during the site visit and information provided by the Client, the following timelines for under-construction phases have been adopted for the purpose of this valuation exercise –

| Block | Developable Area (sft) | Chargeable Area (sft) | Construction Status | Construction Commencement | Construction Completion |
|---|---|---|---|---|---|
| Phase 2 | 1,92,067 | 5,00,690 | Under construction | Q4, CY 2024 | Q1, CY 2025 |

*Source: Architect certificate, rent roll provided by the Client;*

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the subject asset is completely let as on date of valuation.

#### 6.3.6.2 Under-Construction Blocks

As per the rent roll provided by the Client, we understand that the subject asset is completely pre-committed as on date of valuation.

### 6.3.7 Revenue Assumption

#### 6.3.7.1 Warehousing Component

For the purpose of this valuation exercise, the lease rent adopted for the leasable area is based on the in-depth market research exercise undertaken by the Valuer to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

| Component | Chargeable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Manufacturing Unit – Phase 1 (Completed) | 3,70,719 | 3,70,719 | Current Rent for Leased area | 24.0 |
| | | | Market rent for reversion/ vacant area | 24.1 |
| Manufacturing Unit – Phase 2 (Under Construction) | 1,72,705 | 1,72,705 | Contracted Rent for under construction area | 24.0 |
| | | | Market rent for reversion/ vacant area | 24.0 |

*Source: Architect certificate, rent roll provided by the Client;*

The above market rent assumption is adopted for the entire Subject Asset. An in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the Client, it is understood that there is scrap yard measuring approx. 26,892 sft of which 100% is leased out, however, it is yet to become operational. Given the above, we have assumed marginal rent in the range of INR 17.0 to 19.0 psf pm (rental adjusted as per contracted rental for scrap yard) as on date of valuation.

Further, it is also understood that there is an open space measuring 8,07,761 sft of which 100% is leased out; however, only the open storage space underlying Phase 1 & measuring 5,07,071 sft is generating rent as on date of valuation. The remaining open storage space falls under the Phase 2 and is still under construction. The Valuers have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket and existing leases of subject asset. The same has been adopted for the vacant space for the purpose

of this valuation exercise. Given the above, we have assumed marginal rent in the range of INR 6.0 to 7.0 psf pm (rental adjusted as per contracted rental for open spaces) as on date of valuation.

### 6.3.8 Rent Escalation

Based on the market research exercise undertaken, it was observed that the typical escalation clause in the subject micromarket is approx. 5.0% annually. The same has been adopted for the vacant area and renewals at the Subject Asset.

Escalation on renewal/fresh leasing - Based on the market research exercise undertaken, it was observed that the typical escalation clause for lease renewal is of 5% per annum is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | September 2024 | March 2025 | March 2026 | March 2027 | Stabilized Escalation (%) |
|---|---|---|---|---|---|
| Market Rent – INR / sf/ month – Phase 1 | 24.1 | 25.3 | 26.6 | 27.9 | 5% |
| Market Rent – INR / sf/ month – Phase 2 | 24.0 | 25.1 | 26.4 | 27.7 | 5% |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise has been cross-checked with the prevailing market norms for other revenues.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Other Income | 0.0% | % of Rental Income |
| Security Deposit (For vacant spaces) | 6.0 | No. of months' rental |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Based on review of the information provided by the Client, we understand that 100% expenses related to construction, are to be borne by the Client and no tenant improvement details are being provided as on date of this assessment.

The following table highlights the assumptions towards the development cost for the under-construction blocks at the Subject Asset:

| Expense Head | Total Cost (INR Mn) | Incurred Cost (INR Mn) | Q4, CY 2024 | Q1, CY 2025 |
|---|---|---|---|---|
| Capital Expenditure – Phase 2 | 459.65 | 76.61 | 229.82 | 153.22 |

*Source: Client inputs*

#### 6.3.10.2 Major Repair and improvements

Based on information provided by the Client and coupled with our visual inspection during the site visit undertaken, it is understood that Phase 1 of the Subject Asset has been delivered in the year 2022 and Phase 2 of the Subject Asset is under construction. Therefore, only a marginal refurbishment capex to the tune of 2% of the Net Operating Income is adopted. This assumption would allow for the refurbishment reserve to be created to undertake any potential major refurb at the Subject Asset post its completion.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 1.0% |
| Asset Management Fee^ | 3.0% of revenues from operations |
| CAM expense | 0.42 per sft per month |
| Property Tax | INR 0.5 Mn per Annum |
| Insurance | INR 3.29 Mn per Annum |
| Vacancy Allowance during operations | 1.0% of revenues from operations |
| Vacancy Allowance on Exit | 2.5% of revenues from operations |

*Source: Client input; Valuer's assessment;*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the information provided, we understand that that the Subject Asset is fully contracted by a single tenant. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Details |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Rent-free period & Downtime

Based on recent market trends in the subject micro market, we have considered a rent-free period of 1 month for new-leases and for re-leasing effective from the lease commencement date. Additionally, 1 month of downtime has been considered for new-leases and for re-leasing for the purpose of refurbishment works in the respective blocks as mentioned above.

#### 6.3.12.3 Brokerage

Based on prevalent market dynamics & inputs from the client, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases.

#### 6.3.12.4 CAM Cashflows

CAM Cashflows for the subject asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the subject asset as per the inputs provided by the Client and market benchmarks. The same has been considered as passthrough.

Based on review of the lease agreements and based on the subsequent information provided by the Client, we understand that no split between the base rentals and CAM charges were provided to us. However, as per our discussion with the Client, 100% of the CAM Income would be received by the Client entity/ InvIT entity and 100% of the CAM Expense would be borne by tenants/ SPV for Sullurpet Park.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The exit capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.5%- 11.5% to about 7.5% - 8.5% in last 3-4 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing facilities across various markets in India have a range of 7.5 – 8.5%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)
- Valuer has adopted an exit cap rate of 7.75% to 8.25% with lower end of cap rate adopted for relatively better assets within the portfolio on account of location, catchment and quality of the asset.

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the asset | Details |
|---|---|---|---|
| Sullurpet Park | Revanza Sullurpet Industrial Parks Private Limited/ TVS ILP | Part Completed – Phase 1 & Part Under Construction – Phase 2 | 8.0% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC), as set out below.

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years.
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for this asset has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), approval risk, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

The cost of debt for the Subject Asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing facilities across the Sullurpet market which are in the range of 8.0% – 10.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Completed Blocks – Phase 1

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed phase of Sullurpet Park assets forming part of the InvIT portfolio:

| Asset Name | SPV/Holdco | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Sullurpet Park – Phase 1 | Revanza Sullurpet Industrial Parks Private Limited/ TVS ILP | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 11.0% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

Under-Construction Blocks – Phase 2

As highlighted earlier, the cost of debt has been assumed based on the prevalent Construction Finance (CF) Lending Rate for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an under-construction development. Further, the proportion of debt and equity has been derived considering the prevalent Construction Finance tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the under-construction phase of Sullurpet Park forming part of the InvIT portfolio:

| Asset Name | SPV/Holdco | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Sullurpet Park – Phase 2 | Revanza Sullurpet Industrial Parks Private Limited/ TVS ILP | Debt | 60.0% | 11.0% | 12.5% |
| | | Equity | 40.0% | 14.75% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Status | Value (INR Mn) |
|---|---|---|
| Sullurpet Park Phase 1 | Completed | 2,221.67 |
| Sullurpet Park Phase 2 | Under Construction | 598.79 |
| Total Valuation | | 2,820.45 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums.

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

According to the 'Litigation Details' provided by the client, it is understood that there are 3(Three) ongoing Civil Suits initiated by the subject asset entity, REVANZA SULLURPET INDUSTRIAL PARKS PVT. LTD, against the Office of the Joint Commissioner (State Tax) Chengalpattu Intelligence Division through DRC - 07 ZD330924190315A, DRC - 07 ZD330924190776U, DRC - 07 ZD330924190906X amounting to a total of approx. INR 355.15 Mn. These suits pertain to the assessment of tax for the FY 2020-21, 2021-22 & 2022-23, resectively. It should be noted that assessment order has been passed by the Jurisdictional Officer under section 74 and directed to make the payment by 26th December 2024. Please note that the Valuer has not investigated nor has been provided with any supporting documents. Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Further, as per our visual inspection, we are of the opinion that Phase 1 of the Subject Asset is already operational, and Phase 2 of the Subject Asset site is in nascent development stage and as such there was no vulnerability observed during the inspection. However, It may further be noted that the Subject Asset is located in a cyclone prone zone and is subjected to a flooding risk due to prolonged heavy rainfall & also on account of the Park being located near the downstream of Kalangi River.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

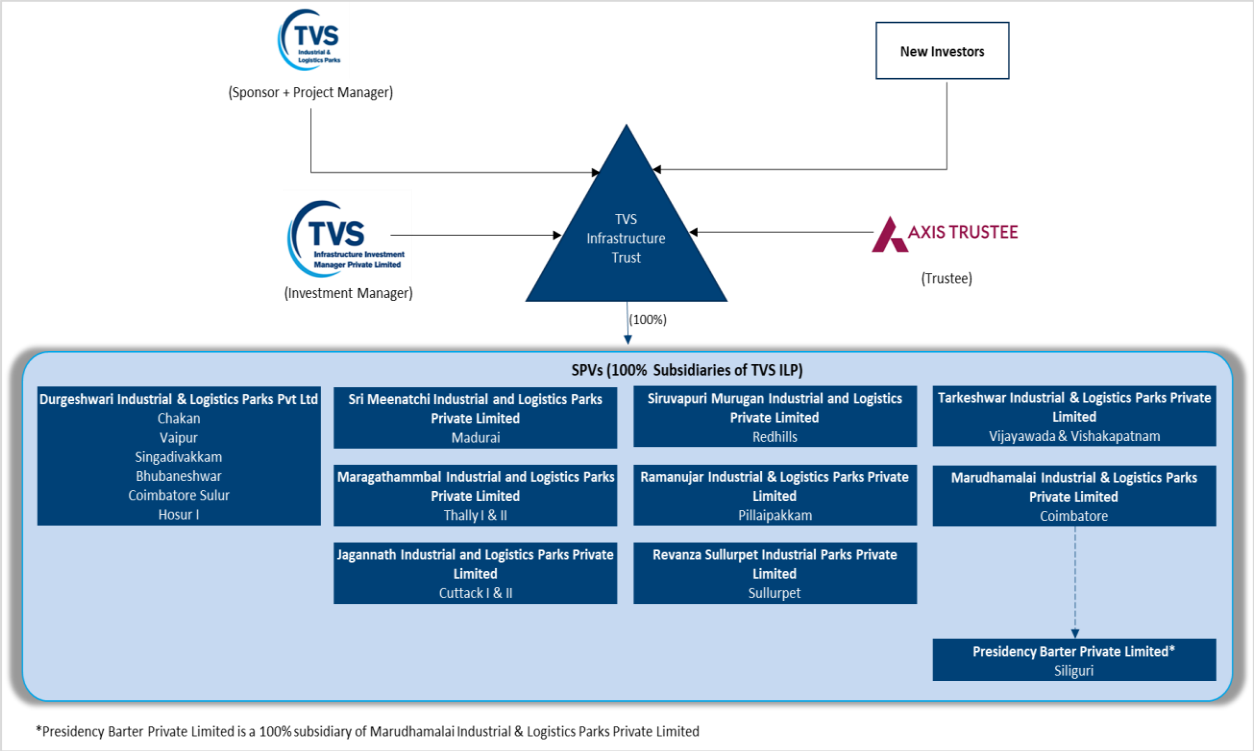
### 7.1.5 Details of the asset including whether the transaction is a related party transaction.

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

7.1.7 Structure of ownership of the asset by the InvIT



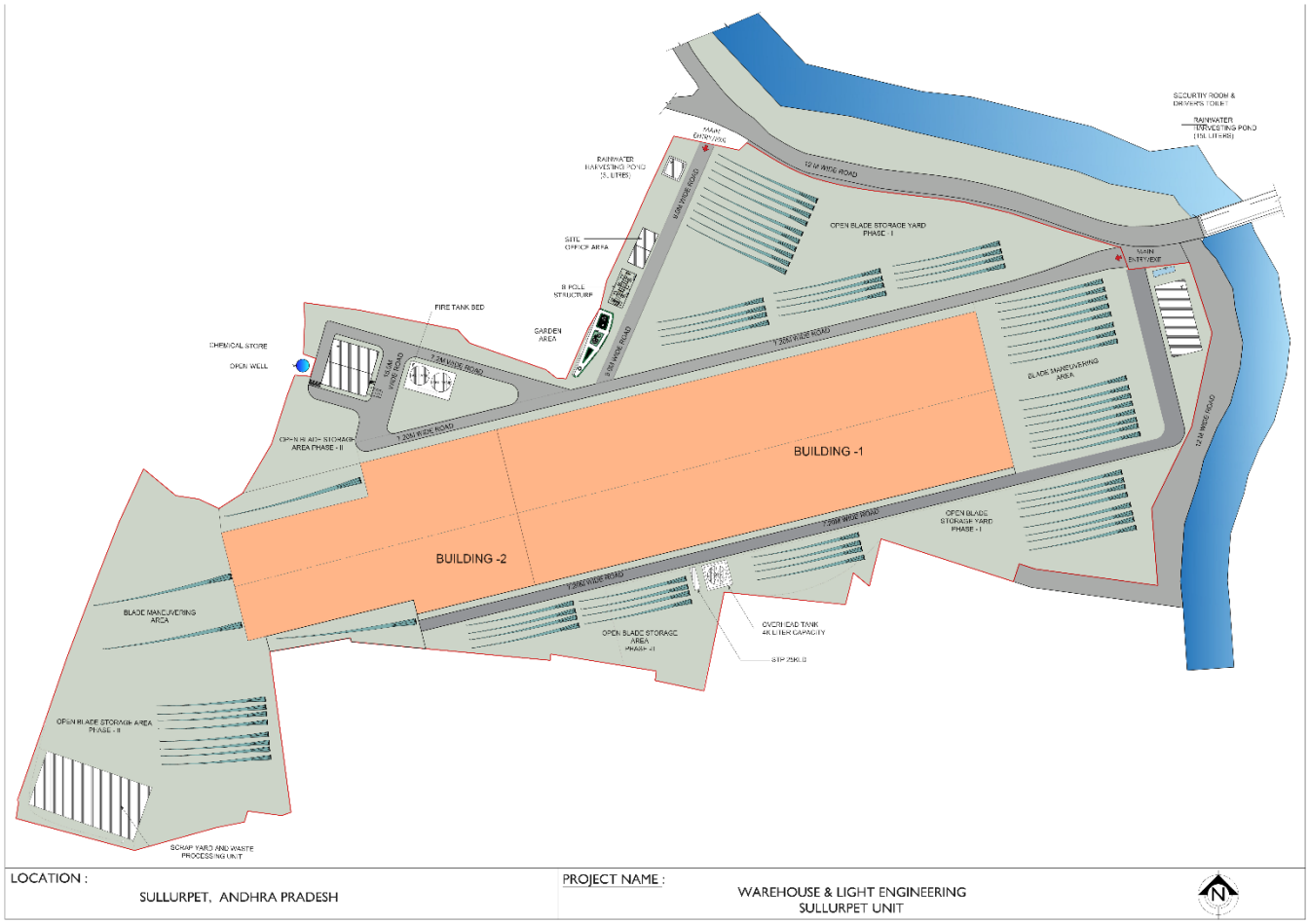

7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Phase 1 | Phase 2 |
|---|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | 2.5 years* | NA (Building is yet to be constructed) |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature | |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature | |

## 7.2 Site Layout




*Source: Client*

## 7.3 Building Permit Order

**Nellore Urban Development Authority**
**PLANNING DEPARTMENT**
**BUILDING PERMIT ORDER**

To,
Sri/Smt.
M/s REVANZA SULLURPET INDUSTRIAL PARKS PRIVATE LIMITED, REPRESENTED BY (1) SARAVANAN MANOHARAN, S/o MANOHARAN
SURVEY NO S 30, PADAMATI KHANDRIGA, PADAMATI KHANDRIGA,SULLURPET, SPSR NELLORE

| | | |
|---|---|---|
| Permit No. | : | 1152/0001/B/SMC/PDK/2023 |
| DATE | : | 31 January, 2023 |

Sir / Madam,

Sub: Group Development Scheme - Construction of 'Industrial Building' - Approval - Granted - Reg"
Ref: Your Application Dated: 03 January, 2023 u/s 209, 210 & 227 of A.P. Municipalities Act, 1965 and A.P. Building Rules 2017.

Your application submitted in the reference has been examined with reference to the rules and regulations in force and permission is hereby sanctioned conditionally as detailed below:

| | | | | | |
|---|---|---|---|---|---|
| **A** | **APPLICANT AND LICENSED PERSONNEL DETAILS:** | | | | |
| 1 | Applicant | M/s REVANZA SULLURPET INDUSTRIAL PARKS PRIVATE LIMITED, REPRESENTED BY (1) SARAVANAN MANOHARAN, S/o MANOHARAN | | | |
| 2 | Developer / Builder | NA | Lic.No. | NA | |
| 3 | Licensed Technical Person | () | Lic.No. | | |
| 4 | Structural Engineer | DUDALA RAMANAREDDY | Lic.No. | 30/2019/LSE/NUDA | |
| 5 | Others | NA | | | |
| **B** | **SITE DETAILS** | | | | |
| 1 | RS/TS No. | 30-3,30-P2,30-P5B,30-P4B,.12-2,12-1,11-6,11-4b,11-3a,11-3,10-2,9-2E,9-1a,13-1,13-2,13-5,11-7,11-8 | | | |
| 2 | Premises No. | Near 6-1-14 | | | |
| 3 | Ward | WARD06 | | | |
| 4 | Block No. | 01 | | | |
| 5 | Mandal | | | | |
| 6 | Village | Padamati kandriga | | | |
| 7 | Gram Panchayat | | | | |
| **C** | **DETAILS OF PERMISSION SANCTIONED** | | | | |
| **Building - FACTORY (BLOCK) (Height (m): 17.8)** | | | | | |
| 1 | Floors | Ground floor | Upper floors | Parking floors | |
| 2 | Use | Area (m2) | No. / Area (m2) | Level / No. / Area (m2) | |
| a | Residential | 0.00 | 0 / 0.00 | Cellar / 0 / 0.00 | |
| b | Commercial | 0.00 | 0 / 0.00 | Stilt / 0 / 0.00 | |
| c | Others | 50,842.97 | 0 / 0.00 | U.Floors / 0 / 0.00 | |
| d | Total No. of floors | Upper floor(s) | | | |
| 3 | Set backs (m) | Front: 139.89 | Rear: 17.67 | Side I: 144.26 | Side II: 183.40 |
| 4 | Site Area (m2) | 183203.83 | | | |
| 5 | Road affected area (m2) | 0 | | | |
| 6 | Net Site Area(m2) | 183203.83 | | | |
| 7 | Tot-lot / Organized open space (m2) | 20883.29 | | | |
| 8 | Height (m) | 17.80 | | | |
| 9 | No. of RWHPs | 1 | | | |
| 10 | Others | NA | | | |

| | | | | | |
|---|---|---|---|---|---|
| **D** | **DETAILS OF FEES PAID (RS.) TOTAL :** | | | | |
| 1 | Application Fee | 10,000.00 | 2 | Building License Fee | 659,150.00 |
| 3 | Development Charges (Built Up Area) | 535,320.00 | 4 | Betterment Charges | 3,687,693.75 |
| 5 | Site Approval Fee | 491,692.50 | 6 | Tree Guard Charges | 300.00 |
| 7 | Debris Charges | 1,500.00 | 8 | Doors Windows and Ventilators Charges (DWV) | 150.00 |
| 9 | Labour Cess Component 1 | 0.00 | 10 | Rain Water Harvesting Charges | 491,692.50 |
| 11 | Green Fee Charges | 0.00 | 12 | Labour Cess Component 2 | 0.00 |
| 13 | Application User charges | 500.00 | 14 | Processing Fees | 680,208.75 |
| | | | | | **TOTAL: 6,558,207.50** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **E** | **OTHER DETAILS :** | | | | | |
| 1 | Contractor's all Risk Policy No. | NA | Date | - | Valid Upto | - |
| 2 | Notarised Affidavit No. / Mortgage Deed No. | NA | Date | - | Area (m2) | 0.00 |
| 3 | Enter Sr. No. in prohibitory Property Watch Register | | NA | | Date | - |
| 4 | Floor handed over | NA | S.R.O. | NA | | |

*Source: Client*

## 7.4 Land Use Certificate

From
Smt. P. Sarojini M.A. B.Ed.,
Revenue Divisional Officer
Naidupet

To
The Tahsildar
Sullurpet Mandal

**D.Dis. No. A1/310/2021 Dt: 05.07.2021**

Sir,

Sub:- A.P. Agricultural Land (CNAP) Act, 2006 – G.O.Ms.No.98 cases – Land Conversion – SPS Nellore District – Naidupet Division – Sullurpet Mandal – Juvvichilaka Village – A/o M/s Revanza Sullurpet Industrial Parks Private Limited Represented by Saravanan Manoharan S/o Manoharan – Requested for conversion his agriculture land into Non-Agriculture purpose for an extent of Acs. 19.90 cents in Sy No. 12-1, 12-2 etc of Juvvichilaka Village of Sullurupet– Proposals orders issued – Regarding.

Ref: 1) Representation received fromM/s Revanza Sullurupet Industrial Parks Private Ltd., Represented by Sri Saravanan Manohanran through Mee seva TANCLR012100002938 Dt. 21.5.2021.
2) Report of the Tahsildar, Sullurupet Rc. B. 195/2021 dt. 05.07.2021.

-oOo-

I invite attention to the references cited.

In the reference 2nd cited, the Tahsildar, Sullurpet has submitted proposals for order conversion of the land from Agriculture to Non Agriculture purpose, i.e., "Industrial " as mentioned below.

| Sl. No. | Mandal | Village | Survey No | Full Extent | Extent applied | Classification |
|---|---|---|---|---|---|---|
| 1 | Sullurupet | Juvvichilaka | 12-2 | 2.20 | 2.20 | Patta dry |
| 2 | Sullurupet | Juvvichilaka | 12-1 | 2.44 | 2.44 | Patta dry |
| 3 | Sullurupet | Juvvichilaka | 11-6 | 2.29 | 2.29 | Patta dry |
| 4 | Sullurupet | Juvvichilaka | 11-4b | 0.04 | 0.04 | Patta dry |
| 5 | Sullurupet | Juvvichilaka | 11-3a | 1.02 | 1.02 | Patta dry |
| 6 | Sullurupet | Juvvichilaka | 11-3 | 1.00 | 1.00 | Patta dry |
| 7 | Sullurupet | Juvvichilaka | 10-2 | 7.52 | 7.52 | Patta dry |
| 8 | Sullurupet | Juvvichilaka | 9-2E | 1.10 | 1.10 | Patta dry |
| 9 | Sullurupet | Juvvichilaka | 9-1a | 2.29 | 2.29 | Patta dry |
| | | **Total** | | | **19.90** | |

The proposals of the Tahsildar, Sullurpet have been examined with reference to the provisions of A.P. Agricultural land (CNAP) Act, 2006 and amended Act No. 13 of 2018 and its Rules 2018 (G.O. Ms. No. 98 Revenue (DA & LR) Department, dated 19-02-2018). The basic value of the said land is Rs. 8,01,000/- The applicant has to pay an amount of Rs. 4,78,197/- towards payment of conversion tax @ 3% on basic value. The applicant has remitted an amount of Rs. 95,000/- vide challan No. 51094239572021 dt. 30.6.2021 and Rs. 3,83,198/- vide challan No. 51098869762021 dt. 4.7.2021. After perusal of the relevant documents, it is concluded that, the application for orders for conversion of the subject land into non-agriculture is **"Not rejected."**

Hence, the Tahsildar, Sullurpet is hereby directed to change the agriculture land into non-agriculture land in web-land by giving khatha No.300000 as well as in other connected Revenue Records as per the instructions of the Government and report compliance to this office.

Revenue Divisional Officer
Revenue Divisional Officer
Naidupet

Copy to Revanza Sullurpet Industrial Parks Private Limited, represented by
Sri Saravanan Manoharan S/o Manoharan Padamatikandriga
Village of Sullurupet Mandal.
Copy to the Sub Registrar, Sullurpet for information.
Copy submitted to the District Collector, SPS Nellore Dist for kind information.

Scanned with CamScanner

*Source: Client*

## 7.5 Government Circle Rate

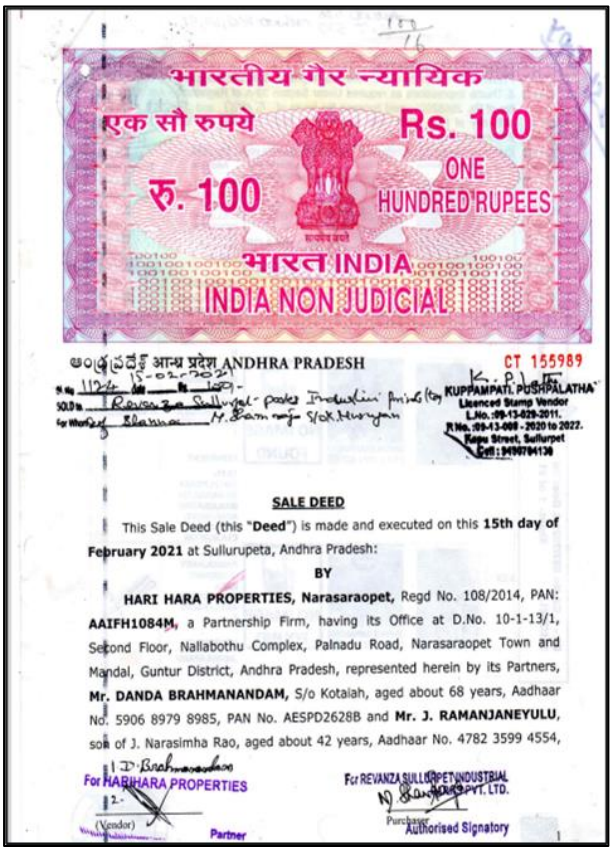
| District | Mandal | City/Town/Village | Survey No Wise |
|---|---|---|---|
| TIRUPATI | SULLURPETA | ZUVVI CHELIKA | Sele |

| Habitation | Survey No | Sub Survey No | Land Rate Rs. per Acre | Nature Of Use |
|---|---|---|---|---|
| SULLURU(SULLURUPETA) (U) | - | - | 574000 | Dry land |
| SULLURU(SULLURUPETA) (U) | - | - | 574000 | Wet Land double crop |
| SULLURU(SULLURUPETA) (U) | - | - | 574000 | Coconut Garden |
| SULLURU(SULLURUPETA) (U) | - | - | 801000 | Agricultural Land fit for H.S. |
| SULLURU(SULLURUPETA) (U) | - | - | 574000 | Land abutting NH/SH/ZPP/MP |
| SULLURU(SULLURUPETA) (U) | - | - | 2420000 | House Sites |

*Source: Department of Registration and stamp Andhra Pradesh website.*

## 7.6 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.6.1 Purchase Deed



भारतीय गैर न्यायिक
एक सौ रुपये
Rs. 100
ONE HUNDRED RUPEES
रु. 100
भारत INDIA
INDIA NON JUDICIAL

ఆంధ్ర ప్రదేశ్ आन्ध्र प्रदेश ANDHRA PRADESH CT 155989

KUPPAMPATI. PUSHPALATHA
Licenced Stamp Vendor
Lic.No.:09-13-029-2011.
R.No.:09-13-009 - 2020 to 2022.
Kapu Street, Sullurpet
Cell: 9490784138

**SALE DEED**

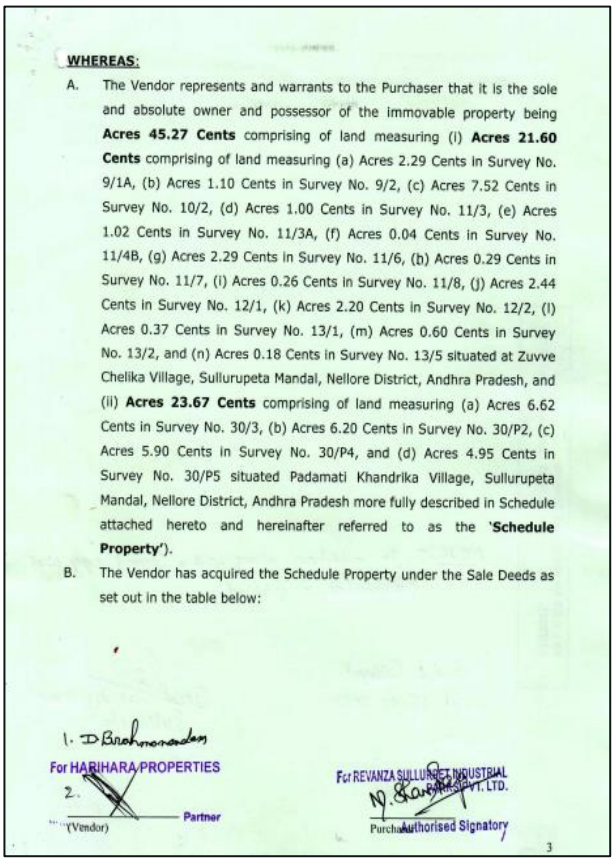
This Sale Deed (this "**Deed**") is made and executed on this **15th day of February 2021** at Sullurpeta, Andhra Pradesh:

**BY**

**HARI HARA PROPERTIES, Narasaraopet,** Regd No. 108/2014, PAN: **AAIFH1084M,** a Partnership Firm, having its Office at D.No. 10-1-13/1, Second Floor, Nallabothu Complex, Palnadu Road, Narasaraopet Town and Mandal, Guntur District, Andhra Pradesh, represented herein by its Partners, **Mr. DANDA BRAHMANANDAM,** S/o Kotaiah, aged about 68 years, Aadhaar No. 5906 8979 8985, PAN No. AESPD2628B and **Mr. J. RAMANJANEYULU,** son of J. Narasimha Rao, aged about 42 years, Aadhaar No. 4782 3599 4554,

For HARIHARA PROPERTIES
(Vendor) Partner

For REVANZA SULLURPET INDUSTRIAL PARKS PVT. LTD.
Purchaser Authorised Signatory



**WHEREAS:**

A. The Vendor represents and warrants to the Purchaser that it is the sole and absolute owner and possessor of the immovable property being **Acres 45.27 Cents** comprising of land measuring (I) **Acres 21.60 Cents** comprising of land measuring (a) Acres 2.29 Cents in Survey No. 9/1A, (b) Acres 1.10 Cents in Survey No. 9/2, (c) Acres 7.52 Cents in Survey No. 10/2, (d) Acres 1.00 Cents in Survey No. 11/3, (e) Acres 1.02 Cents in Survey No. 11/3A, (f) Acres 0.04 Cents in Survey No. 11/4B, (g) Acres 2.29 Cents in Survey No. 11/6, (h) Acres 0.29 Cents in Survey No. 11/7, (i) Acres 0.26 Cents in Survey No. 11/8, (j) Acres 2.44 Cents in Survey No. 12/1, (k) Acres 2.20 Cents in Survey No. 12/2, (l) Acres 0.37 Cents in Survey No. 13/1, (m) Acres 0.60 Cents in Survey No. 13/2, and (n) Acres 0.18 Cents in Survey No. 13/5 situated at Zuvve Chelika Village, Sullurupeta Mandal, Nellore District, Andhra Pradesh, and (ii) **Acres 23.67 Cents** comprising of land measuring (a) Acres 6.62 Cents in Survey No. 30/3, (b) Acres 6.20 Cents in Survey No. 30/P2, (c) Acres 5.90 Cents in Survey No. 30/P4, and (d) Acres 4.95 Cents in Survey No. 30/P5 situated Padamati Khandrika Village, Sullurupeta Mandal, Nellore District, Andhra Pradesh more fully described in Schedule attached hereto and hereinafter referred to as the '**Schedule Property**').

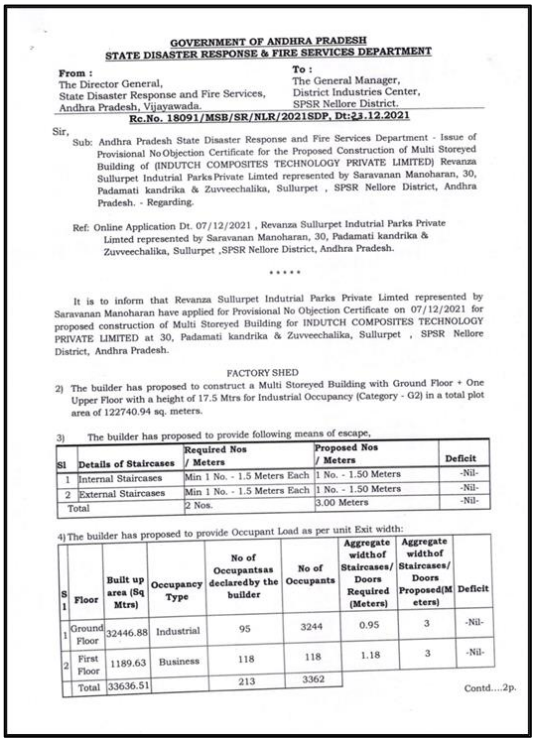
B. The Vendor has acquired the Schedule Property under the Sale Deeds as set out in the table below:

1. D Brahmanandam
For HARIHARA PROPERTIES
2.
(Vendor) Partner

For REVANZA SULLURPET INDUSTRIAL PARKS PVT. LTD.
Purchaser Authorised Signatory

*Source: Client*

## 7.6.2 Fire recommendation letter – Phase 1 & Phase 2



**GOVERNMENT OF ANDHRA PRADESH**
**STATE DISASTER RESPONSE & FIRE SERVICES DEPARTMENT**

**From :**
The Director General,
State Disaster Response and Fire Services,
Andhra Pradesh, Vijayawada.

**To :**
The General Manager,
District Industries Center,
SPSR Nellore District.

**Rc.No. 18091/MSB/SR/NLR/2021SDP, Dt:23.12.2021**

Sir,

Sub: Andhra Pradesh State Disaster Response and Fire Services Department - Issue of Provisional No Objection Certificate for the Proposed Construction of Multi Storeyed Building of (INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED) Revanza Sullurpet Indutrial Parks Private Limted represented by Saravanan Manoharan, 30, Padamati kandrika & Zuvveechalika, Sullurpet , SPSR Nellore District, Andhra Pradesh. - Regarding.

Ref: Online Application Dt. 07/12/2021 , Revanza Sullurpet Indutrial Parks Private Limted represented by Saravanan Manoharan, 30, Padamati kandrika & Zuvveechalika, Sullurpet ,SPSR Nellore District, Andhra Pradesh.

*****

It is to inform that Revanza Sullurpet Indutrial Parks Private Limted represented by Saravanan Manoharan have applied for Provisional No Objection Certificate on 07/12/2021 for proposed construction of Multi Storeyed Building for INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED at 30, Padamati kandrika & Zuvveechalika, Sullurpet , SPSR Nellore District, Andhra Pradesh.

FACTORY SHED

2) The builder has proposed to construct a Multi Storeyed Building with Ground Floor + One Upper Floor with a height of 17.5 Mtrs for Industrial Occupancy (Category - G2) in a total plot area of 122740.94 sq. meters.

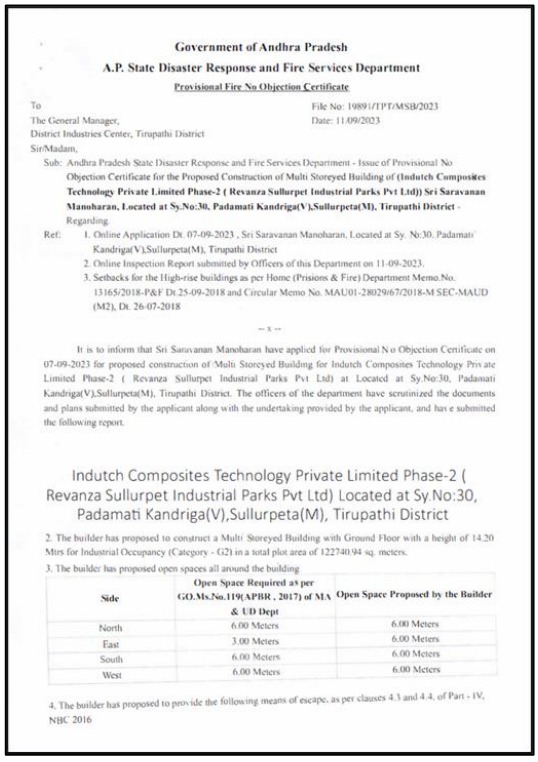
3) The builder has proposed to provide following means of escape,

| Sl | Details of Staircases | Required Nos / Meters | Proposed Nos / Meters | Deficit |
|---|---|---|---|---|
| 1 | Internal Staircases | Min 1 No. - 1.5 Meters Each | 1 No. - 1.50 Meters | -Nil- |
| 2 | External Staircases | Min 1 No. - 1.5 Meters Each | 1 No. - 1.50 Meters | -Nil- |
| Total | | 2 Nos. | 3.00 Meters | -Nil- |

4) The builder has proposed to provide Occupant Load as per unit Exit width:

| Sl | Floor | Built up area (Sq Mtrs) | Occupancy Type | No of Occupantsas declaredby the builder | No of Occupants | Aggregate widthof Staircases/ Doors Required (Meters) | Aggregate widthof Staircases/ Doors Proposed(Meters) | Deficit |
|---|---|---|---|---|---|---|---|---|
| 1 | Ground Floor | 32446.88 | Industrial | 95 | 3244 | 0.95 | 3 | -Nil- |
| 2 | First Floor | 1189.63 | Business | 118 | 118 | 1.18 | 3 | -Nil- |
| | Total | 33636.51 | | 213 | 3362 | | | |

Contd....2p.



**Government of Andhra Pradesh**

**A.P. State Disaster Response and Fire Services Department**

**Provisional Fire No Objection Certificate**

To
The General Manager,
District Industries Center, Tirupathi District

File No: 19891/TPT/MSB/2023
Date: 11.09/2023

Sir/Madam,

Sub: Andhra Pradesh State Disaster Response and Fire Services Department - Issue of Provisional No Objection Certificate for the Proposed Construction of Multi Storeyed Building of **(Indutch Composites Technology Private Limited Phase-2 ( Revanza Sullurpet Industrial Parks Pvt Ltd)) Sri Saravanan Manoharan, Located at Sy.No:30, Padamati Kandriga(V),Sullurpeta(M), Tirupathi District** - Regarding.

Ref: 1. Online Application Dt. 07-09-2023 , Sri Saravanan Manoharan, Located at Sy. No:30, Padamati Kandriga(V),Sullurpeta(M), Tirupathi District
2. Online Inspection Report submitted by Officers of this Department on 11-09-2023.
3. Setbacks for the High-rise buildings as per Home (Prisions & Fire) Department Memo.No. 13165/2018-P&F Dt.25-09-2018 and Circular Memo No. MAU01-28029/67/2018-M SEC-MAUD (M2), Dt. 26-07-2018

-- x --

It is to inform that Sri Saravanan Manoharan have applied for Provisional No Objection Certificate on 07-09-2023 for proposed construction of Multi Storeyed Building for Indutch Composites Technology Private Limited Phase-2 ( Revanza Sullurpet Industrial Parks Pvt Ltd) at Located at Sy.No:30, Padamati Kandriga(V),Sullurpeta(M), Tirupathi District. The officers of the department have scrutinized the documents and plans submitted by the applicant along with the undertaking provided by the applicant, and have submitted the following report.

Indutch Composites Technology Private Limited Phase-2 ( Revanza Sullurpet Industrial Parks Pvt Ltd) Located at Sy.No:30, Padamati Kandriga(V),Sullurpeta(M), Tirupathi District

2. The builder has proposed to construct a Multi Storeyed Building with Ground Floor with a height of 14.20 Mtrs for Industrial Occupancy (Category - G2) in a total plot area of 122740.94 sq. meters.

3. The builder has proposed open spaces all around the building

| Side | Open Space Required as per GO.Ms.No.119(APBR , 2017) of MA & UD Dept | Open Space Proposed by the Builder |
|---|---|---|
| North | 6.00 Meters | 6.00 Meters |
| East | 3.00 Meters | 6.00 Meters |
| South | 6.00 Meters | 6.00 Meters |
| West | 6.00 Meters | 6.00 Meters |

4. The builder has proposed to provide the following means of escape, as per clauses 4.3 and 4.4, of Part - IV, NBC 2016

*Source: Client*

### 7.6.3 Structural Stability Certificate

**COMPETENT PERSON**
Factories Department - AP & Telangana
**CHARTERED ENGINEER**
Memo No. CE LM 110751-15
**INDUSTRIAL EHS PROFESSIONAL**
Lead Auditor - IS014001 & 18001, 45001
**LICENCED STRUCTURAL ENGINEER**
Structural Engineer TUDA/34-2020-21
**GOVT. APPROVED VALUER**
A-24109-IOV, India
**A-GRADE ELECTRICAL LICENCE Holder-CEIG-Govt. AP**
Licence No. A/12812/2-2159-33KV

**ANUMALA RAJASEKHAR**
B.Tech Civil., M.Tech-Fire & Industrial Safety., C.E.M.I.E.F.I.V.

*We Care for your Safety:*
Professional in the services of Workplace safety Audits, Process Safety Audits, Construction Safety Audits, Hazard Analysis and Risk Assessment (HARA) Studies, HAZOP Studies, Safety Reports, Safety Survey Reports, On-Site Emergency Response, Off- Site, Legal Audits, Buildings Stability Statutory Testing as per Factories Act. Structural Engineers & Valuers

*Member National Safety Council, Member Confederation of Engineers & Environmentalists(India), Member Institution of Valuers (India)*

## Form of Certificate of stability

**(Prescribed Under Rule 12-C, The Andhra Pradesh Factories Rules, 1950)**

| | | | |
|---|---|---|---|
| 1 | Name of the Factory | : | **M/s. Indutch Composites Technology Private Limited** |
| 2 | Village, Town and districts in which The factory is situated | : | 30/P2, 30/P4, 30/P5, 30/3,, 9-2E,91-A, 12-2,11-6, 11-4B, 11-3A,11-3, 10-2, ZUVVE CHELIKA VILLAGE ,, PADAMATI KANDRIGA VILLAGE,,Sri Potti Sriramulu Nellore, Andhra Pradesh, 524123,India |
| 3 | Full postal address of the factory | : | 30/P2, 30/P4, 30/P5, 30/3,, 9-2E,91-A, 12-2,11-6, 11-4B, 11-3A,11-3, 10-2, ZUVVE CHELIKA VILLAGE ,, PADAMATI KANDRIGA VILLAGE,,Sri Potti Sriramulu Nellore, Andhra Pradesh, 524123,India |
| 4 | Name of occupier of the factories | : | **Mr.P.L.SATHYANARAYANAN** |
| 5 | Name of manufacturing process to Carried on in the Factory | : | **VACCUM ASSISTED RESIN INFUSION MOULDING PROCESS FOR MANUFACTURING WIND TURBINE BLADE** |
| 6 | Number of floors on which worker will be employed | : | **G+1 FLOOR** |

I certify that, I have inspected the Buildings. The plans of which have been approved by the Director of Factories, Andhra Pradesh, Vijayawada in his **RVP2100400(SDP-CAE2100550,DATED 08-09-2021,** and examined the various parts including the foundations with specials reference to the machine. Plant etc. that has been installed. I am of the opinion that the building which has been constructed taken into use in the accordance with plans approved by the Director of Factories, Andhra Pradesh, Vijayawada in his letter mentioned above. That it is structurally sound and that is stability will not be endangered by its use as factory / part of a factory for the **"VACCUM ASSISTED RESIN INFUSION MOULDING PROCESS FOR MANUFACTURING WIND TURBINE BLADE"**

A. Rajasekhar
ANUMALA RAJASEKHAR
M.Tech., C.E, M.I.E, A.I.V, Dip in Vastu
Chartered Engineer & Govt. Approved Valuer
Consulting Structural Engineer
M.No: CE/LM/110751-15 & A-24109-IOV-INDIA
Cell: 9494064604

COMPETENT PERSON UNDER FACTORIES RULES / ACT
Andhra Pradesh & Telangana

**Signature:**

Qualification:Competent Person for Building Stability Certification, Approved by Director of Factories, Factories Dept., Vijayawada&Chartered Engineer &Licensed Structural Engineer, Govt.Approved Valuer, Govt.of India.

Date:23.03.2022.

Note: This Certificate is Not Valid if Any Modifications/Expansions/Alterations/constructions/Re-constructions carried out without prior approval from Factories Dept. /Re-Valided from Competent person under Rule 12 C of TS/AP Factories Rules

*Hyderabad Address:* 1-2-10, 2nd Floor, Liberty Apartment, Gagan Mahal Road, Domalguda, Hyderabad-500029, T.S.
*Tirupathi Address:* 1-6-681/D, Indiranagar, Prakasam Road, Chittoor District, Andhra Pradesh. Pin. 517501
Email: anumala.rajasekhar@gmail.com Cell: 9494064604, 9493772222, 9493771111

*Source: Client*

### 7.6.4 Final Fire Noc – Phase 1

**GOVERNMENT OF ANDHRA PRADESH**
**A.P. STATE DISASTER RESPONSE AND FIRE SERVICES DEPARTMENT**

From:
The Director General,
State Disaster Response & Fire Services,
Andhra Pradesh, Vijayawada.

To:
The General Manager,
District Industries Centre,
Tirupati District.

**Rc.No. 18578/TPT/MSB/2023, Dated: 13 -06-2023.**

Sub:- A.P State Disaster Response & Fire Services Department - MSB Section – Zone-IV - Issuance of No Objection Certificate for Occupancy to the Existing Non Multi Storied Building of **M/s Indutch Composites Technology Private Limited at 30, Padamati Kanrdriga &Zuvveechalika, Sullurpet, Tirupati District** - Regarding.

Ref:- 1. Application of **M/s Indutch Composites Technology Private Limited at 30, Padamati Kanrdriga &Zuvveechalika, Sullurpet, Tirupati District.**
2. MSB Inspection Committee Report Rc.No.784/DDRFO/TPT/2023, Dated:09-06-2023.

<<O>>

The Management has requested for issuance of No Objection Certificate for Occupancy to the Existing Building of **M/s Indutch Composites Technology Private Limited at 30, Padamati Kanrdriga & Zuvveechalika, Sullurpet, Tirupati District** in the reference 1st cited.

2) The Management has not obtained Provisional NOC from this Department and now applied for No Objection Certificate for Occupancy.

3) The Non Multi Storied Building Inspection Committee has inspected the premises of **M/s Indutch Composites Technology Private Limited at 30, Padamati Kanrdriga &Zuvveechalika, Sullurpet, Tirupati District** on 30-05-2023, scrutinized the plans of above Existing Non Multi Storied Building and submitted the following report vide reference 3rd cited.

4) Particulars of the building:

| | | |
|---|---|---|
| a) Address of the Building | : | M/s. Indutch Composites Technology Private Limited at 30, Padamati Kanrdriga &Zuvveechalika, Sullurpet, Tirupati District |
| b)Height of the building | : | 02 blocks |
| c)Site Area | : | 122740.94 Sq.mtrs |
| d )No. of Floors | : | Ground+ mezzanine / Ground Floor |
| e)Type of Occupancy *(Clause 3.1 part-IVof NBC, 2016)* | : | Industrial( G1) |

Contd... 2p.

*Source: Client*

### 7.6.5 Ground Water Extraction NOC

GOVERNMENT OF ANDHRA PRADESH
GROUND WATER & WATER AUDIT DEPARTMENT

From
Sri R. Sobhan Babu, M.Sc., B.Ed
Deputy Director
Ground Water & Water Audit Dept.
SPSR Nellore.

To
M/s Revanza Sullurupet Industrial Parks Pvt.,Ltd.
Padamati Kandriga village
Sullurupet Mandal
SPSR Nellore District

Lr.Rc.No. 110-A /Hg/2022 dated: 09-03-2022

Sir,

Sub: - Groundwater & Water Audit Department, Nellore – M/s Revanza Sullurupet Industrial Parks Pvt.,Ltd., Padamati Kandriga & Zuvvi Chelika Villages, Sullurupet Mandal - Detailed groundwater investigation report-submitted - Regarding

Ref: - Your Requisition Letter – dated: 03-03-2022.

--:O:--

Vide reference cited above, the M/s Revanza Sullurupet Industrial Parks Pvt.,Ltd., Padamati Kandriga & Zuvvi Chelika Villages, Sullurupet Mandal, requested to use 60 KLD groundwater for Domestic/ Greenery Purposes.

Accordingly, the groundwater surveys have been conducted and the firm is recommended to draw 60 KLD of groundwater only for Domestic/ Greenery purposes from One Existing dug well.

Yours Faithfully

R. Sobhan Babu 9/3/22
Deputy Director
Groundwater and Water Audit Dept
Nellore

*Source: Client*

## 7.7 Any matters which may affect the asset or its value

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report.

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## PILLAIPAKKAM PARK

SPV/HOLDCO

RAMANUJAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

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**"Legal Notice and Disclaimer"**

This summary report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or the "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Pillaipakkam Park (the "Subject Asset") |
| Asset Address: | Plot No. A-1/4, SIPCOT Industrial Park, Survey Nos – 3(Pt), 4(Pt), 19(Pt), 20(Pt), 21A(Pt), 23(Pt), 26(Pt), 27(Pt), 28(Pt) of Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District, Tamil Nadu. |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Ramanujar Industrial & Logistics Parks Private Limited |
| Interest Valued: | 100% Leasehold Interest[1] |
| Land Area: | As per the review of the lease deed, land use certificate, building plan approval and sanctioned layout provided by the client, it is understood that the total underlying land area of the Subject Asset is approx. 17.00 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the client and subsequent site visit undertaken, it is understood that the Subject Asset comprises of operational and under-construction warehousing facility located in SIPCOT Industrial Park, Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram. The Subject Asset spread across a land area of approx. 17.00 acres with a cumulative leasable area of approx. 6,82,333 sft and a cumulative chargeable area of approx. 4,63,325 sft compromising of completed block (Block I) is occupied by a manufacturing company and comprising of under construction block (Block II) is currently vacant.<br><br>Further, it was observed that the subject land is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the Subject Asset enjoys good frontage along the primary access road. The primary access road abuts the Subject Asset in its eastern side.<br><br>Please note that as on date of valuation, plans and approvals for the under-development portion viz. 1,11,568 sft have not been received. However, as discussed with the Client, it is assumed that the approvals would be received for undertaking this development.<br><br>The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard, Sewage Treatment Plant – STP, Storm water network, Fire Fighting Systems of NFPA/NBC standards with a roof monitor ventilation system etc.<br><br>The area details of the asset are as follows: |

| Particulars | Status | Built-up Area (in sft) | Leasable Area (in sft) * | Chargeable Area (in sft) |
|---|---|---|---|---|
| Block I | Completed | 3,60,280 | 5,70,765 | 3,51,757 |
| Block II | Under – Construction | 1,11,568 | 1,11,568 | 1,11,568 |
| Total Area | | 4,71,848 | 6,82,333 | 4,63,325 |

[1] *Ramanujar Industrial & Logistics Parks Private Limited has entered into a 99-year lease with State Industrial Promotion Corporation of Tamil Nadu Limited (SIPCOT) Pillaipakkam on 28th Aug 2023 for the development of Industrial warehouse facility across a land area of 17 acres by paying INR 269.55 Mn towards plot cost and INR 100 towards 100% of the annual lease rent in advance.*

*Source: Lease deed and Client Inputs *The difference in built-up and chargeable area is due to tenant specific negotiations carried out depending upon the requirements of the tenants and the rentals. Please note that the valuer has not been provided with the plan approval*

**As per the lease deed and the client inputs the leasable area of Block I is 5,70,765 sft with warehouse area of 3,50,011 sft (with 3,48,557 sft carpet area), canopy area, Security room, switch yard & pole structure, substation, transformer and DG yard, fire pump room, driver's restroom, covered parking area, fire staircase, ramp, fire tank, overhead tank and open area admeasuring 2,20,754 sft. Of this, warehouse, security room, substation, fire pump room & driver's restroom carpet areas have been considered as chargeable area.*

Please note that as on date of valuation, plans and approvals for the under-construction portion viz. 107,000 sft have not been received. However, as discussed with the Client, it is assumed that the approvals would be received for undertaking this development.

The Subject Asset is located at a distance of approx. 05 – 06 km from Sriperumbudur Junction, approx. 20 – 21 km from Oragadam Junction, approx. 29 – 30 km from Chennai International Airport and approx. 44 – 45 km from Chennai Central Railway station.

Statement of Assets (sft):

The Subject Asset is a warehousing facility located at Pillaipakkam, with total leasable area of. 6,77,765 sft and 4,58,757 sft of chargeable area with a pre-leased occupancy of 100%.

| Blocks | Built-up Area (in sft) | Leasable Area (sft) | Chargeable Area (sft) | Structure Type |
|---|---|---|---|---|
| Block I | 3,60,280 | 5,70,765 | 3,51,757 | PEB Structure |
| Block II | 1,11,568 | 1,11,568 | 1,11,568 | PEB Structure |
| Total Leasable Area | 4,71,848 | 6,82,333 | 4,63,325 | |

*Source: Lease deed and Client Inputs *The difference in built-up and chargeable area is due to tenant specific negotiations carried out depending upon the requirements of the tenants and the rentals.*

**As per the lease deed and the client inputs the leasable area of Block I is 5,70,765 sft with warehouse area of 3,50,011 sft (with 3,48,557 sft carpet area), canopy area, Security room, switch yard & pole structure, substation, transformer and DG yard, fire pump room, driver's restroom, covered parking area, fire staircase, ramp, fire tank, overhead tank and open area admeasuring 2,20,754 sft. Of this, warehouse, security room, substation, fire pump room & driver's restroom carpet areas have been considered as chargeable area.*

Summary of the above table is as follows:

| Block | Total Area (sft) | Operational Area (sft)* | Under- Construction Area (sft)* |
|---|---|---|---|
| Block I | 5,70,765 | 3,51,757 | N.A |
| Block II | 1,11,568 | N.A | 1,11,568 |
| Total | 6,82,333 | 3,51,757 | 1,11,568 |

*Source: Client inputs *Area mentioned is chargeable area.*

As per information provided by the client, we understand that the cost to be incurred for the under-construction block is INR 163.94 Mn and the construction will be completed by CY Q2, 2025

Location Map

## Location Map for the Subject Asset

| Healthcare Development | |
|---|---|
| 1 | Mahaveer Ashray Hospital |
| 2 | Jaya Hospital |
| 3 | Sri Devi Hospital |
| 4 | Sri Sarada Hospital |
| 5 | Pandian Hospital |
| 6 | Sri Vasavi Clinic And Pharmacy |
| 7 | Deepika Eye Care Hospital |
| 8 | Risingsun Medicon Clinic |
| 9 | Annaii Medical College Hospital |

| Residential Development | |
|---|---|
| 1 | Globevill, ETA Apartments |
| 2 | Prince Residenzia |
| 3 | VGN Brixton |
| 4 | Sterling gateway Apartments |
| 5 | Casagrande Arena |
| 6 | Alliance Villa Belvedere |
| 7 | Arun Excello Temple Green |
| 8 | Casagrande Futura |
| 9 | TVH Svaya |

| Institutional Development | |
|---|---|
| 1 | Sri Venkateshwara College of Technology |
| 2 | Annai Medical College and Hospital |
| 3 | St. Joseph College of Engineering |
| 4 | Kings Engineering College |
| 5 | Jeppiaar Maamallan Engineering College |
| 6 | Montfort School CBSE Pondhur |
| 7 | St Joseph's Residential School |
| 8 | Therasapuram School |
| 9 | Vivekananda Vidyalaya |

*Source: Industry Assessment Report*

Tenancies

As at the valuation date the Subject Asset is fully let to a single tenant as a Built-to-suit (BTS) facility with a total current annual rent of 109.16 Mn and with a Weighted average lease expiry (WALE) of 9.88 years.

Key Assumptions

| Particulars | Unit | Pillaipakkam - Completed | Pillaipakkam - Proposed |
|---|---|---|---|
| Revenue Assumptions | | | |
| Tenure for any new/ future leases | Year | 10 | 10 |
| In-place rent | INR/ sf/ mth | 25.7 | N.A. |
| Marginal rent – Warehouse component | INR/ sf/ mth | 26.6 | 23.0 |
| Marginal rent – Weighted Average* | INR/ sf/ mth | 26.6 | 23.0 |
| Capital Expenditures Details | | | |
| Pending cost to complete* | INR Mn | N.A. | 163.94 |
| Proposed asset completion timelines (Under Construction Blocks) | Quarter, Year | N.A. | Q1, 2025 |
| Refurbishment Capex | INR Mn | N.A. | - |
| Other Financial Assumptions | | | |
| Exit Cap rate – warehouse component | % | 7.75% | 7.75% |
| Discount rate (for completed blocks) | % | 11.58% | N.A. |
| Discount rate (for under construction blocks) | % | N.A. | 12.80% |
| NOI Computation – Completed | | | |
| 1 year Forward NOI (CY Q4 2024 to CY Q3 2025) | INR Mn | 108.19 | 4.2 |
| Stabilized NOI[2] | INR Mn | 107.05 | 30.5 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report; * weighted average marginal rentals arrived considering the differential market calls for spaces such mezzanine, open space rentals and any tenant specific spaces.*

[2] [2] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset.*

| | |
|---|---|
| Stake Proposed to be held in Asset SPV by TVS Infrastructure: | 100% |
| Date of Inspection: | Feb 07, 2024 |
| Date of Valuation: | September 30, 2024 |
| Purchase Price for the Asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Allotment Price for the asset: | INR 269.55 Mn |
| Current Government Approved Rates (as per documents published by State Government): | INR 222.16 Mn (INR 13.07 Mn per acre) |

Market Value as of September 30, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Pillaipakkam Park | Completed | 1,556.7 |
| | Under-Construction | 223.4 |
| Total Value of the asset | | 1,780.2 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |
| Assumptions, Disclaimers, Limitations & Qualifications | *This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*<br><br>*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the* |

*content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

*Please note that is an executive summary and it is advisable that the report should be the valuation*

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Construction Cost Volatility:

Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.

In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

Valuer Declaration:

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

iii. the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer' ) represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of an under-construction warehousing asset located at SIPCOT Industrial Park, Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram, Tamil Nadu.

Based on information provided by the client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 17.00 acres with a total leasable area admeasuring approx. 6,82,333 sft and a chargeable area admeasuring approx. 3,51,757 sft.

iVAS Partners is referred to as the 'Valuer' for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Pillaipakkam Park | Ramanujar Industrial & Logistics Parks Private Limited | Warehouse | Pillaipakkam | 17.00 acres | 2 |

*Source: Client Inputs*

For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

In addition, other documents in relation to the Private Placement such as publicity material, research reports, presentations and press releases will also be prepared, wherein copies or extracts of the Summary Report are intended to be included.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust InvIT.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the infrastructure development subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of valuer where such consent to be given at the absolute, exclusive discretion of valuer, which shall not be unreasonably withheld. Where they are to be used with the valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without valuer's prior written consent.

The valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the client has disclosed to the valuer all information which may affect the Services. All opinions expressed by the valuer, or its employees are subject to any conditions contained in the valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered valuers and valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture,

New Delhi in 1997 and master's in client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust InvIT as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarket, etc.

The primary catchment for the valuation has been defined as Pillaipakkam micromarket and the surrounding areas. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of residential segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Hold Co | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Pillaipakkam Park | Ramanujar Industrial & Logistics Parks Private Limited | Sriperumbudur | Pillaipakkam |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park

Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust InvIT in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust InvIT or its authorized representatives.
- The Valuer has no present or planned future interest in the Client, Trustee, TVS Infrastructure Trust InvIT, the Sponsor to the TVS Infrastructure Trust InvIT and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Client or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust InvIT, disclose to the TVS Infrastructure Trust InvIT, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust InvIT, any pending business transactions, contracts under negotiation and other arrangements with the client or any other party whom the

TVS Infrastructure Trust InvIT is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust InvIT
- The Valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The valuers are not engaged to carry out all possible investigations in relation to the Subject Asset. Where in our report the valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the valuer recommend as necessary prior to reliance. The valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br><br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br><br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |

| | |
|---|---|
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the client, the valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The valuer understands that the Subject Asset may have encumbrances, disputes and claims. The valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Asset has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the client and the current land use maps for the subject micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Asset adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the inputs shared by the client. It must be noted that the above information has been provided by the client and has been verified based on the approvals/ layout plans/building plans provided by the client. However, the valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |

| | |
|---|---|
| Not a Structural Survey: | The valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset. We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Asset is based on the rent roll provided by the client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature.<br><br>As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, Leasable area mentioned is in accordance with the information shared by the client comprising rent rolls and lease agreements. |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br><br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br><br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation. |

| | |
|---|---|
| | Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Development Valuations | The value of infrastructural developments is traditionally volatile and can be subject to rapid changes of value in short timeframes. Development assets appeal to specific types of purchasers and can be significantly impacted by many factors such as broader economic conditions, fluctuating levels of supply and demand for the product, changes in building costs and the availability and cost of development finance. All these (and more) factors could have a significant impact on the value and demand for the Subject Asset.<br><br>Going forward there will be several key factors impacting on the viability of some development assets and their underlying land values. Key concerns are fluctuations in construction costs, substantial new supply levels and easing investor demand for final product. In addition, we also note that ongoing monitoring and governance of banking systems may significantly restrict development capital and increase the cost of development finance.<br><br>As experienced in previous market cycles, the value of infrastructural developments can undergo rapid and significant price corrections, as supply, demand and cost factors change. Any Reliant Party is strongly advised to consider this inherent risk in their investment and lending decisions. Lending and investment caution is advised in this regard.<br><br>The applicant's ability to service debt should also be carefully considered, should development opportunities and settlements be extended, construction/funding costs increase, or sales rescinded |
| Construction Cost Volatility | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Chennai – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Chennai

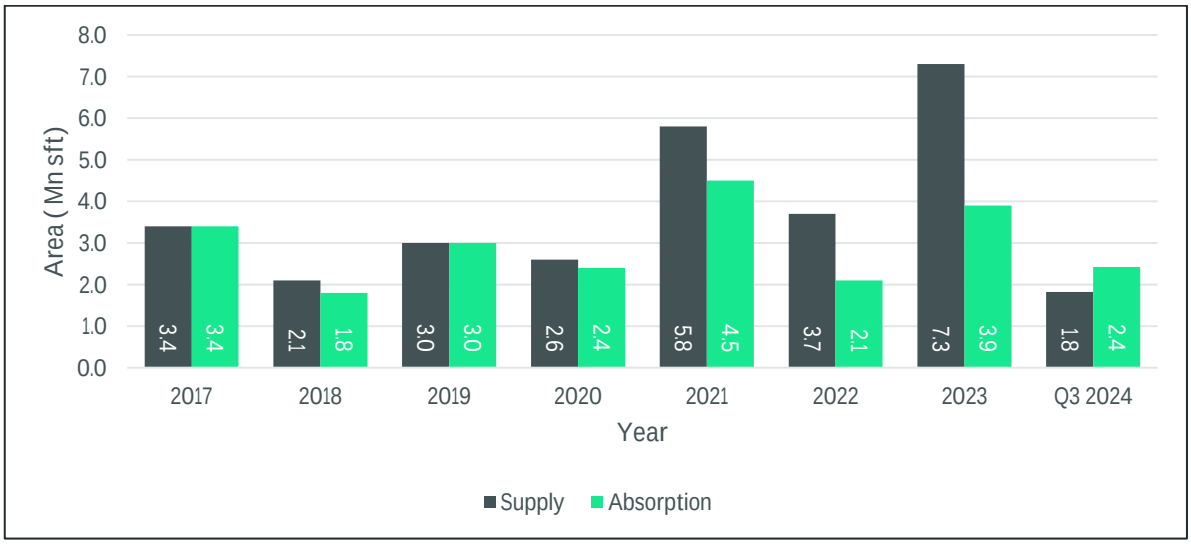
Total completed stock in Chennai as of Q3, CY 2024 is 46.12 msf, out of which Sriperambudur micromarket account for Approx. 1.8%. Sriperumbudur micromarket, wherein the Subject Asset is situated is one of the emerging vectors of Chennai due to it's proximity to SIPCOT Irungattukottai and Oragadam industrial corridor.

| Particulars | Details |
|---|---|
| Cumulative completed office stock (Q3 2024) | Approx. 46.12 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 41.07 msf |
| Current vacancy (Q3 2024) | Approx. 10.9 % |
| Future supply (2024 – 2026) | 5.0 to 6.0 Mn Sft |

*Source: Industry Assessment Report dated as of September 30, 2024*

Chennai has approx. 46.12 mn sft of operational warehouse supply out of which approx. 41.07 mn sft is occupied. The stretches of NH 16 belt (stretch 1) and Western Vector constitute to approx. 82% of the cities Completed supply. Industrial and Warehousing market of Chennai is primarily driven by the demand arising from Third party logistics, Auto and Auto Components, Electric and Electronic goods, FMCG etc. The city predominantly houses Grade A developments (approx. 51%), Grade B developments (approx. 45%) & Grade C developments (approx. 4%).

Demand – Supply Dynamics of City: Chennai




*Source: Industry Assessment Report*

The year-on-year share of Grade-A warehouse supply has grown significantly since 2014, driven by the entry of large-scale organized players like Indospace, ESR, LOGOS, and Ascendas. From 2017 to 2023, supply addition in the overall Chennai warehousing market experienced a Compound Annual Growth Rate (CAGR) of 11-12% due to demand from the Manufacturing Sector. The Western cluster, encompassing Mannur and Oragadam, has been the primary driver due to its strong manufacturing base, particularly in the automotive and ancillary industries.

In the year 2020 there was a slight slump observed in supply and demand owing to worldwide pandemic scenario causing construction delays coupled with deferment in absorption of warehouse space which was already pre-committed in the market.

In year 2021, largest supply and absorption influx was witnessed owing spill over demand of 2020 which was impacted by COVID and coupled with demand from Automobile and 3PL tenant sectors.

Snapshot of West Sriperumbudur Warehousing Market

| COMPLETED SUPPLY | VACANCY | GRADE A SUPPLY | GRADE A VACANCY | SHARE OF GRADE A SUPPLY IN CHENNAI | UPCOMING SUPPLY | LAND VALUES (INR MN/ACRE) |
|---|---|---|---|---|---|---|
| 0.85 Mn sft | 16– 17% | 0.82 Mn sft | 17 – 19% | 4% | - | 40 - 45 |

Source: CBRE Research; Updated as of Q3 2024

Pillaipakkam is strategically located within the Sriperumbudur Industrial Corridor, a region characterized by strong connectivity and industrial growth. Situated along National Highway 48, the area offers efficient transportation links to major cities and ports. Its proximity to the Chennai-Bangalore Industrial Corridor enhances its appeal as a warehousing hub, providing access to a thriving industrial region with substantial investment opportunities. Several prominent companies, including Hyundai, BMW, Yamaha Motors, Saint Gobain Jabil, and Mitsubishi, operate manufacturing facilities in Sriperumbudur. The presence of nearby industrial estates and parks further drives the demand for warehousing solutions as businesses seek to optimize their supply chain operations. Sriperumbudur has established itself as a Special Economic Zone (SEZ) with significant investments from automotive and electronics companies. The construction of a new greenfield airport in close proximity to Sriperumbudur will further enhance the region's connectivity.

The warehouse is strategically located on leasehold land in SIPCOT Pillaipakkam, approximately 44 kilometers from Chennai's city center and 27 kilometers from the airport. The facility spans a total area of 17 acres, with a built up potential of 467,280 sft out of which 360,280 sft is currently under construction and pre-leased to a manufacturing company.

#### 3.2.1.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Development 1 | 2023 | 175,000 | 24 – 26 |
| Development 2 | 2023 | 500,000 | 21 – 23 |
| Development 3 | 2023 | 150,000 | 21 – 23 |

*Source: Industry Assessment Report*

#### 3.2.1.2 Future Supply

Based on the market research, we understand that the micro-market of Sriperumbudur has no planned upcoming supply.

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micro market:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q3, 2023 | 500,000 | Kerry Indev Logistics | Olympia-Sriperumbudur-Phase I-Box 1 | 22 | Base Rental |
| Q2, 2013 | 175,000 | ANAND Group | IndoSpace-Sriperumbudur-Phase I-Box 1 | 25 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micro market ranges between INR 22 - 25/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

The demand driver for this vector is primarily driven by being located within the SIPCOT Industrial estate, it's excellent connectivity to other parts of the city as well as states, proximity to key industrial hubs, availability of land and presence of warehousing ecosystem.

Chennai markets have been witnessing linear growth in the supply and demand over the past 4-5 years for warehousing spaces. While the western part of Chennai is considered a prominent segment for Manufacturing the North is chosen by logistic players given its easy access to Chennai port. Sriperumbudur, by virtue of falling in the western part of Chennai is gaining traction due to its access to manufacturing hub of Chennai. Enormous small to mid-scale glass manufacturers, automobile manufacturers, electronic and home appliances manufacturers have their facilities set up in closer vicinity to Sriperumbudur. This is expected to further bolster the growth prospects

of Sriperumbudur especially for warehousing market given the availability of larger land parcels and development potential.

Further, the Subject Asset is well positioned in the market to attract interest from occupiers owing to its location, specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 22 - 24 / sft / month as on date of valuation.

# 4 Subject Asset – TVS - Pillaipakkam

## 4.1 Asset Description

The subject development 'Pillaipakkam Park' is an under-construction warehousing facility with total leasable area of 3,51,757 sft located at Plot No. A-1/4, SIPCOT Industrial Park, Survey Nos – 3(Pt), 4(Pt), 19(Pt), 20(Pt), 21A(Pt), 23(Pt), 26(Pt), 27(Pt), 28(Pt) of Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District. The Subject Asset is currently accessible via Kundrathur – Sriperumbudur Road (SH-113).

Based on the review of sanctioned layout shared by the client and subsequent site visit undertaken, it is understood that the Subject Asset comprises of operational and under-construction warehousing facility located in SIPCOT Industrial Park, Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram. The Subject Asset spread across a land area of approx. 17.00 acres with a cumulative leasable area of approx. 6,82,333 sft and a cumulative chargeable area of approx. 4,63,325 sft.

Further, it was observed that the subject land is contiguous in nature, even in terrain, is broadly regular in shape and on the same level as abutting road and adjoining properties. Also, the subject land enjoys good frontage along the primary access road. The access road abuts the Subject Asset in its eastern side.

Please note that as on date of valuation, plans and approvals for the under-development portion viz. 1,11,568 sft have not been received. However, as discussed with the Client, it is assumed that the approvals would be received for undertaking this development.

The Subject Asset is a grade A warehouse with PEB structures having all requisite facilities such as DG and Transformer Yard (one transformer with 1,250 KVA), Sewage Treatment Plant – STP (10KLD Conventional STP), Storm water network (Hume pipe with RCC Chamber), Fire Fighting Systems of NFPA/NBC standards with a roof monitor ventilation system with 6ACHP with FM2 Flooring with a floor load of 5T per sq.m and a power load of 955 KVA extendable up to 1,250 KVA.

As at the valuation date the Subject Asset is fully let to a single tenant as a Built-to-suit (BTS) facility with a total current annual rent of 152.91 Mn and with a Weighted average lease expiry (WALE) of 9.88 years.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Ramanujar Industrial & Logistics Parks Private Limited, Pillaipakkam |
| Address | Plot No. A-1/4, SIPCOT Industrial Park, Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District |
| Land Area | Based on review of the sale deed shared by the client, it is understood that the Subject Asset spread across a land area of approx. 17.00 acres |
| Leasable Area | 6,82,333 sft* |
| Chargeable Area | 4,63,325 sft |
| Built-up Area | 4,71,848 sft^ |

*Source: Lease deed and Client Inputs *The difference in built-up and chargeable area is due to tenant specific negotiations carried out depending upon the requirements of the tenants and the rentals. ^ The built-up area provided is the overall built-up area including warehouse blocks, fire pump room, substation, office, security room, STP, Water tank, OHT etc*

**As per the lease deed and the client inputs the leasable area of Block I is 5,70,765 sft with warehouse area of 3,50,011 sft (with 3,48,557 sft carpet area), canopy area, Security room, switch yard & pole structure, substation, transformer and DG yard, fire pump room, driver's restroom, covered parking area, fire staircase, ramp, fire tank, overhead tank and open area admeasuring 2,20,754 sft. Of this, warehouse, security room, substation, fire pump room & driver's restroom carpet areas have been considered as chargeable area.*

### 4.1.1 Site Details

**Situation:**

The subject development christened 'Pillaipakkam Park' comprises of operational and under-construction warehousing facility with total leasable area of 3,51,757 sft located at Plot No. A-1/4, SIPCOT Industrial Park, Survey Nos – 3(Pt), 4(Pt), 19(Pt), 20(Pt), 21A(Pt), 23(Pt), 26(Pt), 27(Pt), 28(Pt) of Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District.

**Location:**

The Subject Asset is located along Kundrathur – Sriperumbudur Road (SH-113), Pillaipakkam Village of Kancheepuram District, Tamil Nadu.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Sriperumbudur Junction | 05 – 06 |
| Oragadam Junction | 20 – 21 |
| Coimbatore International Airport | 29 – 30 |
| Coimbatore Railway Station | 44 – 45 |

*Source: Valuer's research*

**Catchment Analysis:**

The primary catchment for the purpose of this valuation has been defined as Pillaipakkam - Sriperumbadur and its adjoining micromarkets which are predominantly characterized by industrial/warehousing development. By virtue of being present in SIPCOT, the industrial/warehousing activities are aplenty given the easier connectivity and access to Oragadam Industrial corridor (the Industrial hub of Chennai). Few notable industrial developments in the micromarket includes Asian Sealing Products Private Limited, Ashok Leyland Vehicles Limited, etc.

**Surrounds:**

The Subject Asset is surrounded as follows:

- North: Private Property
- South: Private Property
- East: Access Road
- West: Private Property

**Potential changes in surroundings:**

The subject micromarket is currently witnessing significant infrastructural developments such as the ongoing Chennai Bangalore Expressway, Chennai Outer Ring Road, Chennai Peripheral Ring Road which would enhance the connectivity from the city to the outskirts and other states. The proposed international airport at Parandur, which is expected to be

operational by 2030 would boost the industrial activity along the western micromarkets of Chennai.

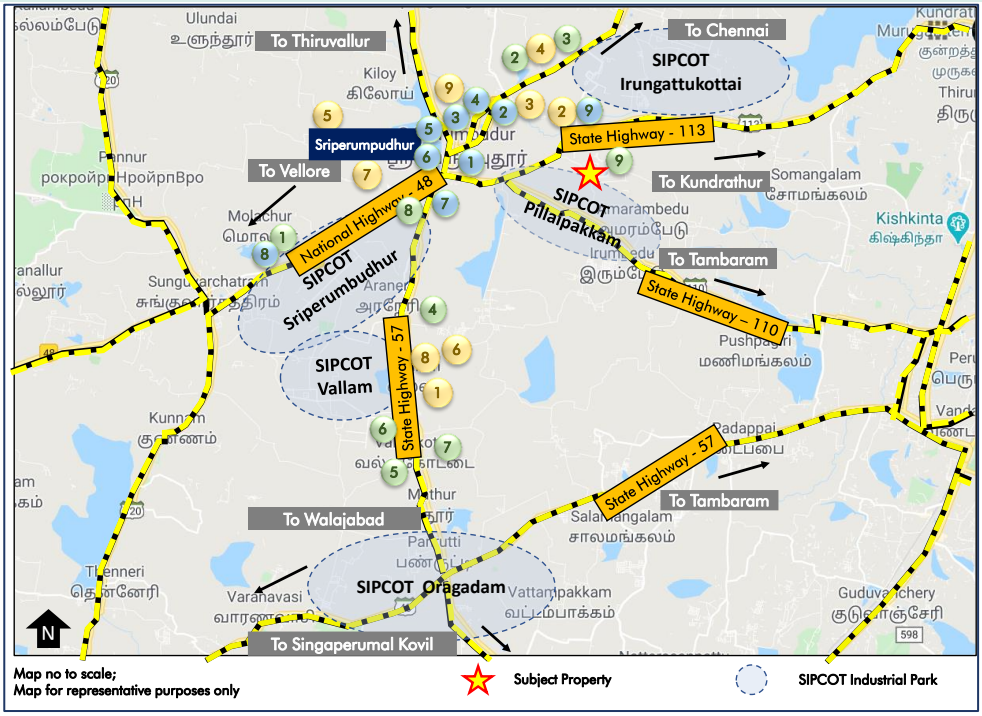
Suitability of existing use:

As per information received from the client, we understand that the Subject Asset is an under-construction warehousing facility. The current use of the property i.e. 'Industrial & Logistic Park' is as per the usage permitted by the development authority (DTCP). We have neither verified nor inspected any documentary evidence to the same from the Director of Town and Country Planning.

Also considering the nature of subject development coupled with the location and profile of the surrounding developments, the use of the Subject Asset is opined to be in conformity with the envisaged development.

The following map indicates the location of the Subject Asset and surrounding developments:

Location Map for the Subject Asset




| Healthcare Development | | Residential Development | | Institutional Development | |
|---|---|---|---|---|---|
| 1 | Mahaveer Ashray Hospital | 1 | Globevill, ETA Apartments | 1 | Sri Venkateshwara College of Technology |
| 2 | Jaya Hospital | 2 | Prince Residenzia | 2 | Annai Medical College and Hospital |
| 3 | Sri Devi Hospital | 3 | VGN Brixton | 3 | St. Joseph College of Engineering |
| 4 | Sri Sarada Hospital | 4 | Sterling gateway Apartments | 4 | Kings Engineering College |
| 5 | Pandian Hospital | 5 | Casagrande Arena | 5 | Jeppiaar Maamallan Engineering College |
| 6 | Sri Vasavi Clinic And Pharmacy | 6 | Alliance Villa Belvedere | 6 | Montfort School CBSE Pondhur |
| 7 | Deepika Eye Care Hospital | 7 | Arun Excello Temple Green | 7 | St Joseph's Residential School |
| 8 | Risingsun Medicon Clinic | 8 | Casagrande Futura | 8 | Therasapuram School |
| 9 | Annaii Medical College Hospital | 9 | TVH Svaya | 9 | Vivekananda Vidyalaya |

*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the client and visual inspection during the site visit, it is understood that the underlying land is broadly regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining assets. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the subject land enjoys a good frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the client and visual inspection, the primary access to the Subject Asset is via Kundrathur – Sriperumbudur Road (SH-113). By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sanctioned layout plan provided by the client, we understand that the exact address of the Subject Asset is Survey Nos – 3(Pt), 4(Pt), 19(Pt), 20(Pt), 21A(Pt), 23(Pt), 26(Pt), 27(Pt), 28(Pt) of Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District. Additionally, it is understood that the Subject Asset is leasehold[3] in nature leased by TVS Infrastructure Private Limited.

### 4.1.3 Title Details

As per the lease deed, we understand that the exact address of the Subject Asset Pillaipakkam Village, Sriperumbudur Taluk, Kancheepuram District. Additionally, it is understood that the Subject Asset is leased by TVS Infrastructure Private Limited.

Further, this valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the inputs shared by the client, we understand that the Subject Asset is zoned for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local panchayat or Director of Town and Country Planning in this regard.<br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the client with the relevant development authorities. |
| Approved Usage: | The Subject Asset is an under-construction warehousing facility. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by |

[3] *Ramanujar Industrial & Logistics Parks Private Limited has entered into a 99-year lease with State Industrial Promotion Corporation of Tamil Nadu Limited (SIPCOT) Pillaipakkam on 28th Aug 2023 for the development of Industrial warehouse facility across a land area of 17 acres by paying INR 269.55 Mn towards plot cost and INR 100 towards 100% of the annual lease rent in advance.*

| | |
|---|---|
| | the local development authority. However, Valuer has not made any enquiries with the relevant local panchayat to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the client, there are no other restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Pillaipakkam Village where the Subject Asset is located falls in Seismic Zone II (least active) with low risk. The city faces low risk in terms of high winds or cyclones too given that the subject property falls in elevated area as per the topographic map. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster. |
| Approvals: | As per the documents shared by client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the client with the relevant development authorities. |

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received

As per the review of documents provided by the client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Fire NOC | Received | Fire and Rescue Department | 06-10-2023 |
| Water Supply Approval | Received | SIPCOT Industrial Park, Pillaipakkam | 25-08-2023 |
| Health NOC | Received | Department of Public Health and Preventive Medicine | 27-09-2023 |
| Building Permit/Planning Approval | Received | Director of Town and Country Planning | 01-02-2024 |
| Consent for Establishment – Air & Water | Received | Tamilnadu fPollution Control Board, Coimbatore | 25-09-2023 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 One-time Sanctions & Periodic Clearances

Please refer section 7.3 on One-time Sanctions & Periodic Clearances

#### 4.1.5.3 List of up to date/overdue periodic clearances

Please note that as on date of valuation, plans and approvals for the under-construction portion viz. 107,000 sft have not been received. However, as discussed with the Client, it is assumed that the approvals would be received for undertaking this development.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the under-construction blocks of the Subject Asset:

| Block | Total Area (sft)* | Operational Area (sft)* | Under- Construction Area (sft)* |
|---|---|---|---|
| Block I | 3,51,757 | 3,51,757 | N.A |
| Block II | 1,11,568 | N.A | 1,11,568 |
| Total | 4,63,325 | 3,51,757 | 1,11,568 |

*Source: Client Inputs * Area mentioned is chargeable area.*

The table below highlights the area details of the Subject Asset:

| Block | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|
| Block I | 5,70,765 | 3,51,757 |
| Block II | 1,11,568 | 1,11,568 |
| Total | 6,82,333 | 4,63,325 |

*Source: Lease deed and Client Inputs *The difference in built-up and chargeable area is due to tenant specific negotiations carried out depending upon the requirements of the tenants and the rentals.*

**As per the lease deed and the client inputs the leasable area of Block I is 5,70,765 sft with warehouse area of 3,50,011 sft (with 3,48,557 sft carpet area), canopy area, Security room, switch yard & pole structure, substation, transformer and DG yard, fire pump room, driver's restroom, covered parking area, fire staircase, ramp, fire tank, overhead tank and open area admeasuring 2,20,754 sft. Of this, warehouse, security room, substation, fire pump room & driver's restroom carpet areas have been considered as chargeable area.*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks |
|---|---|---|
| Handover condition | Warm Shell | Warm Shell |
| Type of Structure | PEB | PEB |
| Firefighting services | Provided. Fire NOC Available | Provided. Fire NOC Available |
| Lift provision | No Lifts | No Lifts |
| Floor Finish | FM2 Concrete floor | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm | 5 MT/Sqm |

*Source: Information provided by the client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is currently in the final stages of completion.

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

| Pillaipakkam Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the access road of the Subject Asset |

### 4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject Asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of Subject Asset forming part of the portfolio.

## 5.2 Basis of Valuation

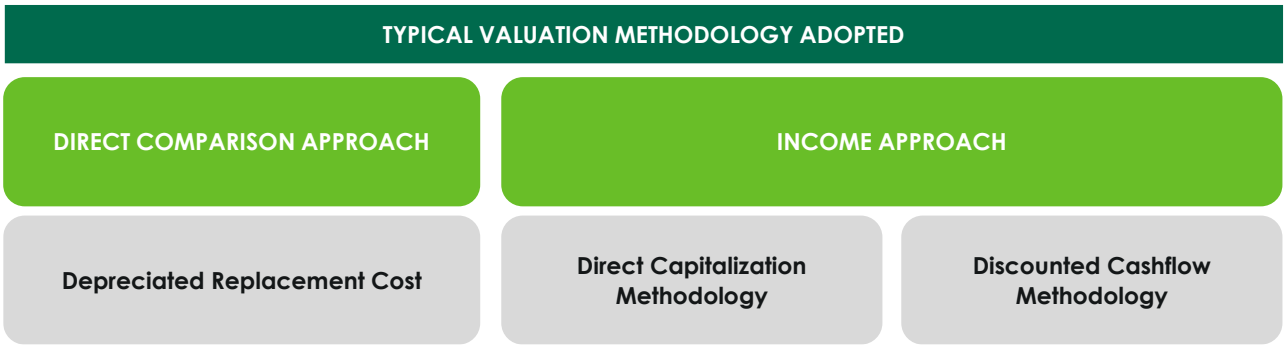
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which a asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the*** *parties had each acted knowledgeably, prudently and* ***without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Asset. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the Subject Asset to determine the achievable market value for the Subject Asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are asseted with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the offer of units through private placement of TVS Infrastructure Trust InvIT under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. The infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. The infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. The infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.
3. The Valuer has undertaken physical site inspections to assess the status of the Subject Asset in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

Pillaipakkam micromarket is one of the emerging warehousing/industrial markets in Chennai. It comprises of industrial area promoted by SIPCOT (leasehold Assets) as well as non-SIPCOT industrial zoned areas (freehold Assets). Almost 99% of the SIPCOT land has been allotment and some of them are operational. Activity in SIPCOT Pillaipakkam is primarily characterized by auto manufacturing (OEMs), Electrical Manufacturing, MSMEs with small scale manufacturing facilities, etc. Some of the major giants like Hyundai, BMW, Yamaha Motors, Saint Gobain Jabil, Mitsubishi have their manufacturing facilities in Sriperumbudur which is directly accessible from Pillaipakkam.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facility. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that it is approx. 100% leased out (pre-committed) as on date of valuation (pre-commitment). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area and under-construction/proposed area, the Valuer has asserted the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been asserted for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed of Conveyance/ Sanctioned Layout Plan |
| | Achieved FSI | | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area | Sft | Not Provided |
| | Leasable Area | Sft | Lease Agreements |
| | Leasable Area – Future Development (if applicable) | NA | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | DTCP Approval Plan |
| | Building Plan / Site Plan | NA | DTCP Approval Plan |
| | Floor Plans | NA | Copy as applicable |
| | Area proposed for Future development | NA | - |
| | Fire NOC | NA | Fire and Rescue Department |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | NA | Client |
| | Power Back-up | KVA | Electricity Bill |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | No. of Lifts with capacity | No. | Client |
| | No. of staircase | No. | Client |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Client |
| | Total Budgeted Cost – Land Stage Block | NA | Client |
| | Total Budgeted Cost – Under Construction Block | NA | Client |
| | Cost Already Incurred – Under Construction Block | NA | Client |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment |
| | Asset Tax | INR Mn | Valuer's Assessment |
| | Margin on Maintenance | % of CAM Charges | Valuer's assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | No. of Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent rolls/ Lease agreements |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Client |
| | Rent Achieved | INR psf pm | Client |
| | Pre-Committed Rent | INR psf pm | Rent rolls/ Lease agreements |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | INR psf pm | Rent rolls/ Lease agreements |
| | Miscellaneous Income | INR Mn | Rent rolls/ Financial Statements |
| | Interest on Security Deposit | NA | Valuers' Assessment |
| | Reversion Thresh hold | % | Valuers' Assessment |
| | Escalation in in-place Rent | % | Client (As per rent roll) |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuers' Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer' Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Completed Blocks) | Valuation Methodology (Under-construction Blocks) |
|---|---|---|
| Pillaipakkam Park | N.A. | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from inputs shared by the client, we understand that Subject Asset is an under-construction warehousing facility. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Total Area (sft)[4] | Operational Area (sft)* | Under- Construction Area (sft)* |
|---|---|---|---|
| Block I | 3,51,757 | 3,51,757 | N.A |
| Block II | 1,11,568 | N.A | 1,11,568 |
| Total | 4,63,325 | 3,51,757 | 1,11,568 |

*Source: Client Inputs*Area mentioned in chargeable area*

| Tenant | Leased Area (sft)* | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Pillaipakkam Park | 4,63,325 | 77% | 25.7 | 9.04 |

*Source: Lease deed*Area mentioned in chargeable area*

[4] *As per the details provided by the client, the rental revenue has been calculated and other analysis are performed on chargeable area. Further, leasable area mentioned is in accordance with the information shared by the Client comprising rent rolls and lease agreements.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Occupancy % |
|---|---|
| Occupancy (Completed blocks) | 100% |
| Pre-Commitment(Under-construction blocks) | N.A. |

*Source: Information provided by the client;*

### 6.3.2 Lease Rent Analysis

Based on the review of the Lease Deed provided by the client, we understand that the lease agreements were signed between TVS infrastructure Pvt ltd and the tenants, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| Manufacturing Company | Lease Commencement Date | 01st August 2024 |
| | Rent Commencement Date | 16th October 2024 |
| | Lock-in Period | 5 Years |
| | Lease Tenure/ Remaining Tenure | 10/10 Years |
| | Lease Rent Escalation Terms | 4% every year |

*Source: Lease Deed and client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 9.88 years, manufacturing company occupying the entire block. The lease expiry for the same is in FY 2034.

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Pillaipakkam Park | 3,51,757 | 100% | 25.7 | 9.04 |

*Source: Leased Deed and Information provided by the client *Area considered is chargeable Area ^pre-committed area.*

Based on the recent transaction witnessed in the micro market as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a marginal rental (for warehouse space) of INR 22.0 – 24.0 per sf per month (say an average rental of INR 23.0 per sf per month of leasable area).

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

The asset was completed in a phase-wise manner with Block 1 completed and operationalised during Q4 2024

#### 6.3.5.2 Under-Construction/ Proposed Blocks

Based on visual inspection during the site visit and information provided by the client, the following timelines for construction have been adopted for the purpose of this valuation exercise.

| Block | Leasable/ Developable Area (msf) | Construction Commencement | Construction Completion |
|---|---|---|---|
| Block II | 1,11,568 | Q1, 2025 | Q2, 2025 |

*Source: Leased Deed and Information provided by the client *Area considered is chargeable Area*

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the client, we understand that the competed blocks have an occupancy of 100% as on date of valuation. Further, in order to arrive at the future absorption levels at the Subject Asset, we have analysed the historical demand and supply trends coupled with the estimation of future supply proposed to be introduced in the subject micromarket.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

As per the rent roll provided by the client, we understand that the under-construction block hasn't been occupied as on date of valuation and the same is expected to occupy by Q2, 2025.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Chargeable Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Warehouse | 6,77,765 | 4,58,757 | Current Rent for Leased area | 25.7^ |
| | | | Market rent for reversion/ vacant area | 23.0* |

*Source: Lease deed provided by the client; Valuer's assessment ^ rentals of manufacturing company; * marginal rentals arrived considering the tenant specific improvements..*

The above market rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation – Completed Portion | 26.6 | 27.93 | 29.33 | 5% escalation year on year |
| Market Rent Escalation – UC Portion | 23 | 24.15 | 25.36 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit ( For vacant spaces) | 6.0 | No. of months' warm shell rental |
| CAM Income (For vacant area and Development component) | 1.0 | INR per sft per month |
| Other Income (For vacant area and Development component) | N.A | INR per sft per month |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

The following table highlights the assumptions towards the development cost for the under-construction/proposed blocks at the subject development:

| Block | Total Cost of Construction (INR Mn) | Pending Cost to be Spent (INR Mn) |
|---|---|---|
| Under Construction Blocks | 196 | 164 |

*Source: Client Inputs.*

Based on review of the data provided by the client, we understand that the all-inclusive cost budgeted for the development component of the Subject Asset (Block 2 with 107,000 sft leasable area) was observed to be in the range of INR 1,800 psft – INR 2,000 psft on the leasable area. This was observed to be broadly in-line with the all-inclusive costs (Hard and Soft costs) observed for Assets of similar scale and grade in an around the subject micromarket.

Based on the information provided by the client, we understand that there were tenant specific improvements which are included in the construction cost. The same has been considered for the purpose of this valuation.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the client, we understand that there are no major repairs and improvement proposed in the said asset.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise.

Completed Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.17 Mn |
| Insurance* | INR 0.26 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the client, Asset tax and insurance are to be borne by the client; ^fees has been considered as below the NOI line item.*

Under- Construction Blocks

| Nature of Expense | Details |
|---|---|
| Asset Management Fee^ | 3.0% of rental income |
| Property Tax* | INR 0.1 Mn |
| Insurance* | INR 0.08 Mn |
| Vacancy Allowance during operations | 1.0% |
| Vacancy Allowance on Exit | 2.5% |
| Refurbishment Reserve | 1.5% of rental income |
| Repair Margin | 0.5% of rental income |

*Source: Client input; Valuer's assessment; *As per the lease terms and the information provided by the client, Asset tax and insurance are to be borne by the client; ^fees has been considered as below the NOI line item*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is substantially occupied with significantly long lease periods. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Under-Construction Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered for the FY 2024 and year on year thereafter.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the client, it is understood that the existing leases have a rent-free period ranging from 0.5 months to 1.5 months from the lease-commencement date. Also, based on recent market trends in the subject micro market, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases.

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the client and market benchmarks. The same is a pass-through expense.

Based on the subsequent information provided by the client, we understand that the 100% of the CAM Income would be received by the client entity/ InvIT entity and 100% of the CAM Expense would be borne by SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location.
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Pillaipakkam Park | Ramanujar Industrial & Logistics Parks Private Limited | Completed | 7.75% |
| | | Under-Construction | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for competed assets has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Pillaipakkam-Sriperumbadur micromarkets which are in the range of 7.0% – 9.0% depending upon the location, asset quality, occupancy, etc.

Under Construction/ Proposed Blocks

For under construction/ proposed blocks, the cost of debt has been considered based on prevalent Construction Finance (CF) rates for warehousing facilities parks across Chennai which are in the range of 10.0% – 12.0% depending upon the location, asset quality, developer reputation and credit profile, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Completed Blocks

Based on above, the following WACC rate has been assumed for the completed assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Pillaipakkam Park | Ramanujar Industrial & Logistics Parks Private Limited | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

Under-Construction Blocks

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Pillaipakkam Park | Ramanujar Industrial & Logistics Parks Private Limited | Debt | 45.0% | 9.50% | 12.80% |
| | | Equity | 55.0% | 15.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject property comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Pillaipakkam Park | Completed | 1,556.7 |
| | Under - Construction | 223.4 |
| Total Value of the asset | | 1,780.2 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

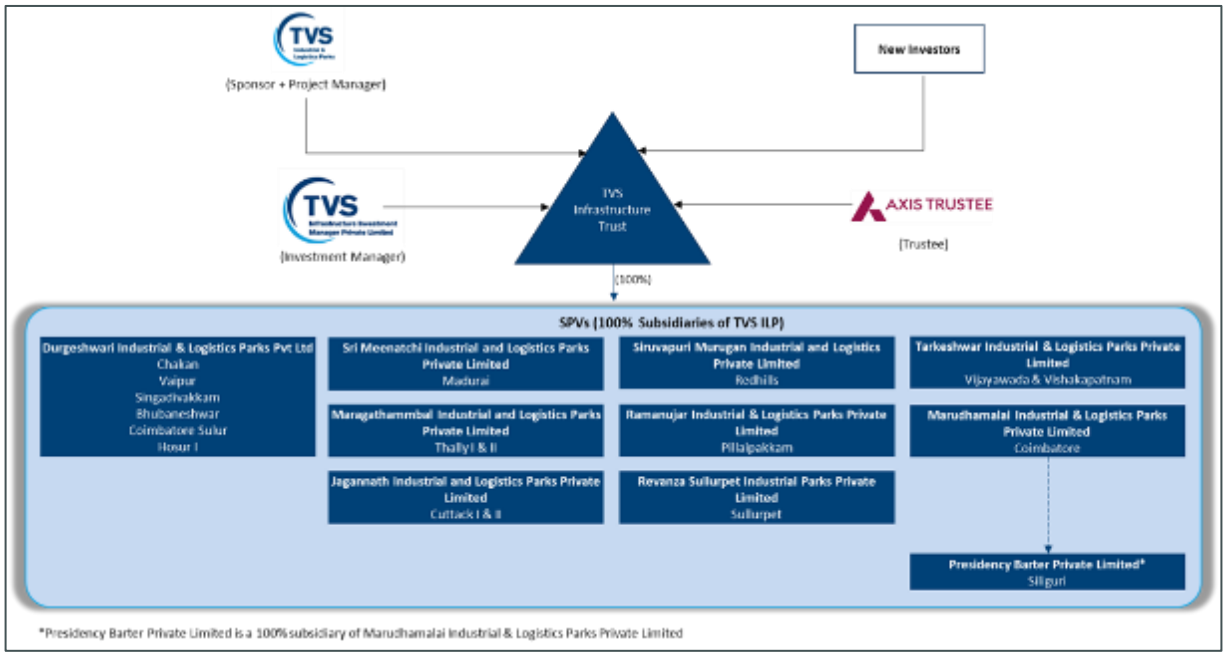
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

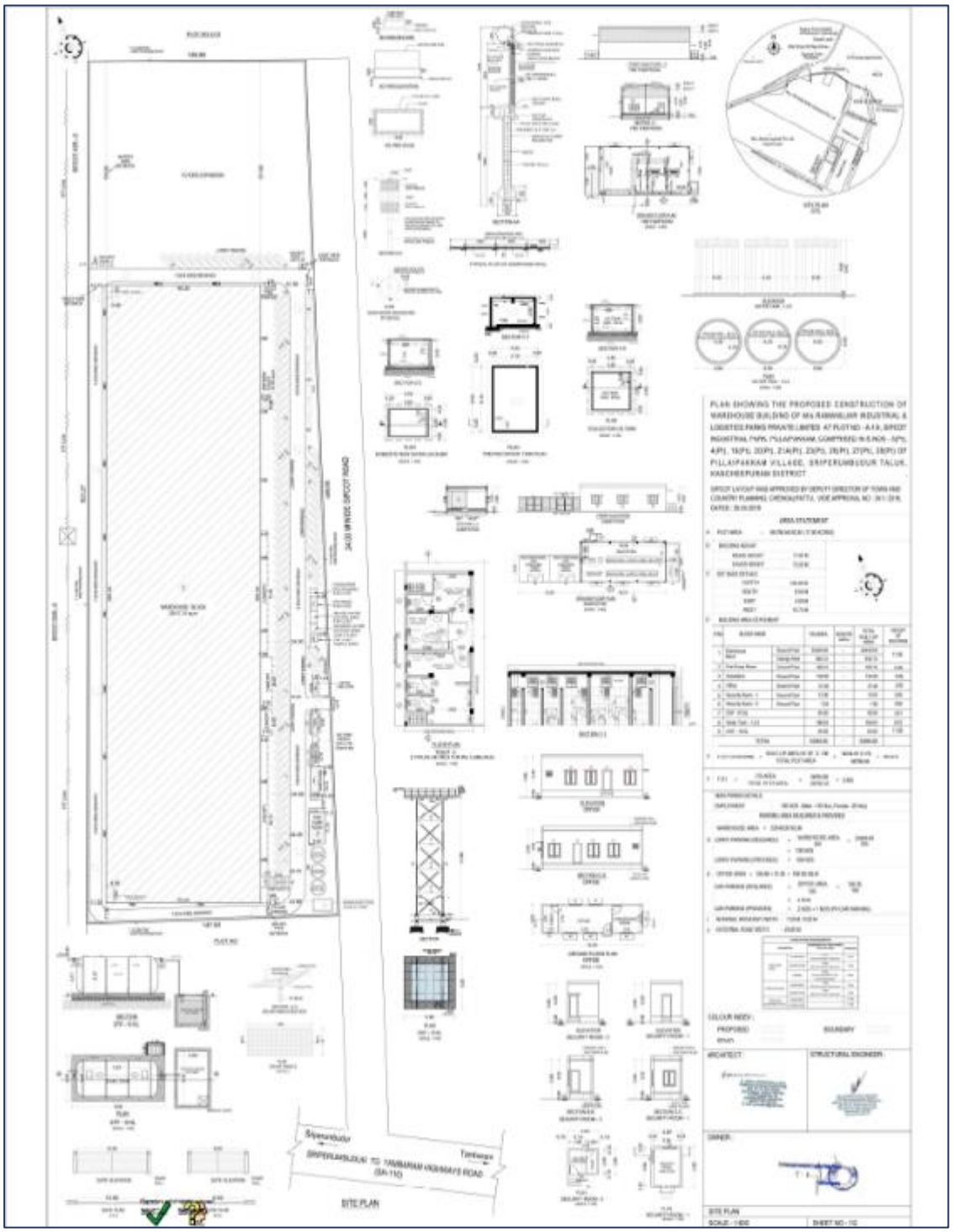
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | Details |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Remaining period of Building is 29.9 years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the lease is for 99 years for the underlying land. |
| 3 | Right to extend the contractual life of land | Subject property is a leasehold land parcel allotted by SIPCOT (Tamil Nadu Government Institution). Please note that the lease is a perpetual lease (99 year lease). |

## 7.2 Site Plan

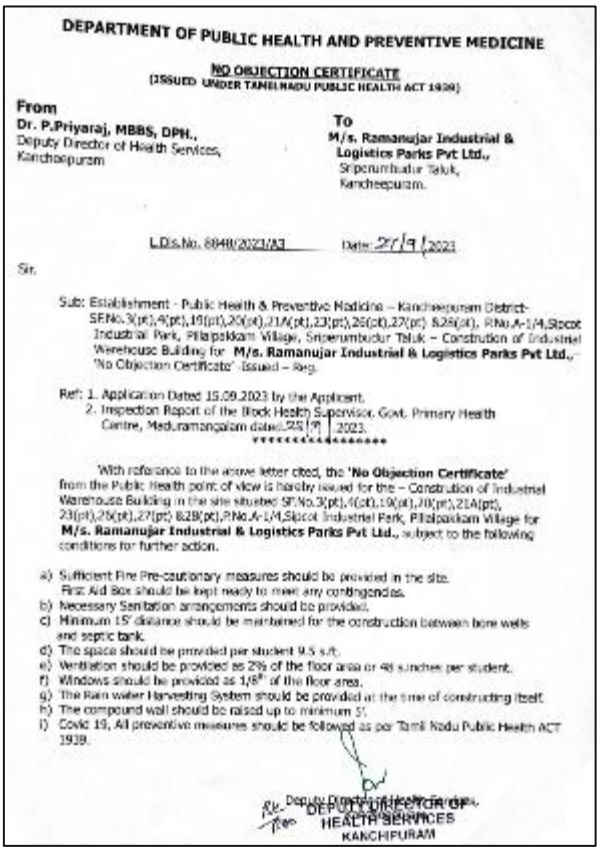
### 7.2.1 Pillaipakkam Park



*Source: Client Inputs*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Health NOC



DEPARTMENT OF PUBLIC HEALTH AND PREVENTIVE MEDICINE

NO OBJECTION CERTIFICATE
(ISSUED UNDER TAMILNADU PUBLIC HEALTH ACT 1939)

From
Dr. P.Priyaraj, MBBS, DPH.,
Deputy Director of Health Services,
Kanchipuram

To
M/s. Ramanujar Industrial & Logistics Parks Pvt Ltd.,
Sriperumbudur Taluk,
Kancheepuram.

L.Dis.No. 6848/2023/A3 Date: 27/9/2023

Sir,

Sub: Establishment - Public Health & Preventive Medicine – Kancheepuram District-SF.No.3(pt),4(pt),19(pt),20(pt),21A(pt),23(pt),26(pt),27(pt) &28(pt), P.No.A-1/4,Sipcot Industrial Park, Pillaipakkam Village, Sriperumbudur Taluk – Construction of Industrial Warehouse Building for **M/s. Ramanujar Industrial & Logistics Parks Pvt Ltd.,** 'No Objection Certificate' -Issued – Reg.

Ref: 1. Application Dated 15.09.2023 by the Applicant.
2. Inspection Report of the Block Health Supervisor, Govt. Primary Health Centre, Meduramangalam dated 25.9.2023.

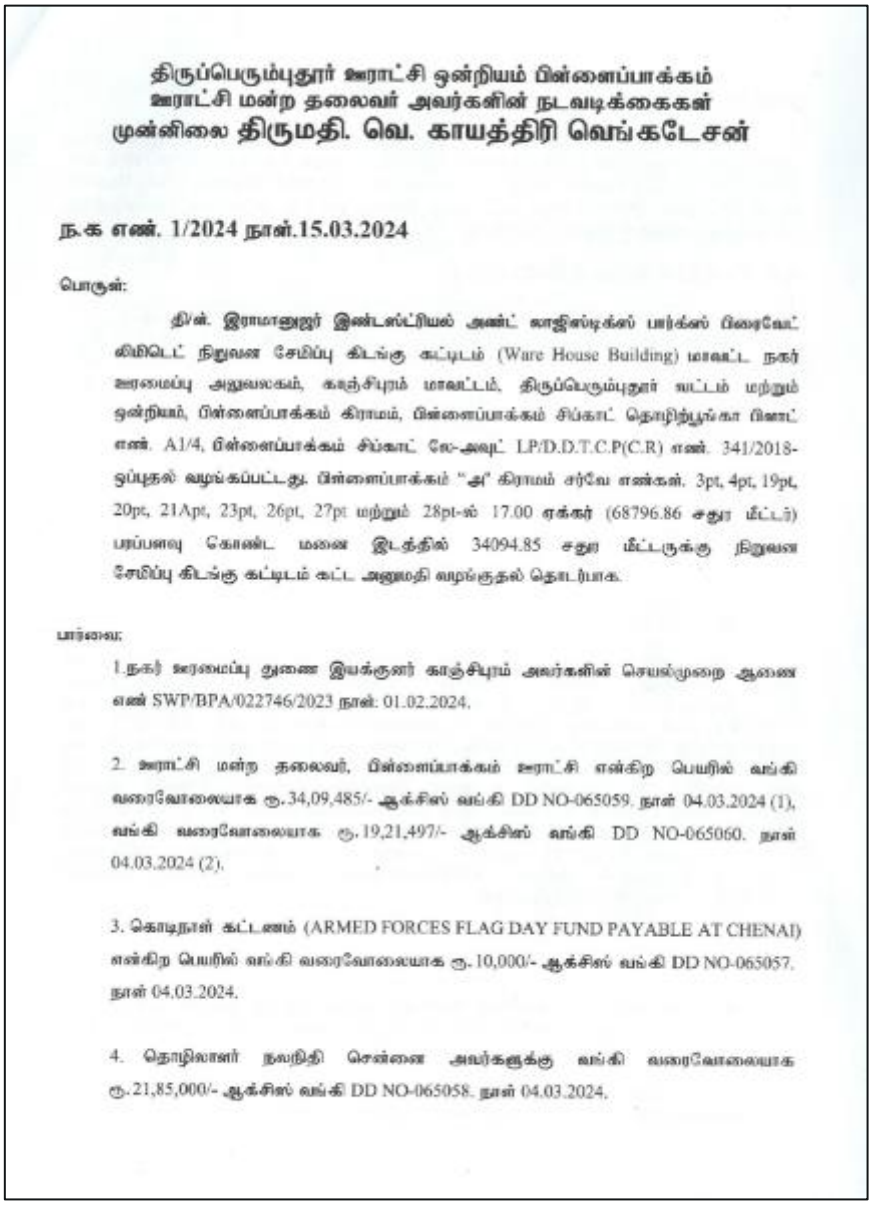
With reference to the above letter cited, the **'No Objection Certificate'** from the Public Health point of view is hereby issued for the – Construction of Industrial Warehouse Building in the site situated SF.No.3(pt),4(pt),19(pt),20(pt),21A(pt), 23(pt),26(pt),27(pt) &28(pt),P.No.A-1/4,Sipcot Industrial Park, Pillaipakkam Village for **M/s. Ramanujar Industrial & Logistics Parks Pvt Ltd.,** subject to the following conditions for further action.

a) Sufficient Fire Pre-cautionary measures should be provided in the site. First Aid Box should be kept ready to meet any contingencies.
b) Necessary Sanitation arrangements should be provided.
c) Minimum 15' distance should be maintained for the construction between bore wells and septic tank.
d) The space should be provided per student 9.5 s.ft.
e) Ventilation should be provided as 2% of the floor area or 48 s.inches per student.
f) Windows should be provided as 1/8th of the floor area.
g) The Rain water Harvesting System should be provided at the time of constructing itself.
h) The compound wall should be raised up to minimum 5'.
i) Covid 19, All preventive measures should be followed as per Tamil Nadu Public Health ACT 1939.

DEPUTY DIRECTOR OF HEALTH SERVICES
KANCHIPURAM

*Source: Client Inputs*

## 7.3.2 Planning Permit



திருப்பெரும்புதூர் ஊராட்சி ஒன்றியம் பிள்ளைப்பாக்கம்
ஊராட்சி மன்ற தலைவர் அவர்களின் நடவடிக்கைகள்
முன்னிலை திருமதி. வெ. காயத்திரி வெங்கடேசன்

ந.க எண். 1/2024 நாள்.15.03.2024

பொருள்:

தி/ள். இராமானுஜர் இண்டஸ்ட்ரியல் அண்ட் லாஜிஸ்டிக்ஸ் பார்க்ஸ் பிரைவேட் லிமிடெட் நிறுவன சேமிப்பு கிடங்கு கட்டிடம் (Ware House Building) மாவட்ட நகர் ஊரமைப்பு அலுவலகம், காஞ்சிபுரம் மாவட்டம், திருப்பெரும்புதூர் வட்டம் மற்றும் ஒன்றியம், பிள்ளைப்பாக்கம் கிராமம், பிள்ளைப்பாக்கம் சிப்காட் தொழிற்பூங்கா பிளாட் எண். A1/4, பிள்ளைப்பாக்கம் சிப்காட் லே-அவுட் LP/D.D.T.C.P(C.R) எண். 341/2018-ஒப்புதல் வழங்கப்பட்டது. பிள்ளைப்பாக்கம் "அ" கிராமம் சர்வே எண்கள். 3pt, 4pt, 19pt, 20pt, 21Apt, 23pt, 26pt, 27pt மற்றும் 28pt-ல் 17.00 ஏக்கர் (68796.86 சதுர மீட்டர்) பரப்பளவு கொண்ட மனை இடத்தில் 34094.85 சதுர மீட்டருக்கு நிறுவன சேமிப்பு கிடங்கு கட்டிடம் கட்ட அனுமதி வழங்குதல் தொடர்பாக.

பார்வை:

1.நகர் ஊரமைப்பு துணை இயக்குனர் காஞ்சிபுரம் அவர்களின் செயல்முறை ஆணை எண் SWP/BPA/022746/2023 நாள்: 01.02.2024.

2. ஊராட்சி மன்ற தலைவர், பிள்ளைப்பாக்கம் ஊராட்சி என்கிற பெயரில் வங்கி வரைவோலையாக ரூ.34,09,485/- ஆக்சிஸ் வங்கி DD NO-065059. நாள் 04.03.2024 (1), வங்கி வரைவோலையாக ரூ.19,21,497/- ஆக்சிஸ் வங்கி DD NO-065060. நாள் 04.03.2024 (2).

3. கொடிநாள் கட்டணம் (ARMED FORCES FLAG DAY FUND PAYABLE AT CHENAI) என்கிற பெயரில் வங்கி வரைவோலையாக ரூ.10,000/- ஆக்சிஸ் வங்கி DD NO-065057. நாள் 04.03.2024.

4. தொழிலாளர் நலநிதி சென்னை அவர்களுக்கு வங்கி வரைவோலையாக ரூ.21,85,000/- ஆக்சிஸ் வங்கி DD NO-065058. நாள் 04.03.2024.

*Source: Client Inputs*

### 7.3.3 Consent to Operate – Air

Category of the Industry :

ORANG
E

LiFE
Lifestyle for Environment

**CONSENT ORDER NO. 2301255043880 DATED: 25/09/2023.**

**PROCEEDINGS NO.F.3347SPR/OL/DEE/TNPCB/SPR/A/2023 DATED: 25/09/2023**

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**SUB:** TNPC Board-Consent for Establishment-M/s. RAMANUJAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED , S.F. No. Plot No. A-1/4 , SIPCOT Industrial Park , Pillaipakkam and S.Nos. 3(Pt), 4(Pt), 19(Pt), 20(Part), 21A(Pt), 23(Part), 26(Pt), 27(Pt), 28(Pt), PILLAIPPAKKAM A B BLOCK village, Sriperumbudur Taluk and Kancheepuram District - for the establishment or take steps to establish the industry under Section 21 of the Air(Prevention and control of Pollution)Act,1981, as amended in 1987(Central Act. 14 of 1981)-Issued -Reg.

**REF:** 1. Unit's Online Application No. 55043880 dated 19.09.2023
2. IR.No : F.3347SPR/OL/AEE/SPR/2023 dated 20/09/2023
3.Minutes of the 12th ZLCCC Meeting held on 21.09.2023 vide Item No.12-08

Consent to establish or take steps to establish is hereby granted under Section 21 of the Air (Prevention and control of Pollution) Act,1981, as amended in 1987 and the Rules and Orders made there under to

DGM
M/s . RAMANUJAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED
S.F No. Plot No. A-1/4 , SIPCOT Industrial Park , Pillaipakkam and S.Nos. 3(Pt), 4(Pt), 19(Pt), 20(Part), 21A(Pt), 23(Part), 26(Pt), 27(Pt), 28(Pt)
PILLAIPPAKKAM A B BLOCK Village
Sriperumbudur Taluk
Kancheepuram District.

Authorizing occupier to establish or take steps to establish the industry in the site mentioned below:

S.F No. Plot No. A-1/4 , SIPCOT Industrial Park , Pillaipakkam and S.Nos. 3(Pt), 4(Pt), 19(Pt), 20(Part), 21A(Pt), 23(Part), 26(Pt), 27(Pt), 28(Pt)
PILLAIPPAKKAM A B BLOCK Village,
Sriperumbudur Taluk,
Kancheepuram District.

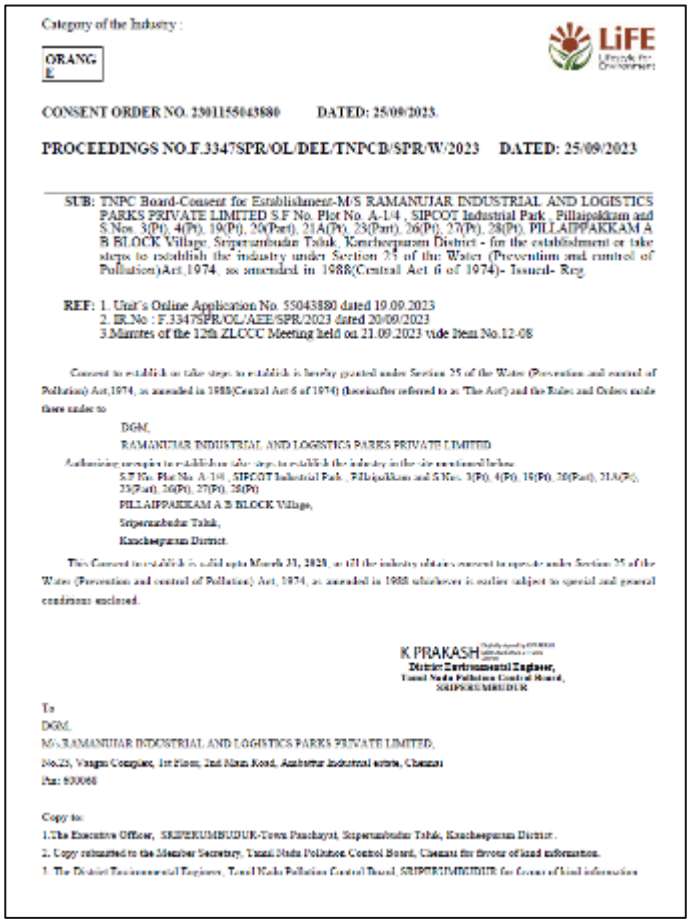
This Consent to establish is valid upto **March 31, 2028**, or till the industry obtains consent to operate under Section 21 of the Air (Prevention and control of Pollution) Act, 1981, as amended in 1987 whichever is earlier subject to special and general conditions enclosed.

K PRAKASH Digitally signed by K PRAKASH Date: 2023.09.25 21:51:02 +05'30'
**District Environmental Engineer,**
**Tamil Nadu Pollution Control Board,**
**SRIPERUMBUDUR**

To
DGM,
M/s.RAMANUJAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,
No.23, Vaagai Complex, 1st Floor, 2nd Main Road, Ambattur Industrial estate, Chennai

*Source: Client Input*

## 7.3.4 Consent to Operate - Water



Category of the Industry :

ORANGE

CONSENT ORDER NO. 2301155043880 DATED: 25/09/2023.

PROCEEDINGS NO.F.3347SPR/OL/DEE/TNPCB/SPR/W/2023 DATED: 25/09/2023

SUB: TNPC Board-Consent for Establishment-M/S RAMANUJAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED S F No. Plot No .A-1/4 , SIPCOT Industrial Park , Pillaipakkam and S Nos. 3(Pt), 4(Pt), 19(Pt), 20(Part), 21A(Pt), 23(Part), 26(Pt), 27(Pt), 28(Pt), PILLAIPPAKKAM A B BLOCK Village, Sriperumbudur Taluk, Kancheepuram District - for the establishment or take steps to establish the industry under Section 25 of the Water (Prevention and control of Pollution)Act,1974, as amended in 1988(Central Act 6 of 1974)- Issued- Reg.

REF: 1. Unit's Online Application No. 55043880 dated 19.09.2023
2. ER.No : F.3347SPR/OL/AEE/SPR/2023 dated 20/09/2023
3.Minutes of the 12th ZLCCC Meeting held on 21.09.2023 vide Item No.12-08

Consent to establish or take steps to establish is hereby granted under Section 25 of the Water (Prevention and control of Pollution) Act,1974, as amended in 1988(Central Act 6 of 1974) (hereinafter referred to as 'The Act') and the Rules and Orders made there under to

DGM,
RAMANUJAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED

Authorising to establish or take steps to establish the industry in the site mentioned below

S.F No. Plot No .A-1/4 , SIPCOT Industrial Park , Pillaipakkam and S Nos. 3(Pt), 4(Pt), 19(Pt), 20(Part), 21A(Pt), 23(Part), 26(Pt), 27(Pt), 28(Pt)
PILLAIPPAKKAM A B BLOCK Village,
Sriperumbudur Taluk,
Kancheepuram District.

This Consent to establish is valid upto March 31, 2028, or till the industry obtains consent to operate under Section 25 of the Water (Prevention and control of Pollution) Act, 1974, as amended in 1988 whichever is earlier subject to special and general conditions enclosed.

K PRAKASH
District Environmental Engineer,
Tamil Nadu Pollution Control Board,
SRIPERUMBUDUR

To
DGM,
M/s.RAMANUJAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,
No.25, Vengal Complex, 1st Floor, 2nd Main Road, Ambattur Industrial estate, Chennai
Pin: 600068

Copy to:
1.The Executive Officer, SRIPERUMBUDUR-Town Panchayat, Sriperumbudur Taluk, Kancheepuram District .
2. Copy submitted to the Member Secretary, Tamil Nadu Pollution Control Board, Chennai for favour of kind information.
3. The District Environmental Engineer, Tamil Nadu Pollution Control Board, SRIPERUMBUDUR for favour of kind information

*Source: Client Input*

### 7.3.5 Water Supply Agreement – SIPCOT Pillaipakkam

भारतीय गैर न्यायिक

एक सौ रुपये Rs. 100

रु. 100 ONE HUNDRED RUPEES

भारत INDIA

INDIA NON JUDICIAL

தமிழ்நாடு तमिलनाडु TAMILNADU

25 AUG 2023

CX 430681

T. SARAVANAN
STAMP VENDOR
No. 227, Vanniyar Street,
Padi, Chennai-600 050.
Licence No. 1 / 2010 / Padi

**AGREEMENTS FOR THE SUPPLY OF WATER FROM THE WATER SUPPLY SCHEME AT SIPCOT INDUSTRIAL PARK, PILLAIPAKKAM**

This agreement made at Pillaipakkam on the 28th **day of August 2023** between STATE INDUSTRIES PROMOTION CORPORATION OF TAMILNADU LIMITED, (SIPCOT) having its Registered Office at No.19-A, Rukmani Lakshmipathy Road, Egmore,0. Chennai - 600 008 and represented by its Project Officer **Tmt.,P. Kavitha, (PAN NO.BPVPK5062D),** D/o.Thiru. Perumal, SIPCOT Industrial Park, Pillaipakkam, (hereinafter called "SIPCOT" Which expression shall unless the context otherwise requires include its successors, administrators and assigns) of the ONE PART.

PROJECT OFFICER
SIPCOT INDUSTRIAL PARK
PILLAIPAKKAM

For Ramanujar Industrial & Logistics Parks Pvt Ltd

Authorised Signatory

*Source: Client Input*

## 7.3.6 Fire NOC

**TAMILNADU FIRE & RESCUE SERVICE DEPARTEMENT**

L.Dis No: 7446/A/2023
Date : 6/10/2023

Office of the District Officer,
Fire & Rescue Services Department,
Kanchipuram District, Kanchipuram.

**NO OBJECTION CERTIFICATE**

Sub: Fire & Rescue Services, Kanchipuram District - Issue of No objection Certificate for Ms.Ramanujar Industrial & Logistics Parks Pvt Ltd, Plot No.A-1/4, S.Nos.3(pt), 4(pt), 19(pt), 20(pt), 21A(pt), 23(pt), 26(pt), 27(pt) & 28(pt), Sipcot Industrial Park, Sriperumbudur To Tambaram Main Road, Pillaipakkam Village, Sriperumbudur Taluk, Kanchipuram District --- Reg.

Ref: 1) Ms.Ramanujar Industrial & Logistics Parks Pvt Ltd, Plot No.A-1/4, S.Nos.3(pt), 4(pt), 19(pt), 20(pt), 21A(pt), 23(pt), 26(pt), 27(pt) & 28(pt), Sipcot Industrial Park, Sriperumbudur To Tambaram Main Road, Pillaipakkam Village, Sriperumbudur Taluk, Kanchipuram District, Application Date : 27.09.2023.

2) Station Officer-II, Fire Prevention Wing, Kanchipuram Inspection Report R.C. No.345/2023, Date : 29.09.2023.

**********

The Premises was inspected by Station Officer-II, Fire Prevention Wing, Kanchipuram Located at Plot No.A-1/4, S.Nos.3(pt), 4(pt), 19(pt), 20(pt), 21A(pt), 23(pt), 26(pt), 27(pt) & 28(pt), Sipcot Industrial Park, Sriperumbudur to Tampuram Main Road, Pillaipakkam Village, Sriperumbudur Taluk, Kanchipuram District on 27.09.2023 and the report is given here under.

**OBSERVATION**

This is the proposal for planning permission to construct a Warehouse building (Ground floor Only). The Total Plot area is 68796.60 Sqr mtr and Proposed buildup area is 34094.85 sqr mtr with the height of 17.50 mtrs. The proposed building is classified as Group-H Warehouse building sub division D1 Low hazard Warehouse buildings as per national building code of india 2016 Part-IV, Fire and life safety. There is no objection to accord planning permission to construct the Warehouse buildings, subject to the following conditions.

**CONDITIONS**

1.The construction should be made as per the plan submitted.

2.If there is any deviation, NOC will be cancelled automatically.

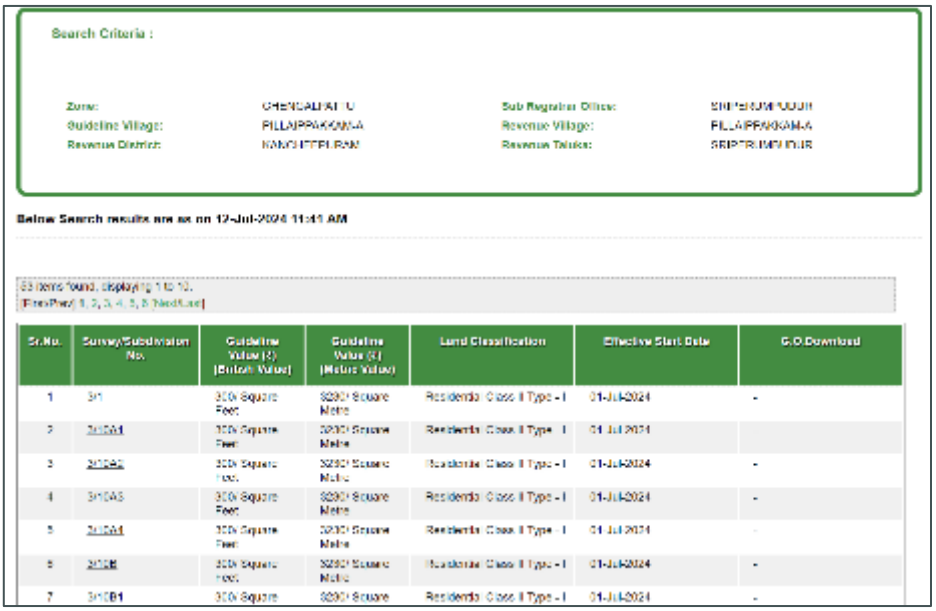
*Source: Client Input*

## 7.4 Guideline Value

| Sl. No. | Present Survey No. | Extent as per the lease deed dated XXX registered as document No. XXX entered into between XXX and XX **("Lease Land") (cents)** | Guideline Value (INR MN/acre) | Guideline Value (INR Mn) |
|---|---|---|---|---|
| 1 | 3,4,19,20,21A,23,26,27,28 | 170.00 | 13.07 | 222.16 |

*Source: tnreginet*

**Survey No 3**




## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report.

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## SILIGURI PARK

SPV

PRESIDENCY BARTER PRIVATE LIMITED

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India
(Infrastructure Investment Trust) Regulations, 2014

IVAS®

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other addressees named herein and the Instructing Party and the addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint Client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Siliguri Park (the "Subject Asset") |
| Asset Address: | Shilpobroto Industrial Park, Jotiakali, Siliguri 734015, District: Jalpaiguri |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Presidency Barter Private Limited |
| Interest Valued: | As per the Title Search Report shared by the Client, out of the total land parcel admeasuring approx. 5.66 acres, it is understood that approx. 4.3 acres of land is freehold and the remaining approx. 1.3 acres of land is leasehold. The same has been considered for the purpose of this valuation. |
| Land Area: | As per the review of the sanctioned layout provided by the Client, it is understood that the total land underlying area is approx. 5.66 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an operational Industrial warehouse/logistics park, located along the Border Road 607.<br><br>The Subject Asset 'Siliguri Park' is a warehousing facility. The asset is located along Border Road 607, a prominent arterial road in the city. The warehousing corridor extends from Fulbari, an establishment warehousing vector of Siliguri. By virtue of being located along Border Road 607 and in proximity to other prominent arterial roads in the region such as NH 27, etc., the asset enjoys excellent connectivity to other parts of Siliguri. Some of the prominent warehousing assets in the micromarket include Subject Asset, KD Logistics (Mondelez), Delhivery, etc.<br><br>Further, based on the information provided by the Client, the area details of the asset are as follows: |

| Particulars | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|
| Phase I | 89,972 | 89,972 |
| Phase II | 50,502 | 50,502 |
| Total Area | 140,474 | 140,474 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The Subject Asset is located in Fulbari an established destination in Siliguri. It is located at a distance of approx. 9-10 kms from NJP Station, approx. 13-14 kms from Siliguri Station, approx. 15-16 kms from Siliguri CBD, and approx. 21-22 kms from Bagdogra Airport.

Statement of Assets (sft):

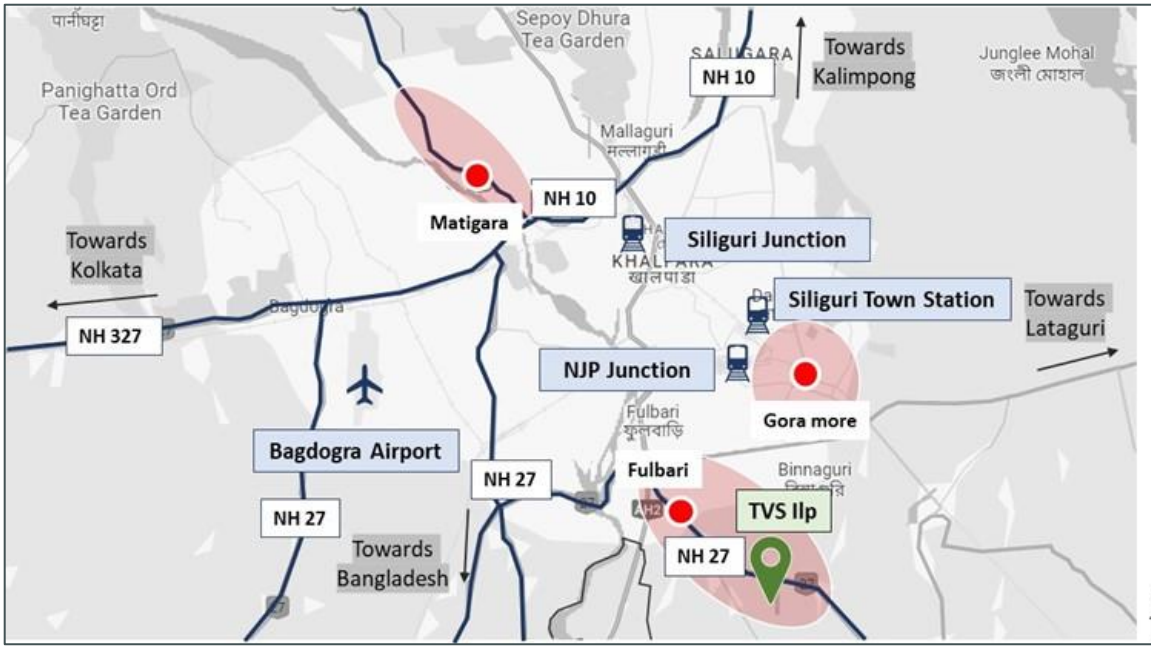
Based on review of rent roll, lease deeds and area statement provided by the Client, the Subject Asset has an operational warehousing facility with approximately 140,474 sft with occupancy of approx. 100% as on the date of valuation.

| Blocks | Leasable area (sft) | Chargeable area (sft) | FAR area (sft) | Structure Type |
|---|---|---|---|---|
| Phase I (Warehouse) | 72,571 | 72,571 | 72,571 | Warehouse |
| Phase I (Mezz & Aux) | 17,401 | 17,401 | 17,401 | Mezzanine & Auxiliary |
| Phase II (Warehouse) | 42,015 | 42,015 | 42,015 | Warehouse |
| Phase II (Mezz & Aux) | 8,487 | 8,487 | 8,487 | Mezzanine & Auxiliary |
| Total Area | 140,474 | 140,474 | 1,40,474 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Location Map

**Location Map for the Subject Asset**




*Source: Industry Assessment Report*

Tenancies

As at the valuation date the Subject Asset is fully let to a single tenant viz. e-commerce company at a total current annual rent of approx. 37 Mn. The subject asset has a WALE of 5.9 years

Key Assumptions

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent | INR psf per month | 21.95 |
| Marginal rent – Warehouse component | INR/ sf/ mth | 23.00 |
| Weighted Average Marginal rent# | INR/ sf/ mth | 20.99 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | NA. Subject Asset is Operational |
| Proposed Capex (Completed Blocks & Planned/Under Construction Blocks) | INR Mn | NA |
| Other Financial Assumptions | | |
| Exit Cap rate | % | 7.75% |
| Discount rate (During operations) | % | 11.58% |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 -Q3 2025) | INR Mn | 35.95 |
| Stabilized NOI[1] | INR Mn | 35.73 |

*Source: Valuer's Assessment, Industry Assessment Report., #Weighted average market rent arrived considering differential market calls for spaces such as mezzanine, open spaces, any tenant specific spaces basis their agreement with the Client and any other spaces.*

| | |
|---|---|
| %stake proposed to be held in Asset SPV by TVS Infrastructure trust: | 100% |
| Date of Inspection: | 22nd May 2024 |
| Date of Valuation: | 30th September 2024 |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

| | |
|---|---|
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by State Government): | INR 121 Mn (Kindly refer Annexure Section 7.4) |

Market Value as of September 30st, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Siliguri Park | Operational | 491 |
| Total Value of the asset | | 491 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | Please refer section 7.5 of this report |
| Assumptions, Disclaimers, Limitations & Qualifications | This valuation report is provided subject to assumptions, disclaimers, limitations, and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.<br><br>Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset. |

Valuer Declaration:

i. the valuer is competent to undertake the valuation
ii. the valuer is independent and has prepared the report on a fair and unbiased basis
iii. The valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client" or the "Sponsor") in its capacity as Sponsor of the TVS Infrastructure Trust to estimate the Market Value (MV) of an operational Warehousing asset located along Border Road 608, Siliguri, West Bengal.

Based on information provided by the Client's representative, we understand that the underlying land parcel of the Subject Asset admeasures approx. 5.66 acres with a total leasable area and chargeable area admeasuring approx. 140,474 sft.

iVAS Partners ('the Valuer') utilized the deliverables of CBRE South Asia Private Limited (CBRE), an independent agency appointed by the Client to undertake market research, provide market commentary, and data for the purpose of this assignment. The Valuer has utilized the market intelligence provided by CBRE to arrive at the Market Value of the respective assets as per the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("SEBI (InvIT) Regulations 2014") and amended to date.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Siliguri Park | Presidency Barter Private Limited | Warehouse | Siliguri | 5.66 acres | 1 (2 Phases) |

*Source: Client Inputs*

Further, valuation has been undertaken to ascertain the market value of the Subject Assets forming part of the proposed TVS Infrastructure Trust as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets (if sold in one transaction) or SPV/ Holding company.

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Placement document ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers,

limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. They do not consider the individual circumstances, financial situation, investment objectives or requirements. They are intended to be used as guide and for information purposes only and do not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building, plant & machinery and securities or financial assets), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and Masters in Management Studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.5 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Infrastructure Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.

- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.

- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.

- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.

- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.

- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.

- iVAS Partners is not prohibited from acting as a valuer under applicable law.

- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.

- The Valuer and any of its employees/valuers involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.

- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.

- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.

- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.

- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.

- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we

do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.

- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment

- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset

- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.

- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information

- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust

- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation

- The valuation undertaken by the Valuer abides by International Valuation Standards (effective from 31 January 2022) for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017

- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.

- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas. (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.6 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on information received from the Client, the Valuer understands that the Subject Assets are free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Assets may have encumbrances, disputes, and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes, or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |

| | |
|---|---|
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the subject region. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses, and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the lease deed/ rent roll data provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants, or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 2.5.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration |

| | |
|---|---|
| | has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Siliguri – Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Siliguri and Micromarket

Total completed stock in Siliguri as of Q3 2024 is approx. 3.11 msf, out of which Fulbari micromarket account for approx. 28%.

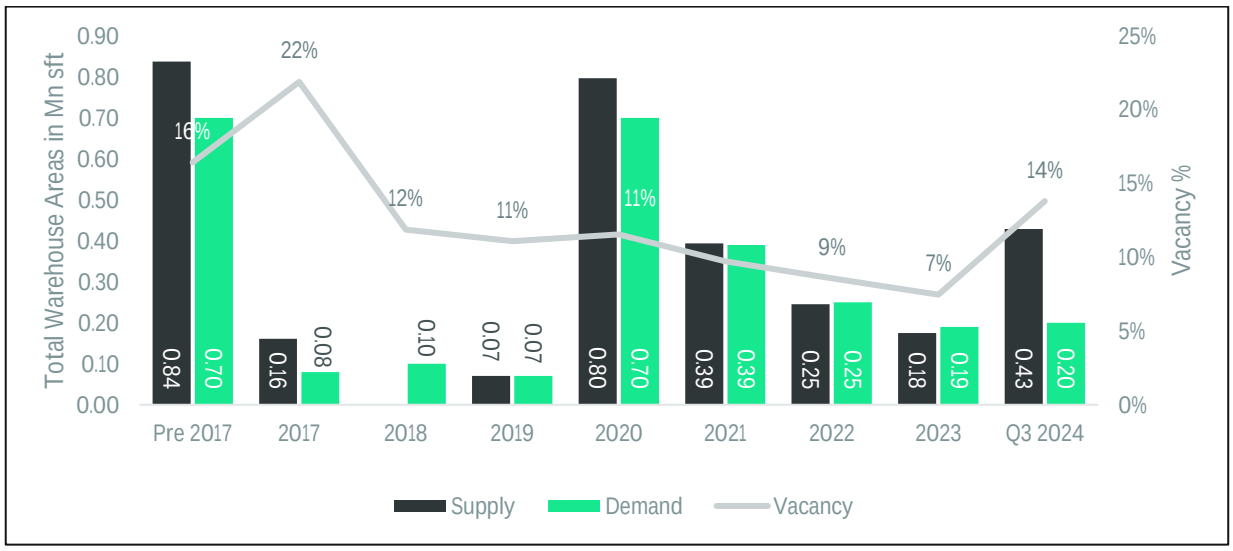
| Particulars | Leasable Area (sft) |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 3.11 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 2.67 msf |
| Current vacancy (Q3 2024) | Approx. 13-14% |
| Average annual warehouse absorption (2018 - 2023) – Gross Absorption | Approx 0.2-0.3 msf |
| Future supply (2024 – 2025) | Approx 0.2 – 0.3 msf |

*Source: Industry Assessment Report dated of September 30, 2024*

Eastern Cluster comprise of Fulbari micromarkets. The cluster is located on the eastern side of Siliguri, alongside NH 27. The micromarket is dominated by mainly local individual players. The market's proximity to the main city area and excellent connectivity through NH 27 have led to its emergence. The cluster comprises approximately 28% of the total completed supply in the Siliguri region. Out of the total completed supply in the Fulbari cluster, approximately 55% of the supply is Grade A, and remaining is Grade B and Grade C with a cumulative supply of 45%.

Proximity to the National Highway and the main city area have resulted in the growth of Fulbari as a micro-market. Several multinational and national companies, such as Coca cola occupying Grade A development, Mondelez, Instakart and Delhivery occupying Grade B development, and companies like Keventer, Emami Frank Ross, etc are occupying Grade C developments in this micromarket.

Demand – Supply Dynamics of City: Siliguri




*Source: Industry Assessment Report*

We have analysed the demand and supply of warehousing spaces within the subject micro market. All the completed, grade A, grade B and grade C, multi-tenanted warehousing, and logistics developments in the influence region i.e., Fulbari are included while defining the sample set for the demand supply analysis. As per Industry Assessment Report, we understand that the subject micromarket has a cumulative vacancy of approx. 14-15% overall, including grade A, B, and C developments.

Siliguri city has an overall completed supply of approx. 3.11 Mn sft. spread across Grade A, Grade B, and Grade C industrial, logistics and warehousing developments. The supply in the city had been increasing by an average of approx. 0.29 Mn sft between the years 2017 to 2024. The higher quantum of supply in 2020 is a result of sporadic construction activity in the year 2019 due to the COVID-19 restrictions. It witnessed very less supply in 2022 and in 2023 approx. 0.18 Mn sft was added, showing higher levels of supply being induced vis-à-vis pre-COVID years.

Between the years 2017 to 2023, the demand has kept pace with the supply due to various Retail, FMCG, E-Commerce and 3 PL firms showing significant interest in the Fulbari micromarket. Some of the major leases in this tenure include firms like Reliance, Mondelez, Delhivery etc. The significant demand in 2020 and 2021 is primarily driven by the supply chain disruptions during the pandemic and the need for warehouse spaces in proximity to the Point of Sale (POS). Hence it is evident from the data detailed previously, the absorption levels have surpassed the COVID demand.

Fulbari micromarket has been a major contributor in the demand and supply trends witnessed at city level with a share of approx. 28%. The subject micromarket has emerged as an attractive industrial destination primarily on account of presence of vacant land, excellent surface connectivity, and access to low-cost manpower. Fulbari has evolved into a major industrial hub due to the presence of prominent Grade A and Grade B developments with superior build quality vis-à-vis Matigara micromarket. It has seen development activities from major players like Mondelez, Delhivery, Coca cola, etc, thus attracting higher rentals and superior tenant mix.

Fulbari has a cumulative supply of 0.88 Mn sft out of which grade A supply is approx. 0.48 Mn sft. The vacancy of the region stands at approx. 20% as of Q3-2024. The amalgamation of all the factors detailed above viz. relatively superior

quality tenants, marquee developments, location advantage, etc. has led to prominent investment in Fulbari by firms like Coca cola, Mondelez, Delhivery, etc.

#### 3.2.1.1 Key Developments in Micromarket

The table below highlights the prominent warehousing facilities in the subject micromarket:

| Building Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Development 1 | 2009 | 225,000 | ~ 18 – 19 |
| Development 2 | 2024 | 90,000 | ~ 17 – 18 |
| Development 3 | 2019 | 70,000 | ~ 17 – 18 |

*Source: Industry Assessment Report*

#### 3.2.1.2 Future Supply

Based on our market research, we understand that the majority of the upcoming supply is expected to be in the micromarkets of Gora more. Several individual landlords have vacant land parcels close to existing warehouse micromarkets, and they are willing to sign a build-to-suit contract with potential occupiers. The micromarket such as Gora more and Matigara has an upcoming supply of approx. 0.1 Mn sft expected to be completed in 2024 and 2025. The details of the same are as below:

| Building Name | Year of Completion | Status* | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Development 1 | 2024 | UC / Planned | Gora More | 30,000 |
| Development 2 | 2024 | UC / Planned | Matigara | 40,000 |

*Source: Industry Report, * UC – Under Construction*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micro market:

| Date of Transaction | Chargeable Area (sft) | Lessee | Name of the Building | Total Rent (INR per sft per month) | Description |
|---|---|---|---|---|---|
| Q4, 2023 | 90,000 | Mondelez | KD Logistics | ~ 17 - 18 | Base Rental |
| Q2, 2023 | 225,000 | Coca Cola | Individual | ~ 18 - 19 | Base Rental |
| Q4, 2023 | 70,000 | Delhivery | Individual | ~ 17 - 18 | Base Rental |
| Q1, 2024 | 10,000 | Rallis | Siliguri Logistics | ~ 13 - 14 | Base Rental |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rental value in the micro market ranges between INR 14 - 19/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, grade, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the subject region is perceived as a favourable destination for various industry players owing to the excellent connectivity (via NH 27 Porbandar - Silchar Highway), attractive rentals, availability of land parcels etc. Fulbari has many small and large-scale warehouses which has enabled it to develop as an industrial/warehouse ecosystem. Further, owing to the growth of Retail, FMCG, E-Commerce sector and its continuous demand from prominent cities like Siliguri, the requirement for warehousing spaces are increasing. Thus, the subject micromarket is expected to experience sustained demand and supply in the coming years.

Further, the subject development is well positioned in the market to attract interest from occupiers owing to its location (Nh 27), specifications and amenities, developer's reputation, etc. The proximity to key consumption hubs, manufacturing hubs, and other infrastructure initiatives has established Fulbari as an ideal destination for companies to set up their warehousing and distribution centres. Industrial clusters have a diverse mix of industrial manufacturers in food processing, logistics, chemicals, etc. and have emerged as major industrial hubs in Siliguri as companies such as Bisk Farm, Parle, etc. have set up their manufacturing facilities in the region.

# 4 Subject Asset – Siliguri Park

## 4.1 Asset Description

The subject development christened 'Siliguri Park' is a completed and operational warehousing facility with total leasable area of 140,474 sft located at Shilpobroto Industrial Park, Jotiakali, Siliguri 734015, Dist Jalpaiguri. The Subject Asset is currently accessible via Border Road 607.

Based on the information provided by the Client, it is understood that the Subject Asset is warehousing asset with land area admeasuring approx. 5.66 acres and leasable area admeasuring approx. 140,474 sft. According to the lease agreements and information shared by the Client, we understand that Phase-1 started operations in the year 2021, and Phase-2 in 2022. The Subject Asset is understood to have a floor strength of 5 T/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height is 12m.

Further, the Siliguri facility's fire safety system has a NFPA/NBC standard fire protection system. The facility is equipped with both external and internal hydrants, alongside automatic sprinkler system.

Moreover, the park offers a range of amenities such as dedicated restroom for drivers, water supply, electric supply, fire protection, fire alarm & detection system. The Subject Asset provides DG for power backup, street lighting all around the park, and designated parking areas. The park's landscaping provides a sustainable environment, while the asset is monitored completely with CCTV & security control to ensures safety.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Siliguri Park |
| Address | Shilpobroto Industrial Park, Jotiakali, Siliguri 734015, Dist Jalpaiguri |
| Land Area | Based on review of the sale deed and title report the valuer understand that the total land area of the Subject Asset is approx. 5.66 acres |
| Leasable Area | 140,474 sft |

*Source: Client Inputs*

### 4.1.1 Site Details

Situation: Subject asset – 'Siliguri Park' is an operational Industrial warehouse/logistics park, located along the Border Road 607 which connects to NH 27.

Location: The Subject Asset is located in Shilpobroto Industrial Park towards the East of Siliguri. The Subject Asset is located in an emerging industrial micro -market of Siliguri viz. Border Road which is an internal road emanating from NH 27. Further, it is well connected to important industrial hubs & major cities via NH 27, and other internal roads. Prominent warehouses present within the vicinity are Delivery, Mondelez, etc.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Fulbari Market | 6 – 7 |
| NJP Station | 9 – 10 |
| Siliguri Station | 13 – 14 |
| Siliguri CBD | 15 – 16 |
| Bagdogra Airport | 21 – 22 |

*Source: Valuer's research*

Catchment Analysis: The primary catchment for the purpose of this valuation has been defined as Fulbari and its adjoining micro markets which are predominantly characterized by industrial/warehousing development.

Surrounds: The Subject Asset is surrounded as follows:

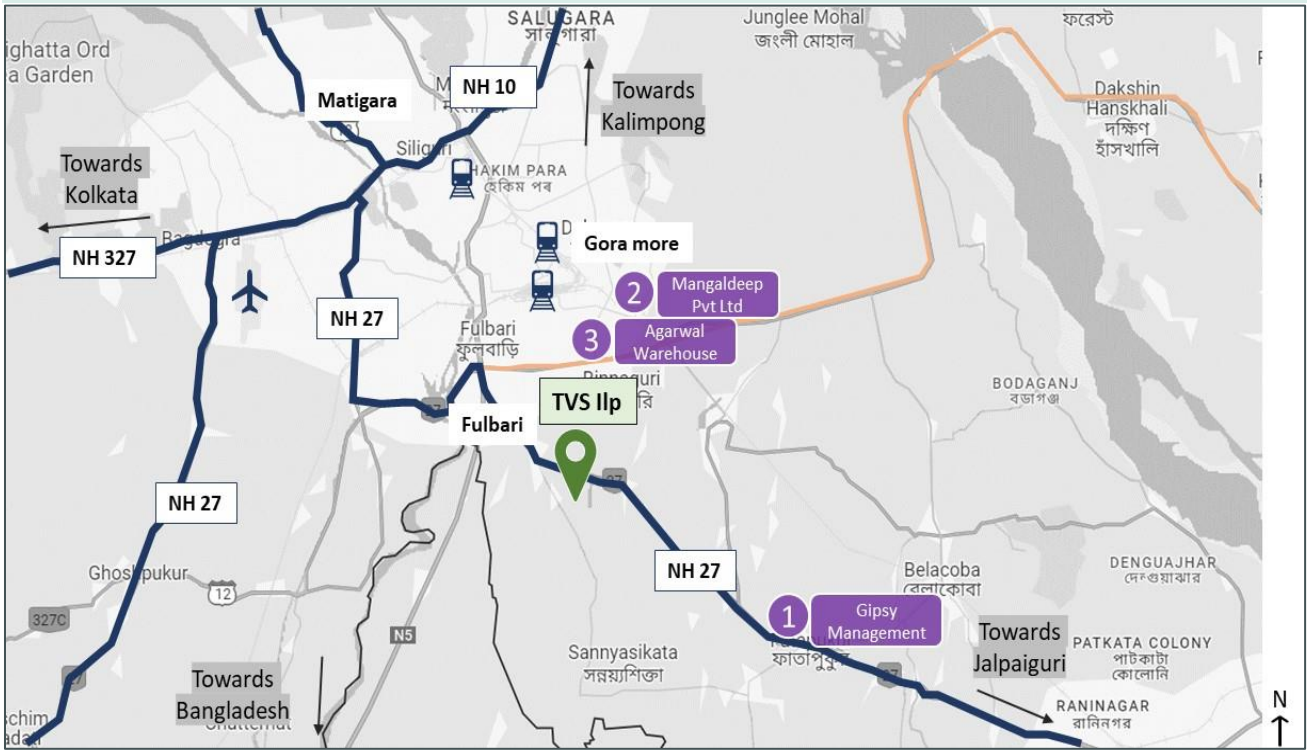
- North: Residential houses
- South: Primary access road
- East: BSF Govt. quarter
- West: Vacant land

Potential changes in surroundings: The Subject Asset is located in close vicinity to NH 27 highway leading to micromarkets such as Fulbari, Gora more and Matigara where there is reasonable interest from developers to launch new assets comprising of largely industrial developments on the main arterial roads. The upcoming Kharagpur-Siliguri Economic Corridor is further expected to enhance the connectivity of the region to the nearby cities.

| | |
|---|---|
| Suitability of existing use: | Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage. |

The following map indicates the location of the Subject Asset and surrounding developments

Location Map for the Subject Asset




*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is regular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and is on the same level as abutting access roads and adjoining Assets. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the Subject Asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via approx. 10 m wide primary access road. By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset. |

### 4.1.2 Review of sale deed or Lease agreement

As per the sale deed, we understand that the exact address of the Subject Asset is Shilpobroto Industrial Park, Police Station- Rajganj, Fulbari- II Gram Panchayat, District Jalpaiguri, West Bengal 734015. Additionally, it is understood that the Subject Asset is owned by TVS Infrastructure Private Limited. As per the title search report shared by the client, it is understood that approx. 4.3 acres of land is freehold and the remaining approx. 1.3 acres of land is leasehold.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the Towns Planning Zoning Classification certificate provided by the Client, we understand that the Subject Asset is zoned for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on copies of approved plans issued by PMRDA authority provided by the Client and visual inspection during our site visit, the Subject Asset is a completed and operational warehouse/logistics park. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the Client, there are no restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Chakan where the Subject Asset is located falls in Seismic Zone III with moderate risk. The city faces low risk in terms of high winds or cyclones. The Subject Property is not likely to face any earthquake, cyclone or flooding risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster. |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that all developments adhere to building regulations as prescribed by the relevant authorities. Valuers have not |

validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received

As per the review of documents provided by the Client, we understand that all requisite approvals have been received for the Subject Asset.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Occupancy Certificate | Received | Jalpaiguri Zilla Parishad | 30-08-2021 |
| Electricity NOC | Received | Govt. of West Bengal, Directorate of Commercial Taxes Electricity Duty | 31-08-2021 |
| No Objection Certificate | Received | Member Secretary, District Level Ground Water | 06-09-2021 |
| Plan Approval | Received | District Engineer, Jalpaiguri Zilla Parishad | 17-06-2022 |
| Fire safety recommendations | Received | Deputy Director, West Bengal Fire & Emergency Services | 22-06-2022 |
| Fire Safety Certificate | Received | West Bengal Fire & Emergency Services, Govt. of West Bengal | 27-07-2022 |
| Occupancy Certificate | Received | Fulbari – II Gram Panchayat | 05-08-2022 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the Client, we understand that there are no overdue periodic clearances.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the completed blocks of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Developable Area (sft) | Completed Area (sft) | Leased Area (sft) |
|---|---|---|---|---|---|
| Phase 1 | 2021 | 3 | 0 | 89,972 | 89,972 |
| Phase 2 | 2022 | 2 | 0 | 50,502 | 50,502 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The table below highlights the area details of the Subject Asset:

| Block | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|
| Phase 1 | 89,972 | 89,972 |
| Phase 2 | 50,502 | 50,502 |

*Source: Client Inputs*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks | Land Stage Blocks |
|---|---|---|---|
| Handover condition | Warm Shell | NA | NA |
| Type of Structure | PEB | NA | NA |
| Firefighting services | NFPA/NBC standard fire protection system | NA | NA |
| Lift provision | No Lifts | NA | NA |
| Floor Finish | FM2 Concrete floor | NA | NA |
| Floor Strength | 5 MT/Sqm | NA | NA |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and corroborated with our visual inspection during the site visit, it is understood that the Subject Asset is in good condition and is maintained well.

The table below highlights the major repairs and maintenance work/ infrastructure upgrade works to be undertaken over the next few quarters:

| Expense Head | Total Pending Cost (INR Mn) | Quarter of Completion |
|---|---|---|
| CAPEX | NA | NA |

*Source: Information provided by the Client*

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

| Siliguri Park | |
|---|---|
| | |
| View of the Subject Asset | View of the Subject Asset |
| | |
| View of the Subject Asset | View of the entrance gate of the Subject Asset |
| | |
| View of the Subject Asset | View of the entrance gate of the Subject Asset |

4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of offer of units by Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

The Valuer has assessed the Market Value of each Individual Subject Asset(s), not the value of the portfolio as if all assets are being sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio.

## 5.2 Basis of Valuation

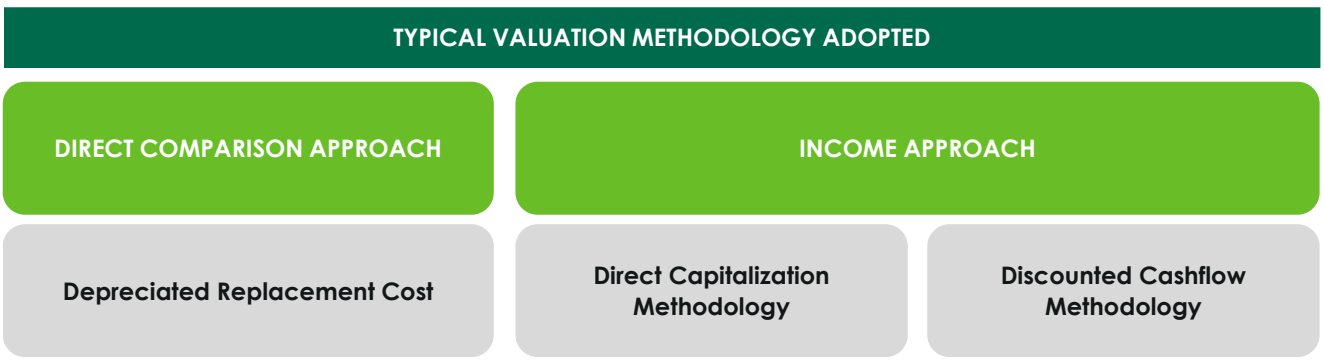
The valuations have been conducted in accordance with the IVSC International Valuation Standards (effective from 31 January 2022) and is in compliance with the International Valuation Standards (IVS), which was the applicable standards as on the date of valuation. The valuation exercise has been undertaken by appropriately qualified Valuer and would be aimed at assessing the Market Value of the Subject Assets.

According to IVS 104, Market Value is defined as:

***'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each*** *acted knowledgeably, prudently an***d without compulsion'.**

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the Subject Assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are assessed with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Assets for the purpose of the private placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. the infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. the infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. the infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents, architect certificates and rent rolls were reviewed for validation of area details, ownership of the asset
3. The Valuer has undertaken physical site inspections to assess the current status of the Subject Asset in terms of their physical configuration, capacity, and upkeep.

Micromarket Review/Market Rental Assessment:

Fulbari region is one of the prominent industrial belts promoted by WBMSME. The cluster is located alongside of NH 27. The micromarket is dominated by mainly local individual players. Proximity to the National Highway and the main city, the area has resulted in the growth of Fulbari as a micromarket. Fulbari areas is primarily occupied by several multinational and national companies, such as Coca cola occupying Grade A development, Mondelez, and Delhivery occupying Grade B development, and companies like Keventer, Emami Frank Ross, etc.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing developments. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Asset, we noted that a large number of leases at these Assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area and under-construction/proposed area, the Valuer has assessed the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been assessed for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided to the Valuer by the Management unless otherwise mentioned. Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, Valuer has independently revalidated the information by reviewing the originals as provided by the Management. Further, details related to area and ownership has been adopted based on architect's certificate and title report (prepared by independent architects and legal counsels) as shared by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Deed / Sanctioned Layout Plan |
| | FSI Area | Sft | Not Provided |
| | Carpet Area (Covered) | Sft | Not Provided |
| | Leasable Area | Sft | Rent Roll |
| | Leasable Area – Future Development (if applicable) | Sft | Not applicable |
| | Stacking Plan | NA | Not Provided |
| Documents/ Approvals | Land Use / Zoning | NA | Deed / Sanctioned Layout Plan |
| | Title Deeds | NA | Deed of Conveyance |
| | Approved Sanction Plan | NA | Architectural Layout |
| | Building Plan / Site Plan | NA | Architectural Layout |
| | Floor Plans | NA | Architectural Layout |
| | Area proposed for Future development | | |
| | Fire NOC | NA | Client |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Applicable |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Occupancy Certificate | NA | Client |
| | Building Certification | NA | Client (as applicable) |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not applicable |
| Services Offered | HVAC (Tonnage) | TR | Not Provided |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Not Provided |
| | No. of staircase | No. | Not Provided |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | Not applicable |
| | Total Budgeted Cost – Land Stage Block | INR Mn | Not applicable |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Not applicable |
| | Cost Already Incurred – Under Construction Block | INR Mn | Not applicable |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Not applicable |
| | Maintenance Charges | INR psf | Rent Roll |
| | Margin on Maintenance | % of rental income | Valuer's Assessment |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Asset Client Fee | % of revenues | Valuer's assessment |
| | Brokerage on lease | Month | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Q, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Rent Roll |
| | Vacant Area | Sft | Rent Roll |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Pre- Committed Area | NA | NA |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Rent Roll |
| | Rent Achieved | INR psf pm | Rent Roll |
| | Pre-Committed Rent | NA | NA |
| | Market Rent | INR psf pm | Valuer's assessment |
| | Fit out Rent | NA | NA |
| | Miscellaneous Income | NA | NA |
| | Interest on Security Deposit | NA | NA |
| | Reversion Thresh hold | % | Valuers' assessment |
| | Escalation in in-place Rent | % | Rent Roll |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | NA | NA |
| | Rent Free Period | Months | Valuer's assessment |
| | Brokerage | Month | Valuer's assessment |
| | Vacancy Allowance | % | Valuer's assessment |
| Construction Timelines | Construction Commencement | NA | Not Applicable |
| | Construction Completion | NA | Not Applicable |
| Absorption Timelines (for vacant space) | Respective spaces in each development | NA | NA |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | NA | NA |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Siliguri Park | Discounted Cash Flow (Using rent reversion approach) | N.A. |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from lease deed and architect certificate provided by the Client, we understand that Subject Asset is an operational warehousing/ industrial development. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Status | Developable Area (sft) | Completed Area (sft) | Leased Area (sft) |
|---|---|---|---|---|---|---|
| Phase 1 | 2021 | 3 | Completed | 0 | 89,972 | 89,972 |
| Phase 2 | 2022 | 2 | Completed | 0 | 50,502 | 50,502 |

*Source: Client Inputs*

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| 1 | 140,474 | 100 | 21.95 | 3.08 |

*Source: Rent roll, Lease deed.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject development:

| Particulars | Total Pending Cost (INR Mn) |
|---|---|
| Occupancy (completed blocks) | NA |
| Pre-Commitment (under construction blocks) | NA |

| Particulars | Total Pending Cost (INR Mn) |
|---|---|

*Source: Information provided by the Client*

### 6.3.2 Lease Rent Analysis

Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between Presidency Barter Pvt Ltd and e-commerce company, details of which are mentioned below:

| Tenant | Particulars | Details |
|---|---|---|
| E-commerce company | Lease Commencement Date | 08th September 2021 |
| | Rent Commencement Date | 08th September 2021 |
| | Lock-in Period | 3.5 Years |
| | Lease Tenure | 9 Years |
| | Lease Rent Escalation Terms | 5% every year |
| E-commerce company | Lease Commencement Date | 21st August 2022 |
| | Rent Commencement Date | 21st August 2022 |
| | Lock-in Period | 2.5 Years |
| | Lease Tenure | 8 Years |
| | Lease Rent Escalation Terms | 5% every year |

*Source: Lease Deed and Client Inputs*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 5.92 years, with 100% of occupied area expiring between FY 2030 and FY 2031. We understand the expiry is beyond 2029, in the year FY 2030 as there is one tenant viz. e-commerce company.

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

Contractual Rental Details

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Siliguri Park | 140,474 | 100% | 21.95 | 3.08* |

*Source: Rent roll, Leased deed provided by the Client; *including mezzanine area*

The Mezzanine/ Open space area within the Subject Asset provides convenience to the tenants in the Subject Asset. Also, considering the existing leases within the subject micro market, we have assumed lease rentals for Mezzanine/ Open Spaces in the range of INR 11 - 12 per sf per month (say INR 12 per sf per month) as on date of valuation.

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

As per the information provided, the asset started its operations in phase-wise manner with Phase 1 operationalised in the year 2021, and Phase 2 operationalised in the year 2022.

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the rent roll provided by the Client, we understand that the completed block has an occupancy of 100% as on date of valuation.

#### 6.3.6.2 Under-Construction/ Proposed Blocks

As per the information provided by the Client, we understand that there are no under construction/ proposed blocks.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the Client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the Client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above.

| Component | Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Siliguri Park | 140,474 | 140,474 | In place rent | 22.0 |
| | | | Market rent | 23.0 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The above marginal rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the park.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed/rent roll shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

Based on our market study, we understand that the contracted rental of the Subject Asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the Subject Asset:

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the Client, it is understood that an industrial open space area/ mezzanine area measuring approx. 25,888.41 sf including both the phases of which 100% is leased out. The mezzanine area will operate as ancillary providing convenience to the tenants in the Subject Asset.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 4.0% every year, which is in-line with the trend observed in the market.

Escalation on renewal - Based on the analysis of terms of lease deed/rent roll, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer.

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation | 23.0 | 24.15 | 25.36 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| CAM Income (For completed component) | 1 | INR per sft per month |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Not applicable. The Subject Asset is an operational asset.

#### 6.3.10.2 Major Repair and improvements

As per information provided by the Client, we understand that there are no major repairs and improvement proposed in the said asset.

#### 6.3.10.3 Operating Cost

A standing investment asset typically has few recurring operation expenses required for the upkeep running of the development.

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Asset Client Fee^ | 3% of revenues from operations |
| Property Tax^ | 2.5% |
| Insurance^ | 0.16 Mn |
| Vacancy Allowance during operations^ | 1% |
| Vacancy Allowance on Exit^ | 1% of revenues from operations |
| Refurbishment Reserve^ | 1.5% of revenues from operations |

*Source: Client input; ^Valuer's assessment*

### 6.3.11 Other Assumptions

#### 6.3.11.1 Vacancy provision

Based on review of the rent roll provided, we understand that that the completed portion of the Subject Asset is fully occupied with a WALE of 5.92 years. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Blocks |
|---|---|
| Vacancy Provision | During Operations – 1%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.11.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5% has been considered for the FY 2023 and 5% year on year thereafter

#### 6.3.11.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have no rent-free period. However, based on recent market trends in the subject micro market, we have considered a rent-free period of 2 months (which includes 1 month of downtime) for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.11.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 months of rental income for future / new leases

#### 6.3.11.5 CAM Cashflows

CAM Cashflows for the Subject Asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM recoveries are included in the financials as per the CAM Charge based on historical performance of the Subject Asset as per the inputs provided by the Client and market benchmarks. The same corresponds to approx. 0% margin on CAM expenses during the holding period and at the time of notional exit.

Based on review of the agreement and based on the subsequent information provided by the Client, we understand that the 100% of the CAM Income would be received by the Client entity/ InvIT entity (as per details from Client) and 100% of the CAM Expense would be borne by tenants/ SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing asset transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.0- 12.0% to about 7.0% - 8.5% in last 1-2 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing assets across various markets in India have a range of 7.5 – 8.5% in Tier I locations, with Tier II locations having cap rate approx. 50 – 100 bps on the higher vis-a-vis the Tier I location.
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Siliguri Park | Presidency Barter Private Limited | Operational | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate asset such as marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Completed Blocks

The cost of debt for Subject Asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing developments across the Fulbari micromarkets which are in the range of 7% – 9% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Completed Blocks

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed Siliguri Park asset forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Siliguri Park | Presidency Barter Private Limited | Debt | 35% | 8% | 11.58% |
| | | Equity | 65% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Siliguri Park | INR 491 Mn |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client, the Client has confirmed that there is no options or rights of pre-emption and other encumbrances. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

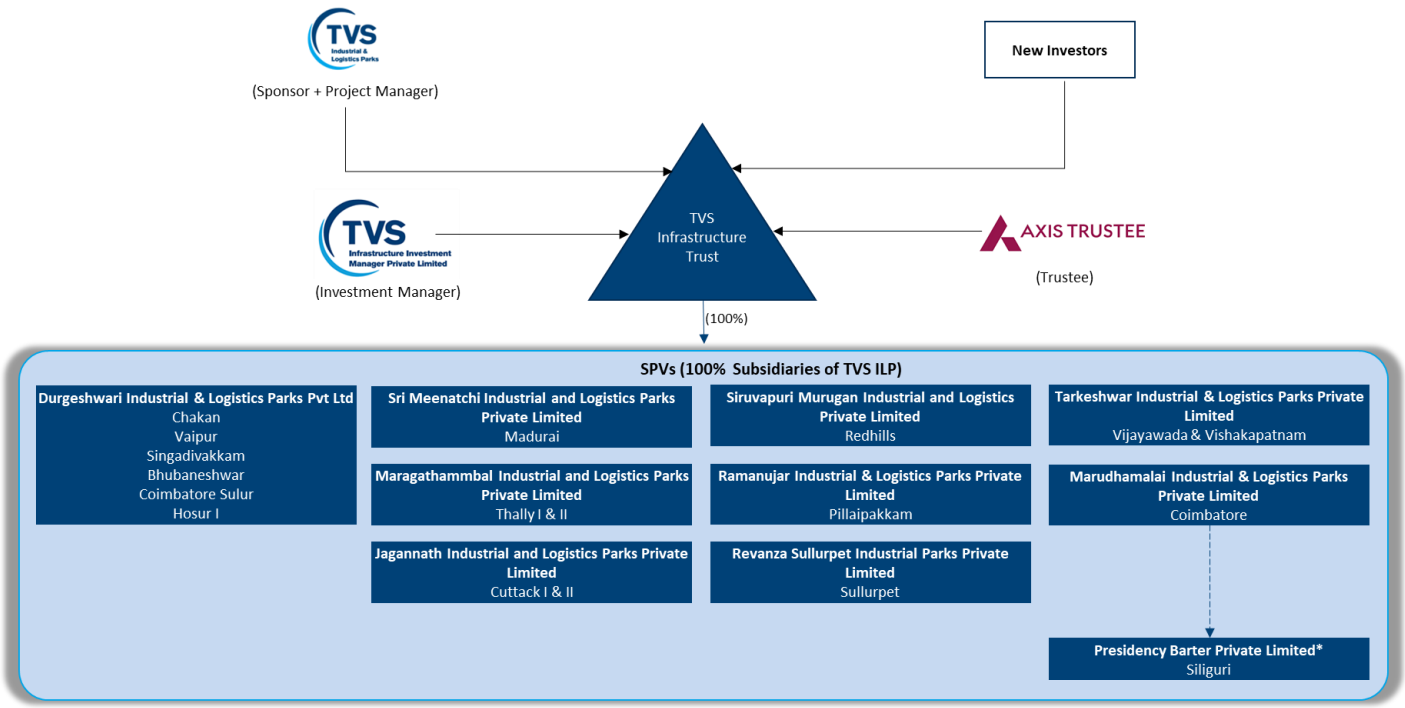
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

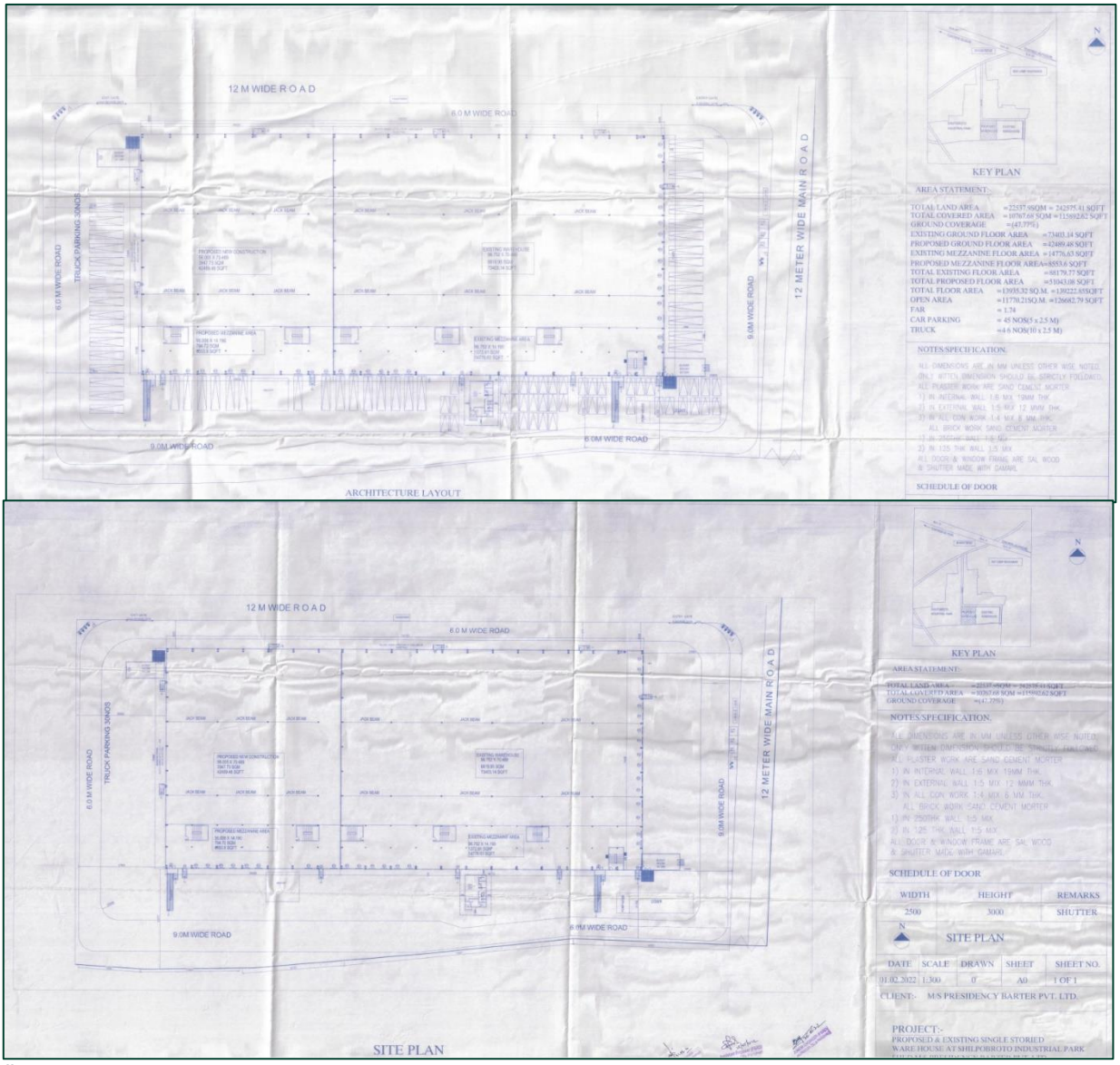
As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | No. of years |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | 26 Years |
| 2 | Remaining Contractual Life of underlying Land | Perpetual for the freehold portion of the underlying land (4.265 acres)<br>95.6 years for the leasehold portion of the underlying land (1.388 acres) |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is virtually freehold in nature |

## 7.2 Site Plan

### 7.2.1 Siliguri Park




*Source: Client*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Certificate of Occupancy

Mobile No. 9434376435

শ্রী দেবাশিষ প্রামাণিক
কর্মাধ্যক্ষ
শিক্ষা, সংস্কৃতি, তথ্য ও
ক্রীড়া স্থায়ী সমিতি
জলপাইগুড়ি জিলা পরিষদ

**Sri Debasish Pramanik**
Karmadhyaksha
Shiksha, Sanskriti, Tathya
O Krira Sthayee Samiti
Jalpaiguri Zilla Parishad

Date: 30.08.2021

***CERTIFICATE OF OCCUPANCY***

This is to certify that, PRESIDENCY BARTER PVT LTD, with reg no 19AAECP6478N1ZJ of 1st floor, PNB Building, Hill Cart Road, Siliguri (WB) has been occupying their land for the purpose of Warehouse, located at SHILPOBROTO INDUSTRIAL PARK, JOTIAKALI-734015, Dist-Jalpaiguri.

Also certify that the concern received approved building sanction plan from Jalpaiguri Zilla Parishad, it has been as per sanction plan and warehouse facility is ready for occupancy.

This is true for the best of my knowledge.

Presidency Barter Pvt Ltd-
Location -Moujza-
Binnaguri,JL No.3,Sheet
Number13,LR Plot
Nos:931,934,936,955 to
962,965,966,1146.Dist-jalpaiguri(WB)

30/8/21
Sri Debasish Pramanik
Karmadhyaksha
Jalpaiguri Zilla Parishad

*Source: Client*

### 7.3.2 Fire Certificate

**Government Of West Bengal**
**Office Of The Deputy Director**
**West Bengal Fire & Emergency Services**
**Station Feeder Road, P.O & P.S Siliguri,**
**District: Darjeeling, Pin – 734005**

Memo no.: WBFES/TEC/NB/ 221 /2022 Date: 27/07/2022

**From:**
**Deputy Director**
**North Zone, HQ Wing,**
**West Bengal Fire & Emergency Services**

**To: PRESIDENCY BARTER PVT. LTD.**
**PRESIDENCY BARTER PVT LTD. AT SHILPOBROTO INDUSTRIAL PARK BESIDE BHARAT BENZ JOTIKALI KH NO- 523,MOUZA- BINNAGORI,P.S- RAJGANJ,DIST.- JALPAIGURI,PIN- 734015**

**Sub: Issuance of Fire safety certificate for the occupancy of a G + Mezzanine storied Storage building under group of Storage in the name PRESIDENCY BARTER PVT. LTD. at the Premises no - Kh No- 523,Mouza- Binnagori, Shilpobroto Industrial Park Beside Bharat Benz Jotikali P.S- Rajganj,Dist.- Jalpaiguri,Pin- 734015.**

This is in reference to your offline application dated- 26-07-2022 for regulation of FSC in respect of warehouse **M/S PRESIDENCY BARTER PVT LTD. AT SHILPOBROTO INDUSTRIAL PARK BESIDE BHARAT BENZ JOTIKALI KH NO- 523,MOUZA- BINNAGORI,P.S- RAJGANJ,DIST.- JALPAIGURI,PIN- 734015 for which online RFSR vide number** RFSR/0125188227900007 Dt-22-06-2022 after approval of TEC(NB).

During the course of inspection all fire safety measures recommended in the RFSR were found complied with except connecting the water curtain system with the elevated water reservoir and pumping system.
However, as the applicant has given one written undertaking clearly indicating therein that, they will not make the warehouse operational till Fire Dept. verifies the remaining compliance and allow them to start the operation after connecting the 3 feet span of 8 inch dia connecting pipeline with the elevated water reservoir and pumping system.

Accordingly, the TEC(NB) approved the regularization of FSC in respect of the entire warehouse subject to the following terms and conditions.

The performance of the Fire Fighting System as incorporated in the buildings were tested at random and found satisfactorily working condition. In view of the above this office is releasing the Fire Safety Certificate for occupancy of the aforesaid building.

**Recommendation:**
1. Driveway must be free of any type of obstruction for easy movement of Fire Appliances. No parking will be allowed on the Drive way.
2. The Interior finish decoration of building shall be made with low flame spread material confirming to the I.S. Specification.

*Source: Client*

### 7.3.3 Stability Certificate

STEELON
BUILDING SYSTEMS PVT LTD
Start with a good foundation.....
CIN : U45309GJ2019PTC109494

**STEELON BUILDING SYSTEMS PVT LTD**
611, Shivalik Satyamev,Bopal Ambli Junction,
Beside Bopal Flyover,SP Ring Road
Ahmedabad - 380058, Gujarat
+91 8528139399 | +91 9839676815
info@steelonbuildings.com

Ref: -SBS-1113/Certi-1113/R-Final

Date: 6th July, 2022

**BUILDING STABILITYCERTIFICATE FOR PRE— ENGINEERED BUILDING**

**FOR M/s. PRESIDENCY BARTER PRIVATE LIMITED**

**Shilpobroto Industrial Park, Fulbari, Siliguri, West Bengal**

This is to certify that **STEELON BUILDING SYSTEMS PVT. LTD.** Pre- Engineered building **WAREHOUSE BUILDING** at Shilpobroto, Industrial Park, Fulbari,Siliguri, West Bengal. Supplied for the mentioned project has been designed in accordance with following design codes. Total area of the building is approx. 54,239 Sqft.

- Manual of steel construction 9th Edition of AISC - 2005(American Institute of steel construction).
- Cold-form steel design manual of AISI – 96 (American Iron and Steel Institute) 1996 edition.
- The loads are applied in accordance with 1996 edition of MBMA (Metal Building Manufactures Association) low rise building system manual.
- IS: 875-III-1987(Reaffirmed 1997) for wind speed.
- IS: 1893:2002 for seismic load.
- AWS "American Welding Society" (AWS D1.1.10)

**Design loads considered: -**

| | |
|---|---|
| Dead Load | 0.12 KN/Sqm |
| Live Load | 0.57 KN/Sqm |
| Wind speed | 50 m/s |
| Seismic Zone | IV |
| Collateral Load | NIL |
| Additional Load | Load considered on Roof as per Existing Building. |
| Building condition | Enclosed |

This SBSPL Building, when properly erected on adequate foundations, will meet the above loading requirements. The certification does not cover modifications or design of material that has not been furnished by SBSPL. This Certificate will be valid for a period of 25 years from the date of issue.

All the dimension and details of the building has been considered as per the approved final GA drawings.

For, **STEELON BUILDING SYSTEMS PVT.LTD.**

Yogesh Bodalkar

Mr. YOGESH BODALKAR
(Head-Engineering & Design Dept.)

STEELON BUILDING SYSTEMS PVT. LTD. REG.NO: 109494

Azad Ali Akel.

Mr. AZAD ALI AKELA
(Director)

**Factory Address**
Chandana Village, Opp. Essar Petrol Pump,
Kheda – Dholka Road, Ta. – Dist: Kheda – 387560.
Email: info@steelonbuildings.com

www.steelonbuildings.com

Quality | Design | Delivery

*Source: Client*

### 7.3.4 Certificate of Registration of Generating Plants

# FORM H1
**[See rule 9D(1)]**
## GOVERNMENT OF WEST BENGAL

Certificate of Registration of generating plants (vide rule 9D of the Bengal Electricity Duty Rules, 1935.)

This certificate is to be renewed before expiry of every three years and must be returned on demand by the Registration Authority

Registered No:- 15-361 Date:-17/08/2021

Registration is hereby granted to
Messrs Presidency Barter Pvt Ltd.,Shipobroto Industrial Park Jatiakali, Fulbari-734015 for generating plants the particulars of which are endorsed hereunder. This certificate is issued subject to the compliance with the conditions set out on the reverse and also to the continued compliance with the conditions set out under section 7B of the Bengal Electricity Duty Act, 1935 and under rules 9D and 11 of the Bengal Electricity Duty Rules, 1935.

Signature.....

Designation.....
(Registration Authority)

Table of generating plants registered*

| Sl. No. (a) | Mfgr's Name (b) | Mfgr's Sr. No. (c) | KW or KVA rating (d) | Voltage (e) | D.C or A.C (f) | Date of purchase or procurement (g) | Date of endorsement of registration (h) | Initial of Registering Authority (I) |
|---|---|---|---|---|---|---|---|---|
| 1 | Crompton Greaves Ltd. | UAAG1523 | 250.00 | 415 | AC | 14/06/2021 | 16/08/2021 | |
| 2 | Crompton Greaves Ltd. | UBAG1628 | 250.00 | 415 | AC | 14/06/2021 | 16/08/2021 | |

* All the generating plants owned by a particular person for installation at a particulars location shall be registered under one certificate of registration vide sub-rule (5) of rule 9D

DUPLICATE

*Source: Client*

## 7.3.5 Certificate of Registration of Generating Plants

West Bengal Form No. 1077

**L & LR**

**S B P**

**Application No. :**
**REVE2023070114663**

**রাজস্বের দাখিলা এবং বিবিধ তলব**

**রায়তের অংশ**

| ১। জেলার নাম | ২।থানার নাম ও তৌজি নং | ৩।সার্কেলের নাম ও তহশীল ব্লক নং | ৪।ভূমিসহায়কের রসিদনং |
|---|---|---|---|
| জলপাইগুড়ি | রাজগঞ্জ | রাজগঞ্জ | REVREC2023070113722 |

| ৫।মৌজার নাম ও জে.এল. নং | ৬।জমাবন্দী নং | ৭। খতিয়ান নং | ৮। দাগ নং | ৯। জমির পরিমাণ (শতক) |
|---|---|---|---|---|
| বিন্নাগুড়ি পিটি-13[3] | | 1299 | 931,933,934,938... | 431.0000 |

| ১০। রায়তের নাম ও পিতা/স্বামীর নাম ও সাকিন | ১১। কাহার দ্বারা (খাজনা ) দাখিল হইয়াছে |
|---|---|
| প্রেসিডেন্সি বাটার প্রাইভেট লিঃ পক্ষে ডাইরেক্টর, পিতা- জয়েশ সিংহাল, ঠিকানা-হিলকার্ট রোড, পি এল বি বিল্ডিং, পোঃ সেবক রোড শিলিগুড়ি-০১ , জেলা-দার্জিলিং | প্রেসিডেন্সি বাটার প্রাইভেট লিঃ পক্ষে ডাইরেক্টর |

রায়তের উপর সালিয়ানা তলব

| নগদ খাজনা ১২ | সার চার্জ ১৩ | পথকর ১৪ | পূর্তকর ১৫ | শিক্ষা কর ১৬ | বিবিধ | | গ্রামীণ কর্মসংস্থান আইনে দেয় | | মোট ১৯ |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | খাস জমি বাবদ লাইসেন্স ফি ১৭(ক) | অন্যান্য ১৭ (খ) | সার চার্জ ১৮ (ক) | সেস ১৮(খ) | |
| 4985 | 0 | 300 | 1247 | 499 | 0 | 0 | 1496 | 1496 | 10023 |

ওয়াশীল

| | তিন সনের পূর্বেকার ২০ | তৃতীয় সনের বাকি ২১ | দ্বিতীয় সনের বাকি ২২ | হাল সনের পূর্ববর্তী ২৩ | হাল ২৪ | সুদ ২৫ | অগ্রিম ২৬ |
|---|---|---|---|---|---|---|---|
| খাজনা | 0 | 0 | 0 | 0 | 4985 | 0 | 0 |
| সার চার্জ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| পথ কর | 0 | 0 | 0 | 0 | 300 | 0 | 0 |
| পূর্ত কর | 0 | 0 | 0 | 0 | 1247 | 0 | 0 |
| শিক্ষা কর | 0 | 0 | 0 | 0 | 499 | 0 | 0 |
| খাস জমি বাবদ লাইসেন্স ফি | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| অন্যান্য | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| গ্রামিন কর্মসংস্থান আইনে দেয় | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (ক) সার চার্জ | 0 | 0 | 0 | 0 | 1496 | 0 | 0 |
| (খ) সেস | 0 | 0 | 0 | 0 | 1496 | 0 | 0 |
| মোট | 0 | 0 | 0 | 0 | 10023 | 0 | 0 |
| বাদ মিনাহ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| বাংলা সন | 0 | 0 | 0 | 0 | 1430 | 0 | 0 |

*যে সনের বাবদ ওয়াশীল: [১৪৩০]

দ্রষ্টব্য: চেকের দ্বারা খাজনা দেওয়া হইলে এইখানে তাহার সবিশেষ বিবরণ লিখিতে হইবে

মোট আদায় (কথায়)

INR -10023/-
Ten Thousand Twenty Three Only.

আদায়কারী কর্মচারীর সহি ও তারিখ

**SBP, Kolkata- 700015**

Wednesday, June 28, 2023 9:30:34 AM

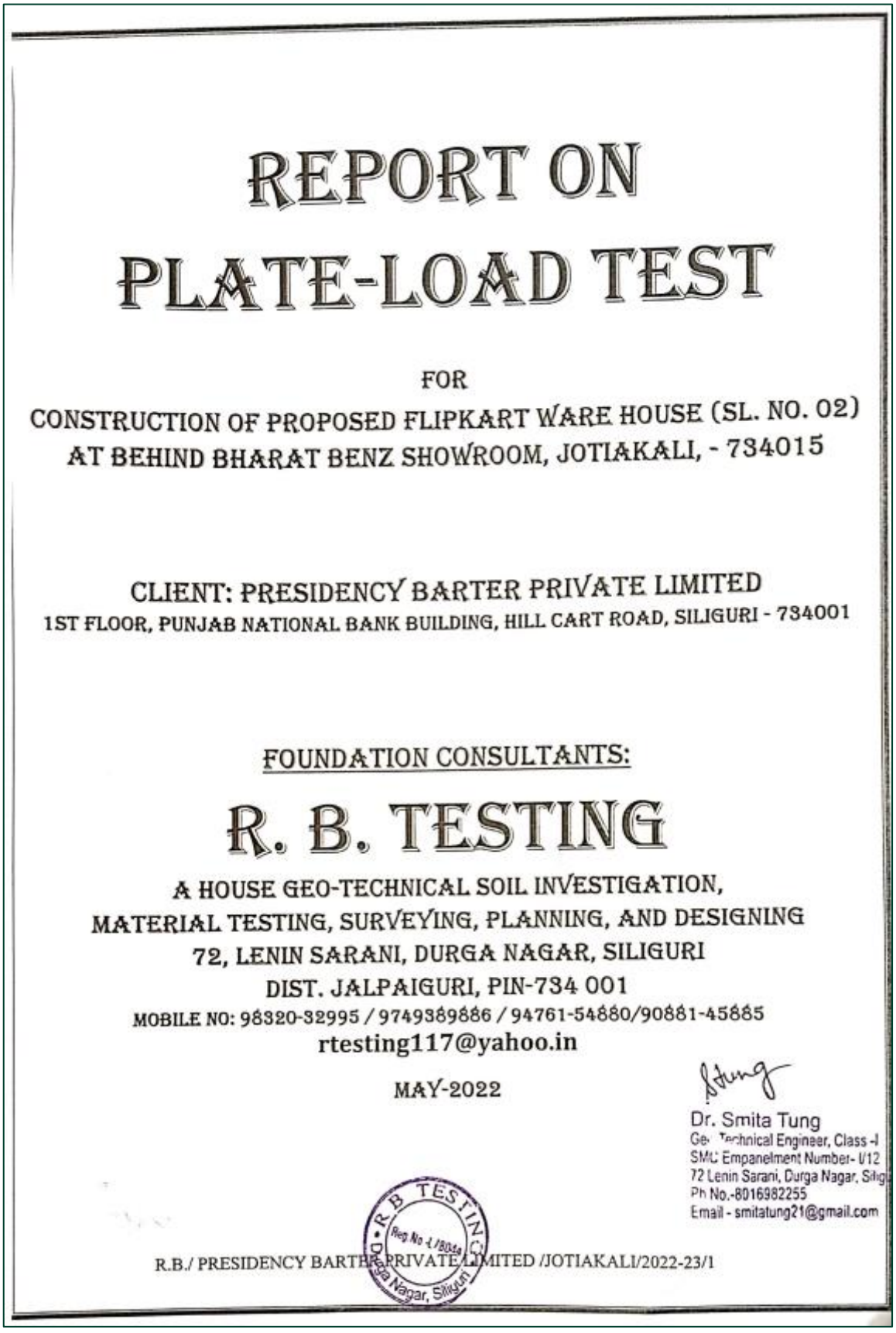
** রাজস্ব প্রদান সম্পত্তির মালিকানার বৈধতা হানি ঘটায় না।

** The collection is made provisionally u/s 23 of WBLR Act on the basis of present use without prejudice to the applicability of provision u/s 48 & 4D of WBLR Act.

***This is a system generated Revenue receipt and does not require any signature***

*Source: Client*

### 7.3.6 Plate Load Test



# REPORT ON

# PLATE-LOAD TEST

FOR

CONSTRUCTION OF PROPOSED FLIPKART WARE HOUSE (SL. NO. 02)
AT BEHIND BHARAT BENZ SHOWROOM, JOTIAKALI, - 734015

CLIENT: PRESIDENCY BARTER PRIVATE LIMITED
1ST FLOOR, PUNJAB NATIONAL BANK BUILDING, HILL CART ROAD, SILIGURI - 734001

FOUNDATION CONSULTANTS:

## R. B. TESTING

A HOUSE GEO-TECHNICAL SOIL INVESTIGATION,
MATERIAL TESTING, SURVEYING, PLANNING, AND DESIGNING
72, LENIN SARANI, DURGA NAGAR, SILIGURI
DIST. JALPAIGURI, PIN-734 001
MOBILE NO: 98320-32995 / 9749389886 / 94761-54880/90881-45885
rtesting117@yahoo.in

MAY-2022

Dr. Smita Tung
Geo Technical Engineer, Class -I
SMC Empanelment Number- I/12
72 Lenin Sarani, Durga Nagar, Siliguri
Ph No.-8016982255
Email - smitatung21@gmail.com

R.B./ PRESIDENCY BARTER PRIVATE LIMITED /JOTIAKALI/2022-23/1

*Source: Client*

### 7.3.7 Architect Certificate

To,

**Presidency Barter Private Limited**
Plot No. 914-917, 920, 930, 931, 933, 934, 936, 939,940-945
Shilpobroto Industrial Park Beside Bharat Benz Jotikali,
KH No.523, Mouza-Binnagori, P.S-Rajgan, Dist.- Jalpaiguri,
Pin - 734015

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Siliguri ("**Property**") which has been developed by **Presidency Barter Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Certificate of occupancy, dated August 30, 2021, issued by Karmadhyaksha, Jalpaiguri, Zilla Parishad;

(ii). Fire safety certificate, dated July 27, 2022, issued by Director, West Bengal Fire & Emergency Services;

*Source: Client*

### 7.3.8 Title Search Report

AQUILAW

JANUARY 17, 2025

**To,**

1. TVS Infrastructure Investment Manager Private Limited

2. Presidency Barter Private Limited

**Re: LEASEHOLD AND FREEHOLD LAND COMPRISED IN 25 (TWENTY FIVE) PLOT NUMBERS ADMEASURING 5.653 ACRES[1] TOGETHER WITH WAREHOUSE BUILDINGS COMPRISING OF AROUND TOTAL FLOOR AREA ADMEASURING 13,935.32 SQ.MTRS EQUIVALENT TO 1,39,222.85 SQ.MTRS SITUATED AT MOUZA BINNAGURI (SHEET NO. 13) IN BLOCK RAJGANJ, DISTRICT JALPAIGURI, WEST BENGAL**

---

**1. BACKGROUND**

**1.1** Presidency Barter Private Limited ("**SPV**") is the owner of land admeasuring 4.265 acres ("**Freehold Land**") and is the lessee in respect of the remaining 1.388 acres of land ("**Leasehold Land**") forming part of the land admeasuring 5.653 acres comprised in 25 (twenty five) plot numbers in Mouza Binnaguri (Sheet No. 13), (the "**Land**"), together with Warehouse Buildings comprising of around total Floor Area admeasuring 13,935.32 sq.mtrs equivalent To 1,39,222.85 sq.mtrs ("**Buildings**"), collectively the "**Property**" within the jurisdiction of Police Station Bhaktinagar and Block Rajganj, District Jalpaiguri, West Bengal, which is more fully discussed in the **First Schedule** of this report.

**1.2** We have been instructed by TVS Infrastructure Investment Manager Private Limited (the "**Manager**") to undertake a title due diligence exercise to verify the SPV's title to the Property, summarize the key legal issues arising from our title due diligence exercise and issue a title report in this regard ("**Title Report**") for the purpose of acquiring the Property ("**Proposed Transaction**").

**1.3** Accordingly, we have taken the following steps for this purpose:

(a) Reviewed the documents listed in Para 4 of this Title Report out of the documents listed in the **Second Schedule** of this Title Report at TVS ILP, 9th floor, Urmi estate,95 Ganapatrao Kadam Marg Lower Parel (West) Mumbai 400013, on 14 January 2025;

(b) Caused physical and online searches and verification of the land records maintained at and/or information available at the Office of the Block Land and Land Reforms Officer, Rajganj as well as the website of the Land & Land Reforms and Refugee Relief and Rehabilitation Department, Government of West Bengal ("**GoWB**") (https://banglarbhumi.gov.in) ("**Website**");

(c) Caused physical searches and verification of the land records maintained at and/or information available at the Office of the Land Acquisition Collector, Jalpaiguri;

(d) Carried out review of the corporate documents, being the Memorandum of Association ("**MOA**"), Articles of Association ("**AOA**") and Certificate of Incorporation of the SPV provided to us;

(e) Caused searches to be conducted in the records of the Index II Registers of the concerned registry offices, being (i) Office of the Registrar of Assurances, Kolkata; (ii) District Sub-Registrar, Jalpaiguri; (iii) Additional District Sub-Registrar, Rajganj; and (iv) Additional District Sub-Registrar, Bhaktinagar, to confirm ownership of the Property and to verify that no other act or encumbrance affecting the Property has been found for a period of the last 30 (thirty) years, except for the transfer of title of the Property in favour of the SPV;

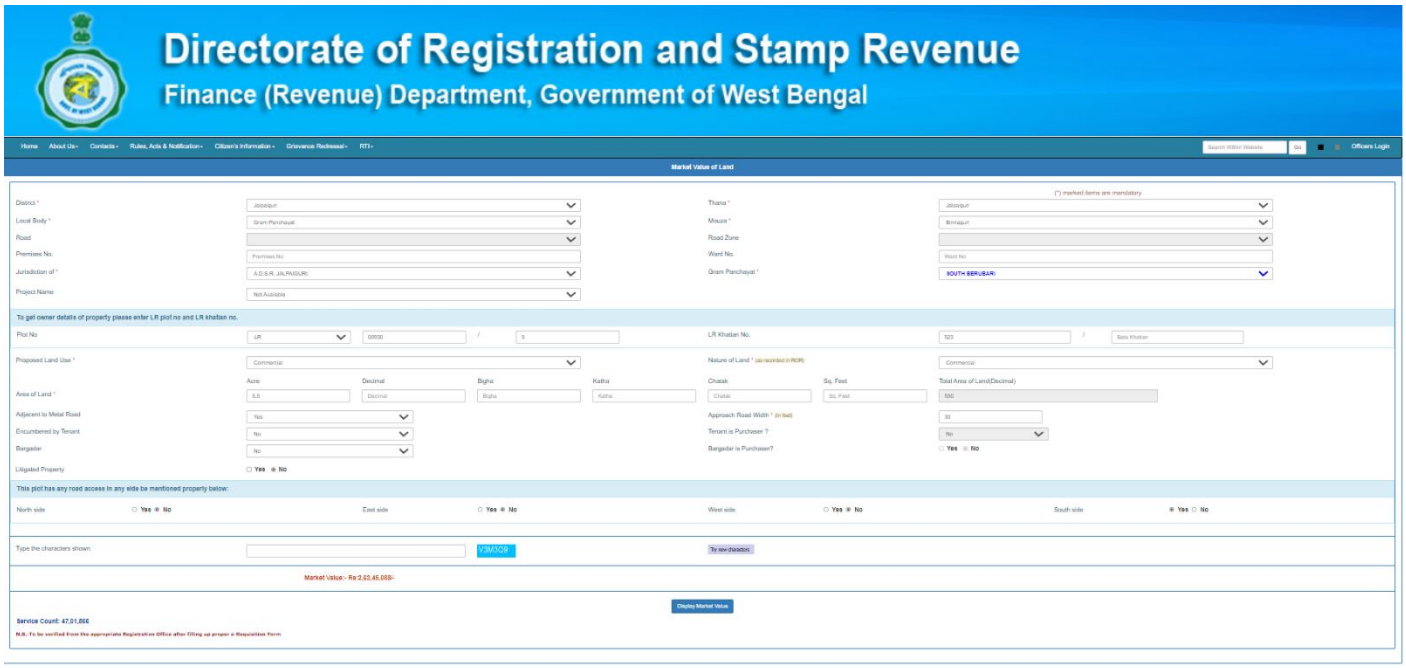
---

[1] *Unit of land (i.e. acres, square meters etc.) to be aligned with proposed disclosure in the offer documents*

*Source: Client*

## 7.4 Ready Reckoner Rate

### 7.4.1 Ready Reckoner Rate (Land)




*Source: wbregistration.gov.in*

### 7.4.2 Ready Reckoner Rate (Land and Structure)

*Source: wbregistration.gov.in*

## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report:

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## VIJAYAWADA PARK

SPV

TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED/ TVS ILP

DATE OF VALUATION: SEPTEMBER 30, 2024
DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited as defined under the terms of the Agreement.

iVAS shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Vijayawada Park (the "Subject Asset") |
| Asset Address: | R.S. No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Punadipadu Revenue Village, Near J C United, Gollagudem Grama Panchayat, Kankipadu Mandal, Krishna District, Andhra Pradesh - 521151. |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Tarkeshwar Industrial & Logistics Parks Private Limited/ TVS ILP |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the architect certificate, sale deed and conversion order provided by the Client, it is understood that the gross underlying land area of the Subject Asset is approx. 12.68 acres. |
| Brief Description: | Based on information provided by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an under-development warehousing development, located along the Gudivada - Kankipadu Road (SH-243).<br><br>The Subject Asset is spread over a land parcel measuring gross area 12.68 acres and converted land area of 12.60 acres. It comprises of a single Grade – A Warehousing block having total leasable area of 2,96,300 sft. The warehousing block is currently in the final stages of completion and has a pre-commitment of approx. 0.13 msf. By virtue of being surrounded by a network of National highway (such as Vijayawada - Machilipatnam Road, NH-65, and Chennai - Kolkata Highway, NH-16) and State highway roads (such as SH306 and SH243, Gudivada-Kankipadu Road) in the proximity, the location is considered an ideal inter-state transport node and offers excellent connectivity to other locations within the city. The subject micromarket of Kankipadu is an emerging warehousing vector. Some of the prominent warehousing assets in the micro-market include LG, Reliance Fresh, JC united, etc.<br><br>The Subject Asset is located at approx. 11-12 kms from Vijayawada International Airport, approx. 2-3 kms from Kankipadu Junction (NH-65), approx. 19-20 kms from Vijayawada Railway Station. |
| Statement of assets (sft): | Based on review of architect certificate, building permit order and area statement provided by the Client, it is understood that the Subject Asset comprises of a single warehousing block. Below are the area details: |

| Particulars | Construction Status | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|---|
| Block I | Under-development | 2,94,281 | 2,94,281 |
| Total | | 2,94,281 | 2,94,281 |

*Source: Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Further, we understand that the project has obtained the Occupancy Certificate.

Also, as per the Client, the total budgeted construction cost for the development of subject warehousing facility is INR 544.78 Mn, of which INR 453.98 Mn is already incurred and the remaining cost, i.e. INR 90.80 Mn in the Subject Asset is expected to be incurred by Q3, FY 2025. The same has been considered for the purpose of this valuation exercise.

Location Map:

Location Map for the Subject Asset

*Source: Industry Assessment Report*

Tenancies

As of the valuation date, the Subject Asset is partially let to 3 tenants at a total current annual rent of approx. 2.57 Mn. The tenant viz. a large FMCG occupier currently occupies the largest area viz. 82,234 sft (60% of the leasable area) and accounts for approx. 57% of the current rent. The Subject Asset has a WALE of 8.79 years.

Key Assumptions:

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 |
| In-place rent | INR/ sf/ mth | 18.9 |
| Market rent – Warehouse component | INR/ sf/ mth | 20.0 |
| Weighted Average Marginal Rent* | INR/ sf/ mth | 20.0 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | 90.8 |

| | | |
|---|---|---|
| Proposed Capex (Under development Blocks) | Quarter, Year | 2024 - Q4 |
| Refurbishment Capex (if any) | | NA |
| Other Financial Assumptions | | |
| Exit Cap rate | % | 8.0% |
| Discount rate (During Operations) | % | NA |
| Discount rate (During Under Construction/land stage) | % | 11.58% |
| NOI Computation | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 40.5 |
| Stabilized NOI[1] | INR Mn | 66.4 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report, #Weighted average market rent arrived considering differential market calls for spaces such as mezzanine, open spaces, any tenant specific spaces basis their agreement with the Client and any other spaces.*

| | |
|---|---|
| %stake proposed to be held in Asset SPV by TVS Infrastructure trust: | 100% |
| Nature of proposed interest of InvIT in the asset: | Freehold interest (As per details provided by Client) |
| Date of Inspection: | 6th March 2024 |
| Date of Valuation: | 30th September 2024 |
| Purchase Price for the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by | INR 2,989 per sqm for Land with Agricultural use (Kindly refer Annexure Section 7.4) |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset*

State Government):

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Vijayawada Park | Under Construction | 811.57 |
| Total Value of the asset | | 811.57 |

*Source: Valuer's assessment*

Any matters which may affect the asset or its value:

Please refer section 7.7 of this report.

Assumptions, Disclaimers, Limitations & Qualifications:

This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.

Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.

Heightened Market Volatility:

We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Construction Cost Volatility:

Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.

In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

Notice

This Executive Summary should be read in conjunction with the entire valuation report and should not be relied upon in isolation.

Valuer Declaration:

i. The valuer is competent to undertake the valuation.

ii. The valuer is independent and has prepared the report on a fair and unbiased basis.

iii. The valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared by:

iVAS Partners
Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha
Designation: Partner, iVAS Partners
Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client") to estimate upon the Market Value (MV) of 'TVSILP, Vijayawada', a warehousing development located at R.S. No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Punadipadu Revenue Village, Near J C United, Gollagudem Grama Panchayat, Kankipadu Mandal, Krishna District, Andhra Pradesh – 521151.

iVAS Partners ('the Valuer') utilized the deliverables of CBRE South Asia Private Limited (CBRE), an independent agency appointed by the Client to undertake market research, provide market commentary, and data for the purpose of this assignment. The Valuer has utilized the market intelligence provided by CBRE to arrive at the Market Value of the respective assets as per the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("SEBI (InvIT) Regulations 2014") and amended to date.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 12.68 acres of gross land area, with a total leasable area admeasuring approx. 2,94,281 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Phases |
|---|---|---|---|---|---|
| Vijayawada Park | Tarkeshwar Industrial & Logistics Parks Pvt. Ltd./ TVS ILP | Warehouse | Vijayawada, Krishna District, Andhra Pradesh | 12.68 | 1 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the offer documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to this Valuation Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Private Limited in its capacity as sponsor and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions

of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently

complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.
- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.
- For the avoidance of doubt, all references to "Offer Document" herein shall include any offer document, final offer document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of Valuer where such consent to be given at the absolute, exclusive discretion of Valuer, which shall not be unreasonably withheld. Where they are to be used with the Valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by Valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without Valuer's prior written consent.

The Valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The Valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the Management has disclosed to the Valuer all information which may affect the Services. All opinions expressed by the Valuer, or its employees are subject to any conditions contained in the Valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine

professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and master's in management studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation has been undertaken to ascertain the market value of the Subject Asset forming part of the proposed TVS Infrastructure Trust as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets, if sold in one transaction. In consideration of the same, a detailed assessment of the site and surroundings has been undertaken with respect to the prevalent activities, change in dynamics impacting the values and the optimal use of the Subject Asset vis-à-vis the surrounding micromarkets, etc.

The primary catchment for the valuation has been defined as Kankipadu region and the surrounding areas of Vijayawada. An in-depth research exercise has been conducted in the catchment area of the Subject Asset to ascertain the prevalent activity levels in terms of warehousing/Industrial segment in the vicinity of Subject Asset. This has been achieved through interactions with various market players such as local real estate brokers, developers, end-users, etc.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Holdco | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Vijayawada Park | Tarkeshwar Industrial & Logistics Parks Pvt. Ltd./ TVS ILP | Vijayawada | Kankipadu |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation)

Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor") and TVS Infrastructure Trust (the "Trust")
- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust , the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the

values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.

- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust, disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset
- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust.
- The Valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas. (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the subject assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation: | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the assets and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title due-diligence and other information provided by the Client, the Valuer understands that the Subject Asset is free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the subject assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently |

| | |
|---|---|
| | established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the subject assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the micromarket. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the subject assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the area statement provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the subject assets is based on the information provided by the Client and the same has been adopted for the purpose of this valuation exercise. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5. |

| | |
|---|---|
| | All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | We have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br><br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials: | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br><br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br><br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests: | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Vijayawada– Market Structure and Conditions

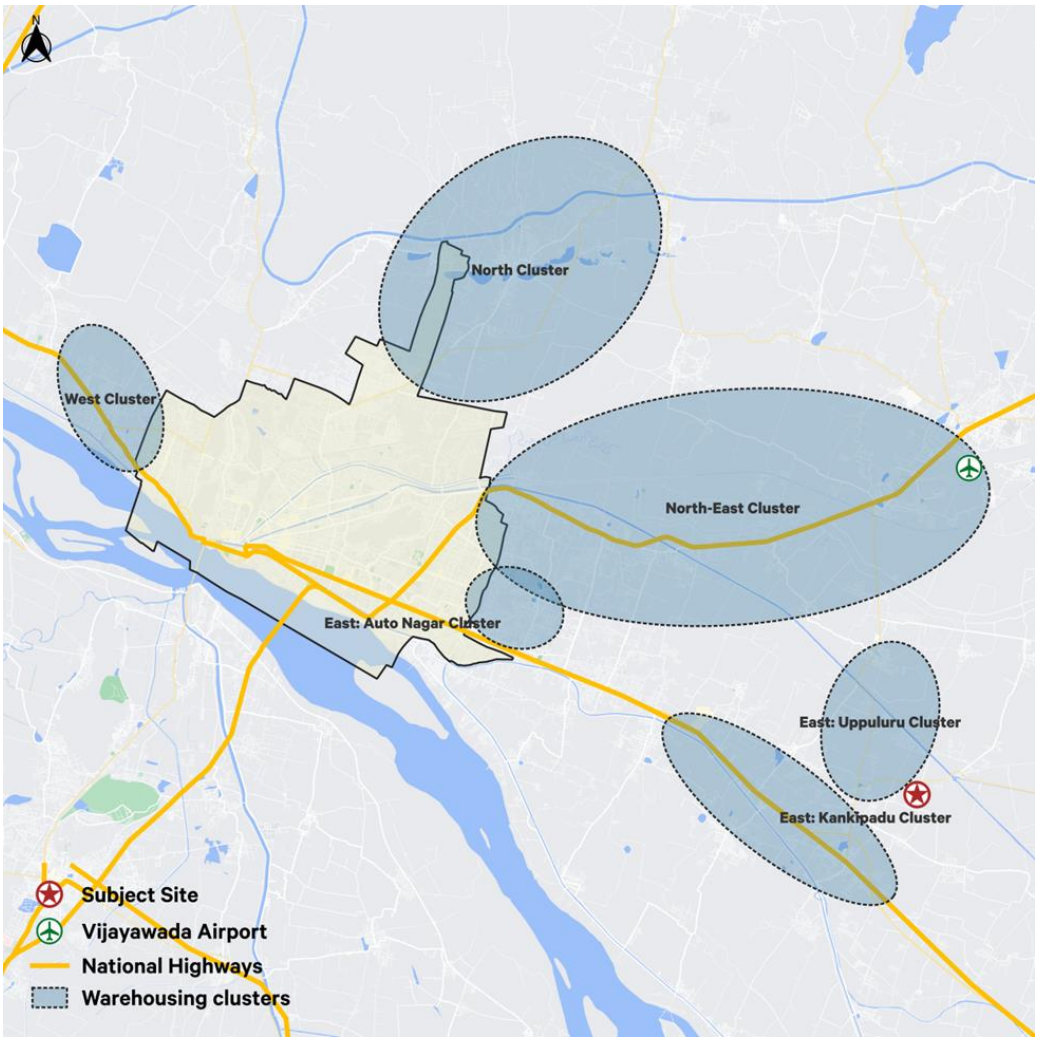
## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Vijayawada and the subject Micromarket

As of Q3 CY 2024, Vijayawada market comprises a total completed warehousing stock of 5.5 Mn sft. The warehousing activity in Vijayawada is distributed across four major clusters with the north-east cluster comprising of the major share with approx. 42% of this supply followed by the East Cluster with approx. 32%. The prominent micromarkets along the north-east cluster are Enikepadu, Gannavaram, Gudavalli, Keesarapalli, Nidamanuru, offering a mix of investment-grade (Grade A) warehousing spaces with Grade B & Grade C warehousing developments, whereas the key warehousing micromarkets along the east cluster comprising of Auto Nagar, Kankipadu, & Uppuluru, largely offer a mix of Grade B and C stocks.




*Source: Industry Assessment Report dated of Q3, 2024*

Prior to 2018, the supply predominantly comprised Grade B and C developments. However, over the past 5 to 6 years due to the rising demand for high-quality warehousing spaces from sectors such as manufacturing, e-commerce, logistics, and electronics, a steady increase in Grade A supply was witnessed with an average annual supply of approx. 0.20 – 0.22 Mn sft for Grade A warehousing spaces alone. Micromarkets such as Enikepadu, Gannavaram, Nidamanuru have experienced decent traction from major companies such as Flipkart, Delhivery, LG, which have established a strong presence in these locations.

| Particulars | Citywide | Kankipadu |
|---|---|---|
| Cumulative completed stock (Q3 2024) | 5.5 msf | 0.69 msf |
| Cumulative occupied stock (Q3 2024) | 5.3 msf | 0.65 msf |
| Current vacancy (Q3 2024) | 3 – 4% | 4 – 5% |
| Future supply (2024 – 2025) | 0.5 – 0.6 Mn sf | 0.30 Mn sf |

*Source: Industry Assessment Report dated of Q3, 2024*

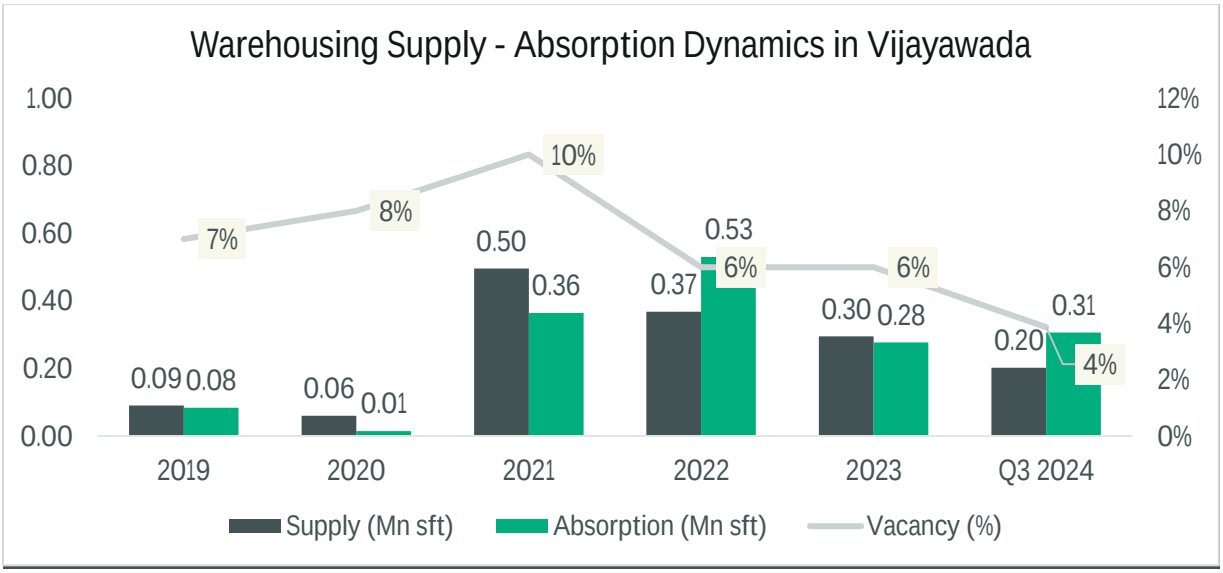
Of the completed supply in Vijayawada, Grade A amounts to nearly 1.6 Mn sft (29% share); Grade B – 3.3 Mn sft (60%) and Grade C – 0.73 Mn sft (11%).

The FMCG sector accounts for approx. 40% of the total demand in Vijayawada. The other key tenant sectors occupying the warehousing space are - Logistics (3PL) & Distribution & E-Commerce. Some of the key tenants present are Abbott India, Delhivery, Hindustan Unilever Limited, Reliance, 20Cube, Marico, Medplus etc. The typical space off-take for 3PL & Logistics players is between 1,10,000 – 1,20,000 sft, while FMCG and FMCD segments require a relatively larger area to in the range of approx. 1,30,000 – 1,50,000 sft.

| Particulars | Value |
|---|---|
| Total Completed Supply | 5.5 msf |
| Total Absorption | 5.3 msf |
| Share of Grade A Supply (%) | 29% |
| Share of Grade B & Grade C Supply (%) | 71% |

*Source: Industry Assessment Report dated of Q3, 2024*

The Supply Absorption dynamics of warehousing/industrial developments in Vijayawada is represented in the exhibit below -




*Source: Industry Assessment Report as of Q3 2024*

### 3.2.1.1 Demand – Supply Dynamics of Micromarket: Kankipadu

The micro-markets of Auto Nagar, Kankipadu, and Uppuluru are located within the East Cluster and have historically been prominent warehousing clusters owing to the proximity of the regions to the city center. Additionally, the cluster is well-serviced through NH 65 and SH 306. The cluster comprises approximately 32% of the completed supply in Vijayawada. Of the completed supply in the cluster, approximately 22% of the supply is Grade A, while 78% of the supply is Grade B and 1% is Grade C.

We have analysed the demand and supply of leased warehousing spaces within the subject micro market 'Kankipadu'. All the completed, grade A and grade B, multi-tenanted warehousing and logistics developments in the influence region i.e., Kankipadu are included while defining the sample set for the demand-supply analysis. Based on Industry Assessment Report dt. 30th September 2024, we understand that the subject micro-market has no vacancy in the grade A supply. The subject micromarket Kankipadu has total stock of 0.69 Mn sft out of which 0.32 Mn sft is a grade A supply followed by Grade B supply. Subject micromarket Grade- A supply is completely occupied with overall vacancy of 4-5%. However as per the industry report assessment the asking rentals for Grade – A Warehousing in the subject micromarket ranges from INR 21-23 per sft per month.

The Prominent tenants occupying warehousing spaces in the region, prominent tenants include Big Basket, Prestige, Valvoline, VIVO, etc

| Particulars | Details |
|---|---|
| Cumulative completed stock (Q3 2024) | Approx. 0.69 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 0.65 msf |
| Current Vacancy (Q3 2024) | 4% - 5% |
| Grade – A Supply | 0.32 msf |
| Grade – A Vacancy | 0% |

*Source: Industry Assessment Report as of Q3 2024*

#### 3.2.1.2 Key Developments in the Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Tenant Name | Year of Establishment | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Marico | 2023 | 50,000 | 20 – 21 |
| LG Warehouse | 2023 | 1,45,000 | 19 – 20 |
| Satya Logistics Park | 2023 | 1,00,000 | 18 – 19 |
| Delhivery | 2021 | 1,20,000 | 20 – 21 |

*Source: Industry Assessment Report as of Q3 2024, Valuer research*

#### 3.2.1.3 Future Supply

Based on our market research, we understand that the micromarket of Kankipadu is anticipated to see an influx of new warehouse space of approx. 0.msf by 2025. This upcoming supply will be primarily comprised of Grade A development.

| Building Name | Year of Completion | Built – Up Area (Mn sft)* | Quoted Rentals | Leasable Area (sft) |
|---|---|---|---|---|
| Development 1 | 2025 | 0.30 | NA | NA |

*Source: Industry Assessment Report as of Q3 2024, Valuer research*

### 3.2.2 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Year of Transaction | Chargeable Area (sft) | Tenant Sector | Location | Total Rent (INR per sft per month) | Development Grade |
|---|---|---|---|---|---|
| 2024 | 1,50,000 | FMCD | Development -1 Kankipadu) | 21 – 23 | Grade A |
| 2023 | 66,000 | FMCD | Development -1 (Nunna) | 18 – 20 | Grade A |
| 2024 | 95,000 | 3PL | Development-2 (Enikepadu) | 23 – 24 | Grade A |
| 2024 | 52,000 | Others | Development-3 (Gudavalli) | 20 – 21 | Grade A |
| 2023 | 2,00,000 | FMCG | Development -4 (Uppuluru) | 23 – 25 | Grade A |
| 2022 | 1,50,000 | FMCD | Development -5 (Nunna) | 21 – 22 | Grade A |

*Source: Industry Assessment Report as of Q3 2024*

#### Opinion on Rentals

The average quoted base rental in Vijayawada is INR 20 – 22 /sft /month for a Grade A development, and INR 18 – 20 /sft /month for Grade B development. Based on our market research, it is understood that the Subject Asset is well positioned in the market owing to its location superior specifications and amenities, developer's reputation,

etc. Therefore, keeping in perspective the subject property's location, leasing in the micro market, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 20 / sft / month for the covered space as on date of valuation.

## 3.3 Market Outlook

The Vijayawada warehousing market is one of the most prominent warehousing markets in Andhra Pradesh owing to its strategic geographical location, excellent connectivity by road, rail, and air, and proximity to major ports such as Visakhapatnam, Chennai, and Machilipatnam. Before 2019, the supply majorly constituted Grade B developments, with a Grade B supply of approx. 3.05 Mn sft. In the last 5 years, Grade A warehouses saw a rise in supply addition with 1.37 Mn sft being constructed between 2019 – Q3, CY 2024.

Moreover, the Nidamanuru and Gannavaram regions are anticipated to experience a surge in supply due to the accessibility of developable land parcels, well-developed road networks to multiple major cities, and their proximity to the Vijayawada International Airport. The land values in the city are in the range of INR 20 – 25 Mn per acre. The current prevailing asking rentals for Grade A warehouse developments in the areas of Auto Nagar, Uppuluru, Nunna, Enikepadu, and Gannavaram in Vijayawada are between INR 21 and INR 25 per sft per month. The expected monthly rent for Grade B warehouses is between 18 and 20 INR per sft per month. Rentals on the market continue to be range-constrained over the short to medium term, with an annual increase of 4–5% as the market norm. Approximately 0.55 Mn sft of supply in the future is expected to be operational by 2025 – 26.

# 4 Subject Asset –Vijayawada Park

## 4.1 Asset Description

The Subject Asset christened 'Vijayawada Park' is a partly completed warehousing asset developed on a total land area of 12.68 acres with a total leasable area of 2,94,281 sft located at R.S. No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Punadipadu Revenue Village, Near J C United, Gollagudem Grama Panchayat, Kankipadu Mandal, Krishna District, Andhra Pradesh – 521151.

The subject asset is understood to have a floor strength of 5 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height of the development is 16 m along with a lighting (lux level) of 200 lux LED lighting.

Further, based on the site inspection conducted and as per the information received from the Client, we understand that the subject asset has a site office which includes an Administrative Office for day-to-day operations, a Conference Hall for meetings and One Security Cabins for site safety. The Kankipadu facility's fire safety system has a dual pump arrangement for hydrants and sprinklers, including two jockey pumps, The facility is equipped with both external and internal hydrants, alongside automatic sprinkler system. Additionally, a NFPA/NBC standard fire protection system and portable fire extinguishers are installed throughout to ensure robust fire protection.

Based on the site plan provided by the Client and visual inspection, Primary access road viz. Gudivada – Kankipadu Sub Road - existing 60 ft Wide Road (Proposed 100 ft Wide Road as per Z.D.P.). By virtue of the same the property enjoys convenient accessibility.

The design for the developed phase of the warehousing facility promotes a sustainable environment with provisions for rooftop solar power setup and rainwater harvesting systems. 24/7 support, including surveillance dedicated facility and a ground support team, ensuring operational continuity, enhanced security features, modern water treatment systems, and NBC standard firefighting systems.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Vijayawada Park |
| Address | R.S. No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Punadipadu Revenue Village, Near J C United, Gollagudem Grama Panchayat, Kankipadu Mandal, Krishna District, Andhra Pradesh - 521151 |
| Land Area | As per the review of the sale deed and conversion order provided by the Client, it is understood that the gross underlying land area of the Subject Asset is approx. 12.68 acres. Further, the net converted land area for which the conversion from Agricultural use to Non-Agricultural use is obtained is approx. 12.60 acres. |
| Leasable Area | 2,94,281 sft |

*Source: Architect Certificate, Client Inputs*

### 4.1.1 Site Details

**Situation:** The Subject Asset 'Vijayawada Park' is a partially completed warehousing development, located along the Gudivada - Kankipadu Road. The asset is expected to get fully completed by end of Q4, 2024.

**Location:** The subject property is located in Kankipadu towards the East of Vijayawada. The Kankipadu micro-market is an emerging warehousing cluster and is in proximity to the NH-65 & NH-16 and connecting the region to other prominent hubs if the state in Machilipatnam. The market serves as an FMCG and E-commerce hub with tenants such as LG, Reliance Fresh, ITC, JC United, etc:

| Landmark | Distance (Km) |
|---|---|
| SH 243 – Gudivada – Kankipadu road | 0 – 1 |
| Kankipadu Junction (Road over bridge) (NH-65) | 2 – 3 |
| Vijayawada Airport | 11 – 12 |
| Vijayawada Railway Station | 19 – 20 |

*Source: Valuer's research*

**Catchment Analysis:** The primary catchment for the purpose of this valuation has been defined as Kankipadu and its adjoining micro markets which are predominantly characterized by industrial/warehousing development and largely by vacant agricultural lands & residential plotted development projects.

**Surrounds:** The subject asset is surrounded as follows:

- North: Private property – Vacant land parcel
- South: Private property – Vacant land parcel
- East: Primary access road viz. Gudivada – Kankipadu Sub Road - existing 60 ft Wide Road (Proposed 100 ft Wide Road as per Z.D.P.)
- West: Private property – Vacant land parcel

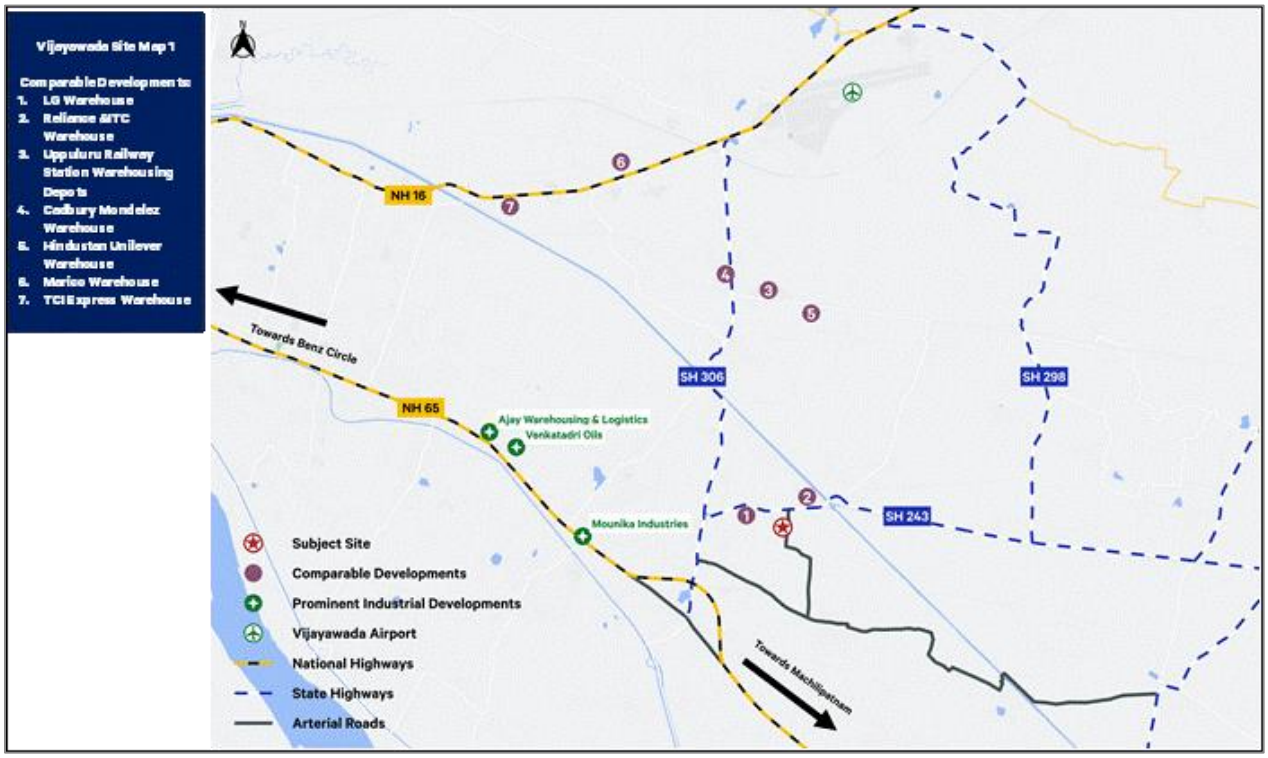
**Potential changes in surroundings:** The key transportation routes connecting Chennai to Kolkata and Hyderabad to Machilipatnam port, makes Vijayawada a crucial transit point for goods. The proximity to major ports like Machilipatnam further enhances its importance for import-export activities. The region's expanding industrial base, encompassing textiles, pharmaceuticals, and automotive components, is expected to continue driving the demand for industrial & manufacturing facilities. The subject micro-market is an extension of growing warehousing/Industrial markets such as Auto Nagar, Uppaluru, Velpuru, Gudavalli etc.

The emerging demand for warehousing developments & proposed infrastructure improvements is likely to enhance the attractiveness of this location as a warehousing cluster.

| | |
|---|---|
| Suitability of existing use: | Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage. |

The following map indicates the location of the Subject Asset and surrounding developments :

Location Map for the Subject Asset




*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is irregular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and on the same level as abutting access roads and adjoining properties. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the subject property has adequate frontage along the primary access road. |
| Accessibility : | Based on the site plan provided by the Client and visual inspection, the primary access to the subject asset is via approx. 60 ft Wide Road existing (Proposed 100 ft Wide Road as per Z.D.P.). By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer the below map for the accessibility of the subject property: |

*Source: Valuers' research*

Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset.

### 4.1.2 Review of Sale Deed

As per the sale deed, we understand that the exact address of the subject asset is R.S. No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Punadipadu Revenue Village, Near J C United, Gollagudem Grama Panchayat, Kankipadu Mandal, Krishna District, Andhra Pradesh - 521151. Additionally, it is understood that the subject asset is owned by Tarkeshwar Industrial & Logistics Parks Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report. It must be noted that the Client currently enjoys conditional allotment of the land from the authority and the title document shall be executed in favour of the Client only post

adhering to the usage and development objectives as outlined in detail in the allotment certificate. For this assessment we have assumed that the due conditions shall be met by the client and accordingly the client is expected to subsequently enjoy the freehold rights.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the change in land use certificate provided by the Client, we understand that the subject asset is zoned for "Industrial Use". However, the same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (under construction) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on copies of approved plans issued by Andhra Pradesh Capital Region Development Authority (APCRDA) provided by the Client and visual inspection during our site visit, the subject asset is an Under-construction warehousing development. The current use of the subject asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the subject asset. |
| Restrictions: | As per feedback received from the Client, there are no other restrictions or constraints on the current use of the Subject Asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. It is understood that Kankipadu in Vijayawada, where the Subject Asset is located, is a cyclone prone region due to its proximity to Machilipatnam port within 50kms. The Subject Asset location falls in Seismic Zone III with moderate risk. Kankipadu faces moderate damage risk (Zone A) in terms of high winds or cyclones too[2]. Considering the topography of the subject location, it is understood that the Subject Asset is likely to face flooding risk subject to a heavy to very heavy rainfall. The discharge water from the storm water drain may potentially be hindered due to clogging/obstruction in the public canal and/or, the discharge water from storm water drain may also potentially be hindered due to backflow of discharge water from the drain channel. The flooding risk can therefore be mitigated with the help of a Natural Road slope and Storm water drain arrangement supports to drain off rainwater in the park, so that the discharge is |

[2] Source-https://www.bmtpc.org/DataFiles/CMS/file/map%20of%20india/wind-india.pdf

channeled into the external public canal & by regular cleaning and de-silting discharge channel to ensure flow is not obstructed and reverse flow does not occur. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.

Approvals: As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that the Subject Asset adheres to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (including One-time Sanctions & Periodic Clearances)

As per the information provided by the Client, we understand that majority of the requisite approvals are received for the Subject Asset. The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Provisional Fire NOC | Received | Andhra Pradesh State Disaster Response and Fire Services Department | 28-06-2023 |
| Building Permit Order | Received | Andhra Pradesh Capital Region Development Authority | 31-07-2023 |
| Sanction Plan | Received | Andhra Pradesh Capital Region Development Authority | 06-06-2023 |
| Approach Road NOC | Received | Roads and Building Division, Machalipatnam | 09-01-2024 |
| Ground Water Abstraction NOC | Received | Ground water and water Audit department, Machilipatnam Krishna District | 19-06-2023 |
| Land Use Conversion (NALA) | Received | Competent Authority & Revenue Divisional Officer, Vuyyuru, AP | 12-05-2023 |
| Final Fire NOC | Received | Director General, State Disaster Response & Fire Services, Vijayawada | 18-04-2024 |
| Consent to Establish | Received | Andhra Pradesh Pollution Control Board zonal Office, Vijayawada | 03-07-2023 |
| Permanent Electricity Connection | Yet to Receive | - | - |
| Occupancy Certificate | Received | Commissioner, Andhra Pradesh Capital Region Development Authority | 13-09-2024 |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

Not applicable as mentioned in earlier sections, we understand that the Subject Asset is nearing completion. Please refer to section 7.0 for any additional details.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Leased Area (sft)* |
|---|---|---|---|---|---|
| Vijayawada Park | Partially complete – 100% completion expected by Q4, 2024 | NA | 2,94,281 | 1,36,278 | 1,60,022 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), Sanctioned layout plan and area statement provided by the Client. *Leasable areas are inclusive of open space.*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area – Box (sft) | Leasable Area – Open Space (sft) | Built-up Area (sft)* | Structure Type |
|---|---|---|---|---|
| Vijayawada Park | 2,94,281 | NA | 2,94,281 | Pre-Engineered Building |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), As per our review of client's area statement and the sanctioned layout plan, the efficiency from leasable area to built-up area is 98.6%.*

### 4.1.7 Site Services and Finishes

| Particulars | Vijayawada Park |
|---|---|
| Handover condition | Warm Shell with Tenant Improvements |
| Type of Structure | Precast & Pre-Engineered Building Structure |
| Firefighting services | Provided. |
| Lift provision | No Lifts |
| Floor Finish | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm |
| Ridge Height | 15 M |
| Lighting (Lux Level) | 200 Lux LED Lighting |
| Fire fighting | Proposed as per NFPA/NBC fire protection system |
| Power Backup | DG Available – 62.5 KVA, 1 Transformers of 800 KVA |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and coupled with our visual inspection during the site visit undertaken, it is understood that the Subject Asset has been partially completed. The remaining Capex is expected to be incurred in Q4, CY 2024 for the asset to become fully operational. Only a marginal refurbishment capex to the tune of 1% of the Net Operating Income is adopted. This assumption would allow for the refurbishment reserve to be created to undertake any potential major refurb at the Subject Asset post during the asset operations.

The table below highlights the capital expenses to be incurred for project construction and other activities (such as approvals cost, admin costs, marketing and sales expenses, contingencies etc):

| Expense Head | Total Cost (INR Mn) | Incurred Cost (INR Mn) | Q4, CY 2024 | Q1, CY 2025 |
|---|---|---|---|---|
| Capital Expenditure | 544.78 | 453.98 | 90.8 | - |

*Source: Client Inputs*

### 4.1.9 Asset Photographs

Please refer to the Asset photographs highlighted below:

Vijayawada Park

View of the subject asset

View of the subject asset

View of the subject asset

View of the subject asset

View of primary access road

External View of the subject property

*Source: iVAS site inspection conducted on 6th March 2024*

4.1.10 Details of the asset including whether the transaction is a related party transaction.

Please refer to the Annexure section 7.5

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

Please refer to the Annexure section 7.5

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.5

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.5

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.5

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of offer of units by Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

The Valuer has assessed the Market Value of each Individual Subject Asset(s), not the value of the portfolio as if all assets are being sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio.

## 5.2 Basis of Valuation

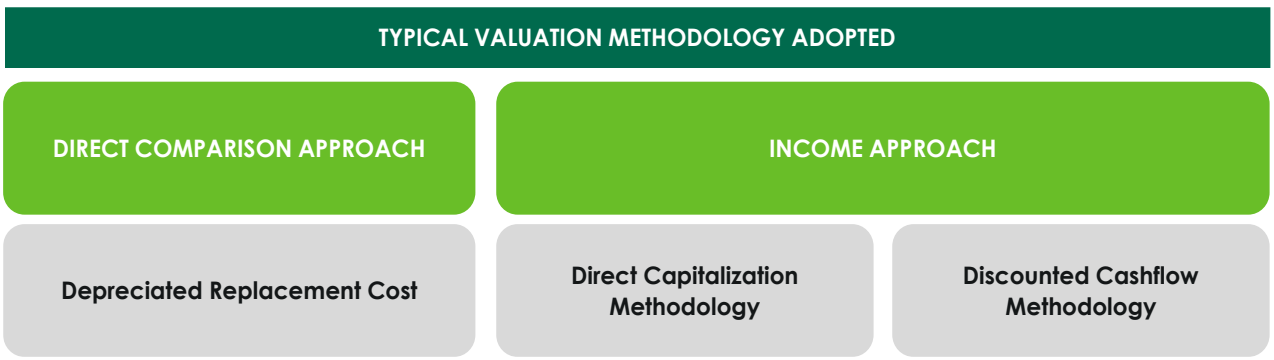
The valuations have been conducted in accordance with the IVSC International Valuation Standards (effective from 31 January 2022) and is in compliance with the International Valuation Standards (IVS), which was the applicable standards as on the date of valuation. The valuation exercise has been undertaken by appropriately qualified Valuer and would be aimed at assessing the Market Value of the Subject Asset.

According to IVS 104, Market Value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the subject assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the asset and future economic conditions in the local market. The income and expense figures are projected with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulations effectively prescribe that the InvIT assets need to be generating income or has the potential to do so and hence the most appropriate method to capture the income generating nature of the assets is Income approach method.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing Market rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue the current agreed terms. In the event the rent is higher than the Market rent threshold, we have assumed that the lease would be renegotiated to Market rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.

3. The Valuer has undertaken physical site inspections to assess the status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of the Warehousing Segment' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment).

Cash Flow Projections:

We have projected future cash flows from the subject assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Assets, we noted that a large number of leases at these assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period. It has also been witnessed that the market rent for some assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has projected the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11$^{th}$ year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided to the Valuer by the Management unless otherwise mentioned. Valuer has assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, Valuer has independently revalidated the information by reviewing the originals as provided by the Management. Further, details related to area and ownership has been adopted based on architect's certificate and title report (prepared by independent architects and legal counsels) as shared by the Client.

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Sale Deed |
| | Achieved FSI | No. | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area (Covered) | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Client |
| | Leasable Area – Future Development (if applicable) | Sft | NA |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Client |
| | Approved Sanction Plan | NA | Client |
| | Building Plan / Site Plan | NA | Client |
| | Floor Plans | NA | Client |
| | Area proposed for Future development | NA | Sanctioned Layout Plan |
| | Provisional Fire NOC | NA | Sanctioned Layout Plan |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Provided |
| | Building Certification | NA | Not Provided |
| | Lease Agreements with Tenants | NA | Client |
| | Sample Maintenance Services Agreements | NA | Not Provided |
| Services Offered | HVAC (Tonnage) | TR | Not Provided |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Not Applicable |
| | No. of staircase | No. | Client |
| | Pending Construction Cost (if any) | INR Mn | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Cost Assumptions | Total Budgeted Cost – Land Stage Block | INR Mn | Client |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Client |
| | Cost Already Incurred – Under Construction Block | INR Mn | Client |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Client/Valuer Estimate |
| | Maintenance Charges | INR psf | Client |
| | Margin on Maintenance | % of CAM Charges | Not Applicable |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Asset Management Fee | % of revenues | Client |
| | Brokerage on lease | No. of Months | Client |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Rent Roll |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Rent Roll |
| | Rent Achieved | INR psf pm | Rent Roll |
| | Pre-Committed Rent | INR psf pm | Rent Roll |
| | Market Rent | INR psf pm | Rent Roll |
| | Fit out Rent | INR psf pm | Rent Roll |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Miscellaneous Income | INR Mn | Not Applicable |
| | Interest on Security Deposit | NA | Valuer's Assessment |
| | Reversion Thresh hold | % | Valuer's Assessment |
| | Escalation in in-place Rent | % | Not Applicable |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Client |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuer's Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer's Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Vijayawada Park | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from sale deed and copy of Sanctioned Layout provided by the client, we understand that Subject Asset is an under-construction warehousing/ industrial development. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Leased Area (sft)* |
|---|---|---|---|---|---|
| Vijayawada Park | Partally complete – 100% completion expected by Q4, 2024 | NA | 2,94,281 | 1,36,278 | 1,36,278 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise) *Leasable areas are inclusive of open space*

| Blocks | Leasable area (sft) | Leasable Area – Open Space (sft) | Built-up Area (sft)* | Structure Type |
|---|---|---|---|---|
| Vijayawada Park | 2,94,281 | NA | 2,94,281 | Pre-Engineered Building |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), the efficiency from leasable area to built-up area is 98.6%.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

The table below highlights the historical occupancy rates at the subject asset:

| Particulars | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Occupancy (completed block) | NA | NA | NA | NA | NA |
| Pre-Commitment (under construction block) | NA | NA | NA | 46.3% | 100.0% |

*Source: Information provided by the Client;*

### 6.3.2 Lease Rent Analysis

Based on the review of the Lease Deed provided by the Client, we understand that the lease agreements were signed between Tarkeshwar Industrial & Logistics Parks Pvt. Ltd. and the tenant details of which are mentioned below –

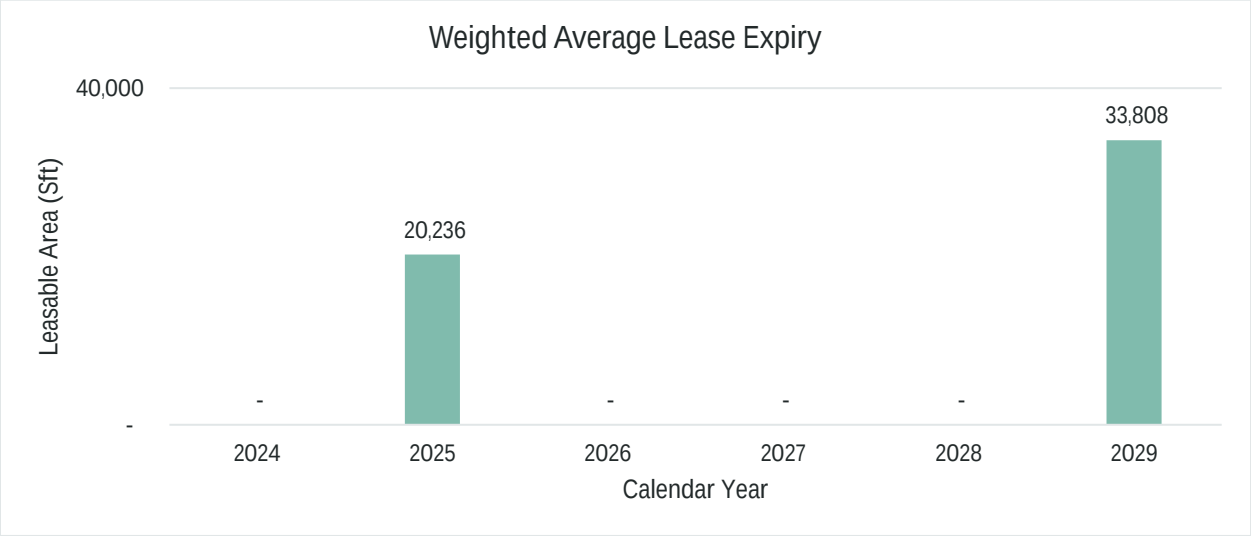
| Tenant | Particulars | Details |
|---|---|---|
| Large FMCG manufacturer | Lease Commencement Date | 1st December 2024 |
| | Rent Commencement Date | 1st January 2025 |
| | Lock-in Period | 3 Years |
| | Lease Tenure | 5 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Large FMCG manufacturer | Lease Commencement Date | 16th November 2024 |
| | Rent Commencement Date | 16th December 2024 |
| | Lock-in Period | 7 Years |
| | Lease Tenure | 9 Years |
| | Lease Rent Escalation Terms | 5% every year |
| Large logistic solution provider | Lease Commencement Date | 7th November 2024 |
| | Rent Commencement Date | 16th December 2024 |
| | Lock-in Period | NA |
| | Lease Tenure | 1 Year |
| | Lease Rent Escalation Terms | NA |

*Source: Information provided by the Client;*

### 6.3.3 Lease Expiry Profile

The Weighted Average Lease Expiry (WALE) of contracted area in the Subject Asset is 6.95 years. Further, The Weighted Average Lease Expiry (WALE) of the vacant area in the Subject Asset is 10 years, with overall average WALE translating to 8.79 years.

The below graph exhibits the WALE for the Subject Asset




*Source: Information provided by the Client;*

### 6.3.4 Tenant Obligations

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | General Wear and Tear |
| 3 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

Contractual Rental Details

| Tenant | Leased Area (sft) | % of area leased | Total In-place Rental (INR psf pm) | Total In-place Rental (INR Mn pm) |
|---|---|---|---|---|
| Large FMCG manufacturer | 33,808 | 25% | 19.8 | 0.67 |
| Large FMCG manufacturer | 82,234 | 60% | 17.8 | 1.46 |
| Large Logistics solution provider | 20.236 | 15% | 22.0 | 0.45 |
| Total | 1,36,278 | | | 2.75 |

*Source: Rent Roll provided by the Client*

Based on the review of above information and market research undertaken, we understand that the Subject Asset would command a market rental of INR 20 per sf per month.

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

As per inputs provided by the Client, the Subject Asset is partially complete and the entire development is expected to get operationalised in Q1, CY 2025.

#### 6.3.5.2 Under Construction Blocks

Based on visual inspection during the site visit and information provided by the Client, the following timelines for under-construction phases have been adopted for the purpose of this valuation exercise –

| Block | Developable Area (sft) | Leasable Area (sft) | Construction Status | Construction Commencement | Construction Completion |
|---|---|---|---|---|---|
| Vijayawada Park | 2,94,281 | 2,94,281 | Partally complete – 100% completion expected by Q4, 2024 | Q3 2023 | Q4 2024 |

*Source: Client Inputs*

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

Not Applicable.

#### 6.3.6.2 Under-Construction Blocks

The absorption period assumed for the Subject Asset is based on market dynamics and extent of development in the relevant micromarket, nature of Subject Asset, competing supply of same nature, location within the respective micromarket, etc. The vacant spaces in the Subject Asset are assumed to get absorbed by Q1, CY 2025.

| Particulars | 2023 | 2024 | 2025 |
|---|---|---|---|
| Pre-Commitment (under construction block) | NA | 46.3% | 0.0% |
| Future absorption | NA | 0.0% | 53.7% |

*Source: Client Inputs*

### 6.3.7 Revenue Assumption

#### 6.3.7.1 Warehousing Component

For the purpose of this valuation exercise, the lease rent adopted for the leasable area is based on the in-depth market research exercise undertaken by the Valuer to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

| Component | Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Vijayawada Park | 2,94,281 | 1,36,278 | Current Rent for Leased area | 18.9 |
| | | | Market rent for reversion/ vacant area | 20.0 |

*Source: Architect certificate, Rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise), Valuer's assessment*

The above market rent assumption is adopted for the entire Subject Asset. An in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the Client as on the date of this assessment, it is understood that no industrial open space area/ mezzanine area is a part of the Subject Asset.

### 6.3.8 Rent Escalation

Based on the market research exercise undertaken, it was observed that the typical escalation clause in the subject micromarket is approx. 5.0% annually. The same has been adopted for the vacant area and renewals at the Subject Asset.

Escalation on renewal/fresh leasing - Based on the market research exercise undertaken, it was observed that the typical escalation clause for lease renewal is of 5% per annum is in-line with the trend observed in the market. The same has been adopted by the Valuer.

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | September 2024 | March 2025 | March 2026 | March 2027 | Stabilized Escalation (%) |
|---|---|---|---|---|---|
| Market Rent – INR / sf/ month | 20.0 | 21.0 | 22.1 | 23.2 | 5% |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise has been cross-checked with the prevailing market norms for other revenues.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Other Income | 0.0 % | % of Rental Income |
| Security Deposit (For vacant spaces) | 6.0 | No. of months' rental |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Based on review of the information provided by the Client, we understand that 100% expenses related to construction, are to be borne by the Client and no tenant improvement details are being provided as on date of this assessment. The following table highlights the assumptions towards the development cost for the Subject Asset:

| Expense Head | Total Cost (INR Mn) | Incurred Cost (INR Mn) | Q4, CY 2024 | Q1, CY 2025 |
|---|---|---|---|---|
| Capital Expenditure | 544.78 | 453.98 | 90.8 | - |

*Source: Client inputs*

#### 6.3.10.2 Major Repair and improvements

Based on information provided by the Client and coupled with our visual inspection during the site visit undertaken, it is understood that the Subject Asset has been partially completed and the entire development is expected to get delivered by Q4, CY 2024. Therefore, only a marginal refurbishment capex to the tune of 1% of the Net Operating Income is adopted. This assumption would allow for the refurbishment reserve to be created to undertake any potential major refurb at the Subject Asset post its completion.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 0.85% of Monthly revenues |
| Asset Management Fee^ | 3.0% of revenues from operations |
| CAM expense | 1.0 per sft per month |
| Property Tax | INR 0.9 Mn per Annum |
| Insurance | INR 0.59 Mn per Annum |
| Vacancy Allowance during operations | 1.0% of revenues from operations |
| Vacancy Allowance on Exit | 2.5% of revenues from operations |

*Source: Client input; Valuer's assessment*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the information provided, we understand that that the Subject Asset is largely vacant. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Details |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Rent-free period & Downtime

Based on recent market trends in the subject micro market, we have considered a rent-free period of 1 month for new-leases and for re-leasing effective from the lease commencement date. Additionally, 1 month of downtime has been considered for new-leases and for re-leasing for the purpose of refurbishment works in the respective blocks as mentioned above.

#### 6.3.12.3 Brokerage

Based on prevalent market dynamics & inputs from the client, we have considered brokerage equivalent to 1.0 month of rental income for future / new leases.

#### 6.3.12.4 CAM Cashflows

CAM Cashflows for the subject asset have been assessed both during the holding period and at the time of notional exit. Margin on CAM and CAM Recoveries are included in the financials as per the CAM Charge based on historical performance of the subject asset as per the inputs provided by the Client and market benchmarks. The same has been considered as passthrough.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The exit capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.5%- 11.5% to about 7.5% - 8.5% in last 3-4 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing facilities across various markets in India have a range of 7.5 – 8.5%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)
- Valuer has adopted an exit cap rate of 7.75% to 8.25% with lower end of cap rate adopted for relatively better assets within the portfolio on account of location, catchment and quality of the asset.

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the asset | Details |
|---|---|---|---|
| Vijayawada Park | Tarkeshwar Industrial & Logistics Parks Pvt. Ltd./ TVS ILP | Partially complete – 100% completion expected by Q4 2024 | 8.0% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC), as set out below.

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years.
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for this asset has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), approval risk, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

The cost of debt for the Subject Asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing facilities across the Vijayawada market which are in the range of 8.0% – 10.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Completed Blocks

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the completed phase of Vijayawada Park asset forming part of the InvIT portfolio:

| Asset Name | SPV/Holdco | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Vijayawada Park | Tarkeshwar Industrial & Logistics Parks Pvt. Ltd./ TVS ILP | Debt | 35.0% | 8.0% | 11.58% |
| | | Equity | 65.0% | 13.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Status | Value (INR Mn) |
|---|---|---|
| Vijayawada Park | Partially complete – 100% completion expected by Q4 2024 | 811.57 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums.

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no Vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Further, as per our visual inspection, we are of the opinion that the site is in advanced development stage and as such there was no vulnerability observed during the inspection. It may further be noted that the Subject Asset is subjected to a flooding risk due to heavy to very heavy rainfall owing to its proximity to the Machilipatnam port within 50 Kms.

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft offer document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

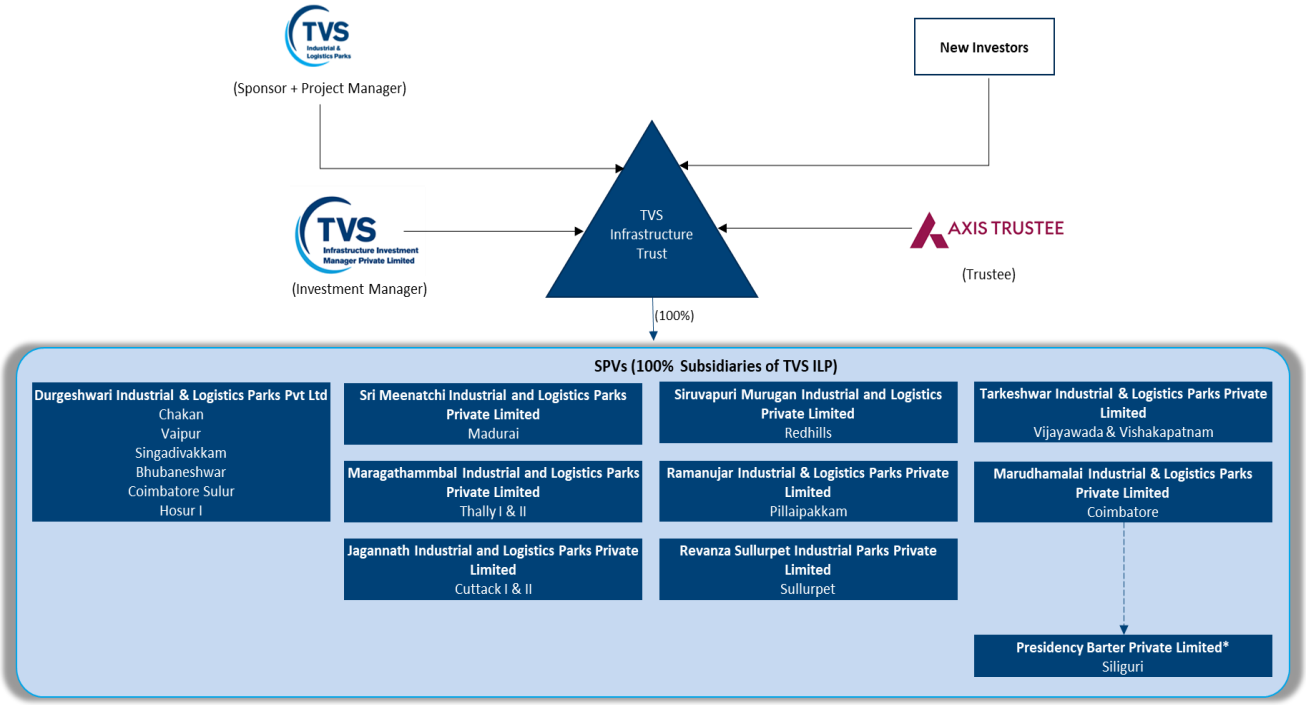
### 7.1.5 Details of the asset including whether the transaction is a related party transaction.

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

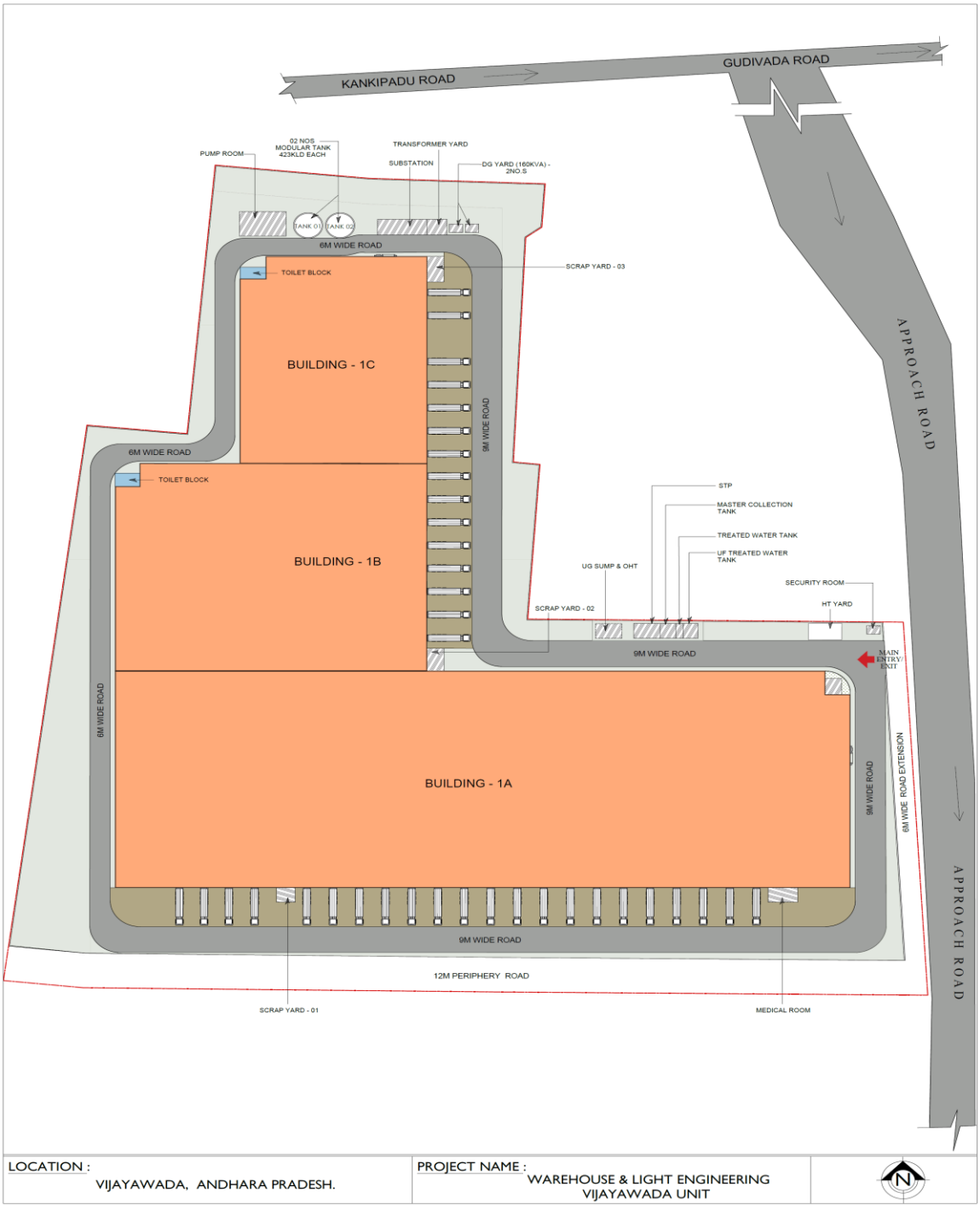
### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | No. of years |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | 30 years* |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

*Source: Architect Certificate; *End date of construction of last phase is estimated in Feb-2025[3] as per architect certificate.*

[3] Please note that this date is indicative in nature and is subject to change basis circumstances.

## 7.2 Site Layout




*Source: Client*

## 7.3 Building Permit Order

**Andhra Pradesh Capital Region Development Authority**

**DEVELOPMENT CONTROL DEPARTMENT**

**BUILDING PERMIT ORDER**

To,

Sri/Smt.

M/s. TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED, Represented by its Authorized Signatory, Sri Arul Murugan E S/o. Elumalai

R.S.No 107, 108, 109, Near J C United, Gollagudem, Punadipadu, Kankipadu, Krishna

| | | |
|---|---|---|
| Permit No. | : | 1168/0811/B/KNKPDU/PNDPD/2023 |
| DATE | : | 31 July, 2023 |
| Approved – Additional information called for on : 31 July, 2023 | | |

Sir / Madam,

Sub: Group Development Scheme - Construction of 'Godown' - Approval - Granted - Reg"

Ref: Your Application Dated: 03 June, 2023 u/s 108 & 110 of APCRDA act, 2014 and A.P. Building rules 2017.

Ref1 Previous Building Permit Order Dated: 22 June, 2023

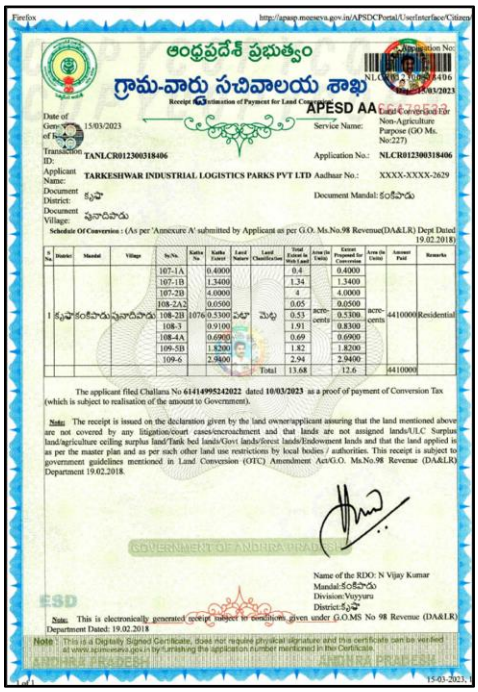
Your application submitted in the reference has been examined with reference to the rules and regulations in force and permission is hereby sanctioned conditionally as detailed below:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **A** | **APPLICANT AND LICENSED PERSONNEL DETAILS:** | | | | | | |
| 1 | Applicant | M/s. TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED, Represented by its Authorized Signatory, Sri Arul Murugan E S/o. Elumalai | | | | | |
| 2 | Developer / Builder | NA | | | Lic.No. | NA | |
| 3 | Licensed Technical Person | LAKSHMI NARASIMHA RAO.P.V. () | | | Lic.No. | 12021(55)/41/17 | |
| 4 | Structural Engineer | CHAKKA LAKSHMI KRISHNA MURTH GUPTA | | | Lic.No. | 12021(57)/46/17 | |
| 5 | Others | NA | | | | | |
| **B** | **SITE DETAILS** | | | | | | |
| 1 | RS/TS No. | 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 | | | | | |
| 2 | Premises No. | R.S.No: 107, 108 & 109 | | | | | |
| 3 | Ward | GOLLAGUDEM | | | | | |
| 4 | Block No. | NA | | | | | |
| 5 | Mandal | KANKIPADU | | | | | |
| 6 | Village | PUNADIPADU | | | | | |
| 7 | Gram Panchayat | | | | | | |
| **C** | **DETAILS OF PERMISSION SANCTIONED** | | | | | | |
| 1 | Building Sanction Data | | | | | | |
| 1.1 | Building - WARE HOUSE (1) (Height (m): 13.94) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 27,526.41 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |
| 1 | Building Sanction Data | | | | | | |
| 1.2 | Building - PUMP HOUSE AND 423 KLD TANKS (2) (Height (m): 5.45) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 260.11 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |
| 1 | Building Sanction Data | | | | | | |
| 1.3 | Building - SUB STATION AND TRANSFORMER YARD (3) (Height (m): 4.7) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 109.50 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |
| 3 | Set backs (m) | Front | Rear | | Side I | Side II | |
| | | 10.07 | 7.00 | | 31.10 | 5.01 | |
| 4 | Site Area (m2) | 50946.88 | | | | | |
| 5 | Road affected area (m2) | 796.2 | | | | | |
| 6 | Net Site Area(m2) | 46836.25 | | | | | |

*Source: Client*

## 7.4 Land Use Certificate

### 7.4.1 Land Use Certificate



Firefox http://apaso.meeseva.gov.in/APSDCPortal/UserInterface/Citizen

ఆంధ్రప్రదేశ్ ప్రభుత్వం

గ్రామ-వార్డు సచివాలయ శాఖ

Receipt for Estimation of Payment for Land Conversion

APESD AA

Application No: NLCR012300318406

Date: 15/03/2023

Date of Generation of Receipt: 15/03/2023

Service Name: Land Conversion For Non-Agriculture Purpose (GO Ms. No:227)

Transaction ID: TANLCR012300318406

Application No.: NLCR012300318406

Applicant Name: TARKESHWAR INDUSTRIAL LOGISTICS PARKS PVT LTD

Aadhaar No.: XXXX-XXXX-2629

Document District: కృష్ణా

Document Mandal: కంకిపాడు

Document Village: పునాదిపాడు

**Schedule Of Conversion :** (As per 'Annexure A' submitted by Applicant as per G.O. Ms.No.98 Revenue(DA&LR) Dept Dated 19.02.2018)

| S No. | District | Mandal | Village | Sy.No. | Kathe No. | Kathe Extent | Land Nature | Land Classification | Total Extent in Main Land | Area (In Units) | Extent Proposed for Conversion | Area (In Units) | Amount Paid | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | 107-1A | | 0.4000 | | | 0.4 | | 0.4000 | | | |
| | | | | 107-1B | | 1.3400 | | | 1.34 | | 1.3400 | | | |
| | | | | 107-2B | | 4.0000 | | | 4 | | 4.0000 | | | |
| | | | | 108-2A2 | | 0.0500 | | | 0.05 | | 0.0500 | | | |
| 1 | కృష్ణా | కంకిపాడు | పునాదిపాడు | 108-2B | 1076 | 0.5300 | పట్టా | మెట్ట | 0.53 | acre-cents | 0.5300 | acre-cents | 4410000 | Residential |
| | | | | 108-3 | | 0.9100 | | | 1.91 | | 0.8300 | | | |
| | | | | 108-4A | | 0.6900 | | | 0.69 | | 0.6900 | | | |
| | | | | 109-5B | | 1.8200 | | | 1.82 | | 1.8200 | | | |
| | | | | 109-6 | | 2.9400 | | | 2.94 | | 2.9400 | | | |
| | | | | | | | | Total | 13.68 | | 12.6 | | 4410000 | |

The applicant filed Challans No **61414995242022** dated **10/03/2023** as a proof of payment of Conversion Tax (which is subject to realisation of the amount to Government).

**Note:** The receipt is issued on the declaration given by the land owner/applicant assuring that the land mentioned above are not covered by any litigation/court cases/encroachment and that lands are not assigned lands/ULC Surplus land/agriculture ceiling surplus land/Tank bed lands/Govt lands/forest lands/Endowment lands and that the land applied is as per the master plan and as per such other land use restrictions by local bodies / authorities. This receipt is subject to government guidelines mentioned in Land Conversion (OTC) Amendment Act/G.O. Ms.No.98 Revenue (DA&LR) Department 19.02.2018.

GOVERNMENT OF ANDHRA PRADESH

Name of the RDO: N Vijay Kumar
Mandal:కంకిపాడు
Division:Vuyyuru
District:కృష్ణా

ESD

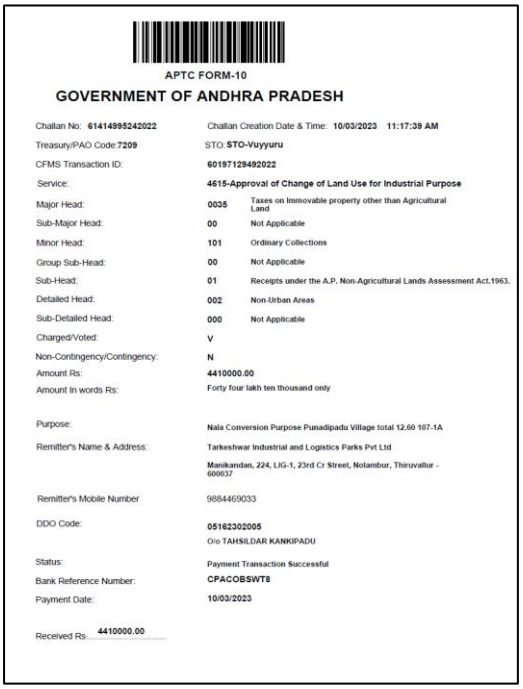
**Note:** This is electronically generated receipt subject to conditions given under G.O.MS No 98 Revenue (DA&LR) Department Dated: 19.02.2018

**Note :** This is a Digitally Signed Certificate, does not require physical signature and this certificate can be verified at www.apmeeseva.gov.in by furnishing the application number mentioned in the Certificate.

ANDHRA PRADESH ANDHRA PRADESH

15-03-2023, 1

### 7.4.2 Change of Land use to Industrial Purpose



APTC FORM-10

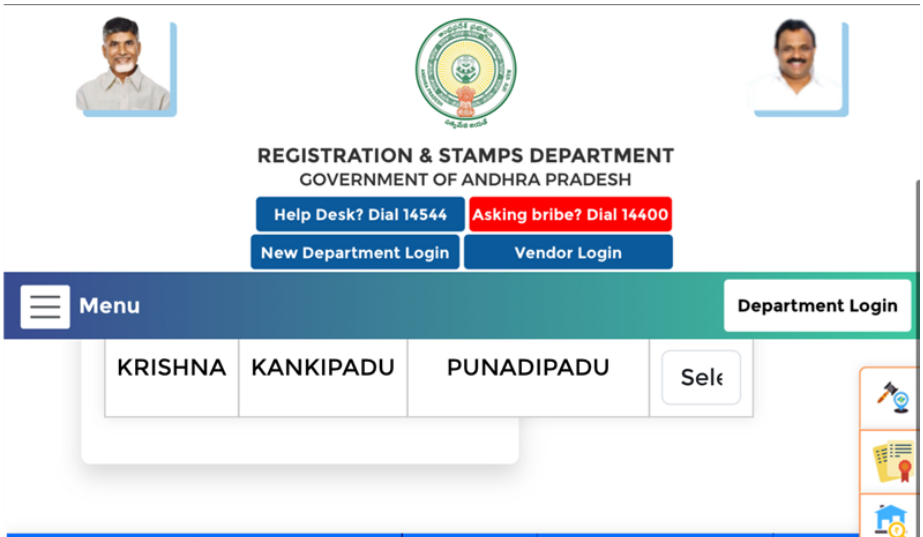
**GOVERNMENT OF ANDHRA PRADESH**

| | | |
|---|---|---|
| Challan No: **61414995242022** | Challan Creation Date & Time: **10/03/2023 11:17:39 AM** | |
| Treasury/PAO Code:**7209** | STO: **STO-Vuyyuru** | |
| CFMS Transaction ID: | **60197129492022** | |
| Service: | **4615-Approval of Change of Land Use for Industrial Purpose** | |
| Major Head: | **0035** | Taxes on Immovable property other than Agricultural Land |
| Sub-Major Head: | **00** | Not Applicable |
| Minor Head: | **101** | Ordinary Collections |
| Group Sub-Head: | **00** | Not Applicable |
| Sub-Head: | **01** | Receipts under the A.P. Non-Agricultural Lands Assessment Act,1963. |
| Detailed Head: | **002** | Non-Urban Areas |
| Sub-Detailed Head: | **000** | Not Applicable |
| Charged/Voted: | **V** | |
| Non-Contingency/Contingency: | **N** | |
| Amount Rs: | **4410000.00** | |
| Amount In words Rs: | **Forty four lakh ten thousand only** | |
| Purpose: | **Nala Conversion Purpose Punadipadu Village total 12.60 107-1A** | |
| Remitter's Name & Address: | **Tarkeshwar Industrial and Logistics Parks Pvt Ltd**<br>**Manikandan, 224, LIG-1, 23rd Cr Street, Nolambur, Thiruvallur - 600037** | |
| Remitter's Mobile Number | 9884469033 | |
| DDO Code: | **05162302005**<br>O/o **TAHSILDAR KANKIPADU** | |
| Status: | **Payment Transaction Successful** | |
| Bank Reference Number: | **CPACOBSWT8** | |
| Payment Date: | **10/03/2023** | |

Received Rs: **4410000.00**

*Source: Client*

## 7.5 Ready Reckoner Rate/Government Circle Rate

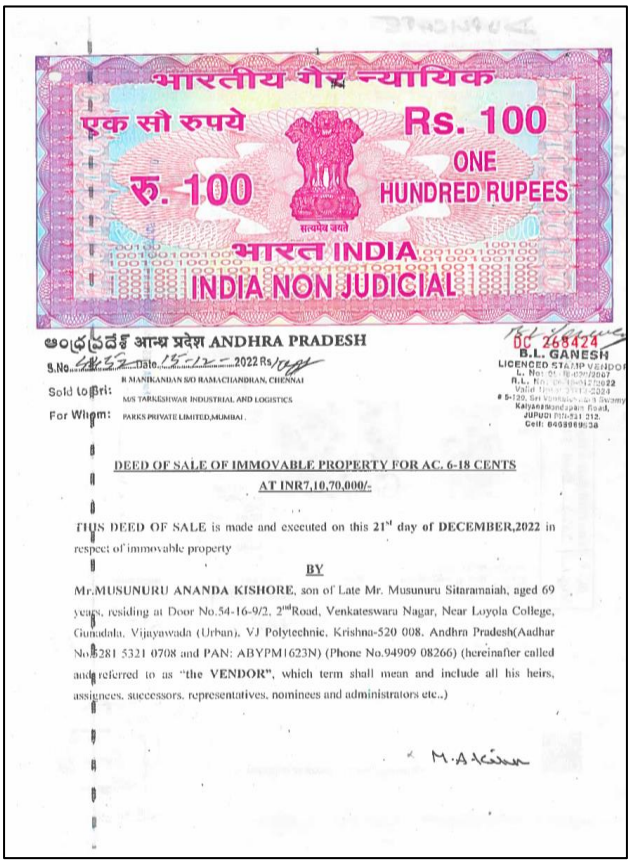



| Habitation | Survey No | Sub Survey No | Land Rate Rs. per Acre | Nature Of Use | Effec Dat |
|---|---|---|---|---|---|
| PUNADIPADU | - | - | 12100000 | Land abutting NH/SH/ZPP/MPP | 06/11/2024 |
| PUNADIPADU | - | - | 9200000 | Dry land | 06/11/2024 |
| PUNADIPADU | - | - | 9200000 | Dry land | 06/11/2024 |
| PUNADIPADU | - | - | 9200000 | Coconut Garden | 06/11/2024 |
| PUNADIPADU | - | - | 9200000 | Wet Land double crop | 06/11/2024 |
| PUNADIPADU | - | - | 9200000 | Wet Land double crop | 06/11/2024 |
| PUNADIPADU | - | - | 0 | House Sites | 06/11/2024 |
| PUNADIPADU | - | - | 0 | House Sites | 06/11/2024 |
| PUNADIPADU | - | - | 9200000 | Coconut Garden | 06/11/2024 |
| PUNADIPADU | - | - | 12100000 | Agricultural Land fit for H.S. | 06/11/2024 |

*Source: Department of Registration and stamp Andhra Pradesh website.*

## 7.6 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.6.1 Sale Deed



भारतीय गैर न्यायिक

एक सौ रुपये Rs. 100

रु. 100 ONE HUNDRED RUPEES

सत्यमेव जयते

भारत INDIA

INDIA NON JUDICIAL

ఆంధ్రప్రదేశ్ आन्ध्र प्रदेश ANDHRA PRADESH

S.No. 4852 Date 15-12-2022 Rs. 100/-

Sold to Sri: R MANIKANDAN S/O RAMACHANDRAN, CHENNAI

For Whom: M/S TARKESHWAR INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED,MUMBAI.

DC 268424

B.L. GANESH

LICENCED STAMP VENDOR

Kalyanamandapam Road, JUPUDI PIN-521 212.

Cell: 8469969638

DEED OF SALE OF IMMOVABLE PROPERTY FOR AC. 6-18 CENTS

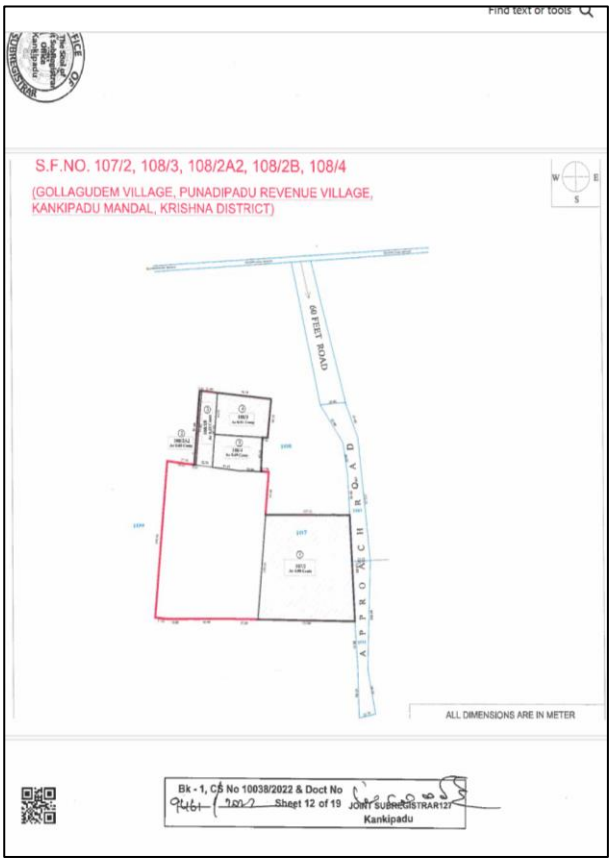
AT INR7,10,70,000/-

THIS DEED OF SALE is made and executed on this 21st day of DECEMBER,2022 in respect of immovable property

BY

Mr.MUSUNURU ANANDA KISHORE, son of Late Mr. Musunuru Sitaramaiah, aged 69 years, residing at Door No.54-16-9/2, 2nd Road, Venkateswara Nagar, Near Loyola College, Gunadala, Vijayawada (Urban), VJ Polytechnic, Krishna-520 008. Andhra Pradesh(Aadhar No.5281 5321 0708 and PAN: ABYPM1623N) (Phone No.94909 08266) (hereinafter called and referred to as "the VENDOR", which term shall mean and include all his heirs, assignees, successors, representatives, nominees and administrators etc..)

M.A.Kishore



Find text or tools

S.F.NO. 107/2, 108/3, 108/2A2, 108/2B, 108/4

(GOLLAGUDEM VILLAGE, PUNADIPADU REVENUE VILLAGE, KANKIPADU MANDAL, KRISHNA DISTRICT)

60 FEET ROAD

APPROACH ROAD

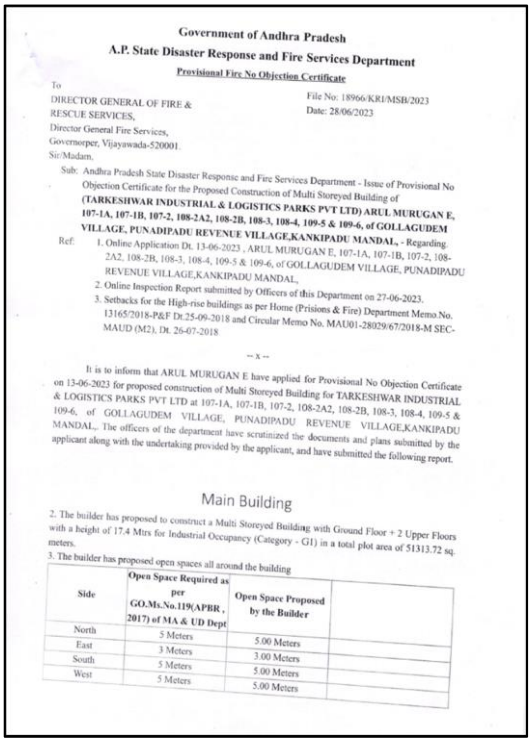
ALL DIMENSIONS ARE IN METER

Bk - 1, CS No 10038/2022 & Doct No 9461/2022 Sheet 12 of 19

JOINT SUBREGISTRAR127 Kankipadu

*Source: Client*

## 7.6.2 Provisional Fire NOC



**Government of Andhra Pradesh**

**A.P. State Disaster Response and Fire Services Department**

**Provisional Fire No Objection Certificate**

To
DIRECTOR GENERAL OF FIRE & RESCUE SERVICES,
Director General Fire Services,
Governorper, Vijayawada-520001.

File No: 18966/KRI/MSB/2023
Date: 28/06/2023

Sir/Madam,

Sub: Andhra Pradesh State Disaster Response and Fire Services Department - Issue of Provisional No Objection Certificate for the Proposed Construction of Multi Storeyed Building of **(TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PVT LTD) ARUL MURUGAN E, 107-1A, 107-1B, 107-2, 108-2A2, 108-2B, 108-3, 108-4, 109-5 & 109-6, of GOLLAGUDEM VILLAGE, PUNADIPADU REVENUE VILLAGE,KANKIPADU MANDAL,** - Regarding.

Ref: 1. Online Application Dt. 13-06-2023 , ARUL MURUGAN E, 107-1A, 107-1B, 107-2, 108-2A2, 108-2B, 108-3, 108-4, 109-5 & 109-6, of GOLLAGUDEM VILLAGE, PUNADIPADU REVENUE VILLAGE,KANKIPADU MANDAL,
2. Online Inspection Report submitted by Officers of this Department on 27-06-2023.
3. Setbacks for the High-rise buildings as per Home (Prisions & Fire) Department Memo.No. 13165/2018-P&F Dt.25-09-2018 and Circular Memo No. MAU01-28029/67/2018-M SEC-MAUD (M2), Dt. 26-07-2018

-- x --

It is to inform that ARUL MURUGAN E have applied for Provisional No Objection Certificate on 13-06-2023 for proposed construction of Multi Storeyed Building for TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PVT LTD at 107-1A, 107-1B, 107-2, 108-2A2, 108-2B, 108-3, 108-4, 109-5 & 109-6, of GOLLAGUDEM VILLAGE, PUNADIPADU REVENUE VILLAGE,KANKIPADU MANDAL,. The officers of the department have scrutinized the documents and plans submitted by the applicant along with the undertaking provided by the applicant, and have submitted the following report.

Main Building

2. The builder has proposed to construct a Multi Storeyed Building with Ground Floor + 2 Upper Floors with a height of 17.4 Mtrs for Industrial Occupancy (Category - G1) in a total plot area of 51313.72 sq. meters.

3. The builder has proposed open spaces all around the building

| Side | Open Space Required as per GO.Ms.No.119(APBR , 2017) of MA & UD Dept | Open Space Proposed by the Builder | |
|---|---|---|---|
| North | 5 Meters | 5.00 Meters | |
| East | 3 Meters | 3.00 Meters | |
| South | 5 Meters | 5.00 Meters | |
| West | 5 Meters | 5.00 Meters | |

*Source: Client*

### 7.6.3 Consent for Establishment

**ANDHRA PRADESH POLLUTION CONTROL BOARD**
**ZONAL OFFICE, VIJAYAWADA**
Plot No.41, Opp: SBI, Sri Kanakadurga Officers Colony,
Gurunanak Road, Vijayawada – 520008
Phone: 0866-2546218 Email: zovia-icee@appcb.gov.in
Website: https://pcb.ap.gov.in

**CONSENT ORDER TO ESTABLISH**

**Order No.Kr-1130/APPCB/ZO-VJA/CTE/ORANGE/2023** **Date : 03.07.2023**

**Sub:** **APPCB–ZO–VJA – CONSENT TO ESTABLISH (CTE) – M/s. Tarkeshwar Industrial & Logistics Parks Private Limited, R.S.No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Kankipadu Mandal, Krishna District** – Consent to Establish (**CTE**) of the Board under Section 25 of Water (Prevention and Control of Pollution) Act, 1974 and under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 – **Issued – Reg**.

**Ref:**
1. CTE application received at Regional Office, Vijayawada on 12.06.2023 through OCMMS.
2. RO's inspection report dt.23.06.2023 received at ZO, Vijayawada.

* * *

I. In the ref. 1st cited, **M/s. Tarkeshwar Industrial & Logistics Parks Private Limited** has submitted an application to the Board seeking **Consent to Establish (CTE)** to the activity as mentioned below, with project cost of **Rs.40.95 Crores**.

| S. No | Activity | Total Built-up area |
|---|---|---|
| 1. | **Warehouse building to house industries that produce Domestic products (durable, non durable) and industrial components manufacturing units** | **27896.02 Sq.mts** |

II. As per the application, the above proposed activity is to be located at **R.S.No. 107-1A, 107-1B, 107-2B, 108-2A2, 108-2B, 108-3, 108-4A, 109-5B & 109-6 of Gollagudem Village, Kankipadu Mandal, Krishna District.**

III. The above site was inspected by the Asst. Environmental Engineer, A.P Pollution Control Board, Regional Office, Vijayawada on 22.06.2023 and found that the industry is surrounded by **East:** Village Road Connecting from Gudivada main road to Kolavennu; **West:** Vacant land; **North:** Vacant land; **South:** Agriculture land;

IV. The Board, after careful scrutiny of the application, verification report of Regional Office, Vijayawada, hereby issues **CONSENT TO ESTABLISH (CTE)** to the industry, under Section 25 of Water (Prevention and Control of Pollution) Act, 1974 and under Section 21 of Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under. **This Order is issued to manufacture the products mentioned at para (1) only.**

*Source: Client*

### 7.6.4 Ground Water Extraction NOC

**GOVERNMENT OF ANDHRA PRADESH**
**GROUND WATER AND WATER AUDIT DEPARTMENT**

From:
Sri.D. Vijayavardhana Rao,M.Sc (Tech),
District Ground Water Officer,
Ground Water and Water Audit Department,
Machilipatnam, Krishna District.

To:
The Managing Director,
M/s Tarkeshwar industrial & Logistics Parks Pvt Ltd,
Gollagudem Village,
Punadipadu Revenue Village,
Kankipadu Mandal, Krishna District.

**Lr No: 194/INDS/SW/2023-24** **Dated: 19-06-2023.**

Sub:- Ground Water and Water Audit Department – O/o District Ground Water Officer, Machilipatnam, Krishna District – Single Desk Portal – Ground Water Surveys – M/s Tarkeshwar industrial & Logistics Parks Pvt Ltd - Issue of No Objection Certificate (NOC) – Furnishing of Report - Regarding.

Ref:- M/s Tarkeshwar industrial & Logistics Parks Pvt Ltd, Gollagudem Village, Punadipadu Revenue Village, Kankipadu Mandal, Online Application ID No. CAE 2300516, dated: 12.05.2023.

*****

With reference to the above, I here with furnish the "Report on Hydrogeological Investigation Carried out for usage of 50 KLD of ground water from the newly recommended shallow tube well in the premises of M/s Tarkeshwar industrial & Logistics Parks Pvt Ltd, Gollagudem Village, Punadipadu Revenue Village, Kankipadu Mandal in Krishna district" under Single desk portal along with No Objection Certificate.

Yours faithfully,
D. Vijaya Vardhana Rao 19/6/23
**District Ground Water Officer**
**Ground Water and Water Audit Department**
**Machilipatnam, Krishna District**
19/6/23

Copy to The Director, Ground Water and water audit department, Vijayawada
Copy to The Tahsildar, Kankipadu Mandal.

*Source: Client*

## 7.7 Any matters which may affect the asset or its value

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report.

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## VISHAKAPATNAM PARK

SPV

TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED/ TVS ILP

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party" or "Client"), in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

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# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Vishakapatnam Park (the "Subject Asset") |
| Asset Address: | Land-9, IP Expansion situated in Gurrampalem village, Pendurthi Mandal, Visakhapatnam District, Andhra Pradesh 531173 |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Tarkeshwar Industrial & Logistics Parks Private Limited/ TVS ILP |
| Interest Valued: | 100% Freehold interest |
| Land Area: | As per the review of the architect certificate, possession certificate provided by the Client, it is understood that the total underlying land area of the Subject Asset is approx. 16.8 acres. |
| Brief Description: | Based on the review of sanctioned layout shared by the Client and subsequent site visit undertaken, it is understood that the Subject Asset is an Under development Industrial warehouse/logistics park, located off NH-16 (Chennai – Srikakulam Highway) Road. The Subject Asset "Vishakapatnam Park" is an under-development warehouse development. The Subject Asset is located in the Expansion layout of Industrial Park of Gurrampalem Industrial Park, Visakhapatnam, an emerging warehousing market in the city. The primary access road connects to National Highway - 16.<br>The Subject Asset is spread over a land parcel measuring gross area 16. acres. It comprises of 2 Blocks with proposed Grade – A specifications having total leasable area of 4,18,633 sft. The warehousing block is currently under development. Some of the prominent warehousing assets in the micro-market include Coca Cola, NDR's Avanthi Warehouse, etc<br>The subject property is located at a distance of approx. 25-30 kms from Visakhapatnam Airport, approx. 9-10 kms from Pendurthi city, approx. 15-20 kms from Simhachalam Railway Station. |
| Statement of assets (sft): | Based on the site visit undertaken & review of information provided, we understand that the Subject Asset is at a nascent stage of development and is yet to be leased. The block-wise area details are exhibited in the table below: |

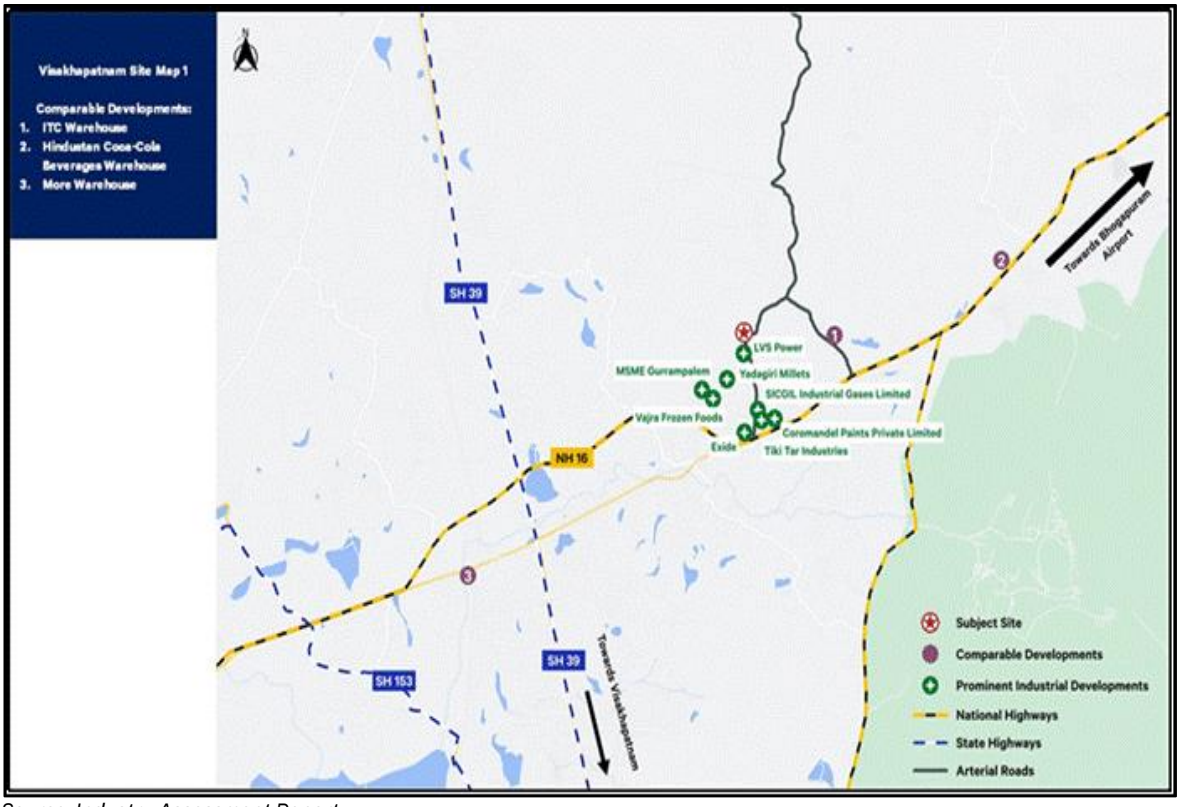
| Blocks | Construction Status | Leasable area (sft) | Chargeable area (sft)^ |
|---|---|---|---|
| Block 1 | Under construction | 1,54,615 | 1,54,615 |
| Block 2 | Under Construction | 2,64,018 | 2,64,018 |
| Total | | 4,18,633 | 4,18,633 |

*Source: Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Also, as per the Client, the total budgeted cost for the development of subject warehousing facility is INR 927.79 Mn, of which INR 284.29 Mn is already incurred and the remaining cost, i.e. INR 643.51 Mn is yet to be incurred as on date of this assessment. The same has been considered for the purpose of this valuation exercise. However, it must be noted that the detailed breakdown of the development budget is not provided.

Location Map:

Location Map for the Subject Asset




*Source: Industry Assessment Report*

Tenancies

Not Applicable – The Subject Asset is under construction and the leasable area is yet to be contracted

Key Assumptions:

| Particulars | Unit | Details |
|---|---|---|
| Revenue Assumptions | | |
| Tenure for any new/ future leases | Year | 10 years |
| In-place rent | INR/ sf/ mth | 0.0 |
| Market rent – Warehouse component | INR/ sf/ mth | 23.0 |
| Weighted Average Marginal rent# | INR/ sf/ mth | 0.0 |
| Capital Expenditures Details | | |
| Pending cost to complete | INR Mn | 643.51 |
| Proposed Capex (Under Construction Blocks) | Quarter, Year | 2025 – Q1 |
| Refurbishment Capex (if any) | | NA |
| Other Financial Assumptions | | |
| Exit Cap rate | % | 8.0% |

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| Discount rate (During Operations) | % | NA |
| Discount rate (During Under Construction/land stage) | % | 12.8% |
| NOI Computation – Completed | | |
| 1 year Forward NOI (CY Q4 2024 – CY Q3 2025) | INR Mn | 25.5 |
| Stabilized NOI[1] | INR Mn | 113.3 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report dated Q3 of 2024, #Weighted average market rent arrived considering differential market calls for spaces such as mezzanine, open spaces, any tenant specific spaces basis their agreement with the Client and any other spaces.*

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| Stake proposed to be held in Asset SPV by TVS Infrastructure Trust: | 100% |
| Date of Inspection: | 07th March 2024 |
| Date of Valuation: | 30th September 2024 |
| Purchase Price for the Asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by State Government): | INR 1,977 per sqm for Land with Agricultural use (Kindly refer Annexure Section 7.4) |

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Vishakapatnam Park | Under Construction | 777.6 |
| Total Value of the asset | | 777.6 |

*Source: Valuer's assessment*

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| Any matters which may affect the asset or its value: | Please refer section 7.7 of this report |

[1] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset.*

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| Assumptions, Disclaimers, Limitations & Qualifications: | This valuation report is provided subject to assumptions, disclaimers, limitations and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.<br><br>Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset. |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |
| Construction Cost Volatility: | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |
| Valuer Declaration: | i. The valuer is competent to undertake the valuation.<br>ii. The valuer is independent and has prepared the report on a fair and unbiased basis.<br>iii. The valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21 |
| Prepared by: | iVAS Partners<br>Valuer Registration Number: IBBI/RV-E/02/2020/112 |
| Official Signatory | <br>Name: Mr. Shubhendu Saha<br>Designation: Partner, iVAS Partners<br>Valuer Registration Number: IBBI/RV/05/2019/11552 |

# 2 Instruction

iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the "Instructing Party", or the "Client" or the "Sponsor") in its capacity as Sponsor of the TVS Infrastructure Trust to estimate the Market Value (MV) of an under construction Warehousing asset located within IP Expansion of Gurrampalem, Pendurthi, Visakhaptnam District, Andhra Pradesh (here after referred as the 'Subject Asset' across the report).

iVAS Partners ('the Valuer') utilized the deliverables of CBRE South Asia Private Limited (CBRE), an independent agency appointed by the Client to undertake market research, provide market commentary, and data for the purpose of this assignment. The Valuer has utilized the market intelligence provided by CBRE to arrive at the Market Value of the respective assets as per the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("SEBI (InvIT) Regulations 2014") and amended to date.

Based on information provided by the Client, we understand that the underlying land parcel of the Subject Asset admeasures approx. 16.80 acres with a total leasable area admeasuring approx. 418,633 sft.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the Subject Asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Vishakapatnam Park | Tarkeshwar Industrial Logistics Pvt. Ltd./ TVS ILP | Under-construction Warehouse | Gurrampalem, Visakhapatnam | 16.80 | 2 |

*Source: Client Inputs*

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only.*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the "Private Placement") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to this Valuation Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions

of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the information provided within this Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared this Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently

complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.
- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.
- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Limitation and Qualification

Valuation has been conducted solely for the benefit and use of the Instructing Party, and any Reliant Party nominated within this Valuation Report. The report and valuations should not be used for any other purpose other than the expressly intended purpose as mentioned in the Valuation Report. They are not to be used, circulated, quoted or otherwise referred to for any other purpose, nor are they to be filed with or referred to in whole or in part in any document without the prior written consent of Valuer where such consent to be given at the absolute, exclusive discretion of Valuer, which shall not be unreasonably withheld. Where they are to be used with the Valuer's written consent, they shall be used only in their entirety and no part shall be used without referring to the whole report unless otherwise expressly agreed in writing by Valuer.

Neither the whole nor any part of our report, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way nor disclosed orally or in communication to a third party, including the form and context in which it is to appear without Valuer's prior written consent.

The Valuer does not purport to provide a site or structural survey in respect of the asset(s) valued. The Valuer does not purport to be suitably qualified to provide professional advice in respect of building or site contamination. The Reliant Party(ies) should seek independent advice on these issues. The Services are provided on the basis that the Management has disclosed to the Valuer all information which may affect the Services. All opinions expressed by the Valuer, or its employees are subject to any conditions contained in the Valuation report.

## 2.5 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine

professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered Valuers and Valuation) Rules, 2017 since 15 May 2019. He completed his bachelor's in planning from the School of Planning and Architecture, New Delhi in 1997 and master's in management studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.6 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of offer of units by Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

The Valuer has assessed the Market Value of each Individual Subject Asset(s), not the value of the portfolio as if all assets are being sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio.

The location, micromarket and catchment area for the Subject Asset is tabulated below:

| Asset Name | SPV/Holdco | City | Micromarket/ Catchment Area |
|---|---|---|---|
| Vishakapatnam Park | Tarkeshwar Industrial & Logistics Parks Private Limited/ TVS ILP | Visakhapatnam | Akkireddy Palem |

*Source: Client Inputs*

## 2.7 Valuer's Interest

The Valuer certify that; he/they do not have a pecuniary interest, financial or otherwise, that could conflict with the proper valuation of the asset (including the parties with whom our instructing party is dealing, including the lender or selling agent, if any; accepts instructions to value the asset only from the Client.

## 2.8 Qualifications/ Valuation Standards

This valuation is prepared in accordance with the International Valuation Standards (IVS) 2022.

The team involved in this engagement comprises of valuers registered with IBBI and RICS members with significant experience of valuations in Indian infrastructure and real estate market.

## 2.9 Disclosures

This Valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Infrastructure Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")
- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.
- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.
- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.
- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.
- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.
- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/valuers involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.

- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset
- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust
- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation
- The valuation undertaken by the Valuer abides by International Valuation Standards (effective from 31 January 2022) for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017
- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.
- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas. (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.10 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

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| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuer is not engaged to carry out all possible investigations in relation to the Subject Assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer is not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners has been formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the Valuer can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which may or may not affect the valuation: | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the asset and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on title search reports and other information provided by the Client, the Valuer understands that the Subject Assets are free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Title Reports prepared by the Legal Counsels for each of the assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the Subject Assets may have encumbrances, disputes and claims. The Valuer does not have the expertise or the purview to check the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitably experienced Lawyer or an equivalent professional review these assumptions and confirm they are reasonable before relying in this report. |

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| Environmental Conditions: | In undertaking the valuation exercise we assumed that no contaminative or potentially contaminative use is, or has been, carried out at the property. We did not undertake any investigation into the past or present uses of either the respective assets or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the asset or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the Subject Assets has been adopted on the basis of review of various documents (title deeds & approval documents) provided by the Client and the current land use maps for the micro market. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the Subject Assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses and authorizations for the use of the assets and the processes carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the lease deeds provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a Summary of Valuation Reports of Subject Assets and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the Subject Asset.<br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the Subject Assets. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold assets, we have assumed that the landlord will give any of the necessary consents to an assignment. Unless notified to the contrary we assume that each asset has a good and marketable title and is free from any pending litigation |
| Others: | Considering the unorganized nature of land and building markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |

| | |
|---|---|
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the Subject Assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copies of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 5.5.<br>All measurements, areas and ages quoted in our report are approximate.<br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | The visual inspection of the Subject Assets did not indicate any significant vulnerability and hence we have assumed that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the respective sites are clear of underground mineral or other workings, methane gas or other noxious substances.<br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials: | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Subject Assets. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests: | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country where services are to be carried out, which may affect the market value. In the event that the Reliant Party(ies) becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility: | We draw your attention to current heightened geopolitical tensions, low economic growth in many major countries, and a "higher for longer" interest rate sentiment which have increased the potential for constrained credit markets, negative capital value movements and continued volatility in some property markets over the short-to-medium term.<br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions. Lending and investment caution is advised in this regard.<br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

| | |
|---|---|
| Construction Cost Volatility: | Although general increases in material costs have stabilized since 2022, some specialized supply chains and construction-related labor costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br>In addition, there are significant risks that delays may be encountered in sourcing specialized materials and labor, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Visakhapatnam– Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Visakhapatnam and the subject Micromarket

As of Q3 CY 2024, Visakhapatnam market comprises a total completed warehousing stock of 2.53 Mn sft. The warehousing activity in Visakhapatnam is largely witnessed in the southern cluster with a share of approx. 77% of this supply followed by the West Cluster with approx. 22% share of the overall supply. The prominent micromarkets along the southern cluster are Gajuwaka, Auto Nagar, Mindi, Pedagantyada, Paravada together contributing to approx. 1.94 Mn sft of completed supply, whereas the key warehousing micromarkets along the west cluster comprising of Pendurthi, Vedanta, Akkireddy Palem, Gandigundam contribute to approx. 0.56 Mn sft of the completed supply in the region and is emerging rapidly.

Before 2016, the predominant portion of the supply consisted of Grade B developments. However, certain developers have put forth Grade B developments that are superior to the norm, with an emphasis on EXIM cargo and to meet the rising demand from e-commerce and 3PL companies seeking modern and efficient warehouse space, a steady increase in Grade A supply was witnessed with an average annual supply of approx. 0.16 Mn sft for the last 3 years. Grade A developments are primarily concentrated in Pedagantyada, Mindi, and Gajuwaka micro-markets, catering primarily to FMCG, industrial, and chemical sectors.

FMCG, Industrial, Chemical, Logistics (3PL) & Distribution, Retail, and FMCD are the key tenant sectors occupying space in Grade A developments across Visakhapatnam. Some of the key tenants present are L&T, Big Basket, Flipkart, Reliance, ITC, Hindustan Coca-Cola Beverages, Safe Xpress, etc. The typical space off-take of 3PL and logistics players is between 20,000 and 30,000 sft, while FMCG, FMCD, and F&B segments require a large area to the tune of 1,00,000 and 1,25,000 sft.

| Particulars | Citywide | Akkireddy-Palem |
|---|---|---|
| Cumulative completed stock (Q3 2024) | Approx. 2.53 msf | Approx. 0.22 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 1.8 msf | Approx. 0.22 msf |
| Current vacancy (Q3 2024) | Approx. 27.8% | Approx. 0% |
| Future supply (2024 – 2025) | 2024 – 0.25 – 0.35 msf;<br>2025 – 0.45 – 0.55 msf | Approx. 0.3 – 0.5 msf |

*Source: Industry Assessment Report dated Q3, 2024*

Of the total completed supply in Visakhapatnam, Grade A amounts to nearly 1.19 mn sft (47% share), Grade B is 1.17 Mn sft (46%), and Grade C is 6%. Prominent institutional players, such as ATR Warehousing, Sravan Shipping Services, etc. are some of the prominent warehousing developers in the city.

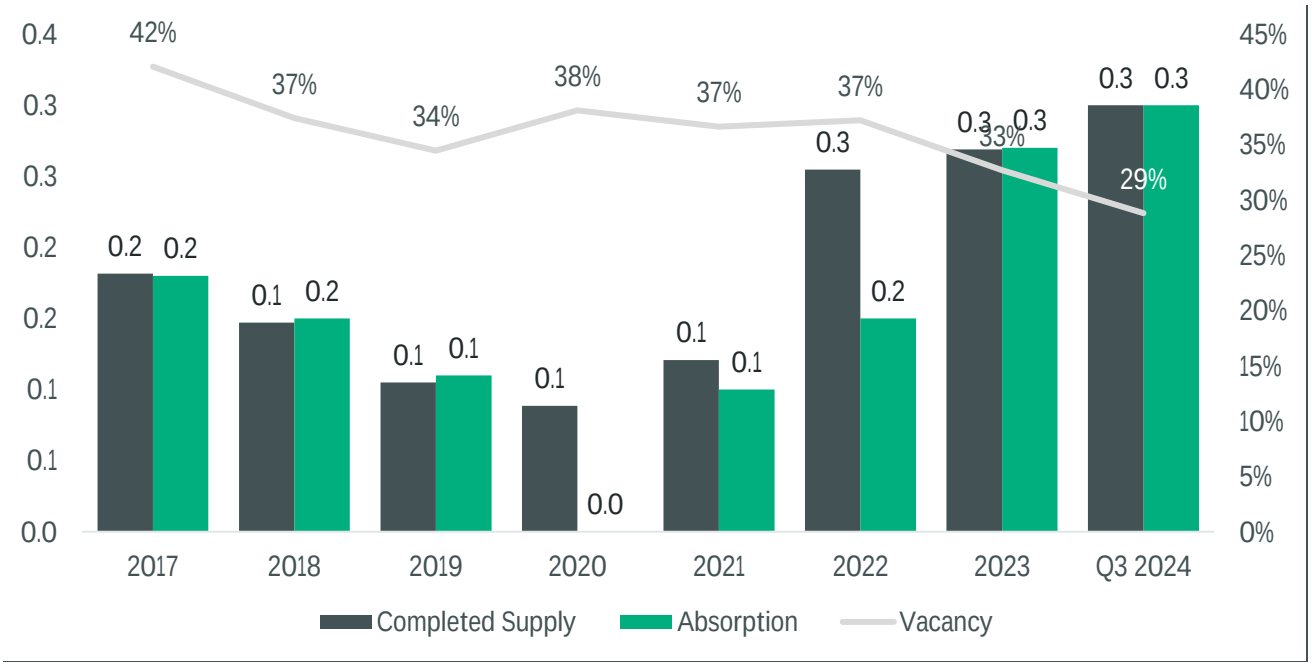
| Particulars | Value |
|---|---|
| Total Completed Supply | Approx. 2.53 msf |
| Total Absorption | Approx. 1.80 msf |
| Share of Grade A Supply (%) | Approx. 1.19 msf ~ 47% |
| Share of Grade B Supply (%) | Approx. 1.17 msf ~ 46% |
| Share of Grade C Supply (%) | Approx. 0.15 msf - 6% |

*Source: Industry Assessment Report dated Q3 of 2024*

As mentioned above, micromarkets such as Auto Nagar, Gajuwaka, Mindi, and Pedagantyada are most prominent warehousing hubs; while markets such as Pendurthi, Akkireddy Palem, and Gandigundam are emerging rapidly.

| Particulars | Micro-markets | Share of Supply in Visakhapatnam Region |
|---|---|---|
| South cluster | Gajuwaka, Auto Nagar, Mindi, Pedagantyada, Paravada | 1.94 Mn sft (77%) |
| West cluster | Pendurthi, Vedanta, Akkireddy Palem, Gandigundam | 0.56 Mn sft (22%) |
| North cluster | Bheemili | 0.03 Mn sft (1%) |

*Source: Industry Assessment Report*

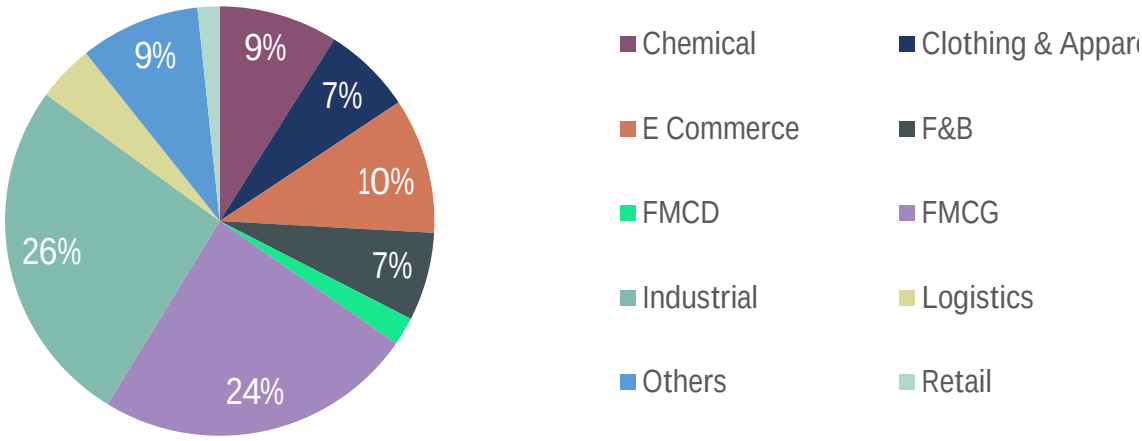



*Source: Industry Assessment Report dated Q3 of 2024*

FMCG, Industrial, Chemical, Logistics (3PL) & Distribution, Retail, and FMCD are the key tenant sectors occupying space in Grade A developments across Visakhapatnam. Some of the key tenants present are L&T, Big basket, Flipkart, Reliance, ITC, Hindustan Coca-Cola Beverages, Safe press, etc. The typical space off-take of 3PL and

logistics players is between 20,000 and 30,000 sft, while FMCG, FMCD, and F&B segments require a large area to the tune of 1,00,000 and 1,25,000 sft.

SEGMENTATION OF ABSORPTION BY INDUSTRY IN VISAKHAPATNAM




*Source: Industry Assessment Report*

### 3.2.2 West Cluster Overview

West Cluster comprises of 2 major regions ~ Pendurthi-Vepagunta, Akkireddy Palem-Gandigundam. The cluster is located on the northwest side of Visakhapatnam along the National Highway 16. This region is the fastest growing market with most of the under-construction supply part of the Akkireddy Palem micro market. The subject property is envisioned to be developed in the Akkireddy Palem micro market. The region boasts excellent connectivity through the proposed Visakhapatnam-Chennai-Industrial-Corridor and Raipur-Visakhapatnam-Economic-Corridor. The cluster comprises approximately 23% of the completed supply in Visakhapatnam. Out of the completed supply in the west cluster, approximately 93% of the supply is of Grade A.

| Particulars | Value |
|---|---|
| West Cluster Completed Supply | 0.56 Mn sft |
| Vacancy % | 4 – 5% |
| Grade A Supply | 0.52 Mn sft |
| Grade A Vacancy (%) | 0% |
| Share of Grade A Supply in Visakhapatnam (%) | 42 – 43 % |

*Source: Industry Assessment Report dated Q3 of 2024*

Proximity to National Highway 16 and corridors like VCIC & RVEC has resulted in the growth of Pendurthi and Akkireddy Palem as warehousing clusters. FMCG, F&B, and Chemicals are key sectors in the cluster with the presence of major tenants such as ITC, Hindustan Coca-Cola Beverages, More, Exide, etc. A future supply of 0.45 mn sft is under construction in the west cluster, slated to be operational by 2024-25. Current quoted rentals for

Grade A facilities in the western cluster range from INR 25-26 per square foot per month, while Grade B facilities are priced between INR 19-20 per square foot per month.

### 3.2.3 Warehousing Dynamics – Subject Micromarket

Akkireddy Palem is one of the growing warehousing vectors in Vishakhapatnam. The region comprises approximately. 12% of the completed supply. The micro-market in Mudapaka witnesses the highest number of quality Grade A warehousing developments by prominent institutional players. The following are the primary reasons for these investments in the region:

- Contrary to the established micro markets of the city, land is being offered at lower rates. This presents a unique opportunity for investors looking to capitalize on potential growth in this emerging area. With competitive pricing and potential for development, this land could be a valuable asset in the near future.
- Connectivity and accessibility to manufacturing and consumption hubs through existing NH 16.
- The availability of land for future expansion and development makes this a prime investment opportunity for businesses looking to grow. Additionally, the potential for increased property value due to ongoing infrastructure developments in the area further enhances the appeal of this offer.

| Particulars | Value |
|---|---|
| Akkireddy Palem Completed Supply | 0.30 Mn sft |
| Vacancy % | 0% |
| Grade A Supply | 0.30 Mn sft |
| Grade A Vacancy (%) | 0% |
| Share of Grade A Supply in Visakhapatnam (%) | 25% |
| Upcoming Supply | 0.3 – 0.5 Mn sft |

*Source: Industry Assessment Report dated Q3 of 2024*

The completed supply of 0.30 Mn sft is of Grade A. The region is expected to witness more supply over the next two years with approx. 0.45 mn sft under construction. In 2023, 0.3 mn sft of supply was launched, getting completely absorbed in the Q3 2024.

The asking rentals for Grade A warehousing development in this micro-market have been observed to be in the range of INR 25 – 26 per sft per month. FMCG is the key industry sector occupying warehousing spaces in the region with prominent tenants including More, Coca-Cola, etc. The developers of the under-construction supply are quoting INR 26 – 27 per sft per month.

### 3.2.3.1 Key Developments in micromarket

The table below highlights the prominent developments:

| Building Name | Location | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| Development 1 | Mindi | 34,000 | 25 - 27 |
| Development 2 | Auto Nagar | 73,000 | 27 - 28 |
| Development 3 | Gandigundam | 1,00,000 | 22 – 23 |
| Development 4 | Pedagantyada | 25,600 | 24 – 25 |

*Source: Industry Assessment Report dated Q3 of 2024, Valuer research*

Higher rentals are observed in established warehousing vectors such as Mindi & Auto Nagar owing to their proximity to the port.

Mindi-ZINC Colony is one of the established warehousing clusters in the city, with the presence of many modern quality warehouses developed by prominent institutional players such as ATR Warehousing, and Sravan CFS. Micro-market gained prominence largely on account of proximity to the steel plant, airport, and the port area of Visakhapatnam (approx. 11 km). FMCG, E-Commerce, and Chemical sectors are the key sectors, occupying approx. 32% of the completed supply in the Mindi micro-market. Prominent tenants include Mercedes, Toyota, L&T, Amazon, Big Basket, etc. Due to the saturation of the micro market and the non-availability of land parcels, the region has not witnessed any recent additions.

The historic presence of industrial and logistics parks has made the Gajuwaka-Auto Nagar warehousing cluster one of the prominent markets in the city. The market constitutes a share of nearly 37% of the completed supply in the south cluster. The market primarily consists of tenants in the chemical, industrial, and e-commerce sectors with notable tenants being Flipkart, Berger Paints, SteelMont, Asian Paints, etc.

### 3.2.3.2 Future Supply

The upcoming supply in the region is in the range of 0.6 – 0.7 Mn sft, across Grade A warehousing space and is expected to be operational by the end of 2025.

In the western cluster of the city, the micro-market of Akkireddy Palem is expected to attract the majority of future warehousing supply. This is primarily driven by the availability of large land parcels and strong road infrastructure connectivity, particularly to NH 16, which links Chennai and Kolkata. Given these favorable factors, investors are closely monitoring market trends in Akkireddy Palem to identify potential growth opportunities.

Based on our market research, we understand that the micromarket of Akkireddy Palem has an upcoming supply of approx. 0.45 Mn sft across 2 assets (excluding the Subject Asset) & are expected to be completed in 2024 and 2025. The details of few of the upcoming supply is detailed in the table below:

| Building Name | Year of Completion | Status | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Development 1 – PSL Limited | 2025 | Under Construction | Akkireddy Palem | 1,50,000 |

| Building Name | Year of Completion | Status | Location | Leasable Area (sft) |
|---|---|---|---|---|
| Development 2 – TVSILP (Subject Asset) | 2025 | Under Construction | Akkireddy Palem | 4,18,633 |

*Source: Industry Report dated Q3 of 2024 and Valuer Research,*

### 3.2.4 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Year of Transaction | Chargeable Area (sft) | Tenant Sector | Location | Total Rent (INR per sft per month) | Development Grade |
|---|---|---|---|---|---|
| 2023 | 34,000 | Chemical | Mindi | 25 - 27 | Grade B |
| 2023 | 73,000 | E-Commerce | Auto Nagar | 27 - 28 | Grade B |
| 2023 | 1,00,000 | F&B | Gandigudem | 22 – 23 | Grade A |
| 2023 | 25,600 | Chemical | Pedagantyada | 24 – 25 | Grade A |
| 2023 | 1,80,000 | Industrial | Mindi | 28 - 30 | Grade A |
| 2023 | 32,000 | Chemical | Auto Nagar | 17 - 19 | Grade A |
| Q3 2024 | 3,00,000 | E-Commerce | Akkireddy Palem | 26 – 27 | Grade A |

*Source: Industry Assessment Report dated Q3 of 2024*

Recent transactions indicate that the monthly rent for quality-grade A developments in the market varies from INR 25 to INR 26 /sft/month. Based on the asking rents of comparable rentals in the subject market and the absence of institutional developers in the market, it is hypothesized that the achievable rent for the Subject Asset is approximately INR 23 /sft/month.

## 3.3 Market Outlook

Based on our market research, we understand that the subject region with proper connectivity for multimodal logistics, Visakhapatnam is a well-established industrial centre. The urban landscape consists primarily of Grade A and Grade B developments, where comparable supply additions have occurred under the guidance of numerous institutional and individual developers.

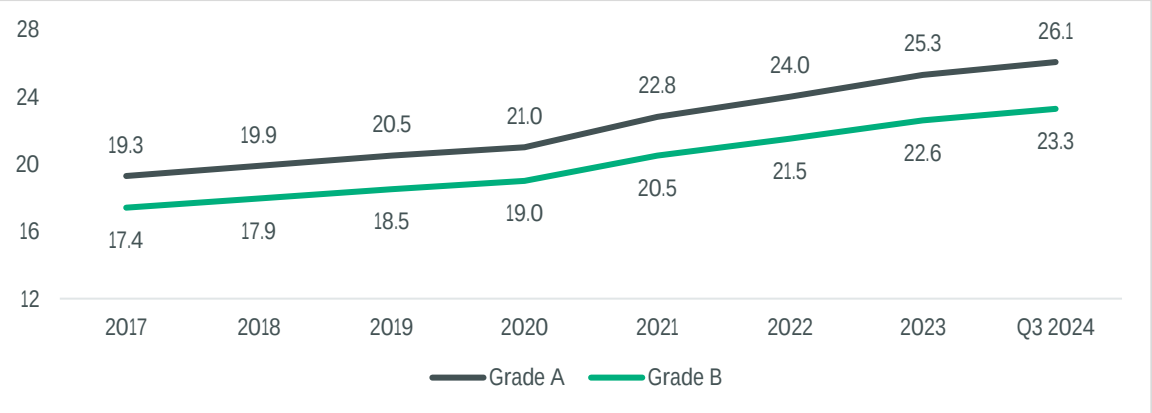
The principal demand drivers for warehousing in the region are connectivity via National Highway 16, under-construction infrastructure initiatives including the Raipur-Visakhapatnam Economic Corridor (RVEC) and Visakhapatnam-Chennai Industrial Corridor (VCIC) motorways, and discounted land values in comparison to the city's traditional warehousing centers. Based on historical micro market absorption data, demand is anticipated to increase by approximately 1.5 – 2.5 mn sft over the next four to five years. The influx of Grade A development in Akkireddy Palem is expected to attract more businesses looking for modern warehouse facilities. With the region's strategic location and cost advantages, it is poised to become a key warehousing hub in the near future.

Further, a new supply is under construction in the Pendurthi-Akkireddy Palem region owing to the availability of developable land parcels and excellent road connectivity through NH 16, VCIC, and RVEC. The land values in the

subject region are in the range of INR 18 – 20 Mn per acre, which is at a relatively lower price compared to established markets such as Auto Nagar, Mindi, etc.

Opinion on Rentals

The average quoted base rental witnessed in Visakhapatnam is INR 24–27 / Sft / month for Grade A development and between INR 20 – INR 24 / Sft / month for a Grade B development. Micro marketwise, Grade A and B average asking rentals are enumerated below in the table:




*Source: Industry Assessment Report dated Q3 of 2024*

A wide range is observed in rental prices because the majority of tenancies are historical and have experienced annual increases for the past six to seven years. This range is expected to remain stable in the near future, as demand for Grade A warehousing in Visakhapatnam continues to grow steadily. Factors such as location, size, and amenities offered by the warehouse also play a significant role in determining the final rental price. For Grade B warehouses, the asking rentals are in the range of INR 20 – 24 /sft/month. The asking rentals in the market are expected to remain range-bound in the short to medium term with market standard escalation of 4 – 5% annually. Approximately 0.45 Mn sft of supply in the future is expected to be operational by 2025.

The Subject Asset is well positioned in the market to attract interest from occupiers owing to its location (Chennai -Srikakulam Road), specifications and amenities, developer's reputation, etc. Therefore, keeping in perspective the subject property's location, leasing in the micro market, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 22 - 23 / sft / month as on date of valuation.

# 4 Subject Asset – Vishakapatnam Park

## 4.1 Asset Description

The Subject Asset christened 'Vishakapatnam Park' is an under-construction warehousing facility located at Land-9, IP Expansion situated in Gurrampalem village, Pendurthi Mandal, Visakhapatnam District, Andhra Pradesh 531173. Based on the site plan provided by the Client and visual inspection, the primary access to the subject property is via approx. 24 m wide access road emanating from NH-16 (Chennai – Srikakulam Highway Road). By virtue of the same the property enjoys excellent accessibility and frontage. Based on the information provided by the Client, it is understood that the Subject Asset is an under-construction warehousing asset being developed over a land area admeasuring approx. 16.80 acres and leasable area admeasuring approx. 4,18,633 sft. The Subject Asset is spread across two phases viz. Block 1 & Block 2. The construction started in October 2024 and is expected to be completed by Q1, CY 2025. The Subject Asset is understood to have a proposed floor strength of 5 MT/sqm with FM2 compliant floor finishing surface. The eave height for both the blocks is 12 mtr. and ridge height for Block 1 is 2.87 mtr & for Block 2 is 2.85 mtr. The blocks are designed for a 1:20 slope with 0.50mm thick bare galvalume roofing material.

The design for the planned warehousing facility promotes a sustainable environment with provisions for rooftop solar power setup and rainwater harvesting systems. 24/7 support, including surveillance dedicated facility and a ground support team, ensuring operational continuity, enhanced security features, modern water treatment systems, and NBC standard firefighting systems.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Vishakapatnam Park |
| Address | Land-9, IP Expansion situated in Gurrampalem Village, Pendurthi Mandal, Visakhapatnam District, Andhra Pradesh 531173 |
| Land Area | Based on review of the Possession certificate, the Valuer understand that the total land area of the Subject Asset is approx. 16.80 acres. |
| Leasable Area | 4,18,633 sft; As per the review of the Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise |

*Source: Client Inputs*

### 4.1.1 Site Details

Situation: Subject Asset – 'Vishakapatnam Park' is an under-construction warehousing facility located along the along the NH-16 (Chennai – Srikakulam Highway Road).

Location: The Subject Asset is located in IP Extension - Gurrampalem towards the West of Visakhapatnam. The Subject Asset is located in an emerging industrial micro -market of Visakhapatnam which lies in close proximity to other prominent industrial micro-markets of the west cluster viz Pendurthi, Simhachalam, Gandigundam, Akkireddy Palem etc. Further, it is well connected to important industrial hubs & major cities via NH-16, NH-60 (Chennai – Srikakulam Highway Road) and other internal roads. Prominent industries present within the vicinity are LVS Power, Yadagiri Millets, SICGIL Industrial Gases Limited, Coromandel paints Pvt Ltd, Tiki Tar Industries, Exide, Vajra Frozen Foods etc.

The distances from key hubs to the Subject Asset are presented in the table below:

| Landmark | Distance (Km) |
|---|---|
| Chennai – Srikakulam Junction (NH-16) | 3– 4 |
| Pendurthi City | 9 – 10 |
| Visakhapatnam Airport | 25 – 30 |
| Visakhapatnam City | 25 – 30 |
| Simhachalam Railway Station | 15 – 20 |

*Source: Valuer's research*

Catchment Analysis: The primary catchment for the purpose of this valuation has been defined as Akkireddy Palem and its adjoining micromarkets which are predominantly characterized by industrial and warehousing facilities. The micromarket is perceived as an emerging destination for various warehousing/ industry players owing to the excellent connectivity (via Chennai-Srikakulam Highway and its proximity to the upcoming Visakhapatnam-Raipur Economic Corridor), attractive rentals, availability of developable land parcels etc. Akkireddy – Palem has only a select few small- medium scale warehousing developments. Further, owing to the growth of E-Commerce sector and its continuous demand from prominent cities like Visakhapatnam, the requirement for warehousing facilities over the recent years has increased. Thus, the subject micromarket is expected to experience sustained demand and supply in the coming years.

Surrounds: The Subject Asset is surrounded as follows:

- North: Private Property – Vacant land (Sy. No 120)
- South: primary access road viz under-construction 24.38 m wide road & Land – 9(A) & 9(B) & Storm water drain
- East: Private Property – Vacant land (Sy. No 120)
- West: Private Property – Vacant land (Sy. No 120)

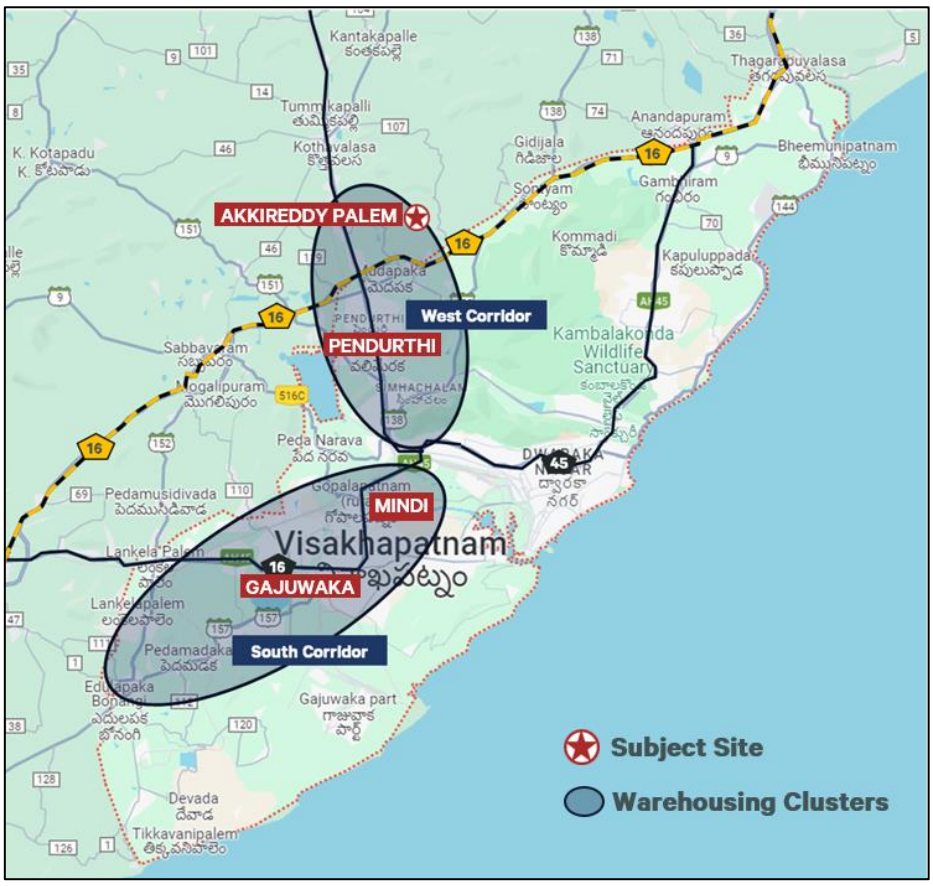
Potential changes in surroundings: The subject property is located in close vicinity to NH-16 highway leading to micro-markets such as Akkireddy Palem etc. where there is nascent interest from developers to launch new assets. The subject location lies within an Industrial Park viz. IP Gurrampalem which

comprises a few small to medium scale manufacturing industries, engineering industries, logistics and warehousing developments etc

| | |
|---|---|
| Suitability of existing use: | Considering the location (viz IP Entention) and profile of surrounding developments coupled with site specific parameters, we are of the opinion that Subject Asset is suited for its current usage. |

The following map indicates the location of the Subject Asset and surrounding developments :

Location Map for the Subject Asset




*Source: Valuers' research*

| | |
|---|---|
| Shape: | Based on the site plan provided by the Client and visual inspection during the site visit, it is understood that the underlying land is irregular in shape. |
| Topography: | Based on the site plan and as corroborated with our site visit, the site appears to be even and on the same level as abutting access roads and adjoining properties. |
| Frontage: | Based on review of site plan and visual inspection, we understand that the subject property has adequate frontage along the primary access road. |
| Accessibility : | Based on the site plan provided by the Client and visual inspection, the primary access to the Subject Asset is via approx. 24 m wide primary access road. By virtue of the same the asset enjoys excellent accessibility and frontage.<br>Please refer the below map for the accessibility of the subject property: |

*Source: Valuers' research*

Please refer Section 7.0 Exhibit & Addendums for the site plan of the Subject Asset.

### 4.1.2 Review of Possession Certificate

As per the possession certificate received, we understand that the exact address of the Subject Asset is Land-9, IP Expansion situated in Gurrampalem village, Pendurthi Mandal, Visakhapatnam District, Andhra Pradesh 531173. Additionally, it is understood that the Subject Asset is allotted to Tarkeshwar Industrial & Logistics Parks Private Limited and is freehold in nature.

### 4.1.3 Title Details

This valuation exercise is based on the premise that the Subject Asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report. It must be noted that the Client currently enjoys conditional allotment of the land from the authority and the title document shall be executed in favour of the Client only post adhering to the usage and development objectives as outlined in detail in the allotment certificate. For this assessment we have assumed that the due conditions shall be met by the client and accordingly the client is expected to subsequently enjoy the freehold rights.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the Town Planning Zoning Classification certificate provided by the Client, we understand that the Subject Asset is zoned for "Industrial" Use. The current warehousing activity is permissible under the aforesaid zoning. The same has been |

considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.

For the purpose of this exercise, it has been assumed that all developments (existing / under construction / proposed) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities.

| | |
|---|---|
| Approved Usage: | Based on copies of approved plans issued by PMRDA provided by the Client and visual inspection during our site visit, the Subject Asset is an under-construction warehousing facility. The current use of the Subject Asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the Subject Asset. |
| Restrictions: | As per feedback received from the Client, there are no other restrictions or constraints on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. It is understood that Gurrampalem in Visakhaptnam, where the Subject Asset is located falls in Seismic Zone III with moderate risk. Gurrampalem faces Very high damage risk (Zone B) in terms of high winds or cyclones too[2]. Considering the topography of the subject location, it is understood that the Subject Asset is likely to face flooding risk subject to a heavy to very heavy rainfall. As the Subject Asset is located in the foothills of a mountain surrounding the park in the North and East boundary of the park, there are run off water drains along the boundary of the park. Further, the discharge water from the storm water drain may potentially be hindered due to clogging/obstruction in the public canal and/or, the discharge water from storm water drain may also potentially be hindered due to backflow of discharge water from the drain channel. The proposed drain system will help mitigate the flooding risk by diverting the water run-off from mountains & the proposed storm water drain will divert the catchment water inside the park into the public drain connecting to a lake in 3 Km. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster. |
| Approvals: | As per the documents provided by Client, we understand that the approvals mentioned in section 4.1.5.1 for the asset have been obtained. Please refer annexures for the details.<br><br>For the purpose of this exercise, it has been assumed that the Subject Asset adheres to building regulations as prescribed by the relevant authorities. Valuers have not |

[2] Source-https://www.bmtpc.org/DataFiles/CMS/file/map%20of%20india/wind-india.pdf

validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and to be received (including One-time Sanctions & Periodic Clearances)

As per the information provided by the Client, we understand that majority of the requisite approvals are pending for the Subject Asset due to the asset being under-construction.

The table below highlights the status of approvals for the Subject Asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Building Permit Order | Received | Commissioner, Andhra Pradesh Industrial Infrastructure Corporation | 01-07-2024 |
| Provisional Fire NOC | Received | Director General, State Disaster Response & Fire Services, Andhra Pradesh | 07-08-2024 |
| Ground Water Abstraction NOC | Received | Andhra Pradesh Ground Water Department | 19-04-2024 |
| Land Use – Possession Certificate | Received | AP Industrial Infrastructure Corporation Limited | 22-02-2024 |
| Consent to Establish | Yet to receive | Andhra Pradesh Pollution Control Board zonal Office, Visakhapatnam | Details awaited |
| Water Supply and Electricity NOC | Not received | Department of Municipal Administration & Urban Development | Details awaited |
| Structural Stability Certificate | Not received | Independent Agency | Details awaited |
| Consent to Operate | Not received | Andhra Pradesh Pollution Control Board | NA at this stage |
| Occupancy Certificate | Not received | Department of Municipal Administration and Urban Development | NA at this stage |

*Source: Approval documents provided by the Client*

#### 4.1.5.2 List of up to date/overdue periodic clearances

Not applicable as mentioned in earlier sections, we understand that the Subject Asset is at under-construction stage. Please refer to section 7.0 for any additional details.

### 4.1.6 Area Details, Type and Age of Existing Structures

The table below highlights the age of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Leased Area (sft)* |
|---|---|---|---|---|---|
| Block 1 | Q1, CY 2025 | Under Construction | 154,615 | - | - |
| Block 2 | Q1, CY 2025 | Under Construction | 264,018 | - | - |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise *Leasable areas are inclusive of open space.*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area (sft) | Built-up area (sft)* | Structure Type |
|---|---|---|---|
| Block 1 | 1,54,615 | 154,615 | Pre-Engineered Building |
| Block 2 | 2,64,018 | 264,018 | Pre-Engineered Building |
| | 4,18,633 | 4,18,633 | |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise. The efficiency from leasable area to built-up area is 98.5%.*

### 4.1.7 Site Services and Finishes

| Particulars | Under Construction Blocks |
|---|---|
| Handover condition | Warm Shell |
| Type of Structure | Pre-Engineered Building Structure |
| Firefighting services | Provided. |
| Lift provision | No Lifts |
| Floor Finish | FM2 Concrete floor |
| Floor Strength | 5 MT/Sqm |
| Eave Height | Box 1 – 12 m and Box 2 – 12 m |
| Lighting (Lux Level) | Details awaited |
| Fire fighting | Proposed as per NFPA/NBC fire protection system |
| Power Backup | Details awaited |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

Based on information provided by the Client and coupled with our visual inspection during the site visit undertaken, it is understood that the Subject Asset is under construction. Therefore, only a marginal refurbishment capex to the tune of 1% of the Net Operating Income is adopted. This assumption would allow for the refurbishment reserve to be created to undertake any potential major refurb at the Subject Asset post its completion.

The table below highlights the capital expenses to be incurred for project construction and other activities (such as approvals cost, admin costs, marketing and sales expenses, contingencies etc):

| Expense Head | Total Cost (INR Mn) | Incurred Cost (INR Mn) | Q4, CY 2025 | Q1, CY 2025 |
|---|---|---|---|---|
| Capital Expenditure | 927.79 | 284.29 | 386.10 | 257.40 |

*Source: Client Inputs*

### 4.1.9 Asset Photographs

Please refer to the Asset photographs highlighted below:

| Vishakapatnam Park | |
|---|---|
| | |
| View of the subject asset | View of the subject asset |
| | |
| View of the Primary Access Road | View of the Primary Access Road |

*Source: iVAS site inspection conducted on 07th March 2024*

### 4.1.10 Details of the asset including whether the transaction is a related party transaction.

Please refer to the Annexure section 7.5

### 4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

Please refer to the Annexure section 7.5

### 4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.5

### 4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.5

### 4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.5

### 4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject Assets for the purpose of offer of units by Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

The Valuer has assessed the Market Value of each Individual Subject Asset(s), not the value of the portfolio as if all assets are being sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio.

## 5.2 Basis of Valuation

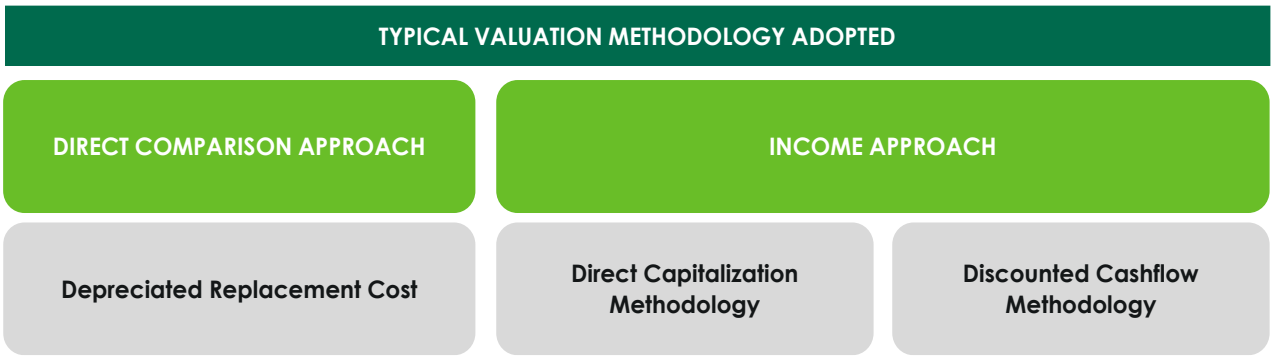
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and are in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and assesses the Market Value of the ownership Interest in the Subject Asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** an asset or liability should exchange on the valuation date between a **willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the subject assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the asset and future economic conditions in the local market. The income and expense figures are projected with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject Asset for the purpose of the Private Placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulations effectively prescribe that the InvIT assets need to be generating income or has the potential to do so and hence the most appropriate method to capture the income generating nature of the assets is Income approach method.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing Market rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue the current agreed terms. In the event the rent is higher than the Market rent threshold, we have assumed that the lease would be renegotiated to Market rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset.

3. The Valuer has undertaken physical site inspections to assess the status of the subject assets in terms of their physical configuration, capacity and upkeep.

Micromarket Review/Market Rental Assessment:

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing facilities. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of the Warehousing Segment' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment).

Cash Flow Projections:

We have projected future cash flows from the subject assets based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on a detailed review of the leases for the Subject Assets, we noted that a large number of leases at these assets were executed at rent prevalent at the time of signing of such leases or at a discount to prevailing market rental (for a few anchor tenants). Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period. It has also been witnessed that the market rent for some assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has projected the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11$^{th}$ year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

The asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same:

| Particulars | Details | Units | Source |
|---|---|---|---|
| Area Details | Land Area | Acres | Possession Certificate |
| | Achieved FSI | No. | Sanctioned Layout Plan |
| | FSI Area | Sft | Sanctioned Layout Plan |
| | Built-up Area (Covered) | Sft | Sanctioned Layout Plan |
| | Leasable Area | Sft | Client |
| | Leasable Area – Future Development (if applicable) | Sft | Not applicable |
| | Stacking Plan | NA | Client |
| Documents/ Approvals | Land Use / Zoning | NA | Town Planning Zone Classification Plan |
| | Title Deeds | NA | Not Available – Refer Section 4.1.3 |
| | Approved Sanction Plan | NA | Client |
| | Building Plan / Site Plan | NA | Client |
| | Floor Plans | NA | Client |
| | Area proposed for Future development | NA | Not Applicable |
| | Provisional Fire NOC | NA | Not Available |
| | Environment Clearance | NA | Not Provided |
| | Commencement Certificate | NA | Not Provided |
| | Occupancy Certificate | NA | Not Applicable at this stage |
| | Building Certification | NA | Not Provided |
| | Lease Agreements with Tenants | NA | Not Available |
| | Sample Maintenance Services Agreements | NA | Not Applicable |
| Services Offered | HVAC (Tonnage) | TR | Not Provided |
| | Power Back-up | KVA | Client |
| | No. of Lifts with capacity | No. | Not Applicable |
| | No. of staircase | No. | Not Applicable |
| | Pending Construction Cost (if any) | INR Mn | Client |

| Particulars | Details | Units | Source |
|---|---|---|---|
| Cost Assumptions | Total Budgeted Cost – Land Stage Block | INR Mn | Client |
| | Total Budgeted Cost – Under Construction Block | INR Mn | Client |
| | Cost Already Incurred – Under Construction Block | INR Mn | Client |
| | Cost provisioned towards refurbishment / renovation | INR Mn | Client/Valuer Estimate |
| | Maintenance Charges | INR psf | Client |
| | Margin on Maintenance | % of CAM Charges | Not Applicable |
| | Insurance Cost | INR Mn | Client |
| | Asset Tax | INR Mn | Client |
| | Asset Management Fee | % of revenues | Client |
| | Brokerage on lease | No. of Months | Valuer's assessment |
| | Repair & Maintenance Reserve | % of lease revenues | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client |
| | Vacant Area | Sft | Client |
| | Pre- Committed Area | Sf | Not Applicable |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | MM/DD/YYYY | Not Applicable |
| | Rent Achieved | INR psf pm | Not Applicable |
| | Pre-Committed Rent | INR psf pm | Not Applicable |
| | Market Rent | INR psf pm | Valuer's assessment |

| Particulars | Details | Units | Source |
|---|---|---|---|
| | Fit out Rent | INR psf pm | Not Applicable |
| | Miscellaneous Income | INR Mn | Not Applicable |
| | Interest on Security Deposit | NA | Valuer's Assessment |
| | Reversion Thresh hold | % | Valuer's Assessment |
| | Escalation in in-place Rent | % | Not Applicable |
| | Escalation in market rent | % | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment |
| | Rent Free Period | No. of Months | Valuer's assessment |
| | Brokerage | No. of months | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client |
| | Construction Completion | Quarter, Year | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuer's Assessment |
| Market assessment and key asset characteristics | Opinions expressed on the relative performance of micromarkets, asset quality and characteristics of assets, etc. | Not applicable | Valuer's Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the Subject Asset has been assessed through the following approaches:

| Asset Name | Completed Blocks | Under-construction Blocks |
|---|---|---|
| Vishakapatnam Park | Not Applicable | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the Subject Asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

Based on information from registered agreement to sale and proposed layout drawing titled 'PROPOSED WAREHOUSE & LIGHT ENGINEERING VISAKHAPATNAM, ANDHRA PRADESH' vide drawing no. TVSILP-005-CV-1000-AC-1000 provided by the client, we understand that Subject Asset is an under-construction warehousing/ industrial development. Further, the table below highlights the area configuration of the Subject Asset:

| Block | Year of Completion | Age of structures (in years) | Built up Area (sft) | Completed Area (sft) | Leased Area (sft)* |
|---|---|---|---|---|---|
| Block 1 | Q1, CY 2025 | Under Construction | 154,615 | - | - |
| Block 2 | Q1, CY 2025 | Under Construction | 264,018 | - | - |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise *Leasable areas are inclusive of open space.*

The table below highlights the area details of the Subject Asset:

| Blocks | Leasable area (sft) | Built-up area (sft)* |
|---|---|---|
| Block 1 | 1,54,615 | 154,615 |
| Block 2 | 2,64,018 | 264,018 |
| | 4,18,633 | 4,18,633 |

*Source: Architect certificate, rent roll provided by the Client; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise. The efficiency from leasable area to built-up area is 98.5%.*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

As mentioned in earlier sections, we understand that the Subject Asset is in under-construction stage, and no area has been pre-committed as per inputs provided by the client. Hence there is no historical occupancy rates in place.

### 6.3.2 Lease Rent Analysis

As mentioned in earlier sections, we understand that the Subject Asset is under-construction, and no area has been pre-committed as per inputs provided by the client. Hence there are no existing lease deeds in place for the Subject Asset.

### 6.3.3 Lease Expiry Profile

As mentioned in earlier sections, we understand that the Subject Asset is under-construction, and no area has been pre-committed as per inputs provided by the client. Hence the expiry profile for the potential tenants in the Subject Asset is expected to be greater than 10 years from the date of this assessment. This is assumed in line with the prevalent lease terms observed in the market.

### 6.3.4 Tenant Obligations.

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | General Wear and Tear |
| 3 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

Contractual Rental Details

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| Not Applicable | 0 | 0% | - | - |
| Total | - | - | - | - |

*Source: Leased Deed and Information provided by the Client*

Based on the recent transaction witnessed in the micro market as highlighted in the table above and transaction witnessed in the Subject Asset, we understand that the Subject Asset would command a market rental (for warehouse space) of INR 22 – 23 per sf per month (say an average rental of INR 23 per sf per month of leasable area) as on date of valuation.

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

Not Applicable as the Subject Asset is currently at under-construction stage.

#### 6.3.5.2 Under Construction Blocks

Based on visual inspection during the site visit and information provided by the Client, the following timelines for under-construction phases have been adopted for the purpose of this valuation exercise –

| Block | Developable Area (sft) | Leasable Area (sft) | Construction Status | Construction Commencement | Construction Completion |
|---|---|---|---|---|---|
| Block 1 | 1,54,615 | 1,54,615 | Under construction | Q3, CY 2024 | Q1, CY 2025 |
| Block 2 | 2,64,018 | 2,64,018 | Under construction | Q3, CY 2024 | Q1, CY 2025 |
| | 4,18,633 | 4,18,633 | | | |

*Source: Client Inputs*

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

As per the information provided by the Client and visual inspection undertaken, we understand that the Subject Asset is under construction and no area has been pre-committed as per the inputs provided by the client.

#### 6.3.6.2 Under-Construction Blocks

The absorption period assumed for the Subject Asset is based on market dynamics and extent of development in the relevant micromarket, nature of Subject Asset, competing supply of same nature, location within the respective micromarket, etc. The vacant spaces in the entire development are assumed to be absorbed by Q2, CY 2025.

### 6.3.7 Revenue Assumption

#### 6.3.7.1 Warehousing Component

For the purpose of this valuation exercise, the lease rent adopted for the leasable area is based on the in-depth market research exercise undertaken by the Valuer to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

| Component | Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|
| Warehousing | 4,18,633 | 0 | Current Rent for Leased area | Not Applicable |
| | | | Market rent for reversion/ vacant area | 23.0 |

*Source: Architect Certificate provided by the Client for leasable area; Valuer's assessment*

The above market rent assumption is adopted for the entire Subject Asset. An in-depth market research exercise has been undertaken to assess the expected economic rental value of the Subject Asset.

#### 6.3.7.2 Non-Warehouse Component

As per the information provided by the Client as on the date of this assessment, it is understood that no industrial open space area/ mezzanine area is a part of the Subject Asset.

### 6.3.8 Rent Escalation

Based on the market research exercise undertaken, it was observed that the typical escalation clause in the subject micromarket is approx. 5.0% annually. The same has been adopted for the vacant area and renewals at the Subject Asset.

Escalation on renewal/fresh leasing - Based on the market research exercise undertaken, it was observed that the typical escalation clause for lease renewal is of 5% per annum is in-line with the trend observed in the market. The same has been adopted by the Valuer.

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | September 2024 | March 2025 | March 2026 | March 2027 | Stabilized Escalation (%) |
|---|---|---|---|---|---|
| Market Rent – INR / sf/ month | 23.0 | 24.1 | 25.4 | 26.6 | 5% |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise has been cross-checked with the prevailing market norms for other revenues.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Other Income | 0.0 % | % of Rental Income |
| Security Deposit (For vacant spaces) | 6.0 | No. of months' rental |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Based on review of the information provided by the Client, we understand that 100% expenses related to construction, are to be borne by the Client and no tenant improvement details are being provided as on date of this assessment.

The following table highlights the assumptions towards the development cost for the under-construction blocks at the Subject Asset:

| Expense Head | Total Cost (INR Mn) | Incurred Cost (INR Mn) | Q4, CY 2024 | Q1, CY 2025 |
|---|---|---|---|---|
| Capital Expenditure | 927.79 | 284.29 | 386.10 | 257.40 |

*Source: Client inputs*

#### 6.3.10.2 Major Repair and improvements

Based on information provided by the Client and coupled with our visual inspection during the site visit undertaken, it is understood that the Subject Asset is under construction. Therefore, only a marginal refurbishment capex to the tune of 1% of the Net Operating Income is adopted. This assumption would allow for the refurbishment reserve to be created to undertake any potential major refurb at the Subject Asset post its completion.

### 6.3.11 Operating Cost

An Asset typically has few recurring operation expenses required for the upkeep running of the development. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 0.81% |
| Asset Management Fee^ | 3.0% of revenues from operations |
| CAM expense | Not Applicable |
| Property Tax | INR 1.3 Mn per Annum |
| Insurance | INR 0.85 Mn per Annum |
| Vacancy Allowance during operations | 1.0% of revenues from operations |
| Vacancy Allowance on Exit | 2.5% of revenues from operations |

*Source: Client input; Valuer's assessment;*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Based on review of the information provided, we understand that that the Subject Asset is entirely vacant. Considering the same alongside other asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | Details |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Rent-free period & Downtime

Based on recent market trends in the subject micro market, we have considered a rent-free period of 1 month for new-leases and for re-leasing effective from the lease commencement date. Additionally, 1 month of downtime has been considered for new-leases and for re-leasing for the purpose of refurbishment works in the respective blocks as mentioned above.

#### 6.3.12.3 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 1 month of rental income for future / new leases.

#### 6.3.12.4 CAM Cashflows

Based on the client inputs, we have not adopted any CAM inflows and outflows for the Subject Asset.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The exit capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.5%- 11.5% to about 7.5% - 8.5% in last 3-4 years.
- The increased appetite for income producing assets and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing facilities across various markets in India have a range of 7.5 – 8.5%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)
- Valuer has adopted an exit cap rate of 7.75% to 8.25% with lower end of cap rate adopted for relatively better assets within the portfolio on account of location, catchment and quality of the asset.

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the asset | Details |
|---|---|---|---|
| Vishakapatnam Park | Tarkeshwar Industrial & Logistics Parks Private Limited/ TVS ILP | Under Construction | 8.0% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC), as set out below.

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years.
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for this asset has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), approval risk, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

The cost of debt for the Subject Asset has been considered based on prevalent Lease Rental Discounting (LRD) rates for Grade A warehousing facilities across the Visakhapatnam market which are in the range of 8.0% – 10.0% depending upon the location, asset quality, occupancy, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

As highlighted earlier, the cost of debt has been assumed based on the prevalent Construction Financing (CF) for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an under-construction development. Further, the proportion of debt and equity has been derived considering the prevalent Construction Finance tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the under-construction asset Vishakapatnam Park forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Vishakapatnam Park | Tarkeshwar Industrial & Logistics Parks Private Limited/ TVS ILP | Debt | 60.0% | 11.0% | 12.8% |
| | | Equity | 40.0% | 15.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject Asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject property comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Vishakapatnam Park | 777.56 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums.

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client and our scope of services, please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no Vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Further, as per our visual inspection, we are of the opinion that the site is in nascent development stage and as such there was no vulnerability observed during the inspection. It may further be noted that the Subject Asset is subjected to heavy to very heavy rainfall as detailed in section 4.1 of this report

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Please refer to the section on litigations in the draft Offer Document for details on material litigations for various assets.

Our assessment is under the assumption the asset has a clear title and is free from any encumbrances, disputes, claims that would affect the value. This should be verified by an asset lawyer prior to relying on this valuation.

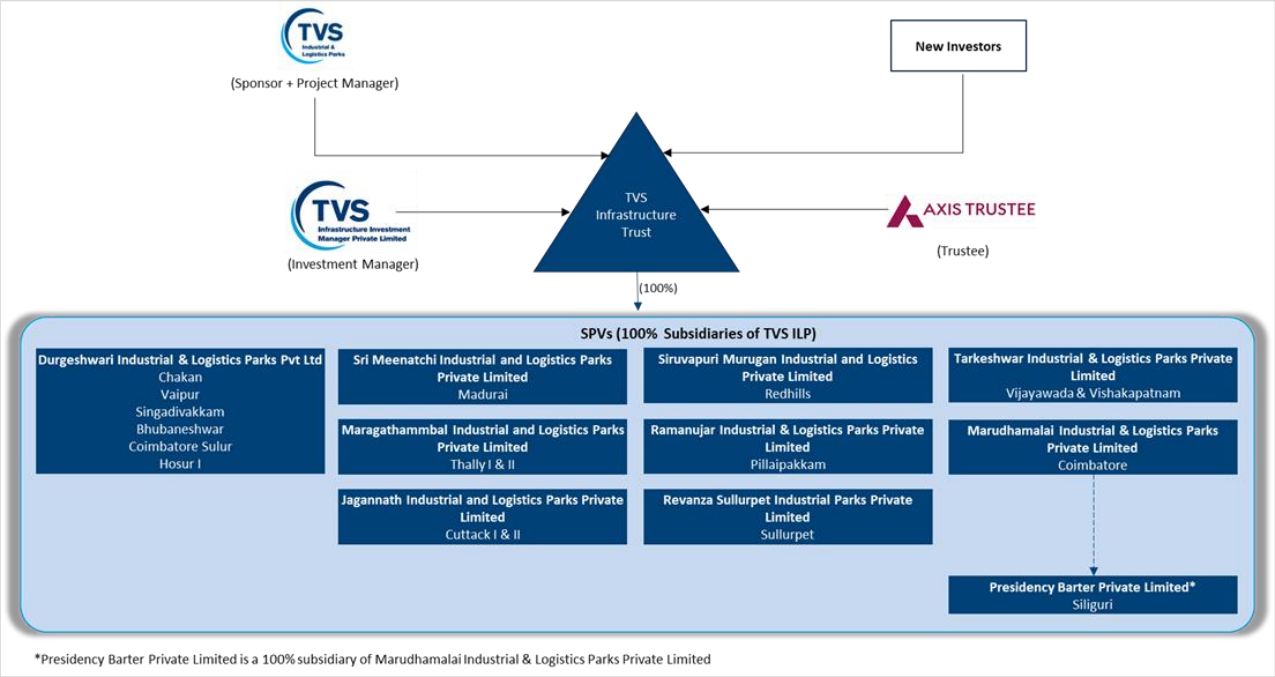
### 7.1.5 Details of the asset including whether the transaction is a related party transaction.

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InviT) Regulations

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset.

As per our interaction with the Client, the Client has confirmed that 100% to be help by the InvIT.

### 7.1.7 Structure of ownership of the asset by the InvIT




### 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business.

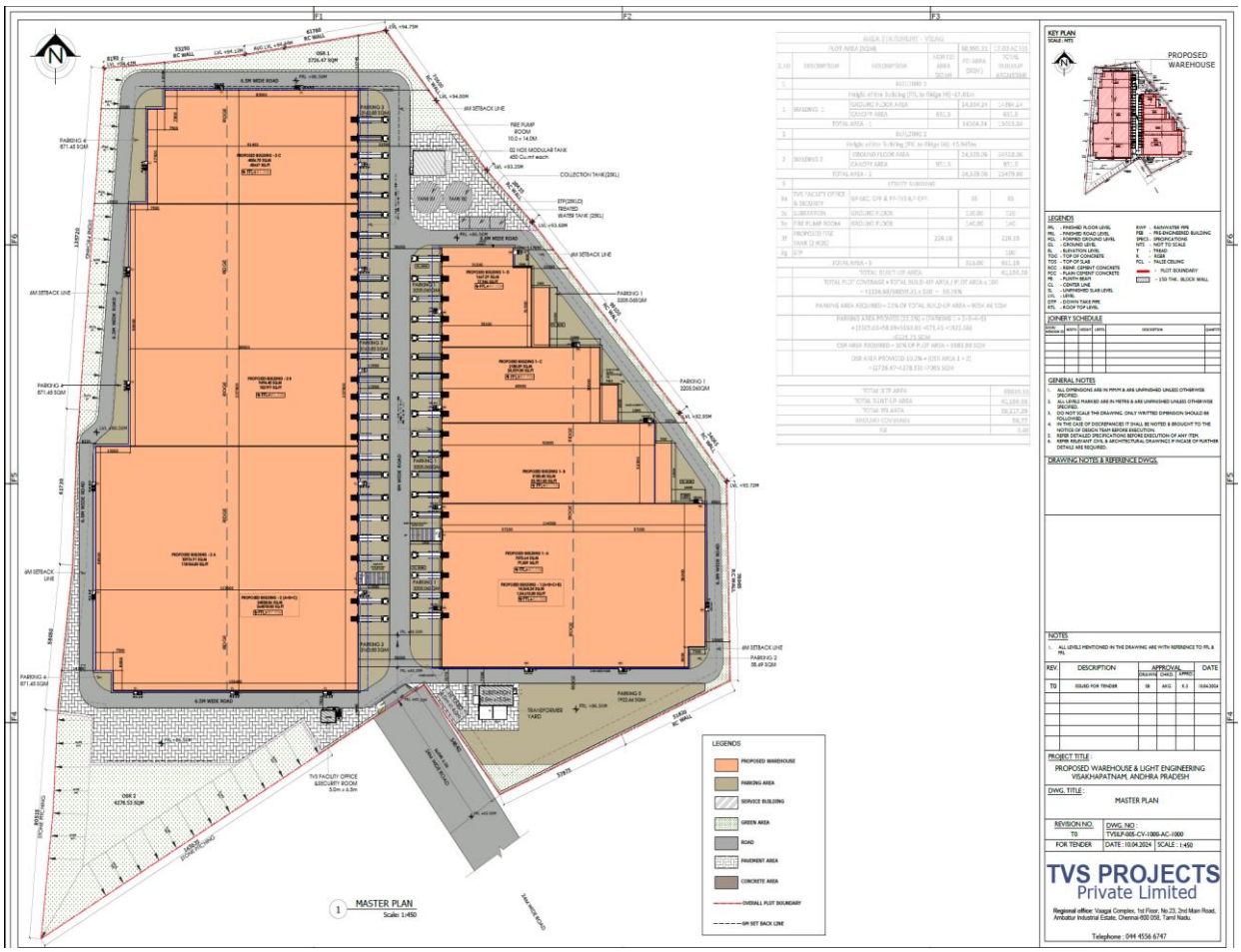
### 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | No. of years |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | 30 years* |
| 2 | Remaining Contractual Life of underlying Land | Perpetual, since the underlying land is freehold in nature |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is freehold in nature |

*Source: Architect Certificate; *End date of construction of last phase is estimated in April-2025[3] as per the architect certificate.*

[3] Please note that this date is indicative in nature and is subject to change basis circumstances.

## 7.2 Site Plan




*Source: Client*

## 7.3 Building permit order

**ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION**
**INDUSTRIAL AREA LOCAL AUTHORITY, GANDIGUNDEM**
**BUILDING PERMISSION ORDER**

To,

Sri/Smt.

M/s. " TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED ", Applicant - Represented by its General Manager (Authorized Signatory) Sri ARUL MURUGAN E S/o. Elumalai

No. 23, Vaagai Complex, 1st Floor, 2nd Main Road, Ambattur Industrial Estate, Chennai, Chennai

| | | |
|---|---|---|
| BA. File No. | : | 214/0152/2804/28/2024 |
| PERMIT No. | : | 214/0152/2804/28/2024 |
| DATE | : | 13 June, 2024 |

Sir / Madam,

Sub: Building Permission - sanctioned - Reg

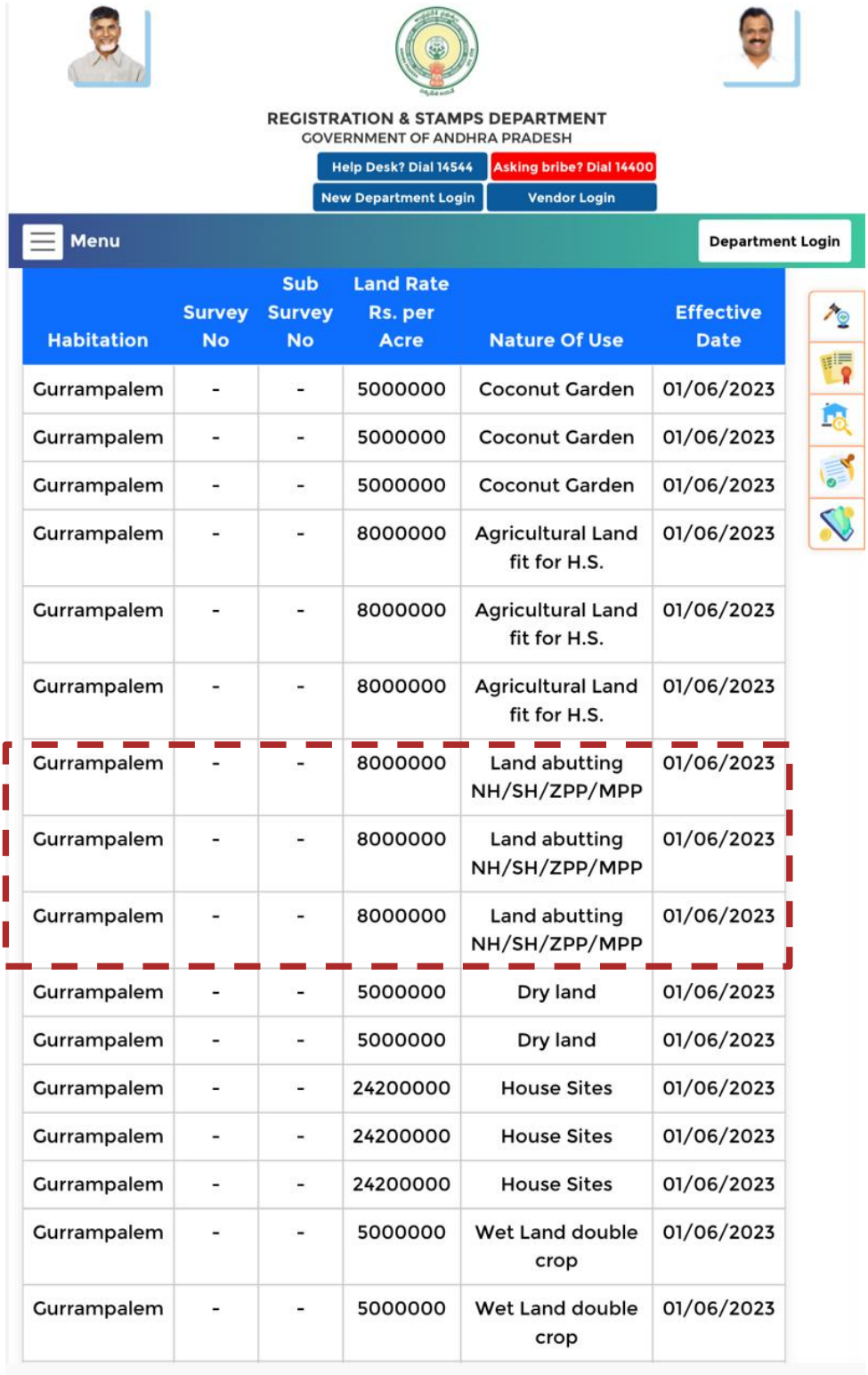
Ref: Your Application dated: 13 June, 2024 u/s 208,209 & 264 of A.P. Municipalities Act 1965, u/s 388, 428 & 433 of HMC Act, 1955 & A.P Metropolitan Region and Urban Development Authorities Act, 2016 and AP Building Rules 2017.

Your application submitted in the reference has been examined with reference to the rules and regulations in force and permission is hereby sanctioned conditionally as detailed below:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **A** | **APPLICANT AND LICENSED PERSONNEL DETAILS:** | | | | | | |
| 1 | Applicant | M/s. " TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED ", Applicant - Represented by its General Manager (Authorized Signatory) Sri ARUL MURUGAN E S/o. Elumalai | | | | | |
| 2 | Licensed Technical Person | Chakka Lakshmi Krishna Murthy Gupta | | | Lic.No. | 12021(57)/46/17 | |
| 3 | Structural Engineer | Chakka Lakshmi Krishna Murthy Gupta | | | Lic.No. | | |
| 4 | Others | NA | | | | | |
| **B** | **SITE DETAILS** | | | | | | |
| 1 | RS/TS No. | 186, 187P & 188P | | | | | |
| 2 | Premises No. | Plot No Land 9 IP Gurrampalem Expansion | | | | | |
| 3 | LRS Location | NA | | | | | |
| 4 | LRS No. | IP - EXPANSION - GURRAMPALEM | | | | | |
| 5 | Street | GURRAMPALEM PANCHAYAT | | | | | |
| 6 | Locality | Gandigundem | | | | | |
| 7 | Town/ City | NA | | | | | |
| **C** | **DETAILS OF PERMISSION SANCTIONED** | | | | | | |
| 1 | Building Sanction Data | | | | | | |
| 1.1 | Building - COLOR COATED GALVALUME SHEET ROOF (WAREHOUSE 1) (Height (m): 14.1) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 15,029.84 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |
| 1.2 | Building - COLOR COATED GALVALUME SHEET ROOF (WAREHOUSE 2) (Height (m): 14.1) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 25,479.66 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |
| 1.3 | Building - RCC ROOF (FIRE PUMP ROOM) (Height (m): 5.35) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 140.00 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |
| 1.4 | Building - GI SHEET ROOF (MODULAR TANKS ) (Height (m): 8.5) | | | | | | |
| a | Floors | Ground floor | Upper floors | | Parking floors | | |
| b | Use | Area (m2) | No. | Area (m2) | Level | No. | Area (m2) |
| c | Residential | 0.00 | 0 | 0.00 | Cellar | 0 | 0.00 |
| d | Commercial | 0.00 | 0 | 0.00 | Stilt | 0 | 0.00 |
| e | Others | 440.61 | 0 | 0.00 | U.Floors | 0 | 0.00 |
| f | Total No. of floors | Upper floor(s) | | | | | |

*Source: Client*

## 7.4 Government Circle Rate



REGISTRATION & STAMPS DEPARTMENT
GOVERNMENT OF ANDHRA PRADESH

Help Desk? Dial 14544 | Asking bribe? Dial 14400
New Department Login | Vendor Login

Menu | Department Login

| Habitation | Survey No | Sub Survey No | Land Rate Rs. per Acre | Nature Of Use | Effective Date |
|---|---|---|---|---|---|
| Gurrampalem | - | - | 5000000 | Coconut Garden | 01/06/2023 |
| Gurrampalem | - | - | 5000000 | Coconut Garden | 01/06/2023 |
| Gurrampalem | - | - | 5000000 | Coconut Garden | 01/06/2023 |
| Gurrampalem | - | - | 8000000 | Agricultural Land fit for H.S. | 01/06/2023 |
| Gurrampalem | - | - | 8000000 | Agricultural Land fit for H.S. | 01/06/2023 |
| Gurrampalem | - | - | 8000000 | Agricultural Land fit for H.S. | 01/06/2023 |
| Gurrampalem | - | - | 8000000 | Land abutting NH/SH/ZPP/MPP | 01/06/2023 |
| Gurrampalem | - | - | 8000000 | Land abutting NH/SH/ZPP/MPP | 01/06/2023 |
| Gurrampalem | - | - | 8000000 | Land abutting NH/SH/ZPP/MPP | 01/06/2023 |
| Gurrampalem | - | - | 5000000 | Dry land | 01/06/2023 |
| Gurrampalem | - | - | 5000000 | Dry land | 01/06/2023 |
| Gurrampalem | - | - | 24200000 | House Sites | 01/06/2023 |
| Gurrampalem | - | - | 24200000 | House Sites | 01/06/2023 |
| Gurrampalem | - | - | 24200000 | House Sites | 01/06/2023 |
| Gurrampalem | - | - | 5000000 | Wet Land double crop | 01/06/2023 |
| Gurrampalem | - | - | 5000000 | Wet Land double crop | 01/06/2023 |

*Source: Department of Registration and stamp Andhra Pradesh website.*

## 7.5 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.5.1 Possession Certificate

A.P. INDUSTRIAL INFRASTRUCTURE CORPORATION LTD
(An undertaking of Govt. of Andhra Pradesh)

**POSSESSION CERTIFICATE**

I, **K.LOHI KUMAR**, Manager (AM), APIIC Limited, Visakhapatnam, on behalf of APIIC LIMITED, Sri **Manikandan R**, S/o. Nagamaiya Chetty Ramachandran, Authorized Signatory on behalf of **M/s. TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** (allottee of **LAND-9**), have on this **22nd day of February, 2024** respectively handed over and taken over the possession of **LAND -9** measuring **Acs.16.84 cts (or) 68152.00 Sq.mts (or) 81509.79 Sq.yds.,** situated in **IP_EXPANSION_GURRAMPALEM, Gurrampalem (V), Pendurthi (M), Visakhapatnam District**, Andhra Pradesh and after actual measurement and demarcation of the boundaries on the site,

BOUNDED BY:

| | | |
|---|---|---|
| NORTH | : | Sy.No.120 |
| SOUTH | : | Prop. 24.38m wide road & Land -9(A) & 9(B) & Storm water drain |
| EAST | : | Sy.No.120 |
| WEST | : | Sy.No.120 |

**HANDED OVER BY:**

**MANAGER (AM)**
**SIGNATURE OF THE OFFICER AND SEAL**
22/02/2024
VISAKHAPATNAM

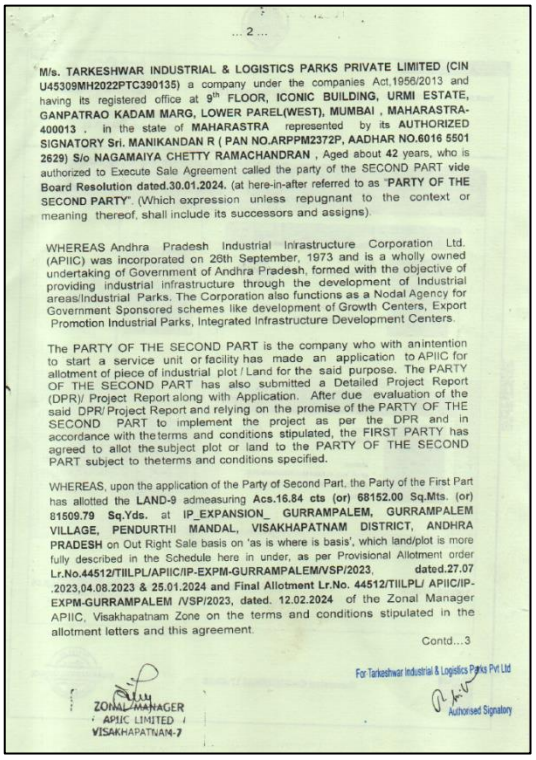
**TAKEN OVER BY:**
For Tarkeshwar Industrial & Logistics Parks Pvt Ltd
Authorised Signatory

**SIGNATURE OF THE ALLOTTEE AND SEAL**

*Source: Client*

### 7.5.2 Sale Agreement

Note – The document received is an ATS and not a title deed.



... 2 ...

M/s. TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED (CIN U45309MH2022PTC390135) a company under the companies Act,1956/2013 and having its registered office at 9th FLOOR, ICONIC BUILDING, URMI ESTATE, GANPATRAO KADAM MARG, LOWER PAREL(WEST), MUMBAI , MAHARASTRA-400013 . in the state of MAHARASTRA represented by its AUTHORIZED SIGNATORY Sri. MANIKANDAN R ( PAN NO.ARPPM2372P, AADHAR NO.6016 5501 2629) S/o NAGAMAIYA CHETTY RAMACHANDRAN , Aged about 42 years, who is authorized to Execute Sale Agreement called the party of the SECOND PART vide Board Resolution dated.30.01.2024. (at here-in-after referred to as "PARTY OF THE SECOND PARTY". (Which expression unless repugnant to the context or meaning thereof, shall include its successors and assigns).

WHEREAS Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) was incorporated on 26th September, 1973 and is a wholly owned undertaking of Government of Andhra Pradesh, formed with the objective of providing industrial infrastructure through the development of Industrial areas/Industrial Parks. The Corporation also functions as a Nodal Agency for Government Sponsored schemes like development of Growth Centers, Export Promotion Industrial Parks, Integrated Infrastructure Development Centers.

The PARTY OF THE SECOND PART is the company who with an intention to start a service unit or facility has made an application to APIIC for allotment of piece of industrial plot / Land for the said purpose. The PARTY OF THE SECOND PART has also submitted a Detailed Project Report (DPR)/ Project Report along with Application. After due evaluation of the said DPR/ Project Report and relying on the promise of the PARTY OF THE SECOND PART to implement the project as per the DPR and in accordance with the terms and conditions stipulated, the FIRST PARTY has agreed to allot the subject plot or land to the PARTY OF THE SECOND PART subject to the terms and conditions specified.

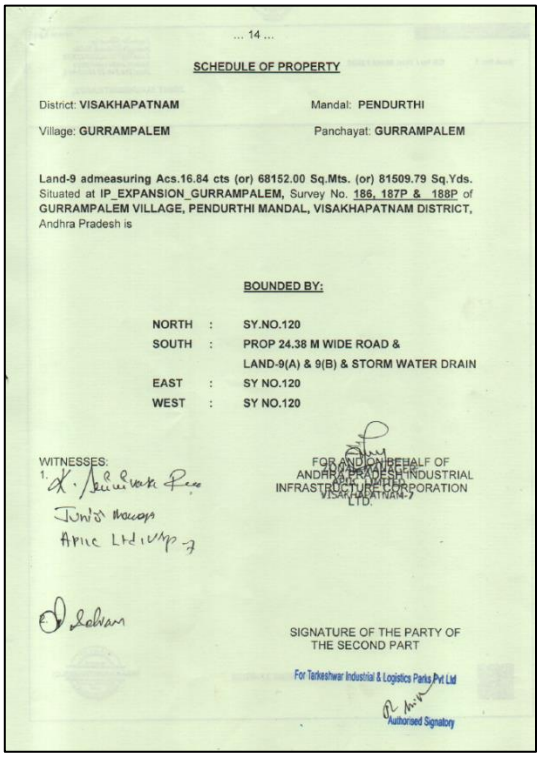
WHEREAS, upon the application of the Party of Second Part, the Party of the First Part has allotted the LAND-9 admeasuring Acs.16.84 cts (or) 68152.00 Sq.Mts. (or) 81509.79 Sq.Yds. at IP_EXPANSION_ GURRAMPALEM, GURRAMPALEM VILLAGE, PENDURTHI MANDAL, VISAKHAPATNAM DISTRICT, ANDHRA PRADESH on Out Right Sale basis on 'as is where is basis', which land/plot is more fully described in the Schedule here in under, as per Provisional Allotment order Lr.No.44512/TIILPL/APIIC/IP-EXPM-GURRAMPALEM/VSP/2023, dated.27.07 .2023,04.08.2023 & 25.01.2024 and Final Allotment Lr.No. 44512/TIILPL/ APIIC/IP-EXPM-GURRAMPALEM /VSP/2023, dated. 12.02.2024 of the Zonal Manager APIIC, Visakhapatnam Zone on the terms and conditions stipulated in the allotment letters and this agreement.

Contd...3

For Tarkeshwar Industrial & Logistics Parks Pvt Ltd

Authorised Signatory

ZONAL MANAGER
APIIC LIMITED
VISAKHAPATNAM-7



... 14 ...

SCHEDULE OF PROPERTY

District: VISAKHAPATNAM Mandal: PENDURTHI

Village: GURRAMPALEM Panchayat: GURRAMPALEM

Land-9 admeasuring Acs.16.84 cts (or) 68152.00 Sq.Mts. (or) 81509.79 Sq.Yds. Situated at IP_EXPANSION_GURRAMPALEM, Survey No. 186, 187P & 188P of GURRAMPALEM VILLAGE, PENDURTHI MANDAL, VISAKHAPATNAM DISTRICT, Andhra Pradesh is

BOUNDED BY:

NORTH : SY.NO.120
SOUTH : PROP 24.38 M WIDE ROAD & LAND-9(A) & 9(B) & STORM WATER DRAIN
EAST : SY NO.120
WEST : SY NO.120

WITNESSES:
1.
Apiic Ltd Vsp-7

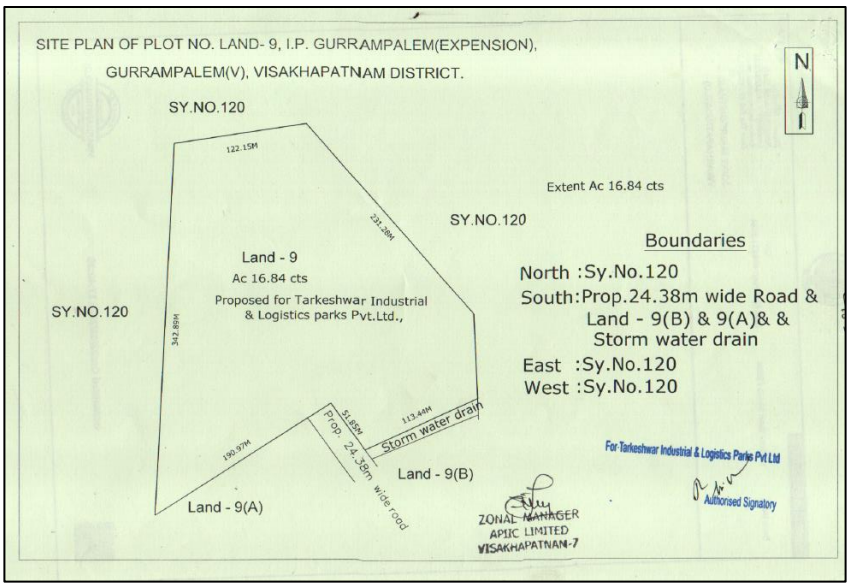
FOR AND ON BEHALF OF ANDHRA PRADESH INDUSTRIAL INFRASTRUCTURE CORPORATION LTD.

SIGNATURE OF THE PARTY OF THE SECOND PART

For Tarkeshwar Industrial & Logistics Parks Pvt Ltd

Authorised Signatory

*Source: Client*




*Source: Client*

## 7.6 Any matters which may affect the asset or its value

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report.

# VALUATION REPORT

*Issued to:*

## TVS INFRASTRUCTURE TRUST

## CUTTACK PARK I (BANIPADA)
## CUTTACK PARK II (INDRANIPATNA)

SPV/HOLDCO

JAGANNATH INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED/ TVS ILP

DATE OF VALUATION: SEPTEMBER 30, 2024

DATE OF REPORT: JANUARY 27, 2025

Valuer under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014

IVAS®

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**"Legal Notice and Disclaimer"**

This valuation report (the "Report") has been prepared by iVAS Partners. ("iVAS") exclusively for TVS Industrial & Logistics Parks Private Limited (the "Instructing Party"), TVS Infrastructure Trust (the "Trust") and TVS Infrastructure Investment Manager Private Limited (the "Investment Manager") and collectively referred as 'Reliant Parties" in accordance with the Agreement entered into between iVAS and the Instructing Party dated 1st February 2024 and subsequent addendums (the "Agreement"). The Report is confidential to the Instructing Party and any other Addressees named herein and the Instructing Party and the Addressees may not disclose the Report unless expressly permitted to do so under the Agreement.

Where iVAS has expressly agreed that persons other than the Instructing Party or the Addressees can rely upon the Report (a "Reliant Party" or "Reliant Parties") then iVAS shall have no greater liability to any Reliant Party than it would have if such party had been named as a joint client under the Agreement.

iVAS's maximum aggregate liability to the Instructing Party and to any Reliant Parties howsoever arising under, in connection with or pursuant to this Report and/or the Agreement together, whether in contract, tort, negligence or otherwise shall be limited to the professional fee received by iVAS under the Agreement.

iVAS shall not be liable for any indirect, special, or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Instructing Party, an Addressee nor a Reliant Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and iVAS shall not be liable for any loss or damage you may suffer (whether direct, indirect, or consequential) as a result of unauthorized use of or reliance on this Report. iVAS gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

For the avoidance of doubt, nothing in our Report will constitute any recommendation, investment advice or an offer or solicitation for the purpose of or for sale of any securities, financial instrument or products or other services. Any investors should make their own investment decisions in relation to any investments. If you do not understand this legal notice, then it is recommended that you seek independent legal advice.

# 1 Executive Summary

| | |
|---|---|
| Asset Name: | Cuttack Park I (Banipada) and Cuttack Park II (Indranipatna) (collectively the 'Subject Assets') |
| Asset Address: | Banipada and Indranipatna, Cuttack |
| Instructing Party: | TVS Industrial & Logistics Parks Private Limited (the "Client") |
| SPV Name: | Jagannath Industrial & Logistics Parks Private Limited / TVS ILP |
| Interest Valued: | 100% Freehold interest in the subject asset (Underlying land parcels of subject assets at Banipada and Indranipatna are leasehold in nature[1]. ) |
| Land Area: | As per the review of the architect certificate, registered agreements, possession letter, layout plan and Sarpanch NOC provided by the Client, the total land area is 22.43 acres. Further, as per review of architect certificate, we note the following:<br>1. The land area of Cuttack - I viz. located in Banipada is approx. 14.4 acres.<br>2. The land area of Cuttack – II viz. located in Indranipatna is approx. 8.0 acres. |
| Brief Description: | Based on the review of documents shared by the Client and subsequent site visit undertaken, it is observed that both the subject assets are under-construction Industrial warehouses, located along the respective internal roads emanating from Sambhalpur – Cuttack Highway.<br>Further, it is also understood that both the assets are leasehold in nature which are leased to M/s Jagannath Industrial & Logistics Parks Private Limited by Odisha Industrial Infrastructure Development Corporation (IDCO). Below mentioned is the lease terms for the subject assets: |

| Asset Description | Asset Location | Land Area | Tenure Remarks | Source |
|---|---|---|---|---|
| Cuttack Park I (Banipada) | Banipada | 14.4 | 90 years starting from date of lease sanctioned in favour of IDCO - till 16th January 2074 | Registered Agreement dated 8th August 2023 |
| Cuttack Park II (Indranipatna) | Indranipatna | 8.0 | 82 years starting from date of execution of the agreement - till 8th August 2105 | Registered Agreement dated 9th August 2023 |

The subject assets "TVSILP Cuttack" comprises of two land parcels located in villages Banipada and Indranipatna are currently under-construction warehouse development. Both the subject assets are in proximity to Sambhalpur – Cuttack Highway a prominent arterial road in the city. The warehousing corridor extends from the northern vector such as Jagatpur, Tangi etc to the city via Mahapandi Bridge. By virtue of being located along the Sambhalpur – Cuttack Highway and in proximity to other prominent arterial roads in the region, both the assets enjoy excellent connectivity to other parts of city. Choudwar, the subject micromarket, is emerging as the new warehousing hub of Cuttack city, driven by government subsidies for industrial land parcels. Numerous corporations have established factories and warehouses on government land in this area. The Choudwar industrial

[1] *As per the Title Search Report and Lease deed provided for both assets, it is understood that that the underlying land of both the assets viz Cuttack I (Banipada) and Cuttack II (Indranipatna) are are leased to M/s Jagannath Industrial & Logistics Parks Private Limited (the asset owning SPV) by Odisha Industrial Infrastructure Development Corporation (IDCO) for 90 years and 82 years respectively via registered agreements dated 8th and 9th August, 2023 respectively.*

area, along with connectivity via State Highway 55, facilitates the growth of a micromarket capable of accommodating multiple industrial and newly built warehouse buildings. Additionally, other warehouse markets and industrial clusters like Tangi and Jagatpur are easily accessible from the subject micromarket. Some of the prominent warehousing assets in the micromarket include ESR Warehouse (Choudwar), Umang Warehouse (Jagatpur), TCI Warehouse (Jagatpur). The area details of the asset are as follows:

| Particulars | Built-up area (sft) ** | Leasable area (sft) ** | Leasable area (sft) ** |
|---|---|---|---|
| Cuttack Park I (Banipada) | 3,35,345 | 3,35,345 | 3,35,345 |
| Cuttack Park II (Indranipatna) | 1,50,000 | 1,50,000 | 1,50,000 |

*Source: Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

The subject assets are located in villages Banipada and Indranipatna, Cuttack, Orissa. The Banipada asset is located at a distance of approx. 2 - 3 kms from Sambhalpur – Cuttack Highway, approx. 17 - 18 kms from Cuttack Bus Station, approx. 15 - 16 kms from Cuttack Railway Station, approx. 45 - 46 kms from Bhubaneshwar International Airport. Similarly, the Indranipatna asset is located at less than 1 km from Sambhalpur – Cuttack Highway, approx. 16 - 17 kms from Cuttack Bus Station, approx. 14 - 15 kms from Cuttack Railway Station, approx. 44 - 45 kms from Bhubaneshwar International Airport.

Statement of Assets (sft):

Based on review of rent roll provided by the Client, we understand that approx. 1,12,565 sft out of the total leasable area of 3,35,345 sft has been already pre-committed to an FMCG company Further, Cuttack II asset is currently vacant as on the date of valuation.

Table below mentions the block-wise area for Cuttack I (Banipada Asset):

| Particulars | Construction Status | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|---|
| Block I | Under-development | 1,12,565 | 1,12,565 |
| Block II | Under-development | 2,22,780 | 2,22,780 |
| Total | | 3,35,345 | 3,35,345 |

*Source: Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

Table below mentions the block-wise area for Cuttack II (Indranipatna Asset):

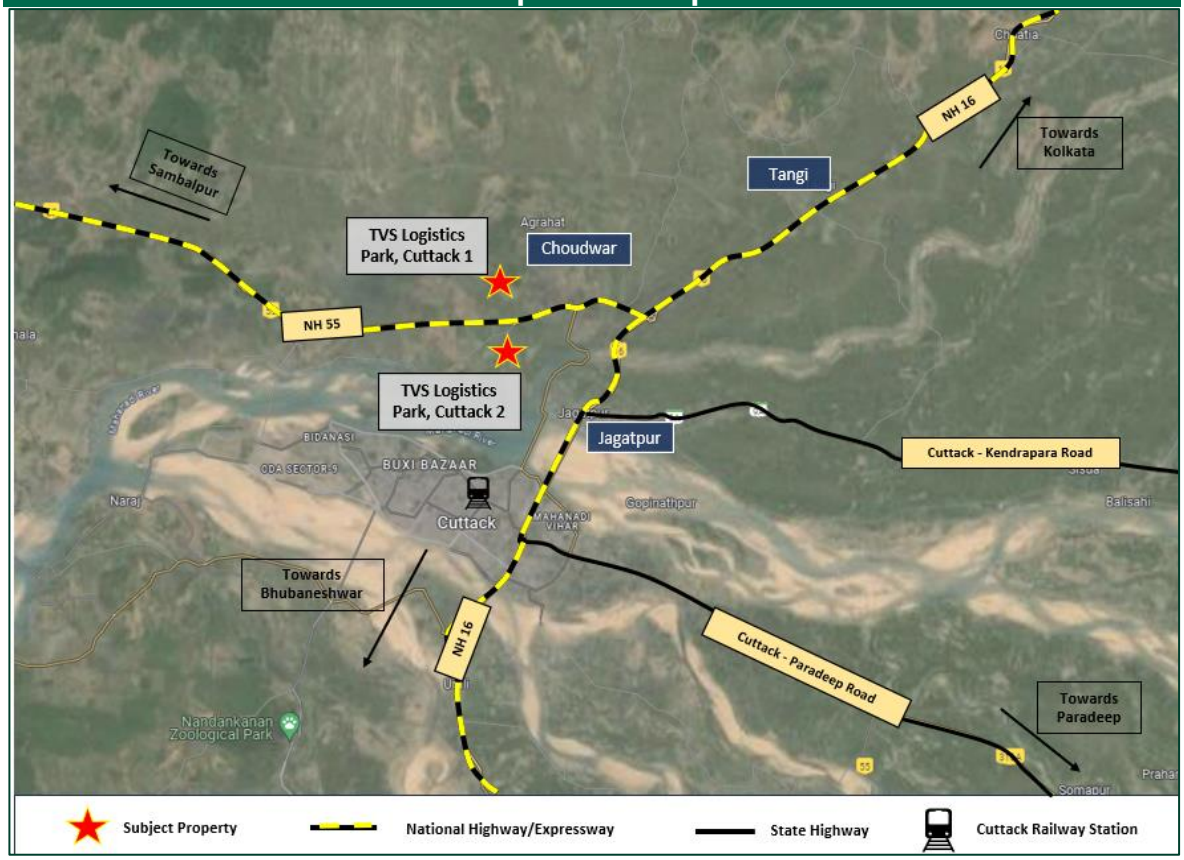
| Particulars | Construction Status | Leasable area (sft) | Chargeable area (sft) |
|---|---|---|---|
| Block I | Under-development | 150,000 | 150,000 |
| Total | | 150,000 | 150,000 |

*Source: Architect certificate, rent roll provided by the Client (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise)*

As per information provided by the Client, we understand that both assets will be completed by Q1 2025.

Location Map

**Location Map for the Subject asset**




*Source: Valuer's Assessment*

Tenancies

As of the valuation date is under-construction stage. Further, approx. 1,12,565 sft area from Cuttack I asset has been already leased to a FMCG Company.

Key Assumptions

| Particulars | Unit | Details | |
|---|---|---|---|
| | | Cuttack I | Cuttack II |
| Revenue Assumptions | | | |
| Lease expiry period - For vacant spaces (Years) | Year | 10 | 10 |
| In-place rent | INR/ sf/ month | 17.2 | 0.0 |
| Market rent – Warehouse component | INR/ sf/ month | 21.0 | 21.0 |
| Weighted Average Market rent# | INR/ sf/ month | 21.0 | 0.0 |
| Capital Expenditures Details | | | |
| Pending cost to complete | INR Mn | 547.2 | 229.8 |
| Proposed Capex (Completed Blocks & Planned /Under development Blocks) | Quarter, Year | 2025 - Q1 | 2025 - Q1 |
| Other Financial Assumptions | | | |
| Exit Cap rate | % | 7.75% | 7.75% |
| Discount rate (During operations) | % | NA | NA |
| Discount rate (During Under development/land stage) | % | 12.80% | 12.80% |
| NOI Computation | | | |
| 1 year Forward NOI (CY Q4 2024 to CY Q3 2025) | INR Mn | 29.1 | 1.9 |

| | | | |
|---|---|---|---|
| Stabilized NOI[2] | INR Mn | 79.1 | 37.4 |

*Source: Client Inputs, Valuer's Assessment, Industry Assessment Report, #Weighted average market rent arrived considering differential market calls for spaces such as mezzanine, open spaces, any tenant specific spaces basis their agreement with the Client and any other spaces.*

| | |
|---|---|
| Stake Proposed to be held in Asset SPV by TVS Infrastructure Trust: | 100% |
| Date of Inspection: | 1st March 2024 |
| Date of Valuation: | 30th September 2024 |
| Purchase Price of the asset: | The proposed acquisition will be undertaken as part of the Formation Transaction and details of which will be disclosed in the Offer Document and the Final Offer Document |
| Ready Reckoner Rate (as per documents published by State Government): | Cuttack I: INR 49.91 Mn (INR 35 Lacs per acre)<br>Cuttack II: INR 28.00 Mn (INR 35 Lacs per acre)<br>Kindly refer Annexure Section 7.4) |

Market Value as of September 30th, 2024:

| Asset Name | Component | Market Value (INR Mn) |
|---|---|---|
| Cuttack Park I (Banipada) | Under development | 487.7 |
| Cuttack Park II (Indranipatna) | Under development | 242.8 |
| Total | | 730.5 |

*Source: Valuer's assessment*

| | |
|---|---|
| Any matters which may affect the asset or its value | There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report |

[2] *The stabilized Net Operating Income (NOI) is based on the assumption that the asset will achieve a stabilized occupancy rate and that all leases will be renewed at market rates. The stabilized NOI also takes into account the estimated operating expenses, property taxes, and insurance costs. The stabilized NOI is a hypothetical measure and may not reflect the actual performance of the asset.*

**Assumptions, Disclaimers, Limitations & Qualifications**

*This valuation report is provided subject to assumptions, disclaimers, limitations, and qualifications detailed throughout this report which are made in conjunction with those included within the Assumptions, Disclaimers, Limitations & Qualifications section located within this report.*

*Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the asset.*

**Heightened Market Volatility**

We draw your attention to a combination of global inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in project markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and potential for deteriorating market conditions. Lending and Investment caution is advised in this regard.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

**Development Valuations**

The value of development projects is traditionally highly volatile and can be subject to rapid changes of value in short timeframes. They appeal to a narrow and very specific segment of the market, which can be significantly impacted by many factors such as broader economic conditions, changes to government policy, fluctuating levels of supply and demand for the product, changes in building costs and the availability and cost of development finance. All these (and more) factors will likely have a significant impact on the value and demand for the subject asset.

Going forward there will be several key factors impacting on the viability of commercial projects and their underlying land values. Key concerns are rising construction costs, increasing cost of capital, substantial new supply levels and easing investor demand for final product.

As experienced in past market cycles, the value of development projects can undergo rapid and significant price corrections as supply, demand and cost factors change. The Reliant Party is strongly advised to consider this inherent risk in their investment and lending decisions.

**Construction Cost Volatility**

Material costs, labour costs and supply chains are currently unusually volatile with the market experiencing price increases in some or all these areas during 2023. This has created significant uncertainty in cost estimates that is likely to continue. In addition, there are significant risks that delays may be encountered in sourcing materials and labour, and as such delivery risks are also heightened in this climate.

Furthermore, the likelihood of ongoing cost escalations and sourcing delays is high. This may place additional pressure on both the developer's and builder's profit margins and the viability of the development. These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

**Valuer Declaration:**

i. the valuer is competent to undertake the valuation

ii. the valuer is independent and has prepared the report on a fair and unbiased basis

*iii.* the valuer has valued the assets based on the valuation standards as specified under sub-regulation 10 of regulation 21

Prepared By: iVAS Partners

Valuer Registration Number: IBBI/RV-E/02/2020/112

Official Signatory:

Name: Mr. Shubhendu Saha

Designation: Partner, iVAS Partners

Valuer Registration Number: IBBI/RV/05/2019/11552

# 2 Instruction

iVAS Partners ( Valuer Registration Number: IBBI/RV-E/02/2020/112; hereinafter referred as 'Valuer') represented by its partner Mr. Shubhendu Saha, a registered valuer under the Companies Act 2013 with IBBI (Valuer Registration Number: IBBI/RV/05/2019/11552) (the 'Valuer'), has been instructed by TVS Industrial & Logistics Parks Private Limited (hereinafter referred as the 'Client') to advise upon the Market Value (MV) of two under-construction Warehousing assets located in village Banipada and Indranipatna, situated along the Sambhalpur – Cuttack Highway, Cuttack, Orissa.

Based on information provided by the Client, we understand that the land area of the subject asset located in Banipada admeasures approx. 14.4 acres whereas the land area of the subject asset located in Indranipatna admeasures approx. 8.0 acres with total leasable area admeasuring approx. 3,35,345 sft and 1,50,000 sft respectively.

iVAS Partners is referred to as the **'Valuer'** for the purpose of this report.

The details of the subject asset under the purview of this valuation exercise are tabulated below:

| Asset Name | SPV/Hold Co | Asset Type | Location | Land area | No. of Blocks |
|---|---|---|---|---|---|
| Cuttack Park I (Banipada) | Jagannath Industrial & Logistics Parks Private Limited/ TVS ILP | Under-construction Warehouse | Banipada, Cuttack | 14.4 | 6 |
| Cuttack Park II (Indranipatna) | Jagannath Industrial & Logistics Parks Private Limited/ TVS ILP | Under-construction Warehouse | Indranipatna, Cuttack | 8.0 | 3 |

*Source: Client Inputs*

Further, valuation has been undertaken to ascertain the market value of the Subject Assets forming part of the proposed TVS Infrastructure Trust as of the valuation date. The valuer has estimated the market value of each individual asset, not the value of the portfolio of Assets (if sold in one transaction) or SPV/ Holding company.

*For clarity, we are valuing the Property/ Asset only, not the SPV/Hold Co, which has been provided for reference only*

## 2.1 Purpose

As per our instructions the valuation is required by the Client for a proposed offer of units through private placement (the" IPO") as defined under the Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014, as amended, together with clarifications, guidelines and notifications issued thereunder, on the Indian stock exchanges. In relation to the Private Placement, the Valuation report, a summary thereof and/or extracts of the report are intended to be included in the Offer Documents filed by the TVS Infrastructure Trust with the Securities and Exchange Board of India (SEBI) and the stock exchanges where the units of the InvIT are proposed to be listed.

## 2.2 Reliant Party

The Reliant Parties to this Summary Report will be the Client and TVS Infrastructure Trust, TVS Infrastructure Investment Manager Private Limited in its capacity as Investment Manager and TVS Industrial and Logistics Park Private Limited in its capacity as Sponsor for the purpose of the valuation as highlighted in this report. for the purpose of the valuation as highlighted in this report.

The valuation has been prepared strictly and only for the use of the parties as stated above (Reliant Parties) and for the Purpose specifically stated. The Client would make all Reliant Parties aware of the terms and conditions of this agreement under which this exercise is being undertaken and take due acknowledgements to the same effect.

## 2.3 Limitation and Disclaimers to Liability

- Valuer is not operating under any financial services license when providing the Valuation Report ("Valuation Report") and this document does not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any decision to invest in TVS Infrastructure Trust.

- This Valuation Report is strictly limited to the matters contained within this report, and are not to be read as extending, by implication or otherwise, to any other matter in any Offer/ Draft Placement Memorandum/ Placement Memorandum/ Final Placement Memorandum ("Offer Document"). Valuer does not approve or endorse any part of the Offer Document. Any reference to the Valuer or this Valuation Report within the Offer Document must be read in conjunction with this Valuation Report.

- Valuers disclaims any liability to any person in the event of an omission from, or false and misleading statements included in the Offer Document, other than in respect of the information provided within the Valuation Report. Valuers shall not make any warranty or representation as to the accuracy of the information in any part of the Offer Document, other than in respect of the methodology used for the preparation of the information provided within the Valuation Report.

- The liability of Valuer is limited to the Instructing Party, and any Reliant Party nominated within this report only. No accountability, obligation or liability to any third parties is accepted by the Valuer. Valuer disclaims all liability to any investor.

- No liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation. Valuer shall not be liable for any indirect, special, punitive or consequential loss or damage howsoever caused, whether in contract, tort or otherwise, arising from or in connection with this Valuation Report.

- Valuer accepts no responsibility or liability whatsoever (i) unless full disclosure of all information and matters that may have an impact upon the value and marketability of the asset has been made by the Instructing Party or (ii) for any matter arising out of or in relation to possible environmental site contamination or any failure to comply with environmental legislation which may affect the value of the asset.

- None of our employees, directors or Valuers individually has a contract with the Instructing Party or owes them a duty of care.

- Valuer has prepared the Valuation Report relying on and referring to information provided by the Instructing Party and/or third parties including financial and market information ("Information"). Valuers have assumed that the Information is accurate, reliable and complete and has not independently verified such Information.

- The Valuation Report draws attention to the key issues and considerations impacting value and provides a detailed assessment and analysis as well as key critical assumptions, general assumptions, disclaimers, limitations and qualifications and recommendations. As commercial investments of this nature are inherently complex and the market conditions have changed and/or have been uncertain in recent times, Valuer recommends that any references to value within the Offer Document must be read and considered together with the Valuation Report.

- This Valuation Report may not be reproduced in whole or in part without the prior written approval of the Valuer.

- The Valuation Report does not purport to contain all the information that a potential investor or any other interested party may require. It does not consider the individual circumstances, financial situation, investment

objectives or requirements. It is intended to be used as guide and for information purposes only and does not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuations stated are only best estimates and are not to be construed as a guarantee. Potential investors should not rely on any material contained in the Valuation Report as a statement or representation of fact but should satisfy themselves as to its correctness by independent investigation and review of the Valuation Report to understand the assumptions and methodologies stated in the reports.

- For the avoidance of doubt, all references to "Offer Document" herein shall include any Offer Document, final Offer Document, prospectus and/or any other accompanying documents required under the SEBI (InvIT) Regulations 2014.

## 2.4 Valuer Capability

iVAS Partners, (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552) delivers independent valuation (across categories viz. land & building and plant & machinery), advisory and technical due diligence services, that combine professional expertise with comprehensive databases, analytics and market intelligence across various asset classes and locations in India.

Mr. Shubhendu Saha is registered as a valuer with the Insolvency and Bankruptcy Board of India (IBBI) for the asset class Land and Building under the provisions of The Companies (Registered valuers and valuation) Rules, 2017 since 15 May 2019. He completed his Bachelor in Planning from the School of Planning and Architecture, New Delhi in 1997 and master's in client studies from Motilal Nehru National Institute of Technology, Allahabad in 1999.

## 2.5 Disclosures

This valuer hereby certify that:

- iVAS Partners (Valuer Registration Number: IBBI/RV-E/02/2020/112), represented by its partner Mr. Shubhendu Saha (Valuer Registration Number: IBBI/RV/05/2019/11552), is registered as a registered valuer entity under Section 247 of the Companies Act, 2013 and The Companies (Registered Valuers and Valuation) Rules, 2017, as amended, and is eligible to be appointed as Valuer under the provisions of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended and that the Valuation report has been prepared in accordance with these InvIT Regulations.

- iVAS Partners (represented by Mr. Shubhendu Saha - Partner, iVAS Partners) is not an associate of TVS Industrial & Logistics Parks Private Limited (the "Sponsor"), TVS Industrial and Logistics Park Investment Manager Private Limited (the "Investment Manager") and TVS Infrastructure Trust (the "Trust")

- The Valuer, as represented by its partner, Mr. Shubhendu Saha, has the required minimum years of experience in the valuation of infrastructure assets, as required under the SEBI (InvIT) Regulations.

- The Valuer has not been involved with the acquisition or disposal within the last twelve months of any of the asset(ies) valued under this Valuation report.

- The Valuer has adequate and robust internal controls to ensure the integrity of the Valuation reports.

- The Valuer has sufficient key personnel with adequate experience and qualification to perform services related to asset valuation at all times.

- The Valuer has sufficient financial resources to enable them to conduct their business effectively and meet their liabilities.

- The Valuer has acquainted itself with all laws or regulations relevant to such valuation.
- iVAS Partners is not prohibited from acting as a valuer under applicable law.
- The valuation of assets undertaken is impartial, true and fair and in accordance with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, regulation 21.
- The Valuer and any of its employees/ Valuer involved in valuation of the InvIT assets are not invested in and shall not invest in units of the InvIT or in the assets being valued during the time such entity/person is designated as valuer of such InvIT and not less than 6 months after ceasing to be valuer of the InvIT.
- The Valuer has conducted the valuation of the InvIT assets with transparency and fairness and has rendered and shall render, at all times, high standards of service, exercise due diligence, ensure proper care and exercise professional judgement.
- The Valuer has acted with independence, objectivity and impartiality in performing the valuation.
- The Valuer has discharged its duties towards the TVS Infrastructure Trust in an efficient and competent manner, utilizing its knowledge, skills and experience in best possible way to complete the said assignment.
- The Valuer has not and shall not accept remuneration, in any form, for performing a valuation of the InvIT assets from any person or entity other than the TVS Infrastructure Trust or its authorized representatives.
- The Valuer has no present or planned future interest in the Management, Trustee, TVS Infrastructure Trust, the Sponsor to the TVS Infrastructure Trust and its sponsor group or the Special Purpose Vehicles (SPVs), holdcos, investment entity and the fee for this Report and the valuation exercise is not contingent upon the values reported herein. Our valuation analysis should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Management or the SPVs/ holdcos/ investment entity.
- The Valuer shall before accepting any assignment from any related party to the TVS Infrastructure Trust, disclose to the TVS Infrastructure Trust, any direct or indirect consideration which the Valuer may have in respect of such assignment
- The Valuer shall disclose to the trustee of the TVS Infrastructure Trust, any pending business transactions, contracts under negotiation and other arrangements with the Management or any other party whom the TVS Infrastructure Trust is contracting with and any other factors which may interfere with the Valuer's ability to give an independent and professional valuation of the asset; as on the date of valuation, there are no impediments for Valuer to give an independent professional value opinion of the asset
- The Valuer has not made false, misleading or exaggerated claims in order to secure assignments.
- The Valuer has not and shall not provide misleading valuation, either by providing incorrect information or by withholding relevant information
- The Valuer has not accepted and shall not accept an assignment that includes reporting of the outcome based on predetermined opinions and conclusions required by the TVS Infrastructure Trust
- The valuer has not accepted the said assignment which interferes with its ability to do fair valuation

- The valuation undertaken by the Valuer abides by International Valuation Standards for valuation in compliance with The Companies (Registration of Valuers and Valuation) Rules, 2017

- The Valuer understands that most of these assets are wholly/partly owned/ tenanted by related parties, hence, any transactions related to these assets from the related parties being valued would be related party transactions.

- The Valuer notes that there are encumbrances, however, no options or pre-emptions rights in relation to the assets based on the title report prepared by Cyril Amarchand Mangaldas (hereinafter collectively referred to as 'Legal Counsels'). The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable.

## 2.6 Assumptions, Disclaimers, Limitations & Qualifications to Valuation

| | |
|---|---|
| Valuation Subject to Change: | The subject valuation exercise is based on prevailing market dynamics as on the date of valuation and does not take into account any unforeseeable developments which could impact the same in the future |
| Our Investigations: | The Valuers are not engaged to carry out all possible investigations in relation to the subject assets. Where in our report the Valuer identify certain limitations to our investigations, this is to enable the reliant party to instruct further investigations were considered appropriate or where the Valuer recommend as necessary prior to reliance. The Valuer are not liable for any loss occasioned by a decision not to conduct further investigations |
| Assumptions: | Assumptions are a necessary part of undertaking valuations. The Valuer adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. Assumptions adopted by iVAS Partners will be formulated on the basis that they could reasonably be expected from a professional and experienced valuer. The Reliant Party accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation |
| Information Supplied by Others: | The valuations are based on the information provided by the Client (TVS Industrial & Logistics Parks). The same has been assumed to be correct and has been used for valuation exercise. Where it is stated in the report that another party has supplied information to the 'Valuer', this information is believed to be reliable, but the 'Valuer' can accept no responsibility if this should prove not to be so.<br>We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.<br>We would recommend that before any financial transaction is entered into based on the valuations, you obtain verification of any third-party information provided. We also recommend that you check the validity of the assumptions we have adopted in our report (where we have been unable to verify the facts through our own observations or experience) |
| Matters which affect or may affect the valuation | If the Reliant Party becomes aware of any matters which affect or may affect the valuation, then Valuer must be advised of those matters. The Reliant Party's failure to do so will disentitle the Reliant Party to place reliance on the valuation and reliance must not be placed on the valuation/s under any circumstance |
| Future Matters: | To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to the 'Valuer' at the date of this document. The 'Valuer' does not warrant that such statements are accurate or correct |
| Map and Plans: | Any sketch, plan or map in this report is included to assist reader while visualizing the Assets and the Valuers assume no responsibility in connection with such matters.<br>Further. all maps and plans quoted in our report are solely for illustration purposes only. While they are extracted from public sources, they may be not to scale. Valuer does not warrant that such dimensions shown are accurate. |
| Site Details: | Based on the review of Registered Agreement, Possession Letter, Layout Plan and Sarpanch NOC provided by the Client for the subject asset located in Banipada and as per the review of the Registered Agreement, |

| | |
|---|---|
| | Possession Letter and Allotment Letter provided by the Client for the subject asset located in Indranipatna, the Valuer understands that the subject assets are free from any encroachments and are available as on the date of the valuation |
| Asset Title: | For the purpose of this valuation exercise, the Valuer has relied on the Registered Agreement, Possession Letter, Layout Plan and Sarpanch NOC other related documents for each of the Assets and has made no further enquiries with the relevant local authorities in this regard. The Valuer understands that the subject assets may have encumbrances, disputes, and claims. The Valuer does not have the expertise or the preview to verify the veracity or quantify these encumbrances, disputes, or claims. For the purpose of this valuation, the Valuer has assumed that the respective assets have title deeds that are clear and marketable. We recommend that a suitable Asset Lawyer or similar reviews these assumptions and confirm they are reasonable before relying in this report. |
| Environmental Conditions: | In preparing our valuation we assume that no contaminative or potentially contaminative use is, or has been, carried out at the property. We do not undertake any investigation into the past or present uses of either the property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exists. Should it, however, be subsequently established that such contamination exists at the property or on any adjoining land or that any premises have been or are being put to contaminative use, this may have a detrimental effect on the value reported |
| Town Planning: | The current zoning of the subject assets has been adopted on the basis of review of various documents (Registered Agreement, Possession Letter, Layout Plan and Sarpanch NOC and other documents) provided by the Client and the current land use maps for the subject region. The same has been considered for the purpose of this valuation exercise. Further, it has been assumed that the development on the subject assets adheres/ would adhere to the development regulations as prescribed by the relevant authorities. The Valuer has not made any enquiries with the relevant development authorities to validate the legality of the same.<br><br>Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations, that a valid and up-to-date Fire Certificate has been issued. We assume that all necessary consents, licenses, and authorizations for the use of the asset and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.<br><br>In the event that a legal requisition or other relevant planning information or document is obtained, and the information therein is found to be materially different to the town planning information in the report, the valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation/s |
| Area: | The total leasable area considered for the purpose of this valuation exercise is based on the rent roll provided by the Client. It must be noted that the above information has been provided by the Client and has been verified based on the approvals/ layout plans/building plans provided by the Client. However, the Valuer has not undertaken additional verification and physical measurement for the purpose of this valuation exercise |
| Condition & Repair: | In the absence of any information to the contrary, the Valuer has assumed that there are no abnormal ground conditions, nor archaeological remains present which might adversely affect the current or future occupation, development or value of the asset; the asset is free from rot, infestation, structural or latent defect; no currently known deleterious or hazardous materials or suspect techniques will be used in the construction of or subsequent alterations or additions to the asset and comments made in the asset details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts |
| Not a Structural Survey: | The Valuer states that this is a valuation report and not a structural survey |
| Legal: | Unless specifically disclosed in the report, the Valuer has not made any allowances with respect to any existing or proposed local legislation relating to taxation on realization of the sale value of the subject asset.<br><br>We do not read legal documentation. Where legal documentation is provided to us, we will have regard to the matters therein but recommend that reliance should not be placed on our interpretation thereof without prior verification by your legal advisors. Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property. We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants, or other outgoings which would adversely affect the value of the relevant interest(s). In respect of leasehold Assets, we will assume that your landlord will give any necessary consents to an assignment. Unless notified to the contrary we assume that each property has a good and marketable title and is free from any pending litigation |

| | |
|---|---|
| Others: | Considering the unorganized nature of real estate markets in India, all comparable evidence (if any) provided in the valuation report has been limited to the basic details such as the area of asset, rate at which transacted, broad location, etc. other specific details would be provided only if the information is available in public domain |
| Other Assumptions: | Please note that all the factual information such as tenants' leasable area, lease details such as lease rent, lease commencement and lease end date, lock – in period, escalation terms, etc. pertaining to the subject assets is based on the rent roll provided by the Client and the same has been adopted for the purpose of this valuation exercise. The rent rolls have been cross-checked with copy of the lease deeds on a sample basis as shared with the valuer to verify the authenticity. However, it should be noted that there is only 1 block (admeasuring 1,12,565 sft) has been leased in the 'Cuttack I' asset while the 'Cuttack II' asset currently remain vacant as on the date of valuation. Any change in the above information will have an impact on the assessed value and in that case the Valuer will have to relook at the assessed value. The relevant information sources are represented in section 2.5.<br><br>All measurements, areas and ages quoted in our report are approximate.<br><br>We are not advisors with respect to legal, tax and regulatory matters for the transaction. No investigation of the respective Special Purpose Vehicles (SPVs) holding the assets' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets. Therefore, no responsibility is assumed for matters of a legal nature |
| Flooding risk: | We will assume that either there is no flooding risk or, if there is, that sufficient flood defenses are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value. |
| Site Conditions: | We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances.<br><br>In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise) |
| Hazardous & deleterious materials | Unless otherwise noted, we have assumed that the improvements are free of Asbestos and Hazardous Materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works.<br><br>Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the Property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting iVAS Partners to reassess any effect on the valuation.<br><br>Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used |
| Unregistered interests | We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting iVAS Partners in writing to reassess any effect on the valuation |
| Heightened Market Volatility | We draw your attention to a combination of global inflationary pressures (leading to higher interest rates) and recent failures/stress in banking systems which have significantly increased the potential for constrained credit markets, negative capital value movements and enhanced volatility in asset markets over the short-to-medium term.<br><br>Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for deteriorating market conditions. Lending and Investment caution is advised in this regard.<br><br>It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events. |

| | |
|---|---|
| Development Valuations | The value of development projects is traditionally highly volatile and can be subject to rapid changes of value in short timeframes. They appeal to a narrow and very specific segment of the market, which can be significantly impacted by many factors such as broader economic conditions, changes to government policy, fluctuating levels of supply and demand for the product, changes in building costs and the availability and cost of development finance. All these (and more) factors will likely have a significant impact on the value and demand for the subject asset.<br><br>Going forward there will be several key factors impacting on the viability of commercial projects and their underlying land values. Key concerns are rising construction costs, increasing cost of capital, substantial new supply levels and easing investor demand for final product.<br><br>As experienced in past market cycles, the value of development projects can undergo rapid and significant price corrections as supply, demand and cost factors change. The Reliant Party is strongly advised to consider this inherent risk in their investment and lending decisions. |
| Construction Cost Volatility | Although general increases in material costs have stabilised since 2022, some specialised supply chains and construction-related labour costs remain volatile with the potential for further increases. This has created uncertainty in cost estimates, which is likely to continue.<br><br>In addition, there are significant risks that delays may be encountered in sourcing specialised materials and labour, and as such, the potential for ongoing cost escalations and delays is high. This may place additional pressure on developer and contractor profit margins and development viability.<br><br>These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard. |

# 3 Cuttack– Market Structure and Conditions

## 3.1 Information

For the purpose of the valuation exercise, reliance has been made on the deliverables of CBRE South Asia Private Limited, an independent agency appointed by TVS to undertake market research, provide market commentary, and data as a part of a report (the "Industry Assessment Report") for the purpose of this assignment.

## 3.2 Demand and Supply

### 3.2.1 Demand and Supply Trends – Cuttack

As of Q3, CY 2024, the total completed stock in Cuttack is 1.8 Mn sft, with the Banipada (Choudwar western cluster) submarket accounting for approx. 21% of this total. Warehousing activity in Cuttack is distributed across three major micromarkets: Jagatpur, Tangi, and Choudwar. Among these, Jagatpur and Tangi are the most prominent warehousing micromarkets, while Choudwar is an emerging micromarket, primarily featuring a few Grade A warehouse blocks owned by ESR. Jagatpur and Tangi micromarkets contribute a combined completed supply of 1.24 Mn sft (approx. 79%), followed by Choudwar with 0.34 Mn sft (approx. 21%). In recent years, the Jagatpur and Choudwar micromarkets have experienced significant traction, attracting major demands from companies such as Pidilite, TATA Consumer, Reliance Retail, Flipkart, and Ola Electric, which have established a strong presence in the region.

The region boasts approximately 1.8 Mn sft of operational warehousing supply, with around 1.6 million square feet currently occupied. Prior to 2018, the supply predominantly consisted of Grade B and C developments. Over the past 5 to 6 years, the share of Grade B and C stock has significantly decreased due to the growing demand for high-quality warehousing spaces from sectors such as manufacturing, e-commerce, logistics, and electronics. This demand has resulted in a substantial increase in the supply of Grade A facilities. The entry of the Kingstone Group into this region initially drove the increase in Grade A warehousing supply. Subsequently, these warehouses were acquired by the ESR Group.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 1.8 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 1.6 msf |
| Current vacancy (Q3 2024) | Approx. 11.0% |
| Future supply | Under-construction: 0.5 – 0.8 Mn sft<br>Planned Supply: 0.9 – 1.2 Mn sft |

*Source: Industry Assessment Report dated as of January, 2025*

Majority of the upcoming warehousing supply is anticipated to be in the Choudwar and Tangi micromarkets. Numerous individual landlords possess vacant land parcels near existing warehouse micromarkets and are open to signing Build-to-Suit contracts with potential occupiers. Grade A developments are primarily concentrated in the Jagatpur and Tangi micromarkets, serving sectors such as e-commerce, electronics, food and packaging, and manufacturing.

Cuttack has experienced a steady increase in warehousing supply over the past couple of years (2022–2023), with an average annual supply of approximately 0.2 Mn sft. Of the total completed supply in Cuttack, Grade A accounts for nearly 0.43 Mn sft (27% share), Grade B for 0.84 Mn sft (53%), and Grade C for 0.31 Mn sft (20%). Looking ahead, the share of Grade A facilities is expected to increase, driven by upcoming supply and rising interest from national

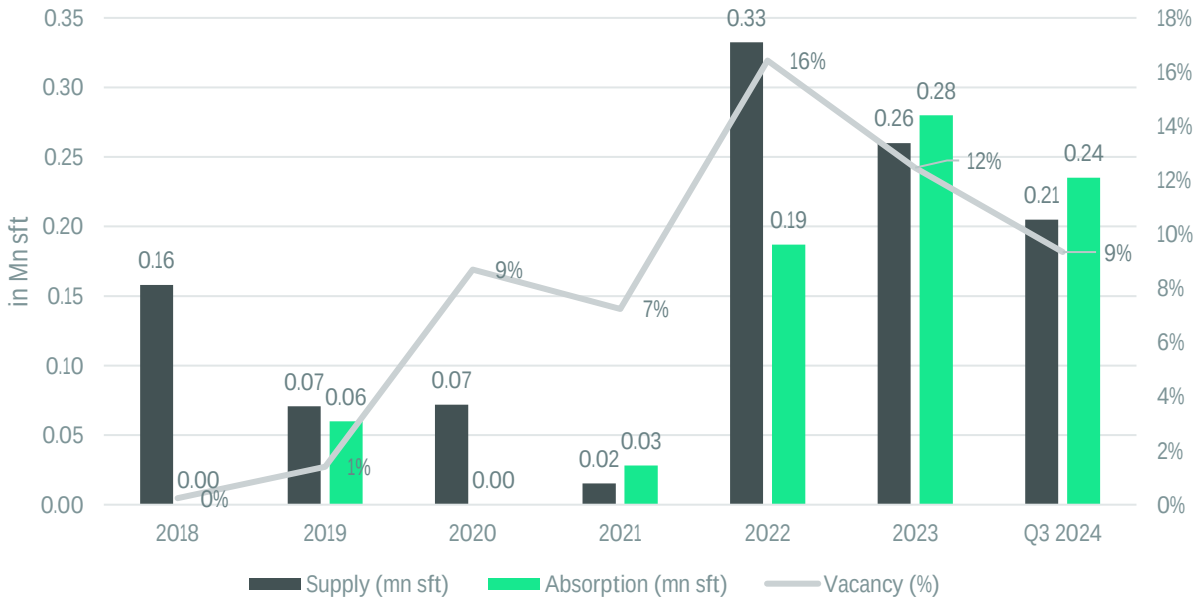
and international e-commerce, FMCG, FMCD, and modern retail companies. The majority of warehousing activity in the region has historically been in the Grade B category, developed by local individual players. Notable entities such as the Umang Group and ESR have a strong presence in the Grade A warehousing category within these micromarkets.

Manufacturing, Ecommerce, Electronic, Logistics & Distribution, Machines & Equipment, are the key tenant sectors occupying space in Grade A developments across Cuttack. Some of the key tenants present are Pidilite, Tata Consumer, Ola Electric, Hyundai HUL, Flipkart, Reliance Retail etc. FMCG players typically occupy spaces ranging from 20,000 to 150,000 sft. In the e-commerce segment, major players take comparatively smaller spaces, starting from 25,000 sft and extending up to 200,000 sft. Modern retail companies, such as Reliance Retail, have taken approximately 120,000 sft.

The upcoming supply in the region is in the range of 0.5 – 0.7 Mn sft majorly across Grade A warehousing space and is expected to get introduced in supply phase wise between 2024 – 2026. The planned supply in the region is in the range of 0.9 – 1.2 Mn sft.

Demand – Supply Dynamics of Subject Market: Cuttack

Figure 1; Y-O-Y Supply & Absorption levels in Cuttack




*Source: Industry Assessment Report, data as on Q3 2024*

The average base rental witnessed in Cuttack is in the range of INR 18 – 22 / sft / month for a Grade A development and between INR 17 – 19 / sft / month for a Grade B development. Micro Market Wise Grade A and B Average Asking Rentals are enumerated below in the table:

| MICRO-MARKET | 2018 | | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | | Q3 2024 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Grade | A | B | A | B | A | B | A | B | A | B | A | B | A | B |
| Tangi | NA | 14–15 | NA | 15–16 | NA | 15–16 | NA | 16-17 | NA | 16-17 | NA | 17-18 | NA | 18–19 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Jagatpur | NA | 16–18 | NA | 17-18 | NA | 17–18 | NA | 18-19 | NA | 18-19 | 17-19 | 18-20 | 18-20 | 19–21 |
| Choudwar | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | 21-22 | NA | 22-23 | NA |

*Source: Industry Assessment Report*

### 3.2.2 Demand & Supply Trends – Choudwar (Western Cluster)

Choudwar is the only micromarket in the Western Cluster of Cuttack. It is situated on the western side of Cuttack, adjacent to NH 55. The micromarket is predominantly occupied by the ESR Group, which has the only notable warehouse establishments in this cluster. Its proximity to the main city area and excellent connectivity via NH 55 have contributed to its development.

Choudwar is poised to become the warehousing hub of Cuttack city. The Odisha government subsidizes industrial land parcels in this area, attracting several corporations to build factories and warehouses on government land. The Choudwar industrial area and connectivity through SH 55 enable the micromarket to support multiple industrial and newly constructed warehouse buildings. Additionally, Tangi, Jagatpur, and other warehouse mini marketplaces and industrial clusters are easily accessible from Choudwar.

The majority of the upcoming supply is anticipated to be in the subject micromarket of the Western Cluster viz. Choudwar, where individual landlords hold vacant land parcels and are open to signing build-to-suit contracts with potential occupiers. The Western Cluster comprises approximately 21% of the total completed supply in the Cuttack region, with the majority of this supply in Choudwar being Grade A. This burgeoning demand fuels the need for warehousing facilities. The Choudwar industrial area, on Cuttack's outskirts, houses numerous steel, aluminum, and chemical production units, further stimulating demand for warehousing to store raw materials and finished products. Cuttack's proximity to major ports like Paradip and Dhamra also renders it attractive for warehousing related to import and export activities.

The market's proximity to Khurdha Industrial Estate and excellent connectivity via Khurdha-Chandaka Road have facilitated its development. This cluster represents approximately 50% of the total completed supply in the Bhubaneswar region, with around 62% of this supply being Grade A.

| Particulars | Details |
|---|---|
| Cumulative completed warehouse stock (Q3 2024) | Approx. 0.46 msf |
| Cumulative occupied stock (Q3 2024) | Approx. 0.46 msf |
| Current vacancy (Q3 2024) | 0.00 % |
| Future supply | 1.0 – 1.1 Mn sft |

*Source: Industry Assessment Report*

The total stock of 0.46 Mn sft in Choudwar is Grade A. Further, over the past 1-2 years, the region has absorbed approximately 0.2 to 0.3 Mn sft of warehousing space annually. Rental rates for Grade A warehousing developments in this micromarket range from INR 20 to INR 22 per sft per month. Key industry sectors occupying warehousing spaces in the region include modern retail and e-commerce, with prominent tenants such as Reliance Retail and Flipkart. The asking rentals in the market are expected to remain range-bound in the short to medium term with market standard escalation of 4-5% annually.

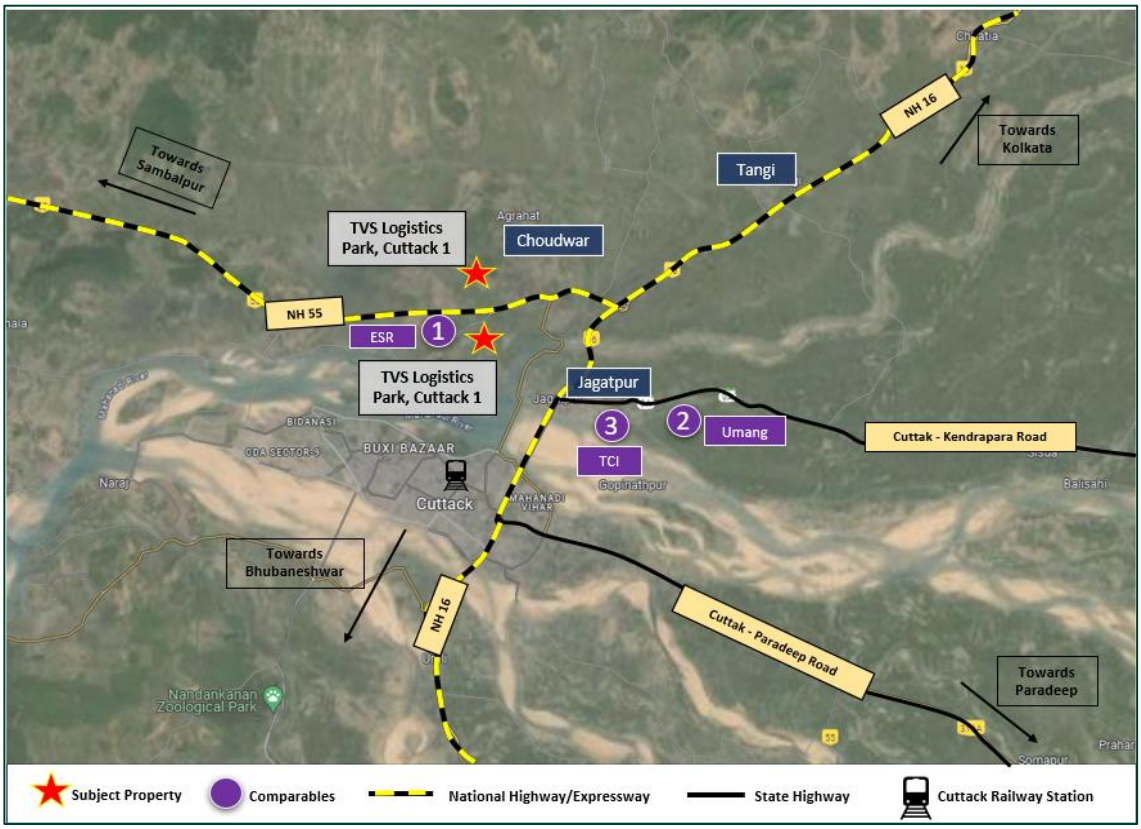
#### 3.2.2.1 Key Developments in Micromarket

The table below highlights the prominent developments in the subject micromarket:

| Building Name | Land Area (Acres) | Leasable Area (sft) | Average Lease Rental (INR per sft pm) |
|---|---|---|---|
| ESR Warehouse (Choudwar) | 56.4 | 10,60,000 | 21 - 22 |
| Umang Warehouse (Jagatpur) | 9.0 | 1,95,000 | 18 – 19 |
| TCI (Jagatpur) | 2.0 | 55,000 | 18 – 19 |

*Source: Industry Assessment Report*

The above-mentioned key developments are marked along with the subject asset in the map below:




*Source: Valuer's Assessment*

### 3.2.2.2 Future Supply

Based on the market research, we understand that the micromarket has an upcoming supply of approx. 0.9 – 1.2 Mn sft planned in the next 2 – 3 years.

### 3.2.3 Market Rent

The table below highlights the recent lease transactions in the micromarket:

| Location | Tenant Sector | Grade | Chargeable Area (sft) | Total Rent (INR per sft per month) | Date of Transaction |
|---|---|---|---|---|---|
| Jagatpur | FMCD | Grade A | 40,000 | 18 – 19 | Q1 2024 |
| Jagatpur | Logistics | Grade A | 15,000 | 18 – 19 | Q1 2024 |
| Choudwar | E-commerce | Grade A | 2,20,000 | 21 – 22 | Q2 2023 |

| | | | | | |
|---|---|---|---|---|---|
| Choudwar | Retail | Grade A | 1,20,000 | 21 – 22 | Q3 2023 |
| Jagatpur | Manufacturing (Footwear) | Grade A | 58,000 | 17 - 18 | Q3 2023 |
| Jagatpur | Manufacturing | Grade A | 40,000 | 18 – 19 | Q4 2023 |
| Jagatpur | Manufacturing | Grade A | 32,000 | 18 – 19 | Q4 2023 |
| Tangi | FMCG | Grade B | 1,50,000 | 16 - 17 | Q4 2022 |

*Source: Industry Assessment Report*

As can be observed from the table above and our interactions with other market players, the rentals in the micromarket ranges between INR 16 - 22/sft/month (base rentals). The variance across rentals is primarily due to factors such as location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications of the block, park level infrastructure, additional improvements, etc.

## 3.3 Market Outlook

Based on the market research, we understand that the subject region is perceived as a favourable destination for various industry players owing to the excellent connectivity (via Sambhalpur – Cuttack Highway), attractive rentals, availability of developable land parcels etc. The villages Banipada, Indranipatna (western cluster region) have few small- and large-scale industries which has enabled it to develop as an industrial ecosystem.

The primary drivers of demand for this sector are the availability of government land at subsidized rates and the presence of an industrial ecosystem. An anticipated supply of approximately 0.7 to 0.8 Mn sft is planned for the next 2-3 years in nearby areas. However, no large-scale projects are planned in the coming years, aside from the upcoming warehouse blocks within the ESR warehouse campus. Based on historical absorption rates in Choudwar, an expected demand of approximately 0.7 to 0.8 Mn sft can be projected over the next 2-3 years, as no significant plans have been announced by prominent warehouse developers.

Furthermore, Choudwar's proximity to established warehouse micromarkets in Tangi and Jagatpur, its closeness to the main city of Cuttack, the availability of IDCO lands, and easy access via NH 55 are key factors contributing to its emergence as an upcoming warehousing hub. Additionally, the development is strategically located on the Sambhalpur-Cuttack Highway and is well-positioned to attract interest from occupiers due to its high-quality specifications and amenities, and the developer's reputation. .

The value of freehold property in industrial zones ranges from 25 to 35 million INR per acre.

The current prevalent asking rent in Cuttack is in the range of INR 18–22 per sft/month for Grade A warehousing developments in the areas of Jagatpur and Choudwar. We observe that the asking rentals for Grade B warehouses range from INR 17-19 per sft/month. In the short to medium term, the market will maintain range-bound asking rentals, with an annual escalation of 4-5%. Prominent players expect to operate approximately 1.3–1.4 Mn sft of supply by 2026. Therefore, keeping in perspective the subject property's location, leasing in the micromarket, quantum of leasable area, quality of construction, developer's reputation, type of space, etc., we are of the opinion that the subject property would command a lease rental of approx. INR 19 - 23 / sft / month as on date of valuation.

# 4 Subject asset – Cuttack Park I and II

## 4.1 Asset Description

The Subject Assets comprises of two land parcels viz. 'Cuttack Park I' located in Banipada, Cuttack and 'Cuttack Park II' located in Indranipatna, Cuttack. Both the land parcels are under-construction warehousing facility with total leasable area of 3,35,345 sft and 1,50,000 sft respectively. The subject assets are currently accessible via an internal road emanating from via Sambhalpur – Cuttack Highway (NH 55).

Based on the information provided by the Client, it is understood that the subject asset is warehousing asset comprising of two land parcels located in Banipada and Indranipatna with land area admeasuring approx. 14.4 acres and 8.0 acres respectively and leasable area admeasuring approx. 3,34,345 sft and 1,50,000 sft respectively. As per the information provided by the client, it is understood that the subject asset located in Banipada shall be having a floor strength of 5 MT/sqm and floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height of the warehousing box would be approx. 12m and height at ridges would be approx. 20 m. Further, no similar details pertaining to the Indranipatna asset has been provided. However, as per our discussion with the client, we understand that the Indranipatna asset is expected to have similar specifications as the Banipada asset.

| Brief Description | |
|---|---|
| Particulars | Details |
| Asset Name | Cuttack Park I and II |
| Address | Banipada Asset: IDCO Plot no. 1, Revenue plot no. 269/4029 (P) & 270 (P), Revenue khata no. 727/973, Village Banipada, Choudwar, Cuttack<br>Indranipatna Asset: IDCO Plot no. 37, Revenue plot no. 114/1316 (P), Revenue khata no. 172/884, Village Indranipatna, Choudwar, Cuttack |
| Land Area | Banipada Asset: As per the review of the Registered Agreement, Possession Letter, Layout Plan and Sarpanch NOC provided by the Client, it is understood that the land area of the subject asset located in Banipada is approx. 14.426 acres.<br>Indranipatna Asset: As per the review of the Registered Agreement, Possession Letter and Allotment Letter provided by the Client, it is understood that the land area of the subject asset located in Indranipatna is approx. 8.00 acres. |
| Leasable Area | Banipada Asset: 3,35,345 sft<br>Indranipatna Asset: 1,50,000 sft |

*Source: Client Inputs*

Based on the information provided by the Client, it is understood that the subject asset is warehousing asset with land area admeasuring approx. 14.4 acres & 8.0 acres respectively with a leasable area admeasuring approx. 3,35,345 & 1,50,000 sft. The subject asset is understood to have a floor strength of 5 MT/sqm and has floor finishing of high-performance concrete flooring of FM2 Concrete type. The eave height of the warehousing box 1 & 2 are 12m and height at ridges of Box 1 & 2 is 15.05 m along with a lighting (lux level) of 200 lux.

Additionally, it is understood that the subject warehousing facility is EDGE certified featuring rooftop solar power provision, comprising of 24/7 ground support, and dedicated facility management. Further, there are provisions for additional services like rainwater harvesting and separate water supply systems, round-the-clock CCTV surveillance, first aid centers, and global standard firefighting systems.

Moreover, to ensure seamless operations, amenities like dedicated creche facilities, mezzanine and provision for racking, and uninterrupted power supply, water treatment systems, restrooms for drivers and ample parking for both two-wheelers and four-wheelers are also offered.

The prominent tenant in the subject asset includes Rhenus, Godrej & Boyce, Iron Mountain, Busybees.

### 4.1.1 Site Details

**Situation:** Subject asset – 'TVS Industrial & Logistics Parks, Cuttack' comprises of two under-construction warehousing facilities located along the internal roads emanating from Sambhalpur – Cuttack Highway.

**Location:** The subject asset is located in Village Banipada & Indranipatna, the western region of Cuttack. The subject asset is located in an emerging industrial micromarket of Cuttack viz. Sambhalpur – Cuttack Highway (NH- 55), further connecting to NH-16 Further, it is well connected to important industrial hubs & major cities via NH-55 and other internal roads.

The distances from key hubs to the subject asset are presented in the table below:

| Landmark | Distance (Km) | |
|---|---|---|
| | Banipada | Indranipatna |
| Sambhalpur – Cuttack Highway | 2 – 3 | Less than 1 Km |
| Cuttack Bus Stand | 17 – 18 | 16 – 17 |
| Cuttack Railway Station | 15 – 16 | 14 – 15 |
| Bhubaneshwar International Airport | 45 – 46 | 44 - 45 |

*Source: Valuer's research*

**Catchment Analysis:** The primary catchment area for the purpose of this valuation has been defined as Western Cluster of Choudwar and its adjoining micromarkets which are predominantly characterized by industrial/warehousing development.

The Western Cluster of Cuttack comprises a single micromarket viz. Choudwar. This cluster is situated on the western side of Cuttack, adjacent to NH 55. The micromarket is predominantly occupied by the ESR Group, which has the only notable warehouse establishments in this cluster. Its proximity to the main city area and excellent connectivity via NH 55 have contributed to its development. The Western Cluster accounts for approximately 21% of the total completed supply in the Cuttack region.

**Surrounds:** The subject asset of Banipada is surrounded as follows:

- North: Vacant Land
- South: IDCO Internal Road (5 m wide)
- East: IDCO Internal Road (5 m wide)
- West: IDCO Internal Road (9 m wide primary access road)

The subject asset of Indranipatna is surrounded as follows:

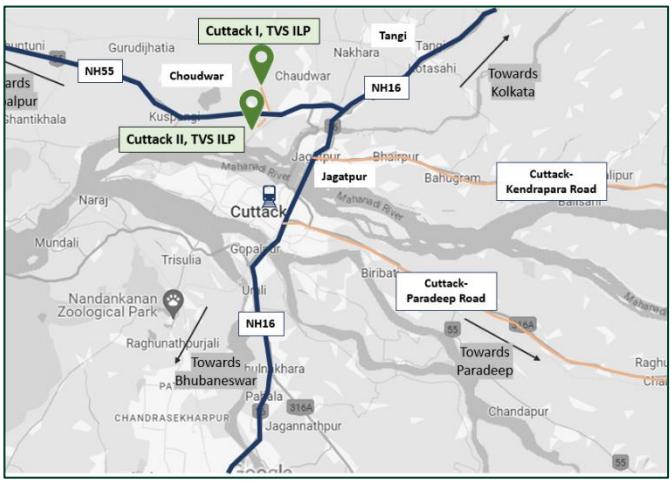
- North: 9 m wide road
- South: IDCO Internal Road (5 m wide primary access road)
- East: Vacant Land
- West: Other's Property

**Potential changes in surroundings:** The subject asset is located in close vicinity to NH-55 highway leading to micromarkets such as Jagatpur etc. where there is reasonable interest from developers to launch new projects comprising of largely industrial developments on the main arterial roads

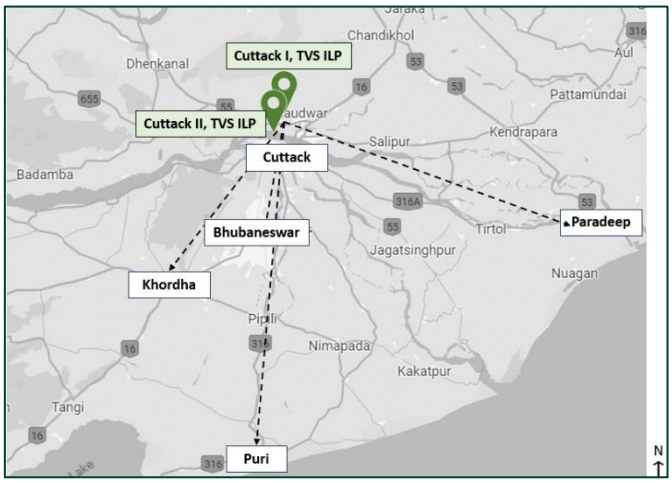
| | |
|---|---|
| Suitability of existing use: | Considering the location and profile of surrounding developments coupled with site specific parameters, we are of the opinion that subject asset is suited for its current usage. |

The following map indicates the location of the subject asset:

Location Map for the Subject asset




KEY LOCATION MAP OF THE ASSET




MACRO MAP OF THE ASSET

*Source*: *Industry Assessment Report*

| | |
|---|---|
| Shape: | Based on the documents provided by the Client and visual inspection during the site visit, it is understood that the underlying land of both the assets are broadly regular in shape. |
| Topography: | Based on the documents provided by the Client and as observations during our site visit, the site appears to be even and is at the same level as abutting access roads and adjoining land. |
| Frontage: | Based on review of documents and visual inspection, we understand that the subject asset has adequate frontage along the primary access road. |
| Accessibility: | Based on the site plan provided by the Client and visual inspection, it is understood that the primary access to the Banipada asset is approx. 9m wide internal IDCO road on its west side which further connects to Sambhalpur – Cuttack Highway. By virtue of the same the asset enjoys good accessibility and frontage. Further, based on the visual inspection, it is understood that the primary access to the Indranipatna asset is approx. 5m wide internal IDCO road on its south side which further connects to Sambhalpur – Cuttack Highway. By virtue of the same the asset enjoys good accessibility.<br><br>Please refer Section 7.0 Exhibit & Addendums for the site plan of the subject asset. |

### 4.1.2 Review of Registered Deed

| Asset Description | Asset Location | Land Area | Tenure Remarks | Source |
|---|---|---|---|---|
| Cuttack Park I (Banipada) | Banipada | 14.4 | 90 years starting from date of lease sanctioned in favour of IDCO - till 16th January 2074 | Registered Agreement dated 8th August 2023 |
| Cuttack Park II (Indranipatna) | Indranipatna | 8.0 | 82 years starting from date of execution of the agreement - till 8th August 2105 | Registered Agreement dated 9th August 2023 |

As per the registered deed, we understand that the exact address of the Banipada asset is IDCO Plot no. 1, Revenue plot no. 269/4029 (P) & 270 (P), Revenue khata no. 727/973, Village Banipada, Choudwar, Cuttack and the exact address of Indranipatna asset is IDCO Plot no. 37, Revenue plot no. 114/1316 (P), Revenue khata no. 172/884, Village

Indranipatna, Choudwar, Cuttack. Further, it is also understood that both the assets are leasehold in nature which are leased to M/s Jagannath Industrial & Logistics Parks Private Limited by Odisha Industrial Infrastructure Development Corporation (IDCO). Below mentioned is the lease terms for the subject assets:

### 4.1.3 Title Details

This valuation exercise is based on the premise that the subject asset has a clear title and is free from any encumbrances, disputes, claims, etc. Valuer has not made any inquiries in this regard with the relevant legal/ statutory authorities with the understanding this level of due diligence will be undertaken by the appropriate lawyers and then advised to the Valuer accordingly. We strongly recommend the assumption the asset has a clear title is confirmed before relying on the report.

### 4.1.4 Town Planning

| | |
|---|---|
| Zoning | As per the review of the documents provided by the Client, we understand that both the subject assets are zoned for "Industrial" Use. The same has been considered for the purpose of this valuation. Valuer has made no further inquiries with the local authorities in this regard.<br><br>For the purpose of this exercise, it has been assumed that all developments (existing) adhere to building regulations as prescribed by the relevant authorities. Valuer has not validated the information provided by the Client with the relevant development authorities. |
| Approved Usage: | Based on the documents provided by the Client and visual inspection during our site visit, we understand that both the subject assets are warehousing facilities wherein the construction activities are at various stages of progress. The current use of the subject asset is broadly in agreement with the rules and regulations as prescribed by the local development authority. However, Valuer has not made any enquiries with the relevant local authorities to validate the same for its specific applicability to the subject asset. |
| Restrictions: | As per feedback received from the Client, there are no restrictions on the current use of the asset. |
| Natural or induced hazards: | We have not carried out any investigations or tests or been supplied with any information from Client or from any relevant expert that determines the presence or otherwise of pollution or contaminative substances in the Subject Asset or any other land (including any ground water).<br><br>For the purpose of assessing the vulnerability of the Subject Asset to any natural or induced disaster the location of the property with respect to risks pertaining to earthquakes, high winds/cyclone and flooding was studied. Cuttack, where the Subject Asset is located falls in Seismic Zone III with moderate risk. The city faces moderate risk in terms of high winds or cyclones too. The Subject Property is not likely to face any greater risk than the overall risk profile of the city. No hazardous activity was noted in the vicinity of the Subject Asset which may expose it for any induced disaster.<br><br>Further, as per the details provided by the client, the subject asset is prone to Rainfall & Cyclone effects since the Cyclone-prone region is approx. 70 Km from the coastline of the city which may result in the park being subjected to flooding due to heavy to very heavy rainfall. Further, the discharge water from open storm water drain may be hindered due to clogging/obstruction in the public canal and the discharge water from |

storm water drain may be hindered due to backflow of discharge water from the drain channel. Additionally, workers might be exposed to excessive heat and there might be chances of skin irritation and sickness due to Heating Effects in Summer Season wherein temperature raise upto 93F to 104 F.

Please note that the Valuer has not investigated nor has been provided with any supporting documents pertaining towards the above-mentioned issues.

Approvals: As per the documents shared by Client, we understand that some of the approvals for the Banipada asset have been obtained while others are yet to be obtained. Further, it should be noted that no approvals for the Indranipatna asset have been received. However, as per the additional confirmation from the Client, it is understood that all the necessary approvals for both the subject assets will be procured in due course of time. Please refer annexures for the details.

For the purpose of this exercise, it has been assumed that all developments shall adhere to building regulations as prescribed by the relevant authorities. Valuers have not validated the information provided by the Client with the relevant development authorities

### 4.1.5 Statutory Approvals, Sanctions & Approvals

#### 4.1.5.1 Statutory Approvals received and yet to be received (including One-time Sanctions & Periodic Clearances)

According to the review of documents provided by the Client for the subject asset at Banipada (Cuttack I), we understand that some of the some of the approvals for this asset have been obtained while others are yet to be obtained. The table below highlights the status of approvals for the subject asset:

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Change in Land Use | Not Provided | | |
| NALA Certificate | Not Provided | | |
| Building Plan Permit | Not Provided | | |
| Approval for change in land use | Received | Banipada Gram Panchayat | 17-01-2024 |
| NOC from Airport Authority of India | Not Provided | | |
| NOC from Ministry of Environment & Forest | Not Provided | | |
| Fire NOC – Recommendation | Received | Odisha Fire & Emergency Service | 08-03-2024 |
| NOC from Pollution Control Board | Not Provided | | |
| Temporary Power connection | Not Provided | | |
| Temporary Water connection | Not Provided | | |
| CEIG approval for electrical installations | Not Provided | | |
| Electricity NOC | Not Applicable | | |
| Ground Water Abstraction NOC/Permission for digging borewell | Received | Department of Water Resources, River Development and Ganga Rejuvenation, Central Ground Water Authority | 23-04-2024 |

| Approval/NOC | Status (Applied / Received) | Authority | Date of Issue (DD-MM-YY) |
|---|---|---|---|
| Water Supply NOC | Not Provided | | |
| Structural Stability Certificate | Not Applicable | | |
| Consent to Operate | Not Provided | | |
| Occupancy Certificate | Not Applicable | | |

*Source: Approval documents provided by the Client*

Further, as on date of valuation, approvals for the under-development subject asset at portion Indranipatna (Cuttack II) have not been received. However, based on inputs received from the Client, it is assumed that the approvals would be received for undertaking this development.

#### 4.1.5.2 List of up to date/overdue periodic clearances

As per the details provided by the Client, we understand that there are no overdue periodic clearances.

### 4.1.6 Area Details, Type and Age of Existing Structures

As per the visual inspection during the site visit, it is understood that the Banipada asset is under-construction and the construction activity on Indranipatna asset is in its initial stages.

Table below mentions the block-wise area for Cuttack I (Banipada Asset):

| Blocks | Year of Completion | Age of structures (in years) | Built-up Area (sft) | Completed Area (sft) | Leased Area (sft) | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block 1 | Under-Construction | - | 1,12,565 | - | 1,12,565 | 1,12,565 |
| Block 2 | Under-Construction | - | 37,435 | - | - | 37,435 |
| Block 3 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 4 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 5 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 6 | Under-Construction | - | 35,345 | - | - | 35,345 |
| Total | | | 3,35,345 | - | 1,12,565 | 3,35,345 |

*Source: Architect Certificate, Rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise).*

Table below mentions the block-wise area for Cuttack II (Indranipatna Asset):

| Blocks | Year of Completion | Age of structures (in years) | Built-up Area (sft) | Completed Area (sft) | Leased Area (sft) | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block 1 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 2 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 3 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Total | | | 1,50,000 | - | - | 1,50,000 |

*Source: Architect Certificate, Rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise).*

### 4.1.7 Site Services and Finishes

| Particulars | Completed Blocks | Under Construction Blocks | Planned Blocks |
|---|---|---|---|
| Handover condition | NA. | Warm Shell | NA. |
| Type of Structure | NA. | PEB | NA. |
| Firefighting services | NA. | Provided. Fire NOC Recommendation Available | NA. |
| Lift provision | NA. | No Lifts | NA. |
| Floor Finish | NA. | FM2 Concrete floor | NA. |
| Floor Strength | NA. | 5 MT/Sqm | NA. |
| Height | NA. | Ridge: 13.94m, Eave's: 12m | NA. |
| Lighting | NA. | Lux level – 150 @1. From FFL; high bay fitting, PPC panel, capacitor panel at substation | NA. |
| Office | NA. | | NA. |

*Source: Information provided by the Client, Site visit*

### 4.1.8 Condition & Repair

As per the visual inspection during the site visit, it is understood that the Banipada asset is under-construction and the construction activity on Indranipatna asset is in its initial stages

### 4.1.9 Asset Photographs

Please refer to the asset photographs highlighted below:

TVS Industrial & Logistics Parks, Cuttack

View of the Banipada asset

View of the Banipada asset

View of the Banipada asset

View of the access road of Banipada asset

View of the access road of Banipada asset

View of the Indranipatna asset

View of the Indranipatna asset

View of the Indranipatna asset

View of the access road of Indranipatna asset

View of the access road of Indranipatna asset

4.1.10 Details of the asset including whether the transaction is a related party transaction

Please refer to the Annexure section 7.1

4.1.11 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

Please refer to the Annexure section 7.1

4.1.12 Structure of ownership of the asset by the InvIT

Please refer to the Annexure section 7.1

4.1.13 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

Please refer to the Annexure section 7.1

4.1.14 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

Please refer to the Annexure section 7.1

4.1.15 Valuation of the asset in the previous 3 years

As of the date of this valuation report, the Subject Asset is not part of the Infrastructure Investment Trust (InVIT)

# 5 Valuation Approach & Methodology

## 5.1 Scope of Valuation

The valuation exercise is to assess the Market Value (MV) of the Subject assets for the purpose of the offer of units through private placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended. The valuations have been conducted in accordance with the IVSC International Valuation Standards, (effective 31 January 2022) and in accordance with the requirements of the SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended from time to time.

This valuer has assessed the Market Value of each individual Subject asset, not the value of the portfolio, if all Assets were sold in one transaction. Where a summation of the individual Assets is provided, this is purely for reference only and should not be construed as the value of the portfolio. Kindly refer to the summary report section 1.0 for list of subject assets forming part of the portfolio.

## 5.2 Basis of Valuation

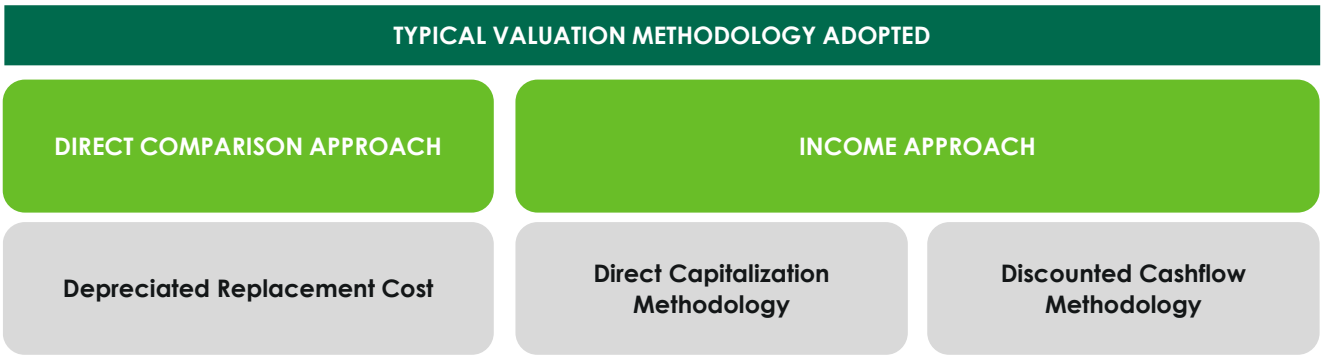
The valuations have been conducted in accordance with the IVSC International Valuation Standards issued in July 2021, effective from 31 January 2022), Regulation 21 and Schedule V of the SEBI (InvIT) Regulations, 2014 and is in compliance with the International Valuation Standards (IVS). The valuation exercise has been undertaken by appropriately qualified Valuer and will be assessing the Market Value of the ownership Interest in the subject asset.

As per the Valuation and Guidance Notes issued by the IVS, the market value is defined as:

***'The estimated amount for which** a asset or liability should exchange on the valuation date between a willing **buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion'.***

## 5.3 Approach and Methodology

The purpose of this valuation exercise is to estimate the Market Value (MV) of the subject assets. Market Value can be derived through the following Methodologies:




### 5.3.1 Direct Comparison Approach

Under the 'Direct Comparison Approach', the asset is compared to similar Assets that have actually been sold in an arms-length transaction or are offered for sale (after deducting for value of built-up structure located thereon). The comparable evidence gathered during research is adjusted for premiums and discounts based on asset specific attributes to reflect the underlying value of the asset.

The value of the land component under this approach has been assessed based on comparison with similar Assets that have actually been sold in arms-length transaction or are offered for sale in the subject micromarket.

Based on our interactions with the local market players, we understand that the market has few Assets of comparable sizes which are currently available for sale in the market. Therefore, the value of the subject land parcel has been estimated through a direct comparison approach utilizing the seller quotes available in the market as well as few reported transactions.

The values for these comparable Assets are further adjusted for various premiums and discounts (viz. towards size, location, accessibility, frontage, visibility, ownership status, profile of the surrounding developments, zoning, etc.) vis-à-vis the subject asset to determine the achievable market value for the subject asset.

Based on the market research undertaken, it is understood that the capital values for land parcels in the subject micromarket are primarily governed by parameters which are as follows:

- Location & profile of surrounding developments – Based on our market study, it was identified that land parcels located in proximity to highway would command higher capital values in comparison to the land parcels located further away on internal village roads. In addition, based on our interactions with local market players, we understand that the land parcels located in proximity to existing village catchments command higher capital values as compared to those located further away from the existing village catchments.
- Size of the land parcel – Based on our interactions with the local market players, it was understood that the small-medium sized land parcels (approx. 1 – 5 acres) attract almost negligible discount on account of lesser quantum of investment involved and a shorter marketing timeframe required for disposal of such land parcels.
- Accessibility, frontage, and visibility – Based on our market research, it was observed that the land parcels having superior frontage along the access road or by virtue of it being a two side or a three-side corner plot would command a premium vis-à-vis the other Assets. Further, it was observed that the Assets located on wider access roads command premium vis-à-vis Assets located along narrow access roads.
- Zoning and requisite clearances - Based on our market research, it was observed that the land parcels with industrial / multipurpose / residential use zoning would command a premium in comparison to the land parcels under agricultural use /conservation zone. Further, we understand that the land parcels with the requisite clearances in place such as NALA (Non-Agricultural Land Assessment) conversions, etc. command a premium over the agricultural land parcels.
- Physical conditions of the asset/ownership - Based on our market research, it was observed that the land parcels with site improvements such as compound wall, bore well, etc. command a premium. In addition, Assets with single owner would attract a premium as compared to the Assets with multiple owners.

### 5.3.2 Income Approach

The income approach is based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset. There are two commonly used methods of the income approach in real estate valuation namely, direct capitalization and discounted cash flow (DCF).

A. Direct Capitalization Method

Direct capitalization involves capitalizing a 'normalized' single - year net income estimated by an appropriate yield. This approach is best utilized with stable revenue producing assets, whereby there is little volatility in the net annual income.

B. Discounted Cash Flow Method

A Discounted Cash Flow Analysis is based upon estimates of future financial performance. The methodology begins with a set of assumptions regarding income and expenses of the Asset and future economic conditions in the local market. The income and expense figures are projected with adjustments for estimated changes in economic conditions and any contractual commitments. The resultant value is considered the best estimate but is not to be construed as a prediction or guarantee and is fully dependent upon the reasonableness of the assumptions with respect to income, expenses, and market conditions, which are based on information available as at the valuation date.

## 5.4 Approach and Methodology Adopted

Considering the objective of this exercise, the nature of asset involved and the purpose of the valuation viz. to assess the Market Value (MV) of the Subject assets for the purpose of the offer of units through private placement of TVS Infrastructure Trust under the SEBI (Infrastructure Investment Trust) Regulations, 2014 'Regulation', we have adopted the methodology considering Chapter 1 section 2 point (i) of the InvIT regulation, which states that, the assets forming part of InvIT should meet among the below criteria as follow:

1. the infrastructure asset has achieved the commercial operations date as defined under the relevant asset agreement including concession agreement, power purchase agreement or any other agreement of a similar nature entered into in relation to the operation of the asset or in any agreement entered into with the lenders
2. the infrastructure asset has received all the requisite approvals and certifications for commencing operations
3. the infrastructure asset has been generating revenue from operations for a period of not less than one year

Hence owing to the above stated conditions, we are of the opinion that the income approach which is appropriate to value such asset based on the premise that value of an income - producing asset is a function of future benefits and income derived from that asset.

Under the Income approach, Discounted Cash Flow Analysis is based upon estimates of future financial performance which also considers the income and expenses of the Asset accounting for the future fluctuations due to expected market dynamics.

Hence, for the purpose of this valuation exercise, we have adopted Discounted Cash Flow Method (using rent reversion approach).

For the purpose of this valuation exercise, we have analysed the tenancy details provided by the Client to identify variances vis-à-vis prevailing marginal rent. In the event the contracted rent is within the threshold (15.0%), we have assumed that the tenant will continue on the current agreed terms. In the event the rent is higher than the marginal rent threshold, we have assumed that the lease would be renegotiated to marginal rent terms (at the time of the lock-in expiry, next escalation, etc.).

Asset-specific Review:

1. As the first step to the valuation of the asset, the lease deeds were reviewed to identify tenancy characteristics with respect to contractual commitments and commercial covenants.
2. Title documents and architect certificates were reviewed for validation of area details, ownership of the asset
3. The Valuer has undertaken physical site inspections to assess the current status of the subject assets in terms of their physical configuration, capacity, and upkeep.

Micromarket Review/Market Rental Assessment:

Choudwar is the only micromarket in the Western Cluster of Cuttack. It is situated on the western side of Cuttack, adjacent to NH 55. The micromarket is predominantly occupied by the ESR Group, which has the only notable

warehouse establishments in this cluster. Its proximity to the main city area and excellent connectivity via NH 55 have contributed to its development. It is poised to become the warehousing hub of Cuttack city. The Odisha government subsidizes industrial land parcels in this area, attracting several corporations to build factories and warehouses on government land. The Choudwar industrial area and connectivity through SH 55 enable the micromarket to support multiple industrial and newly constructed warehouse buildings. Additionally, Tangi, Jagatpur, and other warehouse mini marketplaces and industrial clusters are easily accessible from Choudwar.

The total stock of 0.34 Mn sft in Choudwar is Grade A. Further, over the past 1-2 years, the region has absorbed approximately 0.2 to 0.3 Mn sft of warehousing space annually. Rental rates for Grade A warehousing developments in this micromarket range from INR 20 to INR 22 per sft per month. Key industry sectors occupying warehousing spaces in the region include modern retail and e-commerce, with prominent tenants such as Reliance Retail and Flipkart. The asking rentals in the market are expected to remain range-bound in the short to medium term with market standard escalation of 4-5% annually.

A primary research exercise has been carried out in the catchment area to ascertain the prevalent activity levels in terms of quoted / transacted evidence of the recent leasing activity for warehousing developments. This has been achieved through interactions with various market players such as local real estate brokers, developers, owners, etc. Based on the same, we understand that variance across rentals is primarily due to factors such as type of asset, developer brand, location, accessibility, overall tenant mix, quantum of vacant stock in the development, specifications, and additional improvements, etc.

For the micromarket review and market rental assessment we have relied upon the report on 'Market Analysis of Warehousing assets in Identified locations pan India' prepared by CBRE South Asia Private Limited, hereafter referred as 'CBRE' (an independent agency appointed by the Client to undertake market research, provide market summary and data for the purpose of this assignment)

Cash Flow Assertions:

We have assessed future cash flows from the Subject Asset based on existing lease terms and contractual lease payments for the operational area until the expiry of the leases or re-negotiation (using the variance analysis), whichever is earlier.

Based on review of rent roll provided by the Client, we understand that approx. 1,12,565 sft area of Cuttack I asset has been already leased to a FMCG Company further, Cuttack II asset is currently vacant as on the date of valuation. Since the real estate industry is dynamic and is influenced by various factors (such as existing supply, tenants looking at spaces, quality of spaces available in the market, overall health of the economy, existing rent, future growth plans, etc.) at a particular point in time, negotiated rent may tend to move away from the prevalent market rent over a period of time. It has also been witnessed that the market rent for some Assets or micromarkets increase or decrease at a rate significantly different from those agreed to in initial leases. These factors reinforce the need to review each of these leases in isolation to assess the intrinsic value of the asset under review.

Post this, the lease terms have been aligned with market rentals. For vacant area, the Valuer has projected the market rent led cash flows factoring appropriate lease-up time frame for vacant/under-construction/proposed area. These cash flows have been projected for 10-year duration from the date of valuation and for 11th year (for assessment of terminal value). These future financial benefits are then discounted to a present-day value (valuation date) at an appropriate discount rate.

## 5.5 Information Sources for Valuation

Asset related information referred to for the valuation exercise have been provided by the Client unless otherwise mentioned. We have assumed the documents to be a true copy of the original. The rent rolls have been cross-checked

with the lease deeds on a sample basis to verify the authenticity. Additionally, wherever possible, we have independently revalidated the information by reviewing the originals as provided by the Client.

Table below highlights various data points referred throughout the course of this valuation report and the data sources for the same. Asset related documents referred to in the table below have been provided to the Valuer by the Client unless otherwise mentioned. The Valuer have assumed the documents to be a true copy of the original.

| Particulars | Details | Units | Source | |
|---|---|---|---|---|
| | | | Cuttack I (Banipada Asset) | Cuttack II (Indranipatna Asset) |
| Area Details | Land Area | Acres | Architect Certificate/Registered Agreement - Lease Deed | Architect Certificate/Registered Agreement - Lease Deed |
| | Achieved FSI | - | Not Applicable | Not Applicable |
| | FSI Area | Sft | Not Provided | Not Provided |
| | Built-up Area | Sft | Not Provided | Not Provided |
| | Leasable Area | Sft | Rent Roll | Rent Roll |
| | Leasable Area – Future Development (if applicable) | NA | Not Applicable | Not Applicable |
| | Stacking Plan | NA | Not Provided | Not Provided |
| Documents/ Approvals | Land Use / Zoning | NA | Registered Agreement - Lease Deed/Sarpanch NOC | Registered Agreement - Lease Deed |
| | Title Deeds | NA | Registered Agreement - Lease Deed | Registered Agreement - Lease Deed |
| | Approved Sanction Plan | NA | Not Provided | Not Provided |
| | Building Plan / Site Plan | NA | Site Plan for warehouse building of TVS industrial & logistics park private limited | Not Provided |
| | Floor Plans | NA | Floor Plan for warehouse building of TVS industrial & logistics park private limited | Not Provided |
| | Area proposed for Future development | NA | - | - |
| | Fire NOC | NA | Odisha Fire & Safety service Fire NOC phase 1 & 2 | Not Provided |
| | Environment Clearance | NA | Not Provided | Not Provided |
| | Commencement Certificate | NA | Not Provided | Not Provided |
| | Occupancy Certificate | NA | Not Applicable | Not Applicable |
| | Building Certification | NA | Not Applicable | Not Applicable |
| | Lease Agreements with Tenants | NA | Not Applicable | Not Applicable |

| Particulars | Details | Units | Source | |
|---|---|---|---|---|
| | | | Cuttack I (Banipada Asset) | Cuttack II (Indranipatna Asset) |
| | Sample Maintenance Services Agreements | NA | Not Applicable | Not Applicable |
| Services Offered | HVAC (Tonnage) | NA | Not Provided | Not Provided |
| | Power Back-up | KVA | Not Provided | Not Provided |
| | No. of Lifts with capacity | NA | Not Provided | Not Provided |
| | No. of staircase | NA | Not Provided | Not Provided |
| Cost Assumptions | Pending Construction Cost (if any) | INR Mn | 547.18 | 229.82 |
| | Total Budgeted Cost – Land Stage Block | INR Mn | NA | 317.81 |
| | Total Budgeted Cost – Under Construction Block | INR Mn | 756.65 | NA |
| | Cost Already Incurred – Under Construction Block | INR Mn | 209.47 | 87.98 |
| | Cost provisioned towards refurbishment / renovation | % of Rental Income | Valuer's Assessment | Valuer's Assessment |
| | CAM Charges | INR psf | Valuer's Assessment | Valuer's Assessment |
| | CAM Expense | INR psf | Valuer's Assessment | Valuer's Assessment |
| | Insurance Cost | INR Mn | Valuer's Assessment | Valuer's Assessment |
| | Property Tax | INR Mn | Valuer's Assessment | Valuer's Assessment |
| | Asset Management Fee | % of revenues | Valuer's assessment | Valuer's assessment |
| | Brokerage on lease | No. of Months | Valuer's assessment | Valuer's assessment |
| Exit Assumptions | Capitalization Rate | % | Valuer's assessment | Valuer's assessment |
| | Quarter of Capitalization | Quarter, Year | Valuer's assessment | Valuer's assessment |
| | Discount Rate | % | Valuer's assessment | Valuer's assessment |
| | Transaction cost on Exit | % | Valuer's assessment | Valuer's assessment |
| Operational Assumptions | Leased Area | Sft | Client | Client |
| | Vacant Area | Sft | Client | Client |
| | Pre- Committed Area | Not Applicable | Not Applicable | Not Applicable |

| Particulars | Details | Units | Source | |
|---|---|---|---|---|
| | | | Cuttack I (Banipada Asset) | Cuttack II (Indranipatna Asset) |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for existing leases | As per Rent Roll | Not Applicable | Not Applicable |
| | Rent Achieved | INR psf pm | Not Applicable | Not Applicable |
| | Pre-Committed Rent | Not Applicable | Not Applicable | Not Applicable |
| | Market Rent | INR psf pm | Valuer's assessment | Valuer's assessment |
| | Fit out Rent | Not Applicable | Not Applicable | Not Applicable |
| | Miscellaneous Income | Not Applicable | Not Applicable | Not Applicable |
| | Interest on Security Deposit | Not Applicable | Valuers' Assessment | Valuers' Assessment |
| | Escalation in in-place Rent | % per annum | Not Applicable | Not Applicable |
| | Escalation in market rent | % per annum | Valuer's assessment | Valuer's assessment |
| | Lease Dates (Start, End, Lock in, Escalation etc.) for vacant area | MM/DD/YYYY | Valuer's assessment | Valuer's assessment |
| | Lease escalation on Renewal for New/Future Leases | % | Valuer's assessment | Valuer's assessment |
| | Rent Free Period | Months | Valuer's assessment | Valuer's assessment |
| | Vacancy Allowance | % of revenues from operations | Valuer's assessment | Valuer's assessment |
| Construction Timelines | Construction Commencement | Quarter, Year | Client | Client |
| | Construction Completion | Quarter, Year | Client | Client |
| Absorption Timelines (for vacant space) | Respective spaces in each development | Quarter, Year | Valuer's Assessment | Valuer's Assessment |
| Market assessment and key portfolio characteristics | Opinions expressed on the scale of portfolio, relative performance of micromarkets, asset quality and characteristics of assets, etc. | Section 3 | Valuer's Assessment | Valuer's Assessment |

*We have assumed that where any information relevant to our valuation is supplied by the Instructing Party, or by any third party at Instructing Party's instigation, it is correct and comprehensive, and can be safely relied upon by us in preparing our valuation.*

# 6 Value Assessment

## 6.1 Value Assessment

### 6.1.1 Adopted Methodology

We acknowledge that the approaches to valuation differ considerably and that for a particular purpose, alternative approaches to the valuation can be utilized. Considering the objective of this exercise and the nature of asset involved, the value of the subject asset has been assessed through the following approaches:

| Asset Name | Valuation Methodology (Under-construction Blocks) | Valuation Methodology (Land stage Blocks) |
|---|---|---|
| Cuttack Park I and II | Discounted Cash Flow (Using rent reversion approach) | Discounted Cash Flow (Using rent reversion approach) |

The sections below highlight the detailed valuation workings for the subject asset.

## 6.2 Operational Assumptions

### 6.2.1 Area statement

As per the visual inspection during the site visit, it is understood that the Banipada asset is under-construction and the construction activity on Indranipatna asset is in its initial stages.

Table below mentions the block-wise area for Cuttack I (Banipada Asset):

| Blocks | Year of Completion | Age of structures (in years) | Built-up Area (sft) | Completed Area (sft) | Leased Area (sft) | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block 1 | Under-Construction | - | 1,12,565 | - | 1,12,565 | 1,12,565 |
| Block 2 | Under-Construction | - | 37,435 | - | - | 37,435 |
| Block 3 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 4 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 5 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 6 | Under-Construction | - | 35,345 | - | - | 35,345 |
| Total | | | 3,35,345 | - | 1,12,565 | 3,35,345 |

*Source: Architect Certificate, Rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise).*

Table below mentions the block-wise area for Cuttack II (Indranipatna Asset):

| Blocks | Year of Completion | Age of structures (in years) | Built-up Area (sft) | Completed Area (sft) | Leased Area (sft) | Chargeable Area (sft) |
|---|---|---|---|---|---|---|
| Block 1 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 2 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Block 3 | Under-Construction | - | 50,000 | - | - | 50,000 |
| Total | | | 1,50,000 | - | - | 1,50,000 |

*Source: Architect Certificate, Rent roll provided by Client; (Please note according to the lease agreement provided by the client, it is understood that the rent is paid on the chargeable area which has been considered for the valuation exercise).*

| Tenant | Leased Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| TVS Industrial and Logistics Park – Cuttack I | 1,12,565 | 31.50% | 17.17 | 1.93 |
| TVS Industrial and Logistics Park – Cuttack II | - | 0.00% | - | - |

*Source: Client inputs*

## 6.3 Tenancy Analysis

### 6.3.1 Historical Occupancy Rates

Not applicable as the Banipada asset is under-construction and the construction activity on Indranipatna asset is in its initial stages.

### 6.3.2 Lease Rent Analysis

Based on review of rent roll provided by the Client, we understand that approx. 1,12,565 sft out of the total leasable area of 3,35,345 sft has been already pre-committed to an FMCG company Further, Cuttack II asset is currently vacant as on the date of valuation.

*Source: Lease Deed and Client Inputs*

| Tenant | Particulars | Details |
|---|---|---|
| 1 | Lease Commencement Date | 01st February 2025 |
| | Rent Commencement Date | 17th March 2025 |
| | Lock-in Period | 7 Years |
| | Lease Tenure/ Remaining Tenure | 9/9 Years |
| | Lease Rent Escalation Terms | 5% every year |

### 6.3.3 Lease Expiry Profile

Cuttack Park I

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 10.18 years, with 34% of occupied area expiring in FY 2034 and remaining 66% in FY 2035. We understand the expiry is beyond 2029, in the year FY 2030 as there is one tenant viz. e-commerce company.

Cuttack Park II

The Weighted Average Lease Expiry (WALE) of the Subject Asset is 10.83 years, with 100% of occupied area expiring in FY 2035. We understand the expiry is beyond 2029, in the year FY 2030 as there is one tenant viz. e-commerce company.

### 6.3.4 Tenant Obligations.

Based on the review of the lease deed, we understand that the operational expenses listed below will have to be borne by the Tenant for Block – I in Cuttack I asset. Further, Cuttack II asset remains vacant as on date of valuation.

| S. No | Description of operational expenses |
|---|---|
| 1 | Regular Maintenance |
| 2 | Taxes |
| 3 | Insurance |
| 4 | General Wear and Tear |
| 5 | Other Expenses such as utility charges towards any Governmental authorities or Concerned service provider. |

*Source: Client Inputs*

Contractual Rental Details

| Leased Area (sft) | Chargeable Area (sft) | % of area leased | Total In-place rental (INR psf pm) | Total In-place rental (INR Mn pm) |
|---|---|---|---|---|
| 1,12,565 | 1,12,565 | 33.60% | 17.17 | 1.93 |

*Source: Leased Deed and Information provided by the Client*

### 6.3.5 Construction Timelines

#### 6.3.5.1 Completed Blocks

Not applicable as the Cuttack Park I is under-construction and the construction activity on Cuttack Park II is in its initial stages.

#### 6.3.5.2 Under-Construction Blocks

Based on visual inspection during the site visit and information provided by the Client, the following timelines for construction have been adopted for the purpose of this valuation exercise:

| Block | Leasable/ Developable Area (msf) | Construction Completion | Construction | Block |
|---|---|---|---|---|
| Cuttack Park I (Banipada) | 3,35,345 | Q1, 2025 | Under-construction | 6 |
| Cuttack Park II (Indranipatna) | 1,50,000 | Q1, 2025 | Under-construction | 3 |

*Source: Client Inputs; Valuer's Assessment*

### 6.3.6 Absorption/ Leasing Velocity and Occupancy Profile

#### 6.3.6.1 Completed Blocks

Not applicable as the Banipada asset is under-construction and the construction activity on Indranipatna asset is in its initial stages.

#### 6.3.6.2 Under-Construction Blocks

The absorption period assumed for the both the subject developments is based on market dynamics and extent of development in the relevant submarket, nature of subject development, competing supply of same nature, location within the respective micromarket, etc. The vacant spaces in the Banipada asset is assumed to be absorbed by Q2, 2025 while the vacant spaces in the Indranipatna asset are assumed to be absorbed by Q3, 2025.

### 6.3.7 Revenue Assumptions (Warehouse + Industrial)

#### 6.3.7.1 Warehouse Component

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the rent roll/lease deeds shared by the client. Further, the Valuer have undertaken an in-depth market research exercise to assess the prevailing rent values in the subject micromarket. The same has been adopted for the vacant space for the purpose of this valuation exercise.

Based on our market study and based on the analysis of the rent roll provided by the client, following rent has been adopted for the purpose of value assessment of the completed blocks at the Subject Asset. The detailed rent assessment workings are highlighted in the lease rent analysis section presented above:

| Asset Name | Component | Leasable Area (sft) | Leased Area (sft) | Basis | Rent Adopted* (INR psf pm) |
|---|---|---|---|---|---|
| Cuttack Park I (Banipada) | Warehouse | 3,57,000 | 1,12,565 | Current Rent for Leased area<br>Market Rent for Vacant area | 17.17<br>21 |
| Cuttack Park II (Indranipatna) | Warehouse | 1,50,000 | - | Current Rent for Leased area<br>Market Rent for Vacant area | NA<br>21 |

*Source: Architect certificate, Rent roll provided by the Client, Valuer's Assessment; (Please note according to the lease agreements provided by the Client, it is understood that the rent is paid on the chargeable area, which has been considered for the valuation exercise),*

The above marginal rent assumption is adopted for the entire subject development. In addition to undertaking an in-depth market analysis, a detailed analysis of the rent rolls was also undertaken to understand aspects such as area occupied, current rent and expiry analysis of the key tenants in the facility.

For the purpose of this valuation exercise, the lease rent adopted for the area already leased is based on the lease deed shared by the Client. Further, an in-depth market research exercise has been undertaken to assess the expected economic rental value of the subject asset.

Based on our market study, we understand that the contracted rental of the subject asset is in line with the expected economic rental values. Hence, we have considered contracted rentals for the purpose of value assessment at the subject asset.

### 6.3.8 Rent Escalation

Based on an analysis of existing lease rolls and recent leasing at the Subject Asset, it was observed that the typical escalation clause in the Subject Asset is approx. 5.0% every year, which is in-line with the trend observed in the market. The same has been adopted for the renewals at the Subject Asset.

Escalation on renewal - Based on the analysis of terms of lease deed, it was observed that the typical escalation clause in the Subject Asset is 5% per annum, which is in-line with the trend observed in the market. The same has been adopted by the Valuer

| Particulars | Unit | Details |
|---|---|---|
| Lease Rental Escalations | % p.a. | 5.0% |

*Source: Valuer's assessment*

Market Rent Escalation - Based on the trend observed in the market and based on review of the Industry Assessment report, the valuer has considered a market escalation of 5% per annum effective from the date of valuation. The assumption for market rent for this appraisal exercise is as follows:

| Particulars | Sept 2024 | March 2025 | March 2026 | March 2027 Onwards |
|---|---|---|---|---|
| Market Rent Escalation – UC Portion | 21.00 | 22.05 | 23.15 | 5% escalation year on year |

*Source: Valuer's assessment*

### 6.3.9 Other Revenues

In addition to lease rent revenues, assets typically have additional sources of revenue. These include revenues on account of security deposit (refunded at the time of lease expiry / exit), other miscellaneous income etc.

The assumptions considered for the aforementioned revenue heads for the purpose of this valuation exercise are based on the rent roll & lease deeds provided by the Client. The same has been cross-checked with the prevailing market norms for other revenues and were found to be broadly in line.

The assumptions adopted for other revenues are as tabulated below:

| Nature of Income | Details | Units |
|---|---|---|
| Security Deposit (For vacant spaces) | 6 | No. of months' warm shell rental |
| CAM Income (For completed component) | 1.00 | INR per sft per month |

*Source: Valuer's assessment*

### 6.3.10 Capital Expenditure

#### 6.3.10.1 Development Cost

Based on review of the registered agreement and based on subsequent information provided by the Client, we understand that 100% expenses related to construction, are borne by the Client and no tenant improvement details are to be provided.

The following table highlights the assumptions towards the development cost for the under-construction blocks at the subject developments:

| Asset | Current Status | Total Cost of Construction (INR Mn) | Pending Cost to be Spent (INR Mn) |
|---|---|---|---|
| Cuttack Park I (Banipada) | Under-Construction Blocks | 756.65 | 547.18 |
| Cuttack Park II (Indranipatna) | Under-Construction Blocks | 317.81 | 229.82 |

*Source: Client Inputs;*

Based on review of the data provided by the Client, we understand that the all-inclusive total cost budgeted for both the subject assets was observed to be in the range of INR 2,000 psft – INR 2,200 psft on the leasable area. This was observed to be broadly in-line with the all-inclusive costs (Hard and Soft costs) observed for projects of similar scale and grade in an around the subject micromarket.

#### 6.3.10.2 Major Repair and improvements

Not applicable as the Banipada asset is under-construction and the construction activity on Indranipatna asset is in its initial stages.

### 6.3.11 Operating Cost

In addition to capital expenditure, an asset typically has few recurring operational expenses required for the up-keep and running of the asset. Based on information provided by the Client and market assessment, following recurring expense assumptions have been adopted for the purpose of this valuation exercise:

| Nature of Expense | Details |
|---|---|
| Reserves & Maintenance (R&M) Provision | 0.00% of rental income |
| Asset Management Fee | 3.0% of revenues from operations |
| Property Tax | 0.00 Mn |

| Nature of Expense | Details |
|---|---|
| Insurance | 0.00 Mn |
| Vacancy Allowance during operations | 1.00% |
| Vacancy Allowance on Exit | 2.50% |
| Any other Expense details | N.A. |
| Refurbishment Reserve | 1.50% of rental income |
| CAM Expense | 1.00 |

*Source: Client input; Valuer's assessment*

### 6.3.12 Other Assumptions

#### 6.3.12.1 Vacancy provision

Considering the asset level parameters (location, amenities, grade, infrastructure etc) and market benchmarks, the valuer has adopted a vacancy provision as follows:

| Description | All Blocks |
|---|---|
| Vacancy Provision | During Operations – 1.0%<br>Assessment at the time of exit – 2.5% |

*Source: Valuer's assessment*

#### 6.3.12.2 Revenue escalation

Based on prevailing market condition, historical rent growth achieved by the Subject Asset and our interactions with market participants, we are of the opinion that the annual marginal rent growth of 5.0% has been considered on a fiscal year basis.

#### 6.3.12.3 Rent-free period

Based on the rent roll provided by the Client, it is understood that the existing leases have a rent-free period ranging from 1 to 3 months from the lease-commencement date. However, based on recent market trends in the subject micromarket, we have considered a rent-free period of 1 months for new-leases and for re-leasing effective from the lease commencement date.

#### 6.3.12.4 Brokerage

Based on prevalent market dynamics, we have considered brokerage equivalent to 0.4 month of rental income for future / new leases.

#### 6.3.12.5 CAM Cashflows

CAM Cashflows for the subject asset have been assessed both during the holding period and at the time of notional exit. Further, the margin on CAM and CAM Recoveries are included in the financials as per the CAM charges based on historical performance of the subject asset as per the inputs provided by the Client and market benchmarks.

Based on the information provided by the Client, we understand that the 100% of the CAM Income would be received by the Client entity/ InvIT entity (as per details from Client) and 100% of the CAM Expense would be borne by the Client/ SPV.

## 6.4 Financial Assumptions

### 6.4.1 Exit Capitalization Rate Adopted

The capitalization rate adopted for valuing the assets has been based on factors such as:

- Historical entry yields (going in cap rates) for yield/ core warehousing facility transactions across various key markets in India have steadily shown a downward trend over last 7 - 8 years from 10.5%- 11.5% to about 7.5% - 8.5% in last 3-4 years.
- The increased appetite for income producing asset and availability of various modes of finance (real estate credit flows) backing such acquisitions.
- Yields for warehousing facilities across various markets in India have a range of 7.5 – 8.5%
- Liquidity associated with InvIT listed/ public listings (multiplicity of buyers and relatively lower budgets per buyer)

Based on the above highlighted attributes, the following cap rate has been adopted for the purpose of our valuation:

| Asset Name | SPV/Hold Co | Status of the Asset | Details |
|---|---|---|---|
| Cuttack Park I (Banipada) | Jagannath Industrial & Logistics Parks Private Limited/ TVS ILP | Under-Construction | 7.75% |
| Cuttack Park II (Indranipatna) | Jagannath Industrial & Logistics Parks Private Limited/ TVS ILP | Construction yet to commence | 7.75% |

*Source: Valuer's assessment*

### 6.4.2 Discount Rate Adopted

For discounting the cash flows, an appropriate discount rate has been calculated on the basis of estimated 'Weighted Average Cost of Capital' (WACC).

### 6.4.3 Cost of Equity

The Valuer has computed the cost of equity as per the Capital Asset Pricing Model (CAPM), which is derived as follows:

Cost of equity = Risk Free Rate (Rf) + Beta (**β**) * (Market Return (Rm) **–** Risk Free Rate (Rf))

As mentioned above, the cost of equity computed using CAPM constitutes of the following components:

- Risk free rate (Rf) i.e., long term (10-year) treasury bond rate in India
- Market return (Rm) based on the returns of Sensex index for the past 10 years.
- Computation of 'Beta (β)' of key listed realty stocks and REITs/ InvITs in India with respect to the Broad-Based BSE 500 stock index

The cost of equity adopted for specific assets has been adjusted for market/ asset specific risk pertaining to a real estate asset such as execution risk (construction status), approval risk, marketing risk, etc. and adjusted for taxation. While the assumptions regarding the quantum of these risks have no quantitative basis, we have adopted them based on our understanding of the market and our opinion on the asset performance.

### 6.4.4 Cost of Debt

Under-construction Blocks

For under construction blocks, the cost of debt has been considered based on prevalent Construction Finance (CF) rates for warehousing developments parks across Cuttack which are in the range of 9.0% – 12.0% depending upon the location, asset quality, developer reputation and credit profile, etc.

### 6.4.5 Weighted Average Cost of Capital (WACC)

Under-construction Blocks

As highlighted earlier, the cost of debt has been assumed based on the prevalent LRD rates and construction financing for under-construction assets, while the cost of equity assumed has been adjusted for asset and market specific attributes to reflect the market expectations from an operational institutional development. Further, the proportion of debt and equity has been derived considering the prevalent LRD tenures and its contribution in the overall asset value.

Based on above, the following WACC rate has been assumed for the TVS Industrial and Logistics Park, Cuttack assets forming part of the InvIT portfolio:

| Asset Name | SPV/Hold Co | Particular | Proportion | Cost | WACC |
|---|---|---|---|---|---|
| Cuttack Park I and Cuttack Park II | Jagannath Industrial & Logistics Parks Private Limited/ TVS ILP | Debt | 45.0% | 9.5% | 12.8% |
| | | Equity | 55.0% | 15.5% | |

*Source: Valuer's assessment; Please note that the cash flows are assumed to realize evenly during the course of every quarter; hence a mid-quarter discounting convention has been adopted for the purpose of this valuation. Additionally, we have not factored any cash flows attributable to working capital requirement/expenses for valuation as the same is immaterial.*

## 6.5 Value of the Subject asset

The Valuer is of the opinion that subject to the overriding stipulations contained within the body of this report and to there being no onerous restrictions or unusual encumbrances of which he has no knowledge, the opinion of value of the complete ownership interest in the Subject Asset comprising land and improvements thereon, as explained above, as on 30th September 2024 is as follows:

| Asset Name | Value (INR Mn) |
|---|---|
| Cuttack Park I (Banipada) | 487.70 |
| Cuttack Park II (Indranipatna) | 242.78 |

*Source: Valuer's assessment*

# 7 Exhibits and Addendums

## 7.1 Other Mandatory Disclosures

### 7.1.1 Details of On-going material litigations including tax disputes in relation to the assets

As per our interaction with the Client, the Client has confirmed that there are no material litigation details pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

### 7.1.2 Details of options or rights of pre-emption and other encumbrances

As per our interaction with the Client, the Client has confirmed that there is no options or rights of pre-emption and other encumbrances. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

### 7.1.3 Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

As per our interaction with the Client, the Client has confirmed that there are no vulnerabilities pertaining to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents.

Also, in our professional judgment based on site inspection, there were no visible vulnerabilities

### 7.1.4 Details of Revenue Pendencies including local authority taxes associated with InvIT asset and compounding.

As per our interaction with the Client, the Client has confirmed that there is no revenue pendency to the asset. Please note that the Valuer has not investigated nor has been provided with any supporting documents

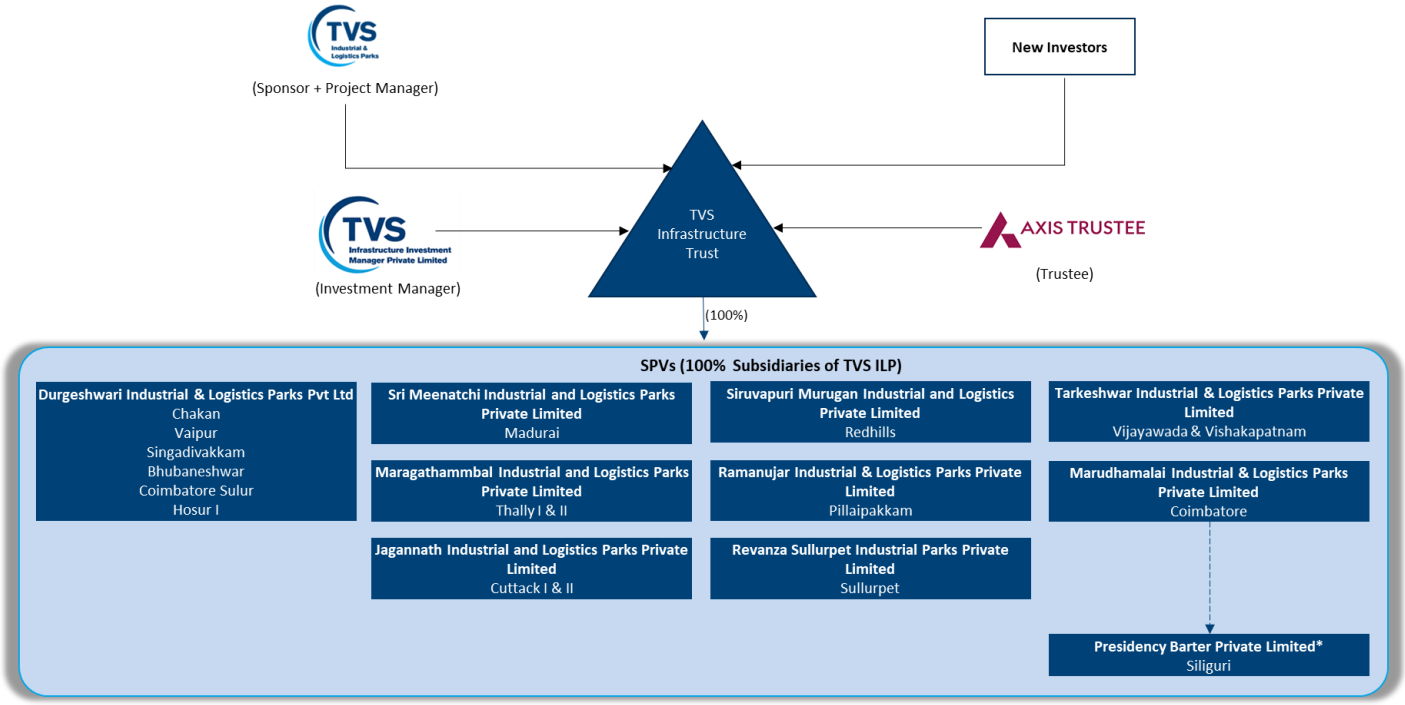
### 7.1.5 Details of the asset including whether the transaction is a related party transaction

The asset is proposed to be acquired from the Sponsor, which is identified as related party under SEBI (InVIT) Regulations.

### 7.1.6 Nature of the interest the InvIT holds or proposes to hold in the asset, percentage of interest of the InvIT in the asset

As per our interaction with the Client, the Client has confirmed that 100% to be held by the InvIT.

## 7.1.7 Structure of ownership of the asset by the InvIT




*Presidency Barter Private Limited is a 100% subsidiary of Marudhamalai Industrial & Logistics Parks Private Limited

## 7.1.8 Description of key agreements and restrictions relevant to the asset such as terms of concession agreement, power purchase agreements, etc.

As per our interaction with the Client, the Client has confirmed that the same is not applicable to their business

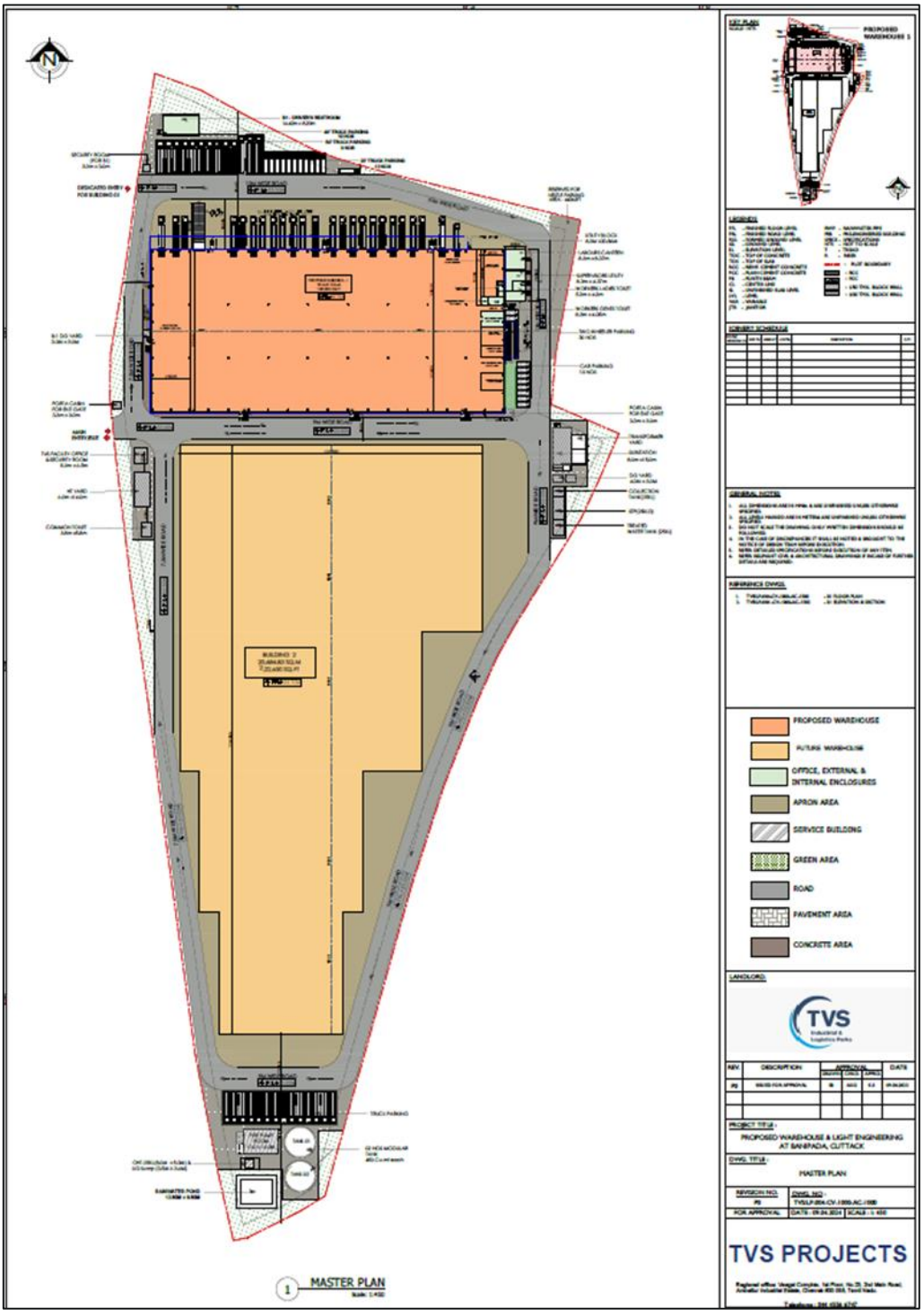
## 7.1.9 Life of the asset (both contractually and physical life requiring maintenance, replacement and right available to extend this life

| S. No | Particulars | No. of years |
|---|---|---|
| 1 | Remaining Physical Life of the Building asset requiring maintenance | Cuttack I (Banipada) and Cuttack II (Indranipatna) – 30 Years* |
| 2 | Remaining Contractual Life of underlying Land | Cuttack I: 49 years**<br>Cuttack II: 80 years*** |
| 3 | Right to extend the contractual life of land | Not applicable. The underlying land is virtually freehold in nature |

**It should be noted that both the subject assets are currently in under-construction stage and are going to be completed in Q1 2025.*
***As per the Registered agreement dated 8th August 2023, the tenure mentioned is for a period of 90 years starting from date of lease sanctioned in favour of IDCO - till 16th January 2074.*
***As per the Registered agreement dated 9th August 2023, the tenure mentioned is for a period of 82 years starting from date of execution of the agreement - till 8th August 2105.*

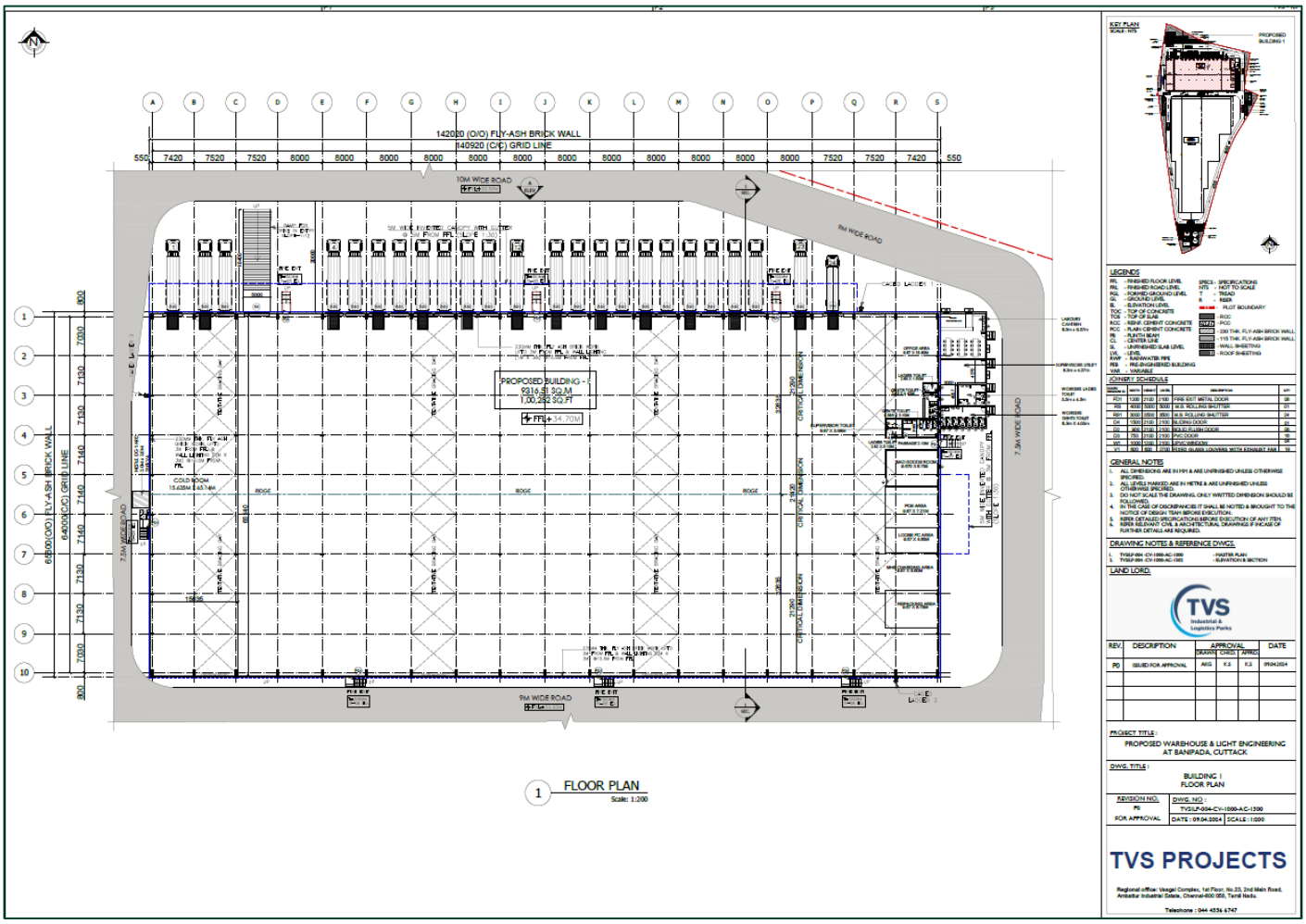
## 7.2 Site Plan

### 7.2.1 TVS Industrial and Logistics Park, Cuttack I, Banipada – Master Plan



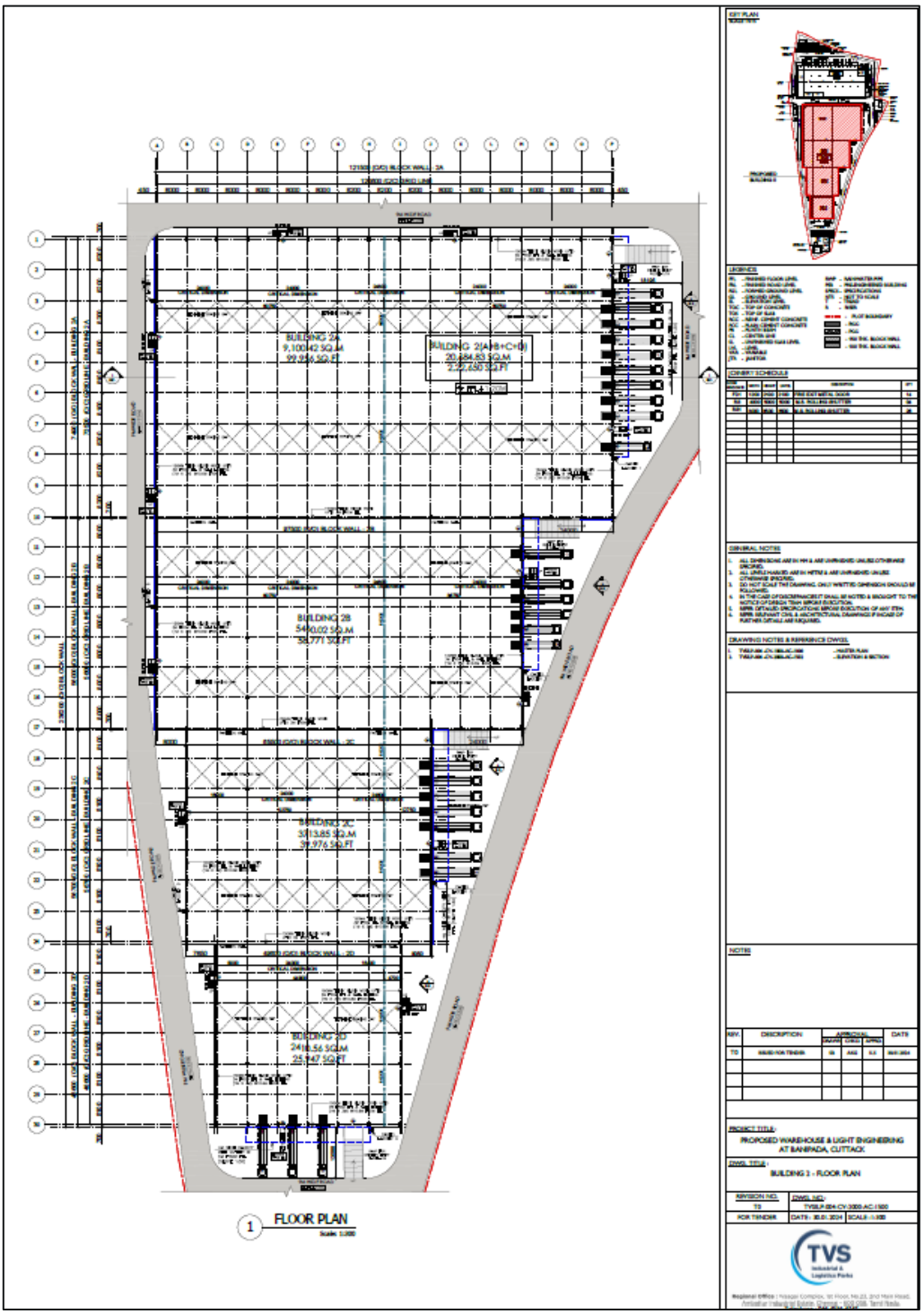

*Source: Client Representative*

## 7.2.2 TVS Industrial and Logistics Park, Cuttack I, Banipada – B1 Floor Plan




*Source: Client Representative*

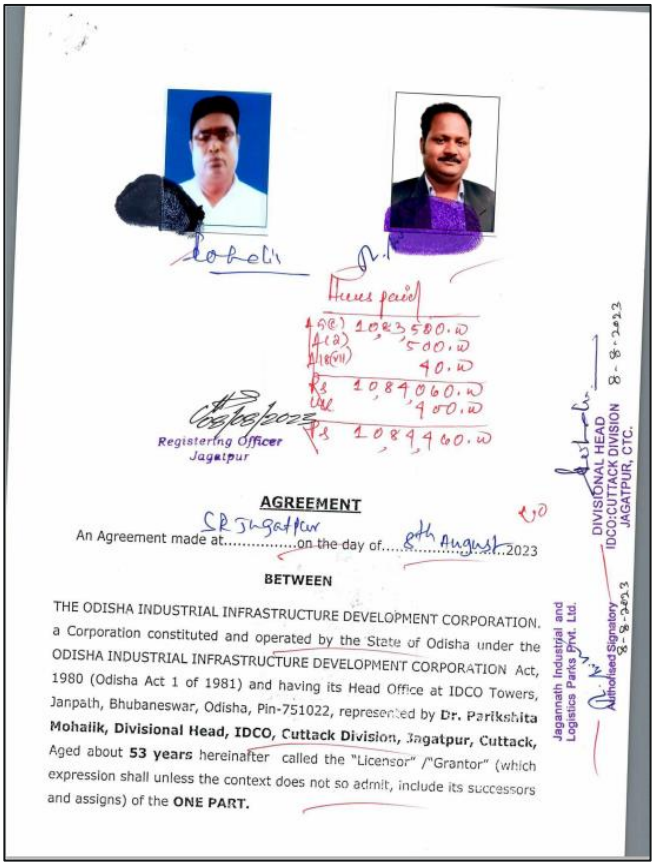
### 7.2.3 TVS Industrial and Logistics Park, Cuttack I, Banipada – B2 Floor Plan




*Source: Client Representative*

## 7.3 Statutory Approvals, One-time Sanctions & Periodic Clearances

### 7.3.1 Registered Agreement/Lease Deed – Cuttack I, Banipada



**AGREEMENT**

An Agreement made at SR Jagatpur on the day of 8th August 2023

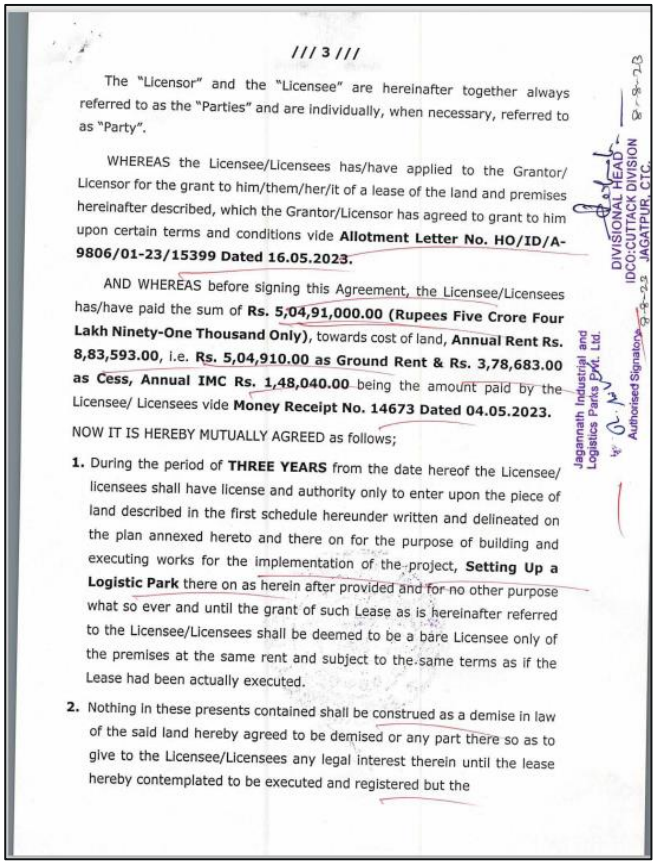
**BETWEEN**

THE ODISHA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION, a Corporation constituted and operated by the State of Odisha under the ODISHA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION Act, 1980 (Odisha Act 1 of 1981) and having its Head Office at IDCO Towers, Janpath, Bhubaneswar, Odisha, Pin-751022, represented by **Dr. Parikshita Mohalik, Divisional Head, IDCO, Cuttack Division, Jagatpur, Cuttack,** Aged about **53 years** hereinafter called the "Licensor" /"Grantor" (which expression shall unless the context does not so admit, include its successors and assigns) of the **ONE PART.**

Registering Officer Jagatpur

DIVISIONAL HEAD IDCO:CUTTACK DIVISION JAGATPUR, CTC. 8-8-2023

Jagannath Industrial and Logistics Parks Pvt. Ltd. Authorised Signatory 8-8-2023



/// 3 ///

The "Licensor" and the "Licensee" are hereinafter together always referred to as the "Parties" and are individually, when necessary, referred to as "Party".

WHEREAS the Licensee/Licensees has/have applied to the Grantor/ Licensor for the grant to him/them/her/it of a lease of the land and premises hereinafter described, which the Grantor/Licensor has agreed to grant to him upon certain terms and conditions vide **Allotment Letter No. HO/ID/A-9806/01-23/15399 Dated 16.05.2023.**

AND WHEREAS before signing this Agreement, the Licensee/Licensees has/have paid the sum of **Rs. 5,04,91,000.00 (Rupees Five Crore Four Lakh Ninety-One Thousand Only)**, towards cost of land, **Annual Rent Rs. 8,83,593.00**, i.e. **Rs. 5,04,910.00 as Ground Rent & Rs. 3,78,683.00 as Cess, Annual IMC Rs. 1,48,040.00** being the amount paid by the Licensee/ Licensees vide **Money Receipt No. 14673 Dated 04.05.2023.**

NOW IT IS HEREBY MUTUALLY AGREED as follows;

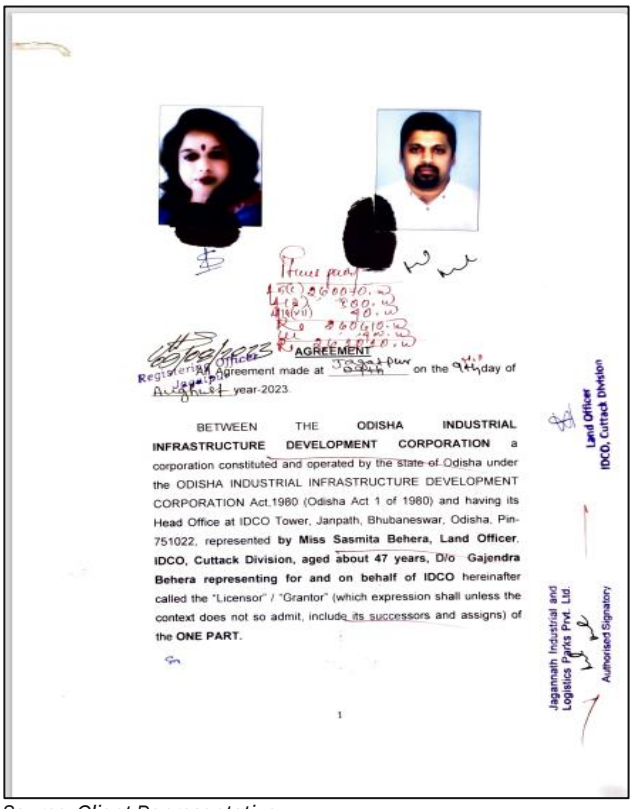
1. During the period of **THREE YEARS** from the date hereof the Licensee/ licensees shall have license and authority only to enter upon the piece of land described in the first schedule hereunder written and delineated on the plan annexed hereto and there on for the purpose of building and executing works for the implementation of the project, **Setting Up a Logistic Park** there on as herein after provided and for no other purpose what so ever and until the grant of such Lease as is hereinafter referred to the Licensee/Licensees shall be deemed to be a bare Licensee only of the premises at the same rent and subject to the same terms as if the Lease had been actually executed.
2. Nothing in these presents contained shall be construed as a demise in law of the said land hereby agreed to be demised or any part there so as to give to the Licensee/Licensees any legal interest therein until the lease hereby contemplated to be executed and registered but the

DIVISIONAL HEAD IDCO:CUTTACK DIVISION JAGATPUR, CTC. 8-8-23

Jagannath Industrial and Logistics Parks Pvt. Ltd. Authorised Signatory

*Source: Client Representative*

### 7.3.2 Registered Agreement/Lease Deed – Cuttack II, Indranipatna



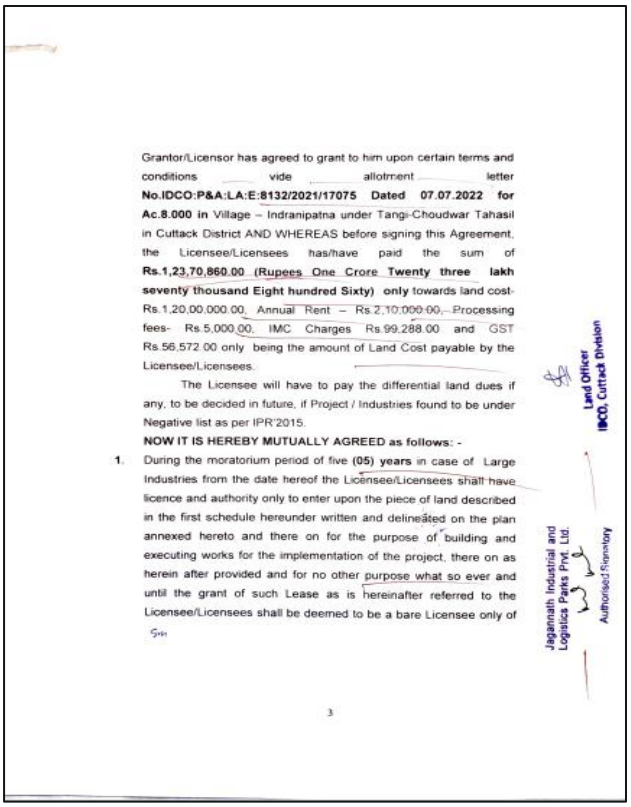
**AGREEMENT**

An Agreement made at Jagatpur on the 9th day of August year-2023.

BETWEEN THE **ODISHA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION** a corporation constituted and operated by the state of Odisha under the ODISHA INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION Act,1980 (Odisha Act 1 of 1980) and having its Head Office at IDCO Tower, Janpath, Bhubaneswar, Odisha, Pin-751022, represented **by Miss Sasmita Behera, Land Officer, IDCO, Cuttack Division, aged about 47 years, D/o Gajendra Behera representing for and on behalf of IDCO** hereinafter called the "Licensor" / "Grantor" (which expression shall unless the context does not so admit, include its successors and assigns) of the **ONE PART.**

Land Officer IDCO, Cuttack Division

Jagannath Industrial and Logistics Parks Pvt. Ltd. Authorised Signatory



Grantor/Licensor has agreed to grant to him upon certain terms and conditions vide allotment letter **No.IDCO:P&A:LA:E:8132/2021/17075 Dated 07.07.2022 for Ac.8.000 in** Village – Indranipatna under Tangi-Choudwar Tahasil in Cuttack District AND WHEREAS before signing this Agreement, the Licensee/Licensees has/have paid the sum of **Rs.1,23,70,860.00 (Rupees One Crore Twenty three lakh seventy thousand Eight hundred Sixty) only** towards land cost-Rs.1,20,00,000.00, Annual Rent – Rs.2,10,000.00, Processing fees- Rs.5,000.00, IMC Charges Rs.99,288.00 and GST Rs.56,572.00 only being the amount of Land Cost payable by the Licensee/Licensees.

The Licensee will have to pay the differential land dues if any, to be decided in future, if Project / Industries found to be under Negative list as per IPR'2015.

**NOW IT IS HEREBY MUTUALLY AGREED as follows: -**

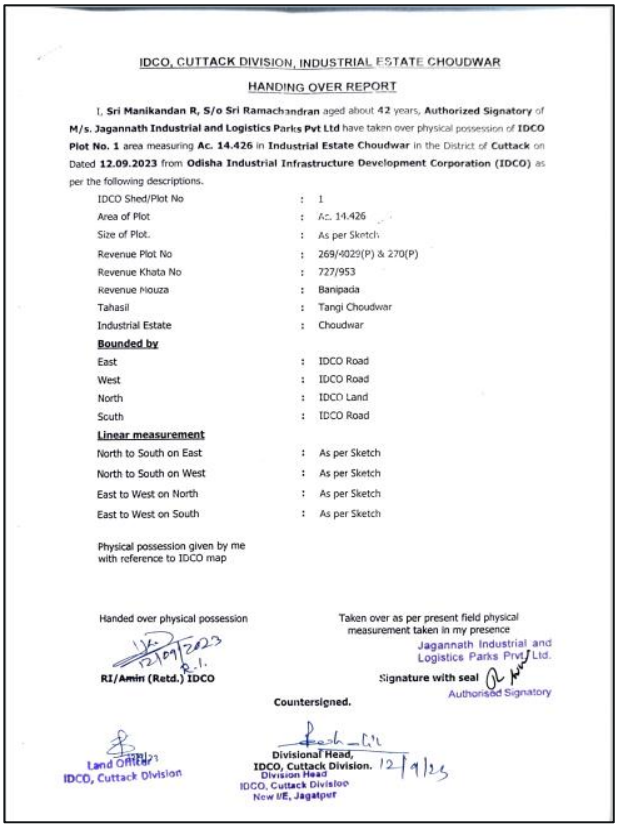
1. During the moratorium period of five **(05) years** in case of Large Industries from the date hereof the Licensee/Licensees shall have licence and authority only to enter upon the piece of land described in the first schedule hereunder written and delineated on the plan annexed hereto and there on for the purpose of building and executing works for the implementation of the project, there on as herein after provided and for no other purpose what so ever and until the grant of such Lease as is hereinafter referred to the Licensee/Licensees shall be deemed to be a bare Licensee only of

Land Officer IDCO, Cuttack Division

Jagannath Industrial and Logistics Parks Pvt. Ltd. Authorised Signatory

*Source: Client Representative*

## 7.3.3 Possession Letter – Cuttack I, Banipada



IDCO, CUTTACK DIVISION, INDUSTRIAL ESTATE CHOUDWAR

HANDING OVER REPORT

I, **Sri Manikandan R, S/o Sri Ramachandran** aged about 42 years, **Authorized Signatory** of **M/s. Jagannath Industrial and Logistics Parks Pvt Ltd** have taken over physical possession of **IDCO Plot No. 1** area measuring **Ac. 14.426** in **Industrial Estate Choudwar** in the District of **Cuttack** on Dated **12.09.2023** from **Odisha Industrial Infrastructure Development Corporation (IDCO)** as per the following descriptions.

| | | |
|---|---|---|
| IDCO Shed/Plot No | : | 1 |
| Area of Plot | : | Ac. 14.426 |
| Size of Plot. | : | As per Sketch |
| Revenue Plot No | : | 269/4029(P) & 270(P) |
| Revenue Khata No | : | 727/953 |
| Revenue Mouza | : | Banipada |
| Tahasil | : | Tangi Choudwar |
| Industrial Estate | : | Choudwar |
| **Bounded by** | | |
| East | : | IDCO Road |
| West | : | IDCO Road |
| North | : | IDCO Land |
| South | : | IDCO Road |
| **Linear measurement** | | |
| North to South on East | : | As per Sketch |
| North to South on West | : | As per Sketch |
| East to West on North | : | As per Sketch |
| East to West on South | : | As per Sketch |

Physical possession given by me with reference to IDCO map

Handed over physical possession

12/09/2023

RI/Amin (Retd.) IDCO

Taken over as per present field physical measurement taken in my presence

Jagannath Industrial and Logistics Parks Pvt. Ltd.

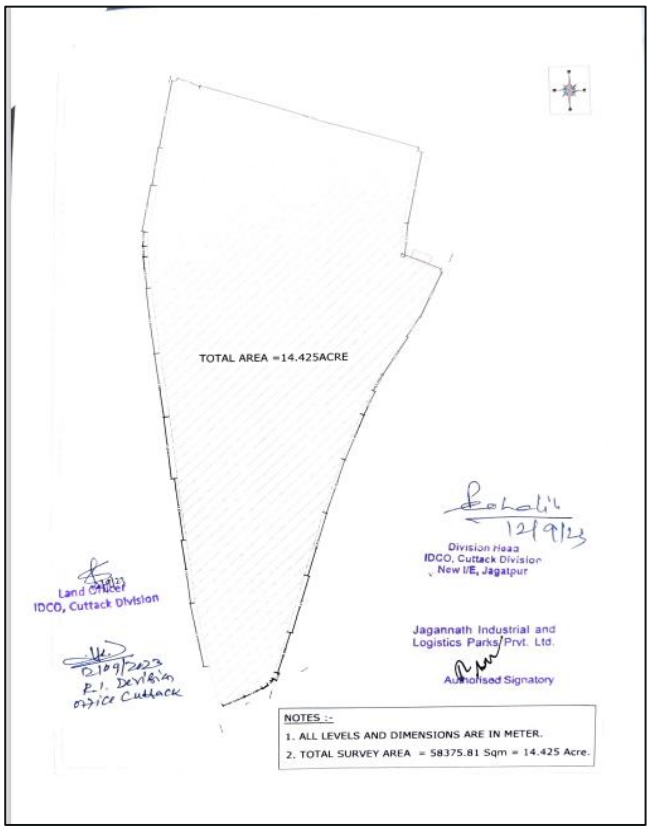
Signature with seal

Authorised Signatory

Countersigned.

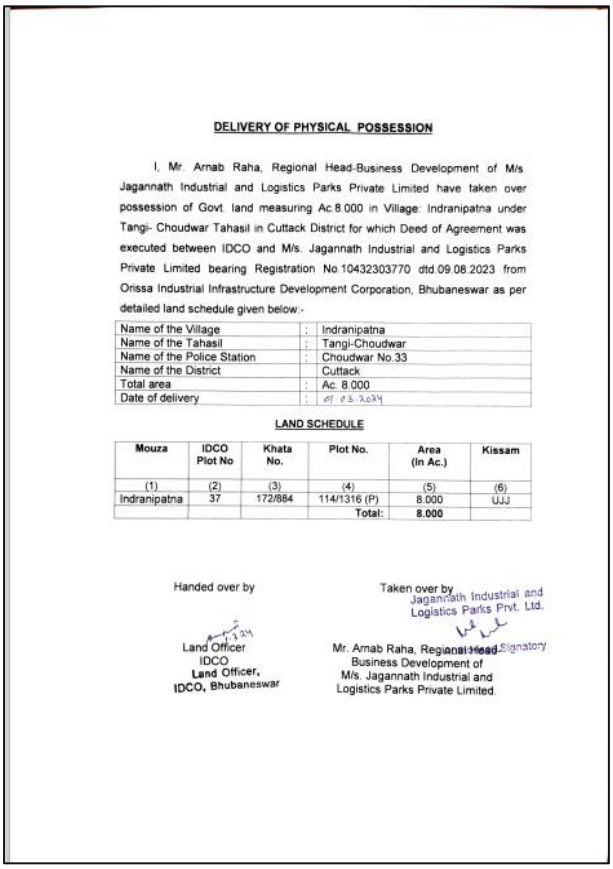
Land Officer
IDCO, Cuttack Division

Divisional Head,
IDCO, Cuttack Division. 12/9/23
Division Head
IDCO, Cuttack Division
New I/E, Jagatpur




*Source: Client Representative*

## 7.3.4 Possession Letter – Cuttack II, Indranipatna



**DELIVERY OF PHYSICAL POSSESSION**

I, Mr. Arnab Raha, Regional Head-Business Development of M/s. Jagannath Industrial and Logistics Parks Private Limited have taken over possession of Govt. land measuring Ac.8.000 in Village: Indranipatna under Tangi- Choudwar Tahasil in Cuttack District for which Deed of Agreement was executed between IDCO and M/s. Jagannath Industrial and Logistics Parks Private Limited bearing Registration No.10432303770 dtd.09.08.2023 from Orissa Industrial Infrastructure Development Corporation, Bhubaneswar as per detailed land schedule given below:-

| | | |
|---|---|---|
| Name of the Village | : | Indranipatna |
| Name of the Tahasil | : | Tangi-Choudwar |
| Name of the Police Station | : | Choudwar No.33 |
| Name of the District | | Cuttack |
| Total area | : | Ac. 8.000 |
| Date of delivery | : | 07.09.2023 |

**LAND SCHEDULE**

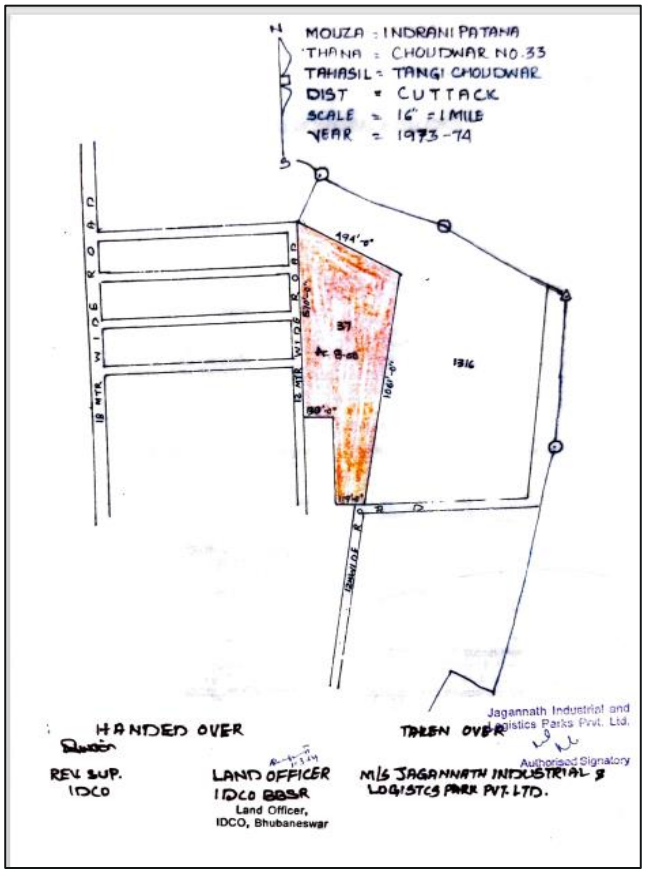
| Mouza | IDCO Plot No | Khata No. | Plot No. | Area (In Ac.) | Kissam |
|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) |
| Indranipatna | 37 | 172/884 | 114/1316 (P) | 8.000 | UJJ |
| | | | Total: | 8.000 | |

Handed over by

Land Officer
IDCO
Land Officer,
IDCO, Bhubaneswar

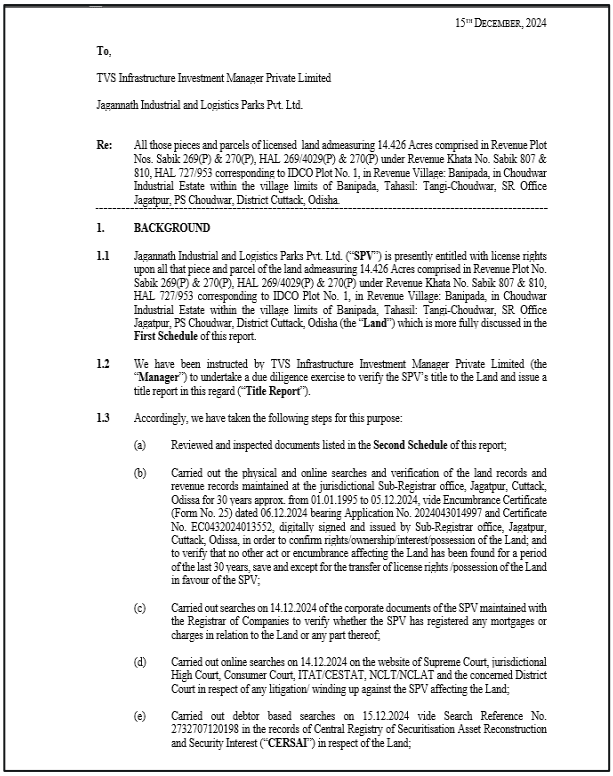
Taken over by
Jagannath Industrial and Logistics Parks Pvt. Ltd.

Mr. Arnab Raha, Regional Head-Business Development of M/s. Jagannath Industrial and Logistics Parks Private Limited.




*Source: Client Representative*

## 7.3.5 Title Search Report – Cuttack I, Banipada and Cuttack II, Indranipatna



15TH DECEMBER, 2024

**To,**

TVS Infrastructure Investment Manager Private Limited

Jagannath Industrial and Logistics Parks Pvt. Ltd.

**Re:** All those pieces and parcels of licensed land admeasuring 14.426 Acres comprised in Revenue Plot Nos. Sabik 269(P) & 270(P), HAL 269/4029(P) & 270(P) under Revenue Khata No. Sabik 807 & 810, HAL 727/953 corresponding to IDCO Plot No. 1, in Revenue Village: Banipada, in Choudwar Industrial Estate within the village limits of Banipada, Tahasil: Tangi-Choudwar, SR Office Jagatpur, PS Choudwar, District Cuttack, Odisha.

**1. BACKGROUND**

**1.1** Jagannath Industrial and Logistics Parks Pvt. Ltd. ("**SPV**") is presently entitled with license rights upon all that piece and parcel of the land admeasuring 14.426 Acres comprised in Revenue Plot No. Sabik 269(P) & 270(P), HAL 269/4029(P) & 270(P) under Revenue Khata No. Sabik 807 & 810, HAL 727/953 corresponding to IDCO Plot No. 1, in Revenue Village: Banipada, in Choudwar Industrial Estate within the village limits of Banipada, Tahasil: Tangi-Choudwar, SR Office Jagatpur, PS Choudwar, District Cuttack, Odisha (the "**Land**") which is more fully discussed in the **First Schedule** of this report.

**1.2** We have been instructed by TVS Infrastructure Investment Manager Private Limited (the "**Manager**") to undertake a due diligence exercise to verify the SPV's title to the Land and issue a title report in this regard ("**Title Report**").

**1.3** Accordingly, we have taken the following steps for this purpose:

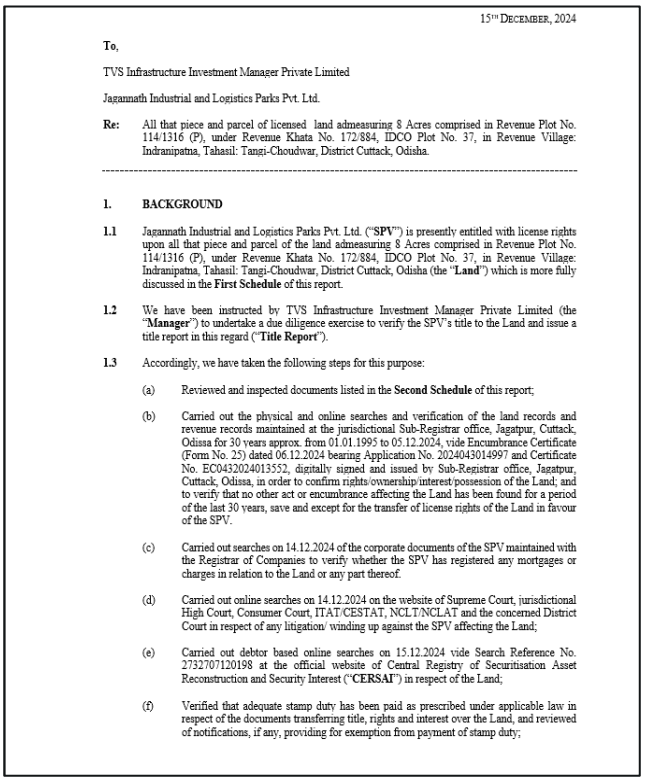
(a) Reviewed and inspected documents listed in the **Second Schedule** of this report;

(b) Carried out the physical and online searches and verification of the land records and revenue records maintained at the jurisdictional Sub-Registrar office, Jagatpur, Cuttack, Odissa for 30 years approx. from 01.01.1995 to 05.12.2024, vide Encumbrance Certificate (Form No. 25) dated 06.12.2024 bearing Application No. 2024043014997 and Certificate No. EC043202401355 2, digitally signed and issued by Sub-Registrar office, Jagatpur, Cuttack, Odissa, in order to confirm rights/ownership/interest/possession of the Land; and to verify that no other act or encumbrance affecting the Land has been found for a period of the last 30 years, save and except for the transfer of license rights /possession of the Land in favour of the SPV;

(c) Carried out searches on 14.12.2024 of the corporate documents of the SPV maintained with the Registrar of Companies to verify whether the SPV has registered any mortgages or charges in relation to the Land or any part thereof;

(d) Carried out online searches on 14.12.2024 on the website of Supreme Court, jurisdictional High Court, Consumer Court, ITAT/CESTAT, NCLT/NCLAT and the concerned District Court in respect of any litigation/ winding up against the SPV affecting the Land;

(e) Carried out debtor based searches on 15.12.2024 vide Search Reference No. 2732707120198 in the records of Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") in respect of the Land;



15TH DECEMBER, 2024

**To,**

TVS Infrastructure Investment Manager Private Limited

Jagannath Industrial and Logistics Parks Pvt. Ltd.

**Re:** All that piece and parcel of licensed land admeasuring 8 Acres comprised in Revenue Plot No. 114/1316 (P), under Revenue Khata No. 172/884, IDCO Plot No. 37, in Revenue Village: Indranipatna, Tahasil: Tangi-Choudwar, District Cuttack, Odisha.

**1. BACKGROUND**

**1.1** Jagannath Industrial and Logistics Parks Pvt. Ltd. ("**SPV**") is presently entitled with license rights upon all that piece and parcel of the land admeasuring 8 Acres comprised in Revenue Plot No. 114/1316 (P), under Revenue Khata No. 172/884, IDCO Plot No. 37, in Revenue Village: Indranipatna, Tahasil: Tangi-Choudwar, District Cuttack, Odisha (the "**Land**") which is more fully discussed in the **First Schedule** of this report.

**1.2** We have been instructed by TVS Infrastructure Investment Manager Private Limited (the "**Manager**") to undertake a due diligence exercise to verify the SPV's title to the Land and issue a title report in this regard ("**Title Report**").

**1.3** Accordingly, we have taken the following steps for this purpose:

(a) Reviewed and inspected documents listed in the **Second Schedule** of this report;

(b) Carried out the physical and online searches and verification of the land records and revenue records maintained at the jurisdictional Sub-Registrar office, Jagatpur, Cuttack, Odissa for 30 years approx. from 01.01.1995 to 05.12.2024, vide Encumbrance Certificate (Form No. 25) dated 06.12.2024 bearing Application No. 2024043014997 and Certificate No. EC043202401355 2, digitally signed and issued by Sub-Registrar office, Jagatpur, Cuttack, Odissa, in order to confirm rights/ownership/interest/possession of the Land; and to verify that no other act or encumbrance affecting the Land has been found for a period of the last 30 years, save and except for the transfer of license rights of the Land in favour of the SPV.

(c) Carried out searches on 14.12.2024 of the corporate documents of the SPV maintained with the Registrar of Companies to verify whether the SPV has registered any mortgages or charges in relation to the Land or any part thereof.

(d) Carried out online searches on 14.12.2024 on the website of Supreme Court, jurisdictional High Court, Consumer Court, ITAT/CESTAT, NCLT/NCLAT and the concerned District Court in respect of any litigation/ winding up against the SPV affecting the Land;

(e) Carried out debtor based online searches on 15.12.2024 vide Search Reference No. 2732707120198 at the official website of Central Registry of Securitisation Asset Reconstruction and Security Interest ("**CERSAI**") in respect of the Land;

(f) Verified that adequate stamp duty has been paid as prescribed under applicable law in respect of the documents transferring title, rights and interest over the Land, and reviewed of notifications, if any, providing for exemption from payment of stamp duty;

*Source: Client Representative*

## 7.3.6 Architect Certificate – Cuttack I, Banipada and Cuttack II, Indranipatna

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **JAGANNATH INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED** | 14.43 | 12,57,140 | **Existing:** Nil<br><br>**Under Development:** 3,35,345<br><br>**Total:** 3,35,345 | 9,21,795 | - |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | Nil | 1,12,565 | November-2024 | May-2025[1] | Under development |
| 2. | Building – 2 | 12m at Eves | Nil | 2,22,780 | November-2024 | June-2025[1] | Under development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is NIL.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 3,35,345 sq. ft.

We further confirm that the buildings are planned to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **JAGANNATH INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED** | 8.00 | 6,96,960 | **Existing:** Nil<br><br>**Under Development:** 1,50,000<br><br>**Total:** 1,50,000 | 5,46,960 | -------- |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | Nil | 1,50,000 | December, 2024 | May,2025[1] | Under Development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is NIL.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 1,50,000 Sqft

We further confirm that the building is proposed to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

*Source: Client Representative*

### 7.3.7 Fire Safety Recommendation – Cuttack I, Banipada

**ODISHA FIRE & EMERGENCY SERVICE**

**FIRE SAFETY RECOMMENDATION**

**FORM-II**

**[Under Rule-12 (5)]**

| | | | |
|---|---|---|---|
| **RECOMMENDATION No:** | RECOMM110102092024001907 | **APPLICATION No:** | FSR110102092024000003 |
| **Date of Issue:** | 08-03-2024 | **Date of Receipt of Application:** | 01-03-2024 |

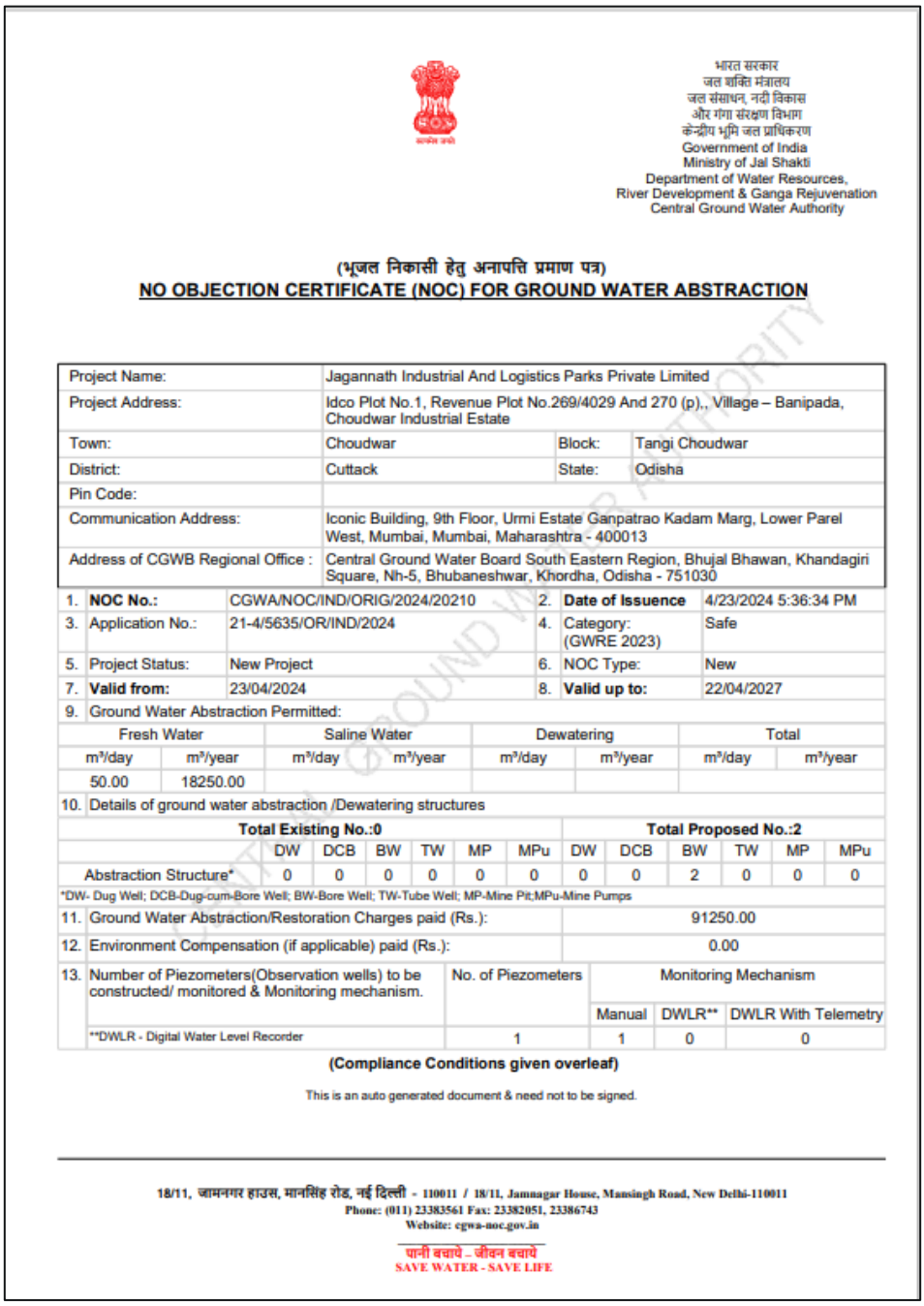
| | | |
|---|---|---|
| 1. | Name & Address of the proposed Building/Premises: | **Proposed 02 nos. Single Storied Ware House Building (Building-1 & Building-2) of Jagannath Industrial & Logistics Parks Pvt. Ltd., situated over IDCO Plot No.1, revenue plot no., 269(P), 270(P), 269/4029 (P), Khata No. Hal-727/953, Sabik- 807 & 810, Mouza- Banipada, Tahasil-Tangi Choudwar, Dist- Cuttack.** |
| 2. | Name and Address of the Applicant(s): | **Sri Dilip Jain, Rammohan Dutta Road, L.R. Sarani, Kolkata, West Bengal-700020.** |
| 3. | Proposed Occupancy (Type of Building): | **Proposed Single Storied Group Warehouse Buildings are categorized under Storage (Group-H) as per National Building Code of India-2016 and Storage building as per Odisha Development Authority (Planning and Building Standards) Rules 2020.** |
| 4. | Area with Plot Number and Khata Number: | **Plot Area-55559.10 Sqm. (13.72 acres) IDCO Plot No. 1, Revenue Plot No. 269(P), 270(P), 269/4029 (P), Khata No. Hal-727/953, Sabik- 807 & 810** |
| 5. | Date of Inspection: | 07-03-2024 |

**6. Recommendation:**

*Page 1 of 8*

*Source: Client Representative*

### 7.3.8 NOC for Ground Water Abstraction – Cuttack I, Banipada



भारत सरकार
जल शक्ति मंत्रालय
जल संसाधन, नदी विकास
और गंगा संरक्षण विभाग
केन्द्रीय भूमि जल प्राधिकरण
Government of India
Ministry of Jal Shakti
Department of Water Resources,
River Development & Ganga Rejuvenation
Central Ground Water Authority

**(भूजल निकासी हेतु अनापत्ति प्रमाण पत्र)**
**NO OBJECTION CERTIFICATE (NOC) FOR GROUND WATER ABSTRACTION**

| | | | |
|---|---|---|---|
| Project Name: | Jagannath Industrial And Logistics Parks Private Limited | | |
| Project Address: | Idco Plot No.1, Revenue Plot No.269/4029 And 270 (p),, Village – Banipada, Choudwar Industrial Estate | | |
| Town: | Choudwar | Block: | Tangi Choudwar |
| District: | Cuttack | State: | Odisha |
| Pin Code: | | | |
| Communication Address: | Iconic Building, 9th Floor, Urmi Estate Ganpatrao Kadam Marg, Lower Parel West, Mumbai, Mumbai, Maharashtra - 400013 | | |
| Address of CGWB Regional Office : | Central Ground Water Board South Eastern Region, Bhujal Bhawan, Khandagiri Square, Nh-5, Bhubaneshwar, Khordha, Odisha - 751030 | | |

| | | | | | |
|---|---|---|---|---|---|
| 1. | **NOC No.:** | CGWA/NOC/IND/ORIG/2024/20210 | 2. | **Date of Issuence** | 4/23/2024 5:36:34 PM |
| 3. | Application No.: | 21-4/5635/OR/IND/2024 | 4. | Category: (GWRE 2023) | Safe |
| 5. | Project Status: | New Project | 6. | NOC Type: | New |
| 7. | **Valid from:** | 23/04/2024 | 8. | **Valid up to:** | 22/04/2027 |

9. Ground Water Abstraction Permitted:

| Fresh Water | | Saline Water | | Dewatering | | Total | |
|---|---|---|---|---|---|---|---|
| m³/day | m³/year | m³/day | m³/year | m³/day | m³/year | m³/day | m³/year |
| 50.00 | 18250.00 | | | | | | |

10. Details of ground water abstraction /Dewatering structures

| | Total Existing No.:0 | | | | | | Total Proposed No.:2 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | DW | DCB | BW | TW | MP | MPu | DW | DCB | BW | TW | MP | MPu |
| Abstraction Structure* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 |

*DW- Dug Well; DCB-Dug-cum-Bore Well; BW-Bore Well; TW-Tube Well; MP-Mine Pit;MPu-Mine Pumps

| | | |
|---|---|---|
| 11. | Ground Water Abstraction/Restoration Charges paid (Rs.): | 91250.00 |
| 12. | Environment Compensation (if applicable) paid (Rs.): | 0.00 |

| | | | | | |
|---|---|---|---|---|---|
| 13. | Number of Piezometers(Observation wells) to be constructed/ monitored & Monitoring mechanism. | No. of Piezometers | Monitoring Mechanism | | |
| | | | Manual | DWLR** | DWLR With Telemetry |
| | **DWLR - Digital Water Level Recorder | 1 | 1 | 0 | 0 |

**(Compliance Conditions given overleaf)**

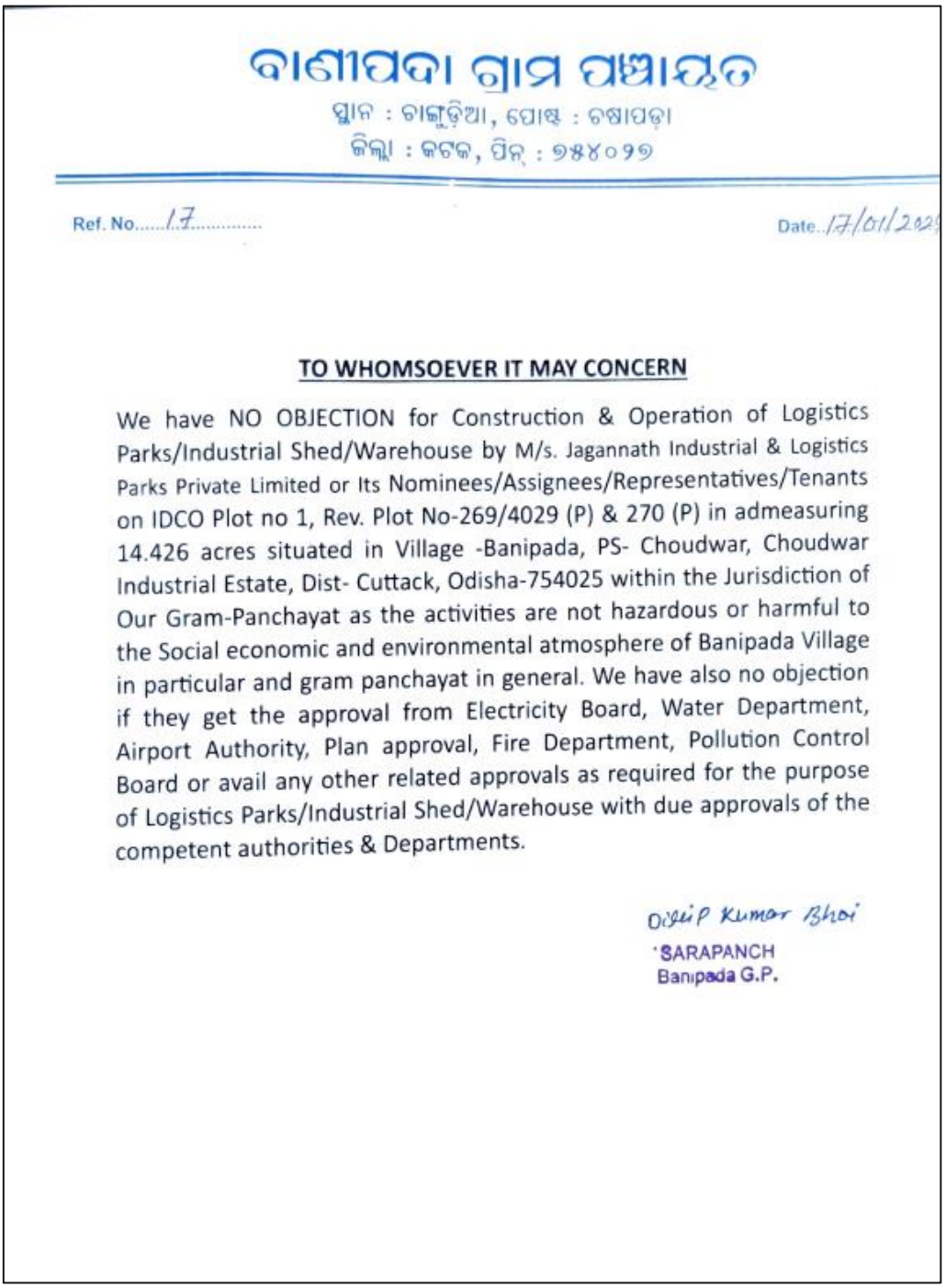
This is an auto generated document & need not to be signed.

18/11, जामनगर हाउस, मानसिंह रोड, नई दिल्ली - 110011 / 18/11, Jamnagar House, Mansingh Road, New Delhi-110011
Phone: (011) 23383561 Fax: 23382051, 23386743
Website: cgwa-noc.gov.in

पानी बचाये – जीवन बचाये
SAVE WATER - SAVE LIFE

*Source: Client Representative*

### 7.3.9 Sarpanch NOC for Construction of Warehouse – Cuttack I, Banipada



ବାଣୀପଦା ଗ୍ରାମ ପଞ୍ଚାୟତ
ସ୍ଥାନ : ଚାଙ୍ଗୁଡ଼ିଆ, ପୋଷ୍ଟ : ଚଷାପଡ଼ା
ଜିଲ୍ଲା : କଟକ, ପିନ୍ : ୭୫୪୦୨୭

Ref. No. 17 Date. 17/01/202

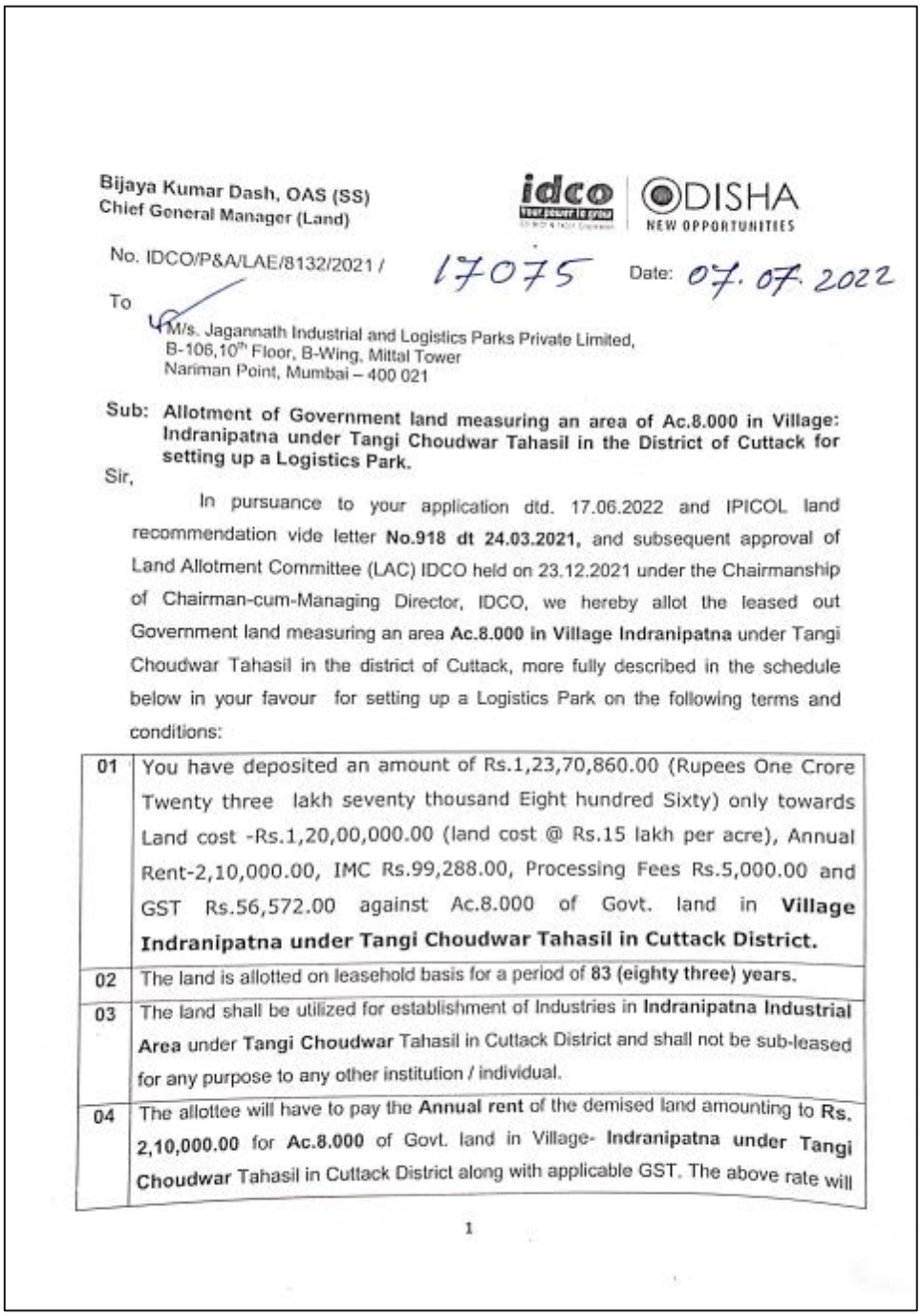
**TO WHOMSOEVER IT MAY CONCERN**

We have NO OBJECTION for Construction & Operation of Logistics Parks/Industrial Shed/Warehouse by M/s. Jagannath Industrial & Logistics Parks Private Limited or Its Nominees/Assignees/Representatives/Tenants on IDCO Plot no 1, Rev. Plot No-269/4029 (P) & 270 (P) in admeasuring 14.426 acres situated in Village -Banipada, PS- Choudwar, Choudwar Industrial Estate, Dist- Cuttack, Odisha-754025 within the Jurisdiction of Our Gram-Panchayat as the activities are not hazardous or harmful to the Social economic and environmental atmosphere of Banipada Village in particular and gram panchayat in general. We have also no objection if they get the approval from Electricity Board, Water Department, Airport Authority, Plan approval, Fire Department, Pollution Control Board or avail any other related approvals as required for the purpose of Logistics Parks/Industrial Shed/Warehouse with due approvals of the competent authorities & Departments.

Dilip Kumar Bhoi
SARAPANCH
Banipada G.P.

*Source: Client Representative*

## 7.3.10 Allotment Letter – Cuttack II, Indranipatna



Bijaya Kumar Dash, OAS (SS)
Chief General Manager (Land)

idco | ODISHA NEW OPPORTUNITIES

No. IDCO/P&A/LAE/8132/2021 / 17075 Date: 07.07.2022

To

M/s. Jagannath Industrial and Logistics Parks Private Limited,
B-106,10th Floor, B-Wing, Mittal Tower
Nariman Point, Mumbai – 400 021

**Sub: Allotment of Government land measuring an area of Ac.8.000 in Village: Indranipatna under Tangi Choudwar Tahasil in the District of Cuttack for setting up a Logistics Park.**

Sir,

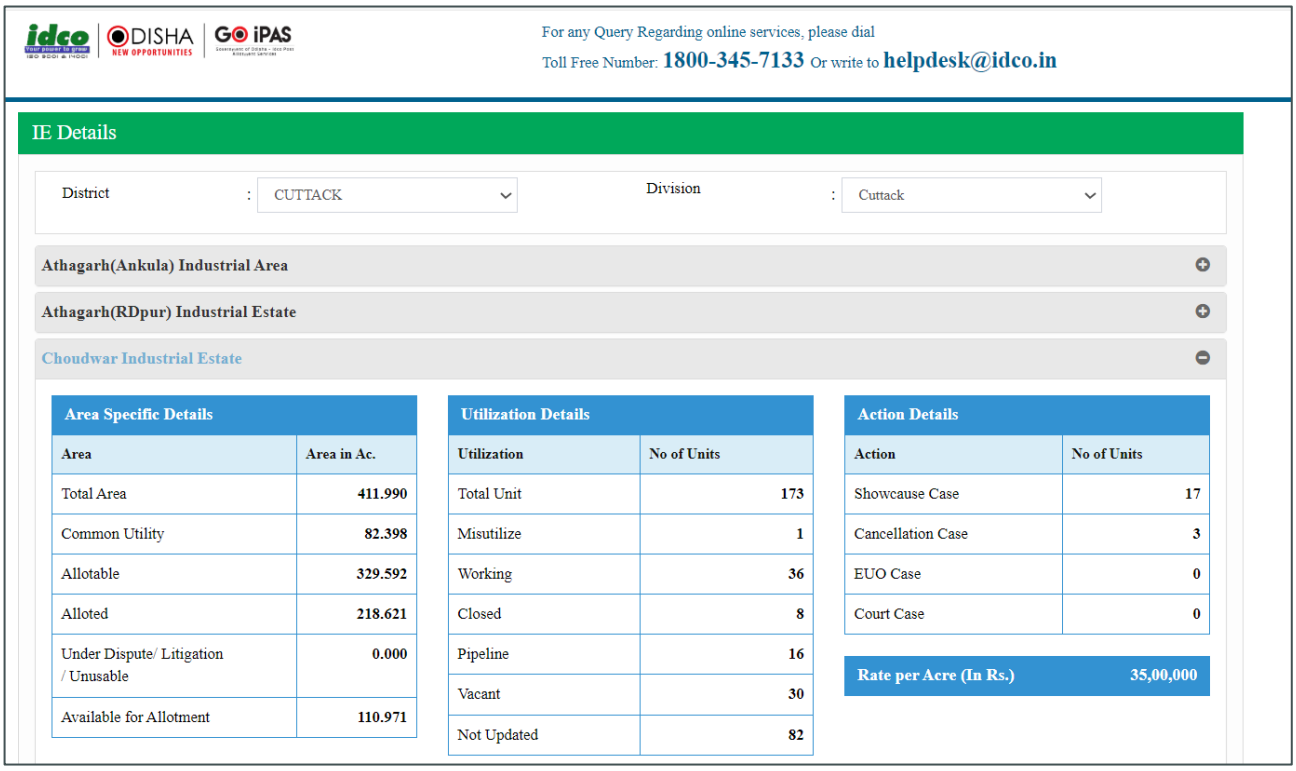
In pursuance to your application dtd. 17.06.2022 and IPICOL land recommendation vide letter **No.918 dt 24.03.2021,** and subsequent approval of Land Allotment Committee (LAC) IDCO held on 23.12.2021 under the Chairmanship of Chairman-cum-Managing Director, IDCO, we hereby allot the leased out Government land measuring an area **Ac.8.000 in Village Indranipatna** under Tangi Choudwar Tahasil in the district of Cuttack, more fully described in the schedule below in your favour for setting up a Logistics Park on the following terms and conditions:

| | |
|---|---|
| 01 | You have deposited an amount of Rs.1,23,70,860.00 (Rupees One Crore Twenty three lakh seventy thousand Eight hundred Sixty) only towards Land cost -Rs.1,20,00,000.00 (land cost @ Rs.15 lakh per acre), Annual Rent-2,10,000.00, IMC Rs.99,288.00, Processing Fees Rs.5,000.00 and GST Rs.56,572.00 against Ac.8.000 of Govt. land in **Village Indranipatna under Tangi Choudwar Tahasil in Cuttack District.** |
| 02 | The land is allotted on leasehold basis for a period of **83 (eighty three) years.** |
| 03 | The land shall be utilized for establishment of Industries in **Indranipatna Industrial Area** under **Tangi Choudwar** Tahasil in Cuttack District and shall not be sub-leased for any purpose to any other institution / individual. |
| 04 | The allottee will have to pay the **Annual rent** of the demised land amounting to **Rs. 2,10,000.00** for **Ac.8.000** of Govt. land in Village- **Indranipatna under Tangi Choudwar** Tahasil in Cuttack District along with applicable GST. The above rate will |

1

*Source: Client Representative*

## 7.4 Ready Reckoner Rate



For any Query Regarding online services, please dial
Toll Free Number: 1800-345-7133 Or write to helpdesk@idco.in

IE Details

District : CUTTACK

Division : Cuttack

Athagarh(Ankula) Industrial Area

Athagarh(RDpur) Industrial Estate

Choudwar Industrial Estate

| Area Specific Details | |
|---|---|
| Area | Area in Ac. |
| Total Area | 411.990 |
| Common Utility | 82.398 |
| Allotable | 329.592 |
| Alloted | 218.621 |
| Under Dispute/ Litigation / Unusable | 0.000 |
| Available for Allotment | 110.971 |

| Utilization Details | |
|---|---|
| Utilization | No of Units |
| Total Unit | 173 |
| Misutilize | 1 |
| Working | 36 |
| Closed | 8 |
| Pipeline | 16 |
| Vacant | 30 |
| Not Updated | 82 |

| Action Details | |
|---|---|
| Action | No of Units |
| Showcause Case | 17 |
| Cancellation Case | 3 |
| EUO Case | 0 |
| Court Case | 0 |

| Rate per Acre (In Rs.) | 35,00,000 |
|---|---|

*https://portal.idco.in/Reports/IEstatistics*

## 7.5 Any matters which may affect the asset or its values

There are no other matters which may affect the asset or its values beyond what has already been stated in the in this report

**ANNEXURE B - SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors
TVS Infrastructure Investment Manager Private Limited
(as Investment Manager of TVS Infrastructure Trust (the **"InvIT"**)
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Report on the Audit of Special Purpose Combined Financial Statements**

**Opinion**

We have audited the accompanying Special Purpose Combined Financial Statements comprising:

a. Marudhamalai Industrial & Logistics Parks Private Limited (**"MILP"**)
b. Maragathammbal Industrial and Logistics Park Private Limited (**"MRILP"**)
c. Siruvapuri Murugan Industrial and Logistics Private Limited (**"SMILP"**)
d. Jagannath Industrial and Logistics Parks Private Limited (**"JGILP"**)
e. Sri Meenatchi Industrial and Logistics Parks Private Limited (**"SRMILP"**)
f. Tarkeshwar Industrial & Logistics Parks Private Limited (**"TILP"**) w.e.f. September 8,2022
g. Durgeshwari Industrial & Logistics Parks Private Limited (**"DILP"**)
h. Ramanujar Industrial & Logistics Parks Private Limited (**"RMILP"**) w.e.f. June 1, 2023
i. Revanza Sullurpet Industrial Parks Private Limited (**"RSIPPL"**)
j. Presidency Barter Private Limited (**"PBPL"**) (wholly owned subsidiary of MILP)

(individually referred to as "SPV" and together with InvIT referred to as **"the Group"**) which comprise the Special Purpose Combined Balance Sheets as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Special Purpose Combined Statements of Profit and Loss (including Other Comprehensive Income), the Special Purpose Combined Statements of Changes in Equity and the Special Purpose Combined Cash Flow Statements for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the Combined Statement of Net Assets at Fair Value as at September 30, 2024, the Combined Statement of Total Returns at Fair Value for the six months period ended September 30, 2024 and for the year ended March 31, 2024, and notes to the special purpose combined financial statements including a summary of material accounting policies and other explanatory information (collectively, the "**Special Purpose Combined Financial Statements**"). The Special Purpose Combined Financial Statements are prepared in connection with the proposed private placement of units to be issued by the InvIT as per Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time including the circulars, notifications, clarifications and guidelines issued thereunder (the "**SEBI InvIT Regulations**").

The Special Purpose Combined Financial Statements have been prepared in accordance with the basis of preparation as set out in Note 2.1 to these Financial Statements.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, the aforesaid Special Purpose Combined Financial Statements give a true and fair view in accordance with the basis of preparation as specified in Note 2.1 to the Special Purpose Combined Financial Statements in case of:

i. the combined balance sheet, of the state of affairs of the Group as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022;

ii. the combined statement of profit and loss (including other comprehensive income) of the Group of the profit for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022;

iii. the combined statements of changes in equity, of the movement of the equity holders for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022;

iv. the combined cash flow statement, of the cash movements of the Group for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022;

v. the combined statement of net asset at fair value, of the net assets as at September 30, 2024; and

vi. the combined statement of total returns at fair values, of the total returns at fair values for the six months period ended September 30, 2024 and for the year ended March 31, 2024.

**Basis of Opinion**

We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a reasonable basis for our audit opinion on the Special Purpose Combined Financial Statements.

**Emphasis of Matter**

a) This Report is addressed to the Investment Manager solely for inclusion in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum in connection with the proposed initial private placement of units of InvIT. As a result, the Special Purpose Combined Financial Statement prepared after making adjustments as required under the SEBI InvIT Regulations may not be suitable for another purpose. The basis of preparation is given in Note 2.1 of the Special Purpose Combined Financial Statements. Our report should not be used, referred to our distributed for any other purpose or to any party. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

Our opinion is not modified in respect of the above matter.

**Responsibilities of the Management and Board of Directors for Special Purpose Combined Financial Statements**

The Board of Directors of the Investment Manager to InvIT are responsible for the preparation and presentation of these Special Purpose Combined Financial Statements that give a true and fair view of the combined financial position, combined financial performance including other comprehensive income, combined statement of changes in equity and combined cash flows, combined position of net assets at fair value and combined total return at fair value of the Group in accordance with the basis of preparation specified in Note 2.1 to the Special Purpose Combined Financial Statements.

The respective Board of Directors of the Group and the Investment Manager are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Combined Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these Special Purpose Combined Financial Statements by the Investment Manager, as aforesaid.

In preparing the Special Purpose Combined Financial Statements, the respective Board of Directors of the Group and the Investment Manager are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the Group and the Investment Manager are also responsible for overseeing the financial reporting process.

**Auditors' Responsibility for the audit of the Special Purpose Combined Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Combined Financial Statements.

As part of an audit in accordance with SAs and other pronouncements issued by ICAI, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Combined Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the internal controls of the Group.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as going concern.

- Evaluate the overall presentation, structure and content of the Special Purpose Combined Financial Statements, including the disclosures, and whether the Special Purpose Combined Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Special Purpose Combined Financial Statements. Certain entities of the Group included in the Special Purpose Combined Financial Statements have been audited by other auditors as stated in Other Matter paragraph below. Such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them.

- We communicate with those charged with governance of the Investment Manager who are responsible for the preparation of Special Purpose Financial Statements, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit of these Special Purpose Combined Financial Statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matters**

a. We have relied on the audit reports provided by other auditors for two SPVs as on and for the year ended 31 March 2023 and 31 March 2022 and one SPV as on and for the year ended 31 March 2024 whose total assets, total revenue and cash inflows are included in the Special Purpose Combined Financial Statements (before elimination) as given in the table below:-

| **Particulars** | **March 31, 2024 (Rs. In Lakhs)** | **March 31, 2023 (Rs. In Lakhs)** | **March 31, 2022 (Rs. In Lakhs)** |
|---|---|---|---|
| Total assets | 2,516.81 | 23,510.39 | 16,076.12 |
| Total revenues | 523.39 | 1,874.31 | 203.67 |
| Net cash (Outflows)/ inflows | 11.31 | 18.04 | 60.50 |

The above SPVs' financial statements had been prepared in accordance with accounting standards notified in Companies (Accounting Standards) Rules, 2006 under generally accepted auditing standards in India and audited by other auditors. The Investment Manager has converted these financial statements in accordance with accounting standards notified in Companies (Accounting Standards) Rules, 2015 ("Ind

AS") under generally accepted auditing standards in India. We have audited Ind AS adjustments and overall disclosure and presentation of special purpose financial statements prepared by the Investment Manager.

b. Our opinion in so far as it relates to the balances and affairs of these SPVs' are based on the report of other auditors and the Ind AS adjustments, overall disclosure and presentation of special purpose financial statements and adjustments required under SEBI InvIT Regulations which have been prepared by the Investment Manager and audited by us.

Our opinion above on the Special Purpose Combined Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

As required by section 3.5.1(d) of SEBI Master Circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 (**"SEBI Circular"**), we report that:

a) We/the other auditors whose report we have relied upon have sought and have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Special Purpose Combined Financial Statements;

b) the Special Purpose Combined Balance Sheets, Special Purpose Combined Statements of Profit and Loss (including Other Comprehensive Income), Special Purpose Combined Statements of Changes in Equity and Special Purpose Combined Cash Flow Statements dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Special Purpose Combined Financial Statements; and

c) In our opinion, the Special Purpose Combined Financial Statements comply with the basis of preparation as stated in Note 2.1 to the Special Purpose Combined Financial Statements.

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

**Jinesh Damania**
Partner
Membership No.: 117595
UDIN: 25117595BMIWCD8159

Place: Mumbai
Date: January 27, 2025

**TVS Infrastructure Trust**
**Special Purpose Combined Balance Sheet**
***(All amounts are in Rs. Lakhs unless specified otherwise)***

| Particulars | Note No. | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **(I) Non-current assets** | | | | | |
| (i) Property, Plant and Equipment | 3 | 1,36,449.26 | 1,30,182.65 | 1,13,144.83 | 86,208.95 |
| (ii) Capital work in progress (Tangible) | 4(a) | 33,060.10 | 29,408.98 | 24,540.17 | 27,808.92 |
| (iii) Goodwill | 4(b) | 50.87 | - | - | - |
| (iv) Financial assets | | | | | |
| (a) Investments | 5(a) | - | - | 3.80 | 3.80 |
| (b) Other financial assets | 5(b) | 738.81 | 30.34 | 975.65 | 674.37 |
| (v) Non-current tax assets (net) | 6 | 780.13 | 418.47 | 404.21 | 702.37 |
| (vi) Other non current assets | 7 | 22,558.45 | 20,329.82 | 16,305.22 | 13,272.72 |
| | | **1,93,637.62** | **1,80,370.26** | **1,55,373.88** | **1,28,671.13** |
| **(II) Current assets** | | | | | |
| (i) Financial assets | | | | | |
| (a) Current Investments | 8(a) | 1,303.58 | 2,526.44 | - | - |
| (b) Trade receivables | 8(b) | 386.50 | 478.79 | 391.77 | 330.01 |
| (c) Cash and cash equivalents | 8(c) | 8,044.53 | 2,972.22 | 52.81 | 192.68 |
| (d) Bank balance other than (c) above | 8(d) | 840.43 | 1,825.77 | 1,673.89 | 681.81 |
| (e) Loans | 8(e) | 4,507.00 | 3.71 | - | 0.90 |
| (f) Other financial assets | 8(f) | 1,603.20 | 1,186.05 | 10.62 | 929.25 |
| (ii) Other current assets | 9 | 1,403.68 | 8,935.10 | 1,761.23 | 1,229.61 |
| | | **18,088.92** | **17,928.08** | **3,890.32** | **3,364.26** |
| **TOTAL ASSETS** | | **2,11,726.54** | **1,98,298.34** | **1,59,264.20** | **1,32,035.39** |
| **EQUITY AND LIABILITIES** | | | | | |
| **(A) EQUITY** | | | | | |
| (i) Equity Share Capital | 10 | 783.39 | 796.05 | 785.05 | 784.95 |
| (ii) Other Equity | 11 | 12,817.22 | 12,450.44 | 8,040.86 | 2,728.52 |
| | | **13,600.61** | **13,246.49** | **8,825.91** | **3,513.47** |
| **(B) LIABILITIES** | | | | | |
| **(I) Non-current liabilities** | | | | | |
| (i) Financial Liabilities | | | | | |
| (a) Borrowings | 12(a) | 1,31,347.98 | 1,21,907.43 | 1,01,571.15 | 81,917.56 |
| (b) Other financial liabilities | 12(b) | 5,483.62 | 5,651.85 | 4,755.65 | 3,629.72 |
| (ii) Deferred tax liabilities (net) | 13 | 3,554.16 | 3,152.09 | 2,687.38 | 1,931.71 |
| (iii) Other non current liabilities | 14 | 1,830.16 | 1,986.86 | 1,975.57 | 2,297.95 |
| (iv) Long-term provisions | 15 | 1.13 | 1.29 | 1.00 | 0.14 |
| | | **1,42,217.05** | **1,32,699.52** | **1,10,990.75** | **89,777.08** |
| **(II) Current liabilities** | | | | | |
| (i) Financial Liabilities | | | | | |
| (a) Borrowings | 16(a) | 51,910.93 | 44,446.31 | 30,617.77 | 28,256.87 |
| (b) Trade payables | 16(b) | 308.48 | 509.71 | 1,230.37 | 758.46 |
| (c) Other financial liabilities | 16(c) | 2,959.60 | 6,681.56 | 6,805.77 | 9,418.83 |
| (ii) Other current liabilities | 17 | 706.54 | 714.35 | 793.34 | 309.87 |
| (iii) Short-term provisions | 18 | 0.91 | 0.40 | 0.29 | 0.81 |
| (iv) Current Tax Liabilities | 19 | 22.42 | - | - | - |
| | | **55,908.88** | **52,352.33** | **39,447.54** | **38,744.84** |
| **TOTAL EQUITY AND LIABILITIES** | | **2,11,726.54** | **1,98,298.34** | **1,59,264.20** | **1,32,035.39** |

Material accounting policies 2

The accompanying notes are an integral part of these Special Purpose Combined Financial Statements

As per our report of even date

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**Jinesh Damania**
Partner
Membership No. 117595

**P. S. Jayakumar**
Director
DIN: 01173236

**Aditi Kumar**
Director
DIN: 00954520

Place: Mumbai
Date: January 27, 2025

**Nitin Aggarwal**
Chief Executive Officer
Place: Mumbai
Date: January 27, 2025

**Yogesh Bhargav**
Company Secretary
Mem. No. A50501

**TVS Infrastructure Trust**
**Special Purpose Combined Statement of Profit & Loss**
***(All amounts are in Rs. Lakhs unless specified otherwise)***

| Sr. No. | Particulars | Note No. | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|---|---|
| (I) | Revenue from operations | 20 | 9,894.19 | 18,746.39 | 15,605.11 | 10,270.99 |
| (II) | Other income | 21 | 379.41 | 431.04 | 165.77 | 94.72 |
| (III) | **Total Income (I+II)** | | **10,273.60** | **19,177.43** | **15,770.88** | **10,365.71** |
| (IV) | **Expenses :** | | | | | |
| | Sub-contracting expenses | 22 | 3.84 | 23.89 | 33.01 | 127.45 |
| | Employee benefits expense | 23 | 61.99 | 358.97 | 320.63 | 175.51 |
| | Other expenses | 24 | 2,129.66 | 3,800.07 | 1,801.06 | 978.12 |
| | | | **2,195.49** | **4,182.93** | **2,154.70** | **1,281.08** |
| (V) | **Earnings before finance costs, depreciation,amortisation and tax (III-IV)** | | **8,078.11** | **14,994.50** | **13,616.18** | **9,084.63** |
| (VI) | **Finance Cost & Depreciation** | | | | | |
| | Finance cost | 25 | 4,650.15 | 8,532.25 | 6,798.80 | 4,910.84 |
| | Depreciation | 26 | 2,309.00 | 4,302.55 | 3,797.63 | 2,300.01 |
| | | | **6,959.15** | **12,834.80** | **10,596.43** | **7,210.85** |
| (VII) | **Profit before tax (V-VI)** | | **1,118.96** | **2,159.70** | **3,019.75** | **1,873.78** |
| (VIII) | **Tax expense** | | | | | |
| | Current tax | 36 | 43.74 | 28.95 | - | - |
| | Adjustment of tax relating to earlier year/ period | | - | (0.16) | 0.16 | 0.27 |
| | Deferred tax charge / (credit) | 27 | 231.74 | 501.65 | 755.67 | 504.98 |
| | **Total tax expense** | | **275.48** | **530.44** | **755.83** | **505.25** |
| (IX) | **Profit after tax (VII - VIII)** | | **843.48** | **1,629.26** | **2,263.92** | **1,368.53** |
| (X) | **Other Comprehensive Income** | | | | | |
| | Items that will not be reclassified to profit and loss and its related income tax effect: | | | | | |
| | i) Re-measurement of the Defined Benefit plan | | 0.32 | (0.06) | (0.06) | 0.12 |
| | ii) Income tax on the above | 27 | (0.08) | 0.01 | 0.01 | (0.03) |
| | **Other Comprehensive Income for the year/ period** | | **0.24** | **(0.05)** | **(0.05)** | **0.09** |
| (XI) | **Total Comprehensive Income for the year/ period (IX + X)** | | **843.72** | **1,629.21** | **2,263.87** | **1,368.62** |
| | **Earnings Per Unit** | 35 | | | | |

Material accounting policies 2

The accompanying notes are an integral part of these Special Purpose Combined Financial Statements

As per our report of even date

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**Jinesh Damania**
Partner
Membership No. 117595

**P. S. Jayakumar**
Director
DIN: 01173236

**Aditi Kumar**
Director
DIN: 00954520

Place: Mumbai
Date: January 27, 2025

**Nitin Aggarwal**
Chief Executive Officer
Place: Mumbai
Date: January 27, 2025

**Yogesh Bhargav**
Company Secretary
Mem. No. A50501

**TVS Infrastructure Trust**
**Special Purpose Combined Cash Flow Statement**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

| Particulars | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| **A. Cash flow from operating activities** | | | | |
| **Net Profit before tax** | **1,118.96** | **2,159.70** | **3,019.75** | **1,873.78** |
| *Adjustments for:* | | | | |
| Depreciation and amortisation | 2,309.00 | 4,302.55 | 3,797.63 | 2,300.01 |
| Finance costs | 4,403.17 | 8,083.35 | 6,743.70 | 4,511.20 |
| (Profit)/Loss from sale of property, plant & equipment (net) | - | 21.75 | 3.47 | - |
| Interest on income tax refund | - | (4.54) | (13.41) | - |
| Interest on CCPS | 5.50 | - | - | - |
| Profit on sale of investments | (37.60) | (154.12) | - | - |
| Interest on Inter Corporate Deposit | (203.74) | - | - | - |
| Interest income on debt instruments | (28.73) | (45.27) | - | - |
| Interest Income on fixed deposit and others | (70.70) | (160.97) | (121.81) | (66.58) |
| Fair value gain on financial assets measured at fair value through profit & loss ('FVTPL') | (38.51) | (45.06) | - | - |
| Impact of lease equilization | (588.84) | (1,268.62) | (2,095.34) | (1,461.63) |
| Interest on Security deposit taken (net of Imputed interest) | (8.37) | (38.67) | (81.24) | (132.35) |
| **Operating profit before working capital changes** | **6,860.14** | **12,850.10** | **11,252.75** | **7,024.43** |
| *Adjustments for:* | | | | |
| (Increase) / Decrease in Trade Receivables | 92.29 | (87.02) | (61.76) | (108.73) |
| (Increase) / Decrease in Financial Assets (Excluding Cash & Cash Equivalents) | 49.39 | 101.00 | (23.47) | (82.85) |
| Decrease / (Increase) in Other Assets | 5,920.58 | (10,276.58) | (768.98) | (7,578.80) |
| Decrease / (Increase) in Loans and Advances | (3.50) | (2.71) | 0.90 | (0.90) |
| (Decrease) / Increase in Trade Payables | (201.23) | (720.66) | 471.91 | 1,929.63 |
| Increase / (Decrease) in Financial Liabilities | 228.14 | (984.48) | (1,710.81) | 1,470.93 |
| Increase / (Decrease) in Other Liabilities & Provisions | (203.62) | 86.42 | 477.51 | 328.42 |
| **Cash Flow from Operating Activities** | **12,742.19** | **966.07** | **9,638.05** | **2,982.13** |
| Less: Taxes Paid (net of refund) | (382.98) | (171.33) | (213.93) | (166.46) |
| **Net Cash Flow from Operating Activities (A)** | **12,359.21** | **794.74** | **9,424.12** | **2,815.67** |
| **B. Cash flow from investing activities** | | | | |
| Purchase of Property, Plant & Equipment and Intangible Assets including CWIP | (16,494.12) | (20,500.03) | (27,687.74) | (30,771.51) |
| Sale of Property, Plant & Equipment including capital work in progress | - | 49.21 | - | 1,066.60 |
| Sale / (Purchase) of current investments (net) | (316.13) | (2,323.47) | - | - |
| (Investment)/ Proceeds of fixed deposits (net) | | - | - | - |
| Loan to fellow subsidiary | (4,500.00) | - | - | - |
| Income Received from investment | 1,615.09 | - | - | - |
| Maturity/(Placement) of fixed deposit having original maturity of more than 3 months but less than 12 months | 935.79 | 78.26 | (332.24) | (437.41) |
| Maturity/(Placement) of fixed deposit having original maturity of more than 12 months | (948.01) | (167.96) | 618.99 | (1,557.36) |
| Interest received on fixed deposit and others | 64.85 | 164.67 | 79.81 | 66.58 |
| Receipt / (Payment) from Escrow account | 49.55 | (230.14) | (659.84) | - |
| **Net cash used in Investing Activities (B)** | **(19,592.98)** | **(22,929.46)** | **(27,981.02)** | **(31,633.10)** |
| **C. Cash flow from financing activities** | | | | |
| Change in Capital* | - | - | 3,048.44 | (10,590.92) |
| Proceeds from issue of Share Capital | - | 1.00 | 0.10 | 9.44 |
| Securities premium on issue of shares | - | - | - | 33.76 |
| Proceeds from long term borrowings | 12,522.60 | 31,906.01 | 35,701.66 | 83,742.17 |
| Repayment of long term borrowings | (2,807.10) | (11,407.11) | (13,682.52) | (51,502.25) |
| Proceeds / (Repayment) of short term borrowings (net) | 7,148.72 | 13,563.19 | 124.15 | 11,773.96 |
| Interest Paid | (4,558.14) | (9,021.11) | (6,774.80) | (4,487.42) |
| **Net cash used from Financing Activities (C)** | **12,306.08** | **25,041.98** | **18,417.03** | **28,978.74** |
| **Net Increase / (Decrease) in Cash & Cash equivalents (A) + (B) + (C)** | **5,072.31** | **2,907.26** | **(139.87)** | **161.31** |
| Cash & Cash equivalent at the end of the year/ period | 8,044.53 | 2,972.22 | 52.81 | 192.68 |
| Less: Opening Cash of DILP considered after commencement of project | - | 12.15 | - | - |
| Cash & Cash equivalent at the beginning of the year/ period | 2,972.22 | 52.81 | 192.68 | 31.37 |
| **Net Increase / (Decrease) in cash & cash equivalents** | **5,072.31** | **2,907.26** | **(139.87)** | **161.31** |
| **Components of Cash & Cash Equivalent (Refer Note 8(c))** | **8,044.53** | **2,972.22** | **52.81** | **192.68** |

*Represents the difference between the assets and liabilities of Carve Out business of TVS Industrial & Logistics Parks Private Limited being net asset value excluding capital contribution from Owner.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements"

**Debt reconciliation statement in accordance with IND AS 7**

| Particulars | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Opening balances | | | | |
| Long term borrowings (including current maturities of long term debt) | 1,26,381.52 | 1,05,779.89 | 83,889.55 | 51,625.85 |
| Short term borrowings | 39,972.22 | 26,409.03 | 26,284.88 | 14,510.92 |
| Changes as per Statement of Cash flow | | | | |
| Long term borrowings (including current maturities of long term debt) | 9,715.50 | 20,498.90 | 22,019.16 | 32,239.92 |
| Short term borrowings | 7,148.72 | 13,563.19 | 124.15 | 11,773.96 |
| Changes as per Statement of Cash flow- Non cash items | | | | |
| Non cash movement (Recognition of CCPS and interest thereon) | 5.50 | 110.12 | - | - |
| Long term borrowings | 35.45 | (7.38) | (128.82) | 23.78 |
| Closing Balances | | | | |
| Long term borrowings (including current maturities of long term debt) | 1,36,137.97 | 1,26,381.52 | 1,05,779.89 | 83,889.55 |
| Short term borrowings | 47,120.94 | 39,972.22 | 26,409.03 | 26,284.88 |

As per our report of even date

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**Jinesh Damania**
Partner
Membership No. 117595

Place: Mumbai
Date: January 27, 2025

**P. S. Jayakumar**
Director
DIN: 01173236

**Aditi Kumar**
Director
DIN: 00954520

**Nitin Aggarwal**
Chief Executive Officer
Place: Mumbai
Date: January 27, 2025

**Yogesh Bhargav**
Company Secretary
Mem. No. A50501

**TVS Infrastructure Trust**
**Special Purpose Statement of Changes in Equity**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

**A. Statement of changes in equity share capital of the Group**

| Particulars | No.of shares | Amount |
|---|---|---|
| **As at April 1, 2021** | 7,70,80,880 | 775.51 |
| Add/(Less): Changes during the year | 94,400 | 9.44 |
| **As at March 31, 2022** | **7,71,75,280** | **784.95** |
| As at April 1, 2022 | 7,71,75,280 | 784.95 |
| Add/(Less): Changes during the year | 1,000.00 | 0.10 |
| **As at March 31, 2023** | **7,71,76,280** | **785.05** |
| As at April 1, 2023 | 7,71,76,280 | 785.05 |
| Add/(Less): Changes during the year | 1,10,000 | 11.00 |
| **As at March 31, 2024** | **7,72,86,280** | **796.05** |
| Add/(Less): Changes during the period | (1,26,600) | (12.66) |
| **As at September 30, 2024** | **7,71,59,680** | **783.39** |

**B. Statement of changes in other equity**

| Particulars | Capital* | Capital Reserve on Business combination | Equity component of compound financial instruments- 0.001% CCPS | Retained Earnings | Other Comprehensive Income | Securities Premium | Total |
|---|---|---|---|---|---|---|---|
| | | | - | | | | |
| **Balance at April 01, 2021** | **10,453.17** | **-** | **-** | **1,306.17** | **0.01** | **157.78** | **11,917.13** |
| Profit for the year | - | - | - | 1,368.53 | - | - | 1,368.53 |
| Other comprehensive income for the year (net of taxes) | - | - | - | - | 0.09 | - | 0.09 |
| **Total comprehensive income for the year** | - | **-** | **-** | **1,368.53** | **0.09** | - | **1,368.62** |
| Changes in capital during the year | (10,590.99) | - | - | - | - | 33.76 | (10,557.23) |
| **Balance at the end of March 31, 2022** | **(137.82)** | **-** | **-** | **2,674.70** | **0.10** | **191.54** | **2,728.52** |
| | | | - | | | | |
| **Balance at April 01, 2022** | **(137.82)** | **-** | **-** | **2,674.70** | **0.10** | **191.54** | **2,728.52** |
| Profit for the year | - | - | - | 2.263.92 | - | - | 2.263.92 |
| Other comprehensive income for the year (net of taxes) | - | - | - | | (0.05) | - | (0.05) |
| **Total comprehensive income for the year** | - | **-** | **-** | **2,263.92** | **(0.05)** | **-** | **2,263.87** |
| Changes in capital during the year | 3,048.47 | - | - | - | - | - | 3,048.47 |
| **Balance at the end of March 31, 2023** | **2,910.65** | **-** | **-** | **4,938.62** | **0.05** | **191.54** | **8,040.86** |
| | | | - | | | | |
| **Balance at April 01, 2023** | **2,910.65** | **-** | **-** | **4,938.62** | **0.05** | **191.54** | **8,040.86** |
| Profit for the year | - | - | - | 1,629.26 | - | - | 1,629.26 |
| Other comprehensive income for the year (net of taxes) | - | - | - | - | (0.05) | - | (0.05) |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **1,629.26** | **(0.05)** | **-** | **1,629.21** |
| Transferred to capital reserve on business combination (Refer Note 42) | (2,910.65) | 2,979.58 | - | (780.21) | - | - | (711.28) |
| Issued during the year | - | - | 630.27 | - | - | - | 630.27 |
| Adjustment on Acquisition of RSIPPL (Refer Note 43) | - | 3,776.75 | - | (915.37) | - | - | 2,861.38 |
| **Balance at the end of March 31, 2024** | **-** | **6,756.33** | **630.27** | **4,872.30** | **-** | **191.54** | **12,450.44** |
| | | | | | | | |
| **Balance at April 01, 2024** | **-** | **6,756.33** | **630.27** | **4,872.30** | **-** | **191.54** | **12,450.44** |
| Profit for the period | - | - | - | 843.48 | - | - | 843.48 |
| Other comprehensive income for the period (net of taxes) | - | - | - | - | 0.24 | - | 0.24 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **843.48** | **0.24** | **-** | **843.72** |
| Adjustment on Acquisition of PBPL | - | - | - | (476.94) | - | - | (476.94) |
| **Balance at the end of September 30, 2024** | **-** | **6,756.33** | **630.27** | **5,238.84** | **0.24** | **191.54** | **12,817.22** |

*Represents the difference between the assets and liabilities of Carve Out business of TVS Industrial & Logistics Parks Private Limited being net asset value excluding capital contribution from Owner.

The accompanying notes are an integral part of these Special Purpose Combined Financial Statements

As per our report of even date

**For PKF Sridhar and Santhanam LLP**
Chartered Accountants
Firm Registration No: 003990S/S200018

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**Jinesh Damania**
Partner
Membership No. 117595

**P. S. Jayakumar**
Director
DIN: 01173236

**Aditi Kumar**
Director
DIN: 00954520

Place: Mumbai
Date: January 27, 2025

**Nitin Aggarwal**
Chief Executive Officer
Place: Mumbai
Date: January 27, 2025

**Yogesh Bhargav**
Company Secretary
Mem. No. A50501

**TVS Infrastructure Trust**

**Notes forming part of Special Purpose Combined financial statements**

**1. Corporate Information:**

The special purpose combined financial statements comprise:
a. Marudhamalai Industrial & Logistics Parks Private Limited (“MILP")
b. Maragathammbal Industrial and Logistics Park Private Limited (“MRILP”)
c. Siruvapuri Murugan Industrial and Logistics Private Limited (“SMILP”)
d. Jagannath Industrial and Logistics Parks Private Limited ("JGILP")
e. Sri Meenatchi Industrial & Logistics Parks Private Limited (“SRMILP”)
f. Tarkeshwar Industrial & Logistics Parks Private Limited (”TILP”) w.e.f. September 8,2022
g. Durgeshwari Industrial & Logistics Parks Private Limited (“DILP”)
h. Ramanujar Industrial and Logistics Parks Private Limited (“RMILP”) w.e.f. June 1, 2023
i. Revanza Sullurpet Industrial Parks Private Limited (“RSIPPL”) w.e.f. December 9, 2020
j. Presidency Barter Private Ltd (“PBPL”) Wholly owned subsidiary of MILP

individually referred to as "SPV" and together with InvIT referred to as “the Group". The Group is domiciled in India.

2 The Group is in the business of developing, owning, and leasing of industrial infrastructure, such as warehouses, assembling/ sub – assembling hubs, logistics and industrial parks.

TVS Industrial & Logistics Parks Private Limited has acquired RSIPPL and PBPL from 15th August 2023 and 15th May 2024 respectively, however, for preparation of these Special Purpose combined Financials statements, discrete financial information of these SPVs are considered and combined from 1st April 2021.

The Principles laid down in Ind AS -110 Consolidated Financial Statements has been followed, to the extent applicable.

The SPVs are proposed to be transferred to TVS Infrastructure Trust (“Trust”).
TVS Industrial Logistics Parks Private Limited ("the Sponsor of the Trust") has set up the Trust as an irrevocable trust under the Indian Trust Act, 1882 pursuant to Trust Deed dated 26th March 2024 . The Trust has been registered as an Infrastructure Investment Trust (‘InvIT’) with Securities Exchange Board of India (‘SEBI’) under the Securities Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 vide Certificate of Registration IN/InvIT/24-25/0030 dated April 22, 2024. There are no transactions in the trust for the period ended 30 September 2024. The principal place of business of the Trust is 9th Floor, Iconic Building, Urmi Estate, Ganpatrao Kadam Marg, Lower Parel West, Mumbai, Maharashtra, 400013. The Trustee to the Trust is Axis Trustee Services Limited (the “Trustee”) and the Investment manager for the Trust is TVS Infrastructure Investment Manager Private Limited (formerly known as Mahaveer Industrial & Logistics Parks Pvt Ltd) (the "Investment Manager”).

The Investment Objectives of the InvIT, as defined in Trust deed, is to carry on the activities of, and to make investments as, an infrastructure investment trust, as permissible in terms of the InvIT Regulations. The investment of the InvIT shall be in any manner permissible under, and in accordance with, the InvIT Regulations and Applicable Law, including, in such Holding Companies and/or SPVs and/or infrastructure projects and/or securities in India as permitted under the InvIT Regulations and in accordance with the investment strategy as detailed in any Offer Document.

**2. Material accounting policies**
The material accounting policies applied by the Group in the preparation of its Special Purpose Combined Financial Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Special Purpose Combined Financial Statements, unless otherwise indicated.

**2.1. Purpose of preparation of these Special Purpose Combined Financial Statements:**
The Special Purpose Combined Financial Statements have been prepared in connection with the proposed initial private placement of units of Trust under the regulation. In reference to private placement, as per regulation and Master Circular for Infrastructure Investment Trusts (InvITs) No: . SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 (“Master circular”), the Special Purpose Combined Financial Statements of the Trust is required to be included in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum which will be filed with Stock Exchanges and with SEBI under the Regulations. Accordingly, these Special Purpose Combined Financial Statements of the Trust prepared by the Investment Manager are being prepared for the purpose of inclusion in Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum for filing with SEBI . As a result, this Special Purpose Combined Financial Statements may not be suitable for another purpose.

This Special Purpose Combined Financial Statement were approved for issue by the Board of Directors of the Investment Manager in their meeting held on 27th January, 2025 for inclusion in Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum for filing with SEBI and Stock Exchanges.

The Combined Financial Statements of the Group comprise the Combined Balance Sheets as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31 2022 , the Combined Statements of Profit and Loss (including Other Comprehensive Income), the Combined Cash Flow Statements, the Combined Statements of Changes in Equity for the Six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31 2023 and March 31, 2022, the Combined Statement of Net Assets at Fair Value as at September 30, 2024, the Combined Statement of Total Returns at Fair Value for the six months period ended September 30, 2024 and for the year ended March 31, 2024 and notes to the special purpose combined financial statements including a Summary of material Accounting Policies and Other Explanatory Information (collectively, the "Special Purpose Combined Financial Statements").

The Special Purpose Combined Financial Statements have been prepared in accordance with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014 and the circulars issued thereunder ("InvIT Regulations"), as amended from time to time, and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India (“Guidance Note”). The Special Purpose Combined Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements / information of all the Group are transferred and used for the purpose of combination and are drawn up to the same reporting date i.e. for the six months period ended September 30, 2024 and for the years ended March 31, 2024, March 31,2023, and March 31, 2022 . The Special Purpose Combined Financial Statements have been prepared using the principles of consolidation as per Ind AS 110 – Consolidated Financial Statements and the Guidance Note, to the extent applicable. However, unlike consolidated financial statements, the Special Purpose Combined Financial Statements does not have any parent company. Further, the requirements of Schedule III notified under the Companies Act, 2013 are not applicable to these Special Purpose Combined Financial Statements and hence these Special Purpose Combined Financial Statements are not prepared in accordance with those requirements. Specific attention is drawn to the following aspects:

- In preparing these Special Purpose Combined Financial Statements, “Equity Share Capital” represent shareholder’s investment in the the Group.
- The number of units that Trust will issue to the TVS ILP is not presently ascertainable. Hence, the Earnings per unit could not be computed.

**The details of various entities included in the Special Purpose Combined Financial Statements is as given below:**

| Name of SPV | Principal activities | Proposed shareholding by Trust | Nature of Proposed Investment | Country of Incorporation |
|---|---|---|---|---|
| MILP | Leasing of warehouses | 100% | SPV/Holdco of PBPL | India |
| MRILP | Leasing of warehouses | 100% | SPV | India |
| SMILP | Leasing of warehouses | 100% | SPV | India |
| JGILP | Leasing of warehouses | 100% | SPV | India |
| SRMILP | Leasing of warehouses | 100% | SPV | India |
| TILP | Leasing of warehouses | 100% | SPV | India |
| DILP | Leasing of warehouses | 100% | SPV | India |
| RMILP | Leasing of warehouses | 100% | SPV | India |
| RSIPPL | Leasing of warehouses | 100% | SPV | India |
| PBPL | Leasing of warehouses | 100% | SPV | India |

**TVS Infrastructure Trust**

**Notes forming part of Special Purpose Combined financial statements**

The special purpose financial statement of the Group for the six months period ended September 30, 2024 and general purpose financial statements of SPVs except for RSIPPL and PBPL for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are audited by us. General Purpose financial statements of RSIPPL for the years ended March 31, 2023 and March 31, 2022 and general purpose financial statements of PBPL for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 are audited by other auditors. The Investment Manager has converted these general purpose financial statements into special purpose financial statements of RSIPPL and PBPL in accordance with accounting standards notified in Companies (Accounting Standards) Rules, 2015 ("Ind AS") under generally accepted auditing standards in India. PKF Sridhar & Santhanam LLP has audited Ind AS adjustments and overall disclosure and presentation of special purpose financial statements prepared by the Investment Manager.

Further, as required by the InvIT regulations, the Special Purpose Combined Financial Statements are prepared,based on an assumption that 100% stake in all SPVs is held by Trust for such period when the Trust was not in existence.

Further, in accordance with section 3.3.4 of SEBI Master Circular no. . SEBI/HO/DDHS-PoD-2/P/CIR/2024/44 dated May 15, 2024 the Special Purpose Combined Financial Statements have been presented after making necessary adjustments and accordingly, these may be different from the general purpose audited financial statements of the SPVs . Refer Note 41 for details of adjustments made in this Special Purpose Combined Financial Statement.

The Special Purpose Combined Financial Statements are presented in INR, which is the functional currency of the Trust. The Trust do not have any foreign operation and has assessed the functional currency to be INR. All values are rounded to the nearest Lakh rupees, unless otherwise indicated. Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as 0.00.

These Special Purpose Combined Financial Statements correspond to classification provisions contained in Ind AS 1 'Presentation of Financial Statements'. These Special Purpose Combined Financial Statements have been prepared on a historical cost convention and on an accrual basis except for certain financial assets (refer accounting policy regarding financial instruments).

The procedures for preparing Special Purpose Combined Financial Statements are stated below –

i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Group.

ii) The financial statements of SPVs were combined based on the assumption that all the SPVs were part of a single group for the entire period presented pursuant to the requirements as per SEBI circular.

iii) Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between the Group are eliminated in full.

iv) Considering that all the shareholders of the SPVs, will also be transferring their stake to the Trust, Non-controlling interest is not applicable.

**2.2. Summary of material accounting policies**

**I.Use of estimates**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Special Purpose Combined Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The preparation of the Special Purpose Combined Financial Statements requires the management to make estimates and assumptions. The management believes that the estimates used in preparation of the Special Purpose Combined Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**a. Useful lives of property, plant and equipment and intangible assets**

The cost of property, plant and equipment and intangible assets are depreciated on a straight-line basis over the estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment and intangible assets to be within 3 to 30 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group property, plant and equipment and intangible assets at the end of the reporting period is disclosed in note 3 to Special Purpose Combined Financial Statements.

**b. Impairment of investments**

The Group reviews its carrying value of investments carried at cost annually for impairment. If the recoverable amount is less than it is carrying amount, an impairment loss is accounted for.

**c. Taxation:**

Significant judgement is involved in determining the tax liability for the Group which includes interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Also, there are many transactions and calculation during the ordinary course of business for which the ultimate tax determination is uncertain. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit or loss. Further judgement is involved in determining the deferred tax position on the balance sheet date.

**II: Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

A liability is current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

**III. Property, plant and equipment**

All items of property, plant and equipment, except Land, are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.
Depreciation is considered on straight line basis over the useful life of the asset as follows:

| Particulars | As per books | As per Schedule II, Companies Act |
|---|---|---|
| Buildings on freehold land | 30 years | 30 years |
| Road works | 10 years | 5 years |
| Plant & equipment | 10 years | 15 years |
| Leasehold improvement | over the period of the lease | over the period of the lease |
| Furniture and fixtures and Motor Vehicles | 10 years | 10 years |
| Office Equipment | 3 to 5 years | 5 years |
| Computers | 3 years | 3 years |

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
Capital work-in-progress in respect of assets, including Land, which are not ready for their intended use are carried at costs, comprising of direct costs, related incidental expenses and attributable interest, if any.

Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

**IV. Impairment of property, plant & equipment and intangible assets**

The carrying amounts of property, plant & equipment and intangible assets are reviewed at each balance sheet date to determine whether there is any indication that those assets have suffered an impairment loss. If any such indications exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. An impairment loss is recognised in the Statement of Profit and Loss wherever the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount factor. When there is an indication that an impairment loss recognised for the asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

**V. Financial Assets and Financial liabilities**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(a) Financial assets**

*Initial recognition and measurement*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, then it is recorded at transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories
1. Debt instruments at amortised cost
2. Debt instruments at fair value through other comprehensive income (FVTOCI)
3. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

In accordance with Ind AS 109, the Group applies expected credit loss model for measurement and impairment loss on the financial asset and credit risk exposure.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In accordance with Ind-AS 109, the Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition."

*Derecognition of Financial Assets*

*A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when: - The rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:*
*(a) the Group has transferred substantially all the risks and rewards of the asset, or*
*(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.*

**(b) Financial liabilities**

*Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

*Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:
*Financial liabilities at fair value through profit or loss:*
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

*Loans and borrowings*

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**VII. Investments**

Investments are classified into current and non current investments.

Non current investments are carried at amortised cost. Provision for impairment, if any, in the value of each non current investment is made, to recognize a decline, other than of a temporary nature.

Current investments are stated at fair value as per Ind AS 109.

**VIII. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**IX.Provisions & Contingent Liability**

***a. General***

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

***b. Retirement and other employee benefits***

***i. Defined contribution plan***

Benefit in the form of provident fund is a defined contribution scheme. the Group has no obligation other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

***ii. Defined benefit plan***

The employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). Gratuity liability in respect of employees of the Group is covered through a policy taken by a trust established under the Group Gratuity Scheme with Life Insurance Corporation of India.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

• The date of the plan amendment or curtailment, and

• The date that the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

• Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

• Net interest expense or income

**X. Revenue recognition**

Revenue is recognised when consideration can be reasonably measured and recovered with reasonable certainty. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and other similar allowances.

Service income arising from the operating Property, Plant and Equipment assets is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature as per Ind AS 116.

**XI. Interest and Dividend income**

Under Ind-AS 109 interest income is recognised using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and fair value through other comprehensive income (FVOCI) (other than equity instruments measured at FVOCI). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument ( for example, prepayment, extension, call and similar options) but does not consider expected credit losses.

Dividend income is recognized when the right to receive the payment is established.

**XII. Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time (Project Duration) asset get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. In estimating the Project Duration, the Group considers period between the initial firm irrovocable committment for the asset and till it is ready for its intended use.

**XIII. Segment reporting**

The Proposed Trust identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources and in assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as CEO of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments based on their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

**XIV. Leases- as a lessor**

The lessor needs to classify its leases as either an operating lease or a finance lease. Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating lease. The Group has only operating lease and accounts the same as follows:

Assets given under operating leases are included in property, plant and equipment. Lease income is recognised in the Statement of Profit and Loss on straight line basis over the non-cancellable lease term, unless there is another systematic basis which is more representative of the time pattern of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the non-cancellable lease term on the same basis as rental income.

Lease deposits received are financial instruments (financial liability) and are measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the non-cancellable lease term on a straight line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

**XV. Taxation**

***a. Current Tax***

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

***b.Deferred tax***

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**XVI. Fair Value estimation**

**Fair value measurement**

The Group measures financial instruments and specific investments (other than subsidiary, joint venture and associates), at fair value at each balance sheet date.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**XVII. Subsequent events:**

The Special Purpose Combined Financial Statements are adjusted to reflect events that occur after the reporting date but before the Special Purpose Combined Financial Statements are issued. The Special Purpose Combined Financial Statements have their own date of authorisation, which differs from that of the financial statements of the combining entities. Therefore, when preparing the Special Purpose Combined Financial Statements, management considers adjusting events up to the date of authorisation of these financial statements.

**XVIII.Combined Statement of net assets at fair value:**

The disclosure of Statement of Net Assets at Fair Value comprises of the fair values of the total assets and fair values of the total liabilities of individual SPVs. The fair value of the assets are reviewed regularly by Management with reference to independent assets and market conditions existing at the reporting date, using generally accepted market practices. The independent valuers are leading independent appraisers with a recognised and relevant professional qualification and with recent experience in the location. Judgment is also applied in determining the extent and frequency of independent appraisals. Such independent appraisals and the assumptions used are reviewed at each balance sheet date.

**XIX.Statement Of Total Returns at Fair Value:**

The disclosure of total returns at fair value comprises of the total Comprehensive Income as per the Special Purpose Combined Statement of Profit and loss and Other Changes in Fair Value of Total Assets which were not recognised in total Comprehensive Income.

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**
***(All amounts are in Rs. Lakhs unless specified otherwise)***

3 **Property, plant and equipment**

| *Particulars* | Freehold land | Commercial Buildings | Plant & equipment | Furniture & fixtures | Vehicles | Office equipment | Computers | Leasehold Improvement | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Deemed Cost or Cost** | | | | | | | | | |
| **Gross block** | | | | | | | | | |
| **Balance as at 01 April, 2021** | **22,319.56** | **36,893.57** | **3,204.62** | **41.58** | **15.18** | **7.36** | **4.00** | **-** | **62,485.87** |
| Additions | 2,668.47 | 23,814.17 | 3,234.98 | 147.14 | 0.87 | 0.33 | 0.03 | 49.87 | 29,915.86 |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance as at 31st March, 2022** | **24,988.03** | **60,707.74** | **6,439.60** | **188.72** | **16.05** | **7.69** | **4.03** | **49.87** | **92,401.73** |
| Additions | 1,620.89 | 25,309.72 | 4,243.48 | 26.74 | - | 0.30 | 3.46 | 20.44 | 31,225.03 |
| Disposals | - | (610.76) | (20.49) | - | (0.06) | - | - | - | (631.31) |
| **Balance as at 31 March, 2023** | **26,608.92** | **85,406.70** | **10,662.59** | **215.46** | **15.99** | **7.99** | **7.49** | **70.31** | **1,22,995.45** |
| Additions | 1,229.11 | 14,567.44 | 2,631.82 | 17.58 | 7.98 | 27.48 | 0.56 | - | 18,481.97 |
| Adjustment on Acquisition of RSIPPL | 2,753.47 | 2,957.50 | (2,813.29) | - | - | - | - | - | 2,897.68 |
| Disposals | - | (8.73) | - | (34.84) | (0.65) | (0.70) | (2.60) | - | (47.52) |
| **Balance as at 31 March, 2024** | **30,591.50** | **1,02,922.91** | **10,481.12** | **198.20** | **23.32** | **34.77** | **5.45** | **70.31** | **1,44,327.58** |
| Adjustment on Acquisition of PBPL | 1,140.44 | 358.88 | 317.52 | - | - | - | - | 85.32 | 1,902.16 |
| Additions | 809.73 | 5,730.28 | 102.54 | 29.33 | - | 1.57 | - | - | 6,673.45 |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance as at 30 September, 2024** | **32,541.67** | **1,09,012.07** | **10,901.18** | **227.53** | **23.32** | **36.34** | **5.45** | **155.63** | **1,52,903.19** |
| **Accumulated Depreciation** | | | | | | | | | |
| **Balance as at 01 April, 2021** | **-** | **3,249.93** | **627.25** | **6.17** | **2.98** | **4.53** | **1.91** | **-** | **3,892.77** |
| Charge for the year | - | 1,770.60 | 513.02 | 12.80 | 1.52 | 1.13 | 0.67 | 0.27 | 2,300.01 |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance as at 31st March, 2022** | **-** | **5,020.53** | **1,140.27** | **18.97** | **4.50** | **5.66** | **2.58** | **0.27** | **6,192.78** |
| Charge for the year | - | 2,770.00 | 1,003.83 | 19.19 | 1.57 | 0.65 | 1.71 | 0.67 | 3,797.62 |
| Disposals | - | (126.98) | (12.74) | - | (0.06) | - | - | - | (139.78) |
| **Balance as at 31 March, 2023** | **-** | **7,663.55** | **2,131.36** | **38.16** | **6.01** | **6.31** | **4.29** | **0.94** | **9,850.62** |
| Charge for the year | - | 3,282.76 | 996.10 | 20.39 | 1.65 | 0.58 | 0.36 | 0.72 | 4,302.56 |
| Disposals | - | (0.37) | - | (7.88) | - | - | - | - | (8.25) |
| **Balance as at 31 March, 2024** | **-** | **10,945.94** | **3,127.46** | **50.67** | **7.66** | **6.89** | **4.65** | **1.66** | **14,144.93** |
| Charge for the period | - | 1,759.97 | 534.36 | 10.05 | 1.14 | 2.89 | 0.35 | 0.24 | 2,309.00 |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance as at 30 September, 2024** | **-** | **12,705.91** | **3,661.82** | **60.72** | **8.80** | **9.78** | **5.00** | **1.90** | **16,453.93** |
| **Net block** | | | | | | | | | |
| As at 30 September 2024 | 32,541.67 | 96,306.16 | 7,239.36 | 166.81 | 14.52 | 26.56 | 0.45 | 153.73 | 1,36,449.26 |
| As at 31 March, 2024 | 30,591.50 | 91,976.97 | 7,353.66 | 147.53 | 15.66 | 27.88 | 0.80 | 68.65 | 1,30,182.65 |
| As at 31 March, 2023 | 26,608.92 | 77,743.15 | 8,531.23 | 177.30 | 9.98 | 1.68 | 3.20 | 69.37 | 1,13,144.83 |
| As at 31 March, 2022 | 24,988.03 | 55,687.21 | 5,299.33 | 169.75 | 11.55 | 2.03 | 1.45 | 49.60 | 86,208.95 |

Note:
i) Certain Property plant & equipment of the Group have been pledged for the borrowings taken by the Group (Refer note no. 12(a)).

4(a) **Capital work-in-progress (Tangible)**

| Particulars | Leasehold land* | Freehold land | Commercial Buildings | Plant & equipment | Furniture & fixtures | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **Balance as at 01 April , 2021** | **-** | **3,865.55** | **22,222.07** | **1,453.71** | **-** | **27,541.33** |
| Additions | 24.02 | 3,068.12 | 24,254.40 | 1,743.71 | 131.37 | 29,221.62 |
| Assets capitalised during the year | - | (2,620.18) | (23,005.06) | (3,197.42) | (131.37) | (28,954.03) |
| **Balance as at 31st March, 2022** | **24.02** | **4,313.49** | **23,471.41** | **-** | **-** | **27,808.92** |
| Additions | 2.47 | 1,637.79 | 21,394.38 | 4,248.75 | 26.67 | 27,310.06 |
| Assets capitalised during the year | - | (1,509.24) | (24,803.42) | (4,239.48) | (26.67) | (30,578.81) |
| **Balance as at 31 March, 2023** | **26.49** | **4,442.04** | **20,062.37** | **9.27** | **-** | **24,540.17** |
| Additions | 3,647.20 | - | 19,640.51 | 35.51 | 16.73 | 23,339.95 |
| Deletion on account of scheme of Demerger (Refer Note 42) | - | (1,596.97) | (9,337.19) | (9.27) | - | (10,943.43) |
| Addition on account of scheme of arrangement / demerger (Refer Note 42) | - | 1,596.97 | 9,337.19 | 9.27 | - | 10,943.43 |
| Assets capitalised during the year | - | (1,229.11) | (17,202.03) | (23.27) | (16.73) | (18,471.14) |
| **Balance as at 31 March, 2024** | **3,673.69** | **3,212.93** | **22,500.85** | **21.51** | **-** | **29,408.98** |
| Additions | 3.00 | 3,077.83 | 6,090.02 | 1,043.49 | 98.71 | 10,313.05 |
| Assets capitalised during the period | - | (809.73) | (5,730.28) | (92.59) | (29.33) | (6,661.93) |
| **Balance as at 30 September, 2024** | **3,676.69** | **5,481.03** | **22,860.59** | **972.41** | **69.38** | **33,060.10** |

**Leasehold land***

1. In case of JGILP Land is acquired under registered lease deed for 90 years. According to lease agreement, in case the JGILP does not opt for renewal at the expiry of 90 years then leasehold land needs to be hand over to lessor after removing the factory building, structure and fixture. However, since decommission liability of factory building, structure and fixture is not material hence, no provision has been made for same.

2. In case of RMILP Land acquired under registered lease deed for 99 years, with renewable option for 99 years. According to the deed, in case the Company does not opt for renewal at the expiry of, 99 years then leasehold land needs to be hand over to lessor after removing the factory building, structure and fixture. However, since decomissiong liability of factory building, structure and fixture is, not material hence, no provision has been made for same.

Note

i) Borrowing Cost Capitalized in Property, plant and equipment and Capital work-in-progress (Tangible)

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Borrowing cost capitalised during the year/ period | 1,560.36 | 984.43 | 1,138.76 | 1,163.92 |
| Average Interest rate used to determine the amount of borrowing costs eligible for capitalisation. | 8.37% | 7.83% | 6.79%-8.03% | 9.50% |

ii) Salary and other associated costs

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Salary and other associated cost capitalised | 487.58 | 757.02 | 345.52 | 391.56 |

4(b) **Goodwill (Refer Note 44)**

| Particulars | *Goodwill ** |
|---|---|
| **Balance as at 01 April, 2021** | **-** |
| Additions | - |
| Disposals | - |
| **Balance as at 31st March, 2022** | **-** |
| Additions | - |
| Disposals | - |
| **Balance as at 31 March, 2023** | **-** |
| Assets | - |
| Disposals | - |
| **Balance as at 31 March, 2024** | **-** |
| Additions | 50.87 |
| Disposals | - |
| **Balance as at 30 September, 2024** | **50.87** |

*Goodwill on account of acquisition of PBPL.

**5**

| Non current financial assets | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **(a) Investments** | | | | |
| Investment in Equity instrument at FVTPL (Unquoted) | - | - | 3.80 | 3.80 |
| **Total** | - | - | **3.80** | **3.80** |
| (Investment in Sumeru Estates (P) Ltd- Nominal value of 10/-each) | | | | |
| (Number of shares-Nil as at 30 September 2024 and 31 March 2024, Number of shares - 47,500 as at 31 March 2023 and 31 March 2022) | | | | |
| **(b) Other financial assets** | | | | |
| Fixed deposit with bank having original maturity of more than 12 months* | 738.81 | 30.34 | 975.38 | 674.37 |
| Interest accrued but not due on fixed deposit | - | - | 0.27 | - |
| **Total** | **738.81** | **30.34** | **975.65** | **674.37** |

* lien against borrowings

**6**

| Non-current tax assets (net) | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Advance tax recoverable (Including tax deducted at source) | 809.08 | 447.42 | 404.21 | 702.37 |
| Provision for tax | (28.95) | (28.95) | - | - |
| **Total** | **780.13** | **418.47** | **404.21** | **702.37** |

**7**

| Other non current assets | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| (Unsecured and considered good) | | | | |
| Prepaid expenses | 1,124.68 | 1,104.98 | 858.77 | 728.46 |
| Lease equalisation balance | 6,840.85 | 6,252.01 | 4,983.39 | 2,888.05 |
| Capital advances | 2,930.70 | 2,611.53 | 3,822.90 | 4,949.91 |
| Balances with Revenue Authorities* | 11,213.46 | 9,888.65 | 6,458.75 | 4,633.05 |
| Security deposits | 447.30 | 472.65 | 181.41 | 73.25 |
| Other Receivables | 1.46 | - | - | - |
| **Total** | **22,558.45** | **20,329.82** | **16,305.22** | **13,272.72** |

* Balance with revenue authorities is on account of input tax credit availed on construction expenses incurred for developing warehouses which is under dispute with the revenue department and the matter is currently sub-judice. Out of this the Group has received show cause notice of Rs. 3,495.22 Lakhs (31 March 2024: Rs. 3,495.22 Lakhs, 31 March 2023: Rs. 3,178.26 Lakhs and 31 March 2022: Rs. Nil), In case the outcome of the dispute is not favourable, to the Group, the input tax credit availed being capital in nature has to be included in the cost of the assets and accordingly depreciated.

**8**

| Current financial assets | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **(a) Investments** | | | | |
| Investment in Debt Instruments | - | 1,022.36 | - | - |
| Investment in overnight money market funds | 1,303.58 | 1,504.08 | - | - |
| **Total** | **1,303.58** | **2,526.44** | **-** | **-** |

**Investment in Debt Instruments (Investment at fair value through P&L)**

| Particulars | As at 30 September 2024 | | As at 31 March, 2024 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|---|---|---|---|---|---|---|---|
| | Units | in lakhs | Units | in lakhs | Units | in lakhs | Units | in lakhs |
| 7.28% HDFC Bank Ltd 2024 | - | - | 100.00 | 1,022.36 | - | - | - | - |
| **Total** | **-** | **-** | **100.00** | **1,022.36** | **-** | **-** | **-** | **-** |

**Investment in overnight money market funds (Investment at fair value through P&L)**

| Particulars | As at 30 September, 2024 | | As at 31 March, 2024 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|---|---|---|---|---|---|---|---|
| | Units | in lakhs | Units | in lakhs | Units | in lakhs | Units | in lakhs |
| HDFC Overnight fund - Growth | - | - | 7,696.64 | 271.13 | - | - | - | - |
| ICICI Prudential Overnight fund - Growth* | 98,303.00 | 1,303.58 | 74,883.00 | 961.84 | - | - | - | - |
| Kotak Overnight fund - Growth | - | - | 21,331.22 | 271.11 | - | - | - | - |
| **Total** | **98,303.00** | **1,303.58** | **1,03,910.86** | **1,504.08** | **-** | **-** | **-** | **-** |

* Lien against borrowings

| | | | | |
|---|---|---|---|---|
| Aggregate Amount of quoted Investments and market value thereof | - | - | - | - |
| Aggregate Amount of Unquoted Investments | 1,303.58 | 2,526.44 | - | - |
| Aggregate Provision for impairment in Value of Investment | - | - | - | - |

| (b) Trade receivables* | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| (Unsecured and considered good) | | | | |
| - from related parties | 120.28 | 20.97 | 231.59 | 128.36 |
| - from others | 266.22 | 457.82 | 160.18 | 201.65 |
| **Total** | **386.50** | **478.79** | **391.77** | **330.01** |

* Trade receivables are hypothecated against borrowings (Refer Note (12(a))

| (c) Cash & cash equivalents | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Cash on hand | 3.35 | 2.97 | 3.44 | 1.44 |
| Balances with Banks | | | | |
| In current accounts | 8,041.18 | 2,969.25 | 49.37 | 176.24 |
| In Fixed Deposits having original maturity less than 3 months | - | - | - | 15.00 |
| **Total** | **8,044.53** | **2,972.22** | **52.81** | **192.68** |
| **(d) Bank balance other than (c) above** | | | | |
| In Escrow accounts | 840.43 | 889.98 | 659.84 | - |
| In fixed deposit having original maturity more than 3 months but less than 12 months | - | 935.79 | 1,014.05 | 681.81 |
| **Total** | **840.43** | **1,825.77** | **1,673.89** | **681.81** |
| **(e) Loans** | | | | |
| Inter Corporate Deposit to fellow subsidiary | 4,500.00 | - | - | - |
| To employees* | | | | |
| - KMP | 6.71 | - | - | - |
| - Others | 0.29 | 3.71 | - | 0.90 |
| **Total** | **4,507.00** | **3.71** | **-** | **0.90** |
| **(f) Other financial assets** | | | | |
| Security deposits | 0.10 | - | 9.52 | 4.43 |
| In fixed deposit account having original maturity of more than 12 months | 1,352.54 | 1,113.00 | - | 920.00 |
| Interest accrued but not due on fixed deposit | 28.94 | 73.05 | - | 4.82 |
| Receivable from insurance company (Refer Note 45) | 221.62 | - | - | - |
| Unbilled revenue | - | - | 1.10 | - |
| **Total** | **1,603.20** | **1,186.05** | **10.62** | **929.25** |

This ICD carries interest at the rate of 8.25% p.a. and repayable after two years from date it is given /on demand
*Loan to employees are interest free

**9**

| Other current assets | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| (Unsecured and considered good) | | | | |
| Prepaid Expense | 574.48 | 231.22 | 279.01 | 257.18 |
| Advance for expenses | 41.86 | 139.67 | 61.45 | 22.13 |
| Balances with revenue authorities | 603.45 | 549.56 | 1,387.49 | 947.30 |
| Advance for gratuity (Refer note 33) | 0.42 | 0.41 | 0.32 | - |
| Amount receivable on account of demerger (Refer Note 42) | - | 7,490.66 | - | - |
| Other receivables | 183.47 | 523.58 | 32.96 | 3.00 |
| **Total** | **1,403.68** | **8,935.10** | **1,761.23** | **1,229.61** |

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**

**10A Equity Share capital**

**(a) Authori ed, Issued, Subscribed and Paid-up share capital**

| Particulars | As at 30 September, 2024 | | As at 31 March, 2024 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|---|---|---|---|---|---|---|---|
| **(a) Authori ed** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** |
| Equity shares of 10/- each fully paid up of RSIPPL | 60,00,000 | 600.00 | 60,00,000 | 600.00 | 60,00,000 | 600.00 | 60,00,000 | 600.00 |
| Equity shares of 1/- each fully paid up of MRILP | 3,40,00,000 | 340.00 | 3,40,00,000 | 340.00 | 3,40,00,000 | 340.00 | 3,40,00,000 | 340.00 |
| Equity shares of 1/- each fully paid up of MILP | 1,61,00,000 | 161.00 | 1,61,00,000 | 161.00 | 1,61,00,000 | 161.00 | 1,61,00,000 | 161.00 |
| Equity shares of 1/- each fully paid up of SMILP | 2,72,00,000 | 272.00 | 2,72,00,000 | 272.00 | 2,72,00,000 | 272.00 | 2,72,00,000 | 272.00 |
| Equity shares of 1/- each fully paid up of JGILP | 50,000 | 0.50 | 50,000 | 0.50 | 50,000 | 0.50 | 50,000 | 0.50 |
| Equity Shares of 10/- each fully paid up of SRILP | 1,00,000 | 10.00 | 1,00,000 | 10.00 | 1,00,000 | 10.00 | 1,00,000 | 10.00 |
| Equity Shares of 10/- each fully paid up of TILP | 1,50,000 | 15.00 | 1,50,000 | 15.00 | 1,50,000 | 15.00 | - | - |
| Equity Shares of 10/- each fully paid up of DILP | 1,50,000 | 15.00 | 1,50,000 | 15.00 | - | - | - | - |
| Equity Shares of 10/- each fully paid up of RILP | 1,50,000 | 15.00 | 1,50,000 | 15.00 | - | - | - | - |
| Equity Shares of 10/- each fully paid up of PBPL | - | - | 1,30,000 | 13.00 | 1,30,000 | 13.00 | 1,30,000 | 13.00 |
| **(b) Issued, Subscribed and Paid-up** | | | | | | | | |
| **Equity share capital** | | | | | | | | |
| Equity shares of 10/- each fully paid up of RSIPPL | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |
| Equity shares of 1/- each fully paid up of MRILP | 3,38,36,227 | 338.36 | 3,38,36,227 | 338.36 | 3,38,36,227 | 338.36 | 3,38,36,227 | 338.36 |
| Equity shares of 1/- each fully paid up of MILP | 1,60,14,812 | 160.15 | 1,60,14,812 | 160.15 | 1,60,14,812 | 160.15 | 1,60,14,812 | 160.15 |
| Equity shares of 1/- each fully paid up of SMILP | 2,71,27,641 | 271.28 | 2,71,27,641 | 271.28 | 2,71,27,641 | 271.28 | 2,71,27,641 | 271.28 |
| Equity shares of 1/- each fully paid up of JGILP | 50,000 | 0.50 | 50,000 | 0.50 | 50,000 | 0.50 | 50,000 | 0.50 |
| Equity Shares of 10/- each fully paid up of SRILP | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 | 10,000 | 1.00 |
| Equity Shares of 10/- each fully paid up of TILP | 1,000 | 0.10 | 1,000 | 0.10 | 1,000 | 0.10 | - | - |
| Equity Shares of 10/- each fully paid up of DILP | 1,00,000 | 10.00 | 1,00,000 | 10.00 | - | - | - | - |
| Equity Shares of 10/- each fully paid up of PBPL | - | - | 1,26,600 | 12.66 | 1,26,600 | 12.66 | 1,26,600 | 12.66 |
| Equity Shares of 10/- each fully paid up of RILP | 10,000 | 1.00 | 10,000 | 1.00 | - | - | - | - |
| **Total of Equity Share Capital** | **7,71,59,680** | **783.39** | **7,72,86,280** | **796.05** | **7,71,76,280** | **785.05** | **7,71,75,280** | **784.95** |

Equity capital of the group is line by line aggregate of the authorized share capital and paid-up share capital of each of the SPVs. It does not represent legal share capital of the Group.

**A. Reconciliation of share outstanding at the beginning and at the end of the year/period.**

| Particulars | As at 30 September, 2024 | | As at 31 March, 2024 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|---|---|---|---|---|---|---|---|
| | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** |
| **Equity Shares** | | | | | | | | |
| At the beginning of the year/period | 7,72,86,280 | 796.05 | 7,71,76,280 | 785.05 | 7,71,75,280 | 784.95 | 7,70,80,880 | 775.51 |
| Add/(Less): Changes during the year/period | (1,26,600) | (12.66) | 1,10,000 | 11.00 | 1,000 | 0.10 | 94,400 | 9.44 |
| **Outstanding at the end of the year/period** | **7,71,59,680** | **783.39** | **7,72,86,280** | **796.05** | **7,71,76,280** | **785.05** | **7,71,75,280** | **784.95** |

**B.Rights, preferences and restrictions attached to equity shares**

The Group have a only one class of equity shares having par value of 10 per share or 1 per share. Each holder of equity share is entitled to one vote per share. The SPVs declares and pays dividend in Indian rupees. The dividend proposed by board of directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**10B Preference share capital**

| Particulars | As at 30 September, 2024 | | As at 31 March, 2024 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|---|---|---|---|---|---|---|---|
| **(a) Authori ed** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** |
| Preference shares of 10/-each fully paid up of DILP | 78,50,000 | 785.00 | 78,50,000 | 785.00 | - | - | - | - |
| **(b) Issued, Subscribed and Paid-up** | | | | | | | | |
| Preference Shares Non Cumulative Compulsory Convertible Preference shares (CCPS) of 10/-each fully paid up of DILP* | 74,03,846 | 740.38 | 74,03,846 | 740.38 | - | - | - | - |
| **Total of Preference share capital** | **74,03,846** | **740.38** | **74,03,846** | **740.38** | - | - | - | - |

* including debt component which is shown under borrowings

**A. Reconciliation of share outstanding at the beginning and at the end of the year/period.**

| Particulars | As at 30 September, 2024 | | As at 31 March, 2024 | | As at 31 March, 2023 | | As at 31 March, 2022 | |
|---|---|---|---|---|---|---|---|---|
| | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** | **Number of shares** | **in Lakhs** |
| **Preference Shares Non Cumulative Compulsory Convertible Preference shares (CCPS)** | | | | | | | | |
| At the beginning of the year/period | 74,03,846 | 630.27 | - | - | - | - | - | - |
| Add/(Less): Changes during the year/period | - | - | 74,03,846 | 630.27 | - | - | - | - |
| **Outstanding at the end of the year/period** | **74,03,846** | **630.27** | **74,03,846** | **630.27** | - | - | - | - |

The Board of Directors of the DILP has issued and allotted 74,03,846, 0.001% Non Cumulative, Compulsory Convertible Preference shares of 10 each on March 31 2024 to the shareholders of TVS Industrial & Logistics Parks Private Limited, Sponsor in the ratio of 4 (four) CCPS of Rs. 10 each fully paid up of the DILP for every 10 (ten) Shares of Rs. 10 fully paid up held in the Sponsor Company, as per the Scheme of Arrangement (Demerger) sanctioned by the Hon'ble National Company law Tribunal, Mumbai ("NCLT") vide its order dated March 26 2024. CCPS shall compulsorily convert into equity shares of the DILP upon the earlier of the following.

(i) At the expiry of 19(Nineteen) ears and 11(eleven) months from the date of issue of CCPS: or

(ii) at anytime at the option of the DILP.

| 11 Other equity | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **a) Capital** | | | | |
| Opening Balance | - | **2,910.65** | **(137.82)** | **10,453.17** |
| Changes during the year / period | - | (2,910.65) | 3,048.47 | (10,590.99) |
| **Closing balance** | - | - | **2,910.65** | **(137.82)** |
| **b) Securities premium reserves** | | | | |
| Opening Balance | 191.54 | 191.54 | 191.54 | 157.78 |
| Changes during the year / period | - | - | - | 33.76 |
| **Closing Balance** | **191.54** | **191.54** | **191.54** | **191.54** |
| **c) Retained Earnings** | | | | |
| Opening Balance | **5,657.57** | 4,808.52 | 2,544.60 | 1,176.07 |
| Profit / (loss) for the year/ period | 843.48 | 1,629.26 | 2,263.92 | 1,368.53 |
| Transferred to capital reserve on business combination (Refer note 42) | - | (780.21) | - | - |
| Adjustment on Acquisition of PBPL (Refer note 44) | (476.94) | - | - | - |
| **Closing Balance** | **6,024.11** | **5,657.57** | **4,808.52** | **2,544.60** |
| **d) Equity component of compound financial instruments - 0.001% CCPS** | | | | |
| Opening Balance | 630.27 | - | - | - |
| Changes during the year / period | - | 630.27 | - | - |
| **Closing Balance** | **630.27** | **630.27** | - | - |
| **e) Capital Reserve on business combination** | | | | |
| Opening Balance | 6,756.33 | - | - | - |
| Transferred to capital reserve on business combination (Refer Note 42) | - | 2,979.58 | - | - |
| Adjustment on Acquisition of RSIPPL (Refer Note 43) | - | 3,776.75 | - | - |
| **Closing Balance** | **6,756.33** | **6,756.33** | - | - |
| **f) Other Comphresnsive Income** | | | | |
| Opening Balance | - | **0.05** | **0.10** | 0.01 |
| Changes during the year/period | 0.24 | (0.05) | (0.05) | 0.09 |
| **Closing Balance** | **0.24** | - | **0.05** | **0.10** |
| **Grand Total** | **13,602.49** | **13,235.71** | **7,910.76** | **2,598.42** |

**Nature and purpose of reserves**

**a) Capital**

Represents the difference between the assets and liabilities of Carve Out business of TVS Industrial & Logistics Parks Private Limited being net asset value excluding capital contribution from Owner.

**b) Securities premium reserves**

Securities premium account represents the premium on issue of shares. The account is utilised in accordance with the provisions of the Companies Act, 2013.

**c) Retained earnings**

Retained earnings are the profits that the has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**d) Capital reserves on business combination**

Capital reserve represent excess of net assets taken, over the cost of consideration paid in a business combination.

**12**

| **Non current financial liabilities** | **As at 30 September, 2024** | **As at 31 March, 2024** | **As at 31 March, 2023** | **As at 31 March, 2022** |
|---|---|---|---|---|
| **(a) Borrowings** | | | | |
| *Term Loan** | | | | |
| From Bank's (Secured) | 67,866.84 | 57,736.14 | 62,479.60 | 42,013.67 |
| From Financial Institution (Secured) | 63,365.52 | 64,061.17 | 39,091.55 | 39,903.89 |
| 0.001% Non Cumulative Compulsory Convertible Preference shares (Debt Component) ("CCPS") | 115.62 | 110.12 | - | - |
| **Total** | **1,31,347.98** | **1,21,907.43** | **1,01,571.15** | **81,917.56** |
| | | | | |
| **(b) Other financial liabilities** | | | | |
| Security Deposit from customers | 5,388.35 | 5,554.63 | 4,693.74 | 3,629.72 |
| Electricity Deposit from customers | 95.27 | 97.22 | 61.91 | - |
| **Total** | **5,483.62** | **5,651.85** | **4,755.65** | **3,629.72** |

***Nature of security for term loan**

| **Name of SPV** | **As at 30 September, 2024** | **As at 31 March, 2024** | **As at 31 March, 2023** | **As at 31 March, 2022** |
|---|---|---|---|---|
| **MRILP** | Rs. 17,505.88 Lakhs | Rs. 17,883.18 Lakhs | Rs. 18, 234 Lakhs | Rs. 14,132.23 Lakhs |
| Interest rate and repayment terms | 7.15% to 8.5% (effective interest rate 7.21% to 8.54% p.a and are repayable till March 2037 to January 2038.) | 7.15% to 8.5% (effective interest rate 7.21% to 8.54% p.a and are repayable till March 2037 to January 2038.) | 7.15% to 8.5% (effective interest rate 7.21% to 8.54% p.a and are repayable till March 2037 to January 2038.) | 7.15% (effective interest rate 7.21% p.a and are repayable till March 2037) |
| Security | Exclusive first charge by way of equitable mortgage on land & building situated at Hosur (Park II), Tamil Nadu and exclusive charge by way of hypothecation on movable fixed assets and current assets including rent receivables of the project and pari passu first charge over the common entrance area, jointly collateralised for Term loans and a Rs. 20 crore overdraft loan sanctioned to the Sponsor. | Exclusive first charge by way of equitable mortgage on land & building situated at Hosur (Park II), Tamil Nadu and exclusive charge by way of hypothecation on movable fixed assets and current assets including rent receivables of the project and pari passu first charge over the common entrance area, jointly collateralised for Term loans and a Rs. 20 crore overdraft loan sanctioned to the Sponsor. | Exclusive first charge by way of equitable mortgage on land & building situated at Hosur (Park II), Tamil Nadu and exclusive charge by way of hypothecation on movable fixed assets and current assets including rent receivables of the project and pari passu first charge over the common entrance area, jointly collateralised for Term loans and a Rs. 20 crore overdraft loan sanctioned to the Sponsor. | Borrowings are secured by pari-passu charge on immovable property of the MRILP and are also secured by pari-passu charge on specified movable and current assets of the MRILP, both present & future. |
| **MILP** | Rs. 12,703.23 Lakhs | Rs. 12,988.95 Lakhs | Rs. 13,508.49 Lakhs | Rs. 10,110.92 Lakhs |
| Interest rate and repayment terms | 7.15% (effective interest rate 7.21% p.a. and is repayable till March 2037.) | 7.15% (effective interest rate 7.21% p.a. and is repayable till March 2037.) | 7.15% (effective interest rate 7.21% p.a. and is repayable till March 2037.) | 7.15% (effective interest rate 7.21% p.a. and are repayable till May 2034.) |
| Security | Exclusive first charge by way of equitable mortgage on land & building situated at Coimbatore, Tamil Nadu and exclusive charge by way of hypothecation on movable fixed assets and current assets including rent receivables of the project, jointly collateralised for Term loan and a Rs. 20 crore overdraft loan sanctioned to the Sponsor. | Exclusive first charge by way of equitable mortgage on land & building situated at Coimbatore, Tamil Nadu and exclusive charge by way of hypothecation on movable fixed assets and current assets including rent receivables of the project, jointly collateralised for Term loan and a Rs. 20 crore overdraft loan sanctioned to the Sponsor. | Exclusive first charge by way of equitable mortgage on land & building situated at Coimbatore, Tamil Nadu and exclusive charge by way of hypothecation on movable fixed assets and current assets including rent receivables of the project, jointly collateralised for Term loan and a Rs. 20 crore overdraft loan sanctioned to the Sponsor. | Borrowings are secured by exclusive charge on immovable property of the MILP and are also secured by exclusive charge on specified movable and current assets of the MILP, both present & future jointly collateralized for a Rs. 20 crore loan sanctioned to the Sponsor. |
| **SMILP** | Rs. 19,917.00 Lakhs | Rs. 19,937.72 Lakhs | Rs. 8,789.25 Lakhs | Rs. 9,027.36 Lakhs |
| Interest rate and repayment terms | 8% (effective interest rate 8.03% p.a. and is repayable till May 2041.) | 8% (effective interest rate 8.03% p.a. and is repayable till March 2037.) | 6.75% (effective interest rate 6.79% p.a. and is repayable till March 2037.) | 6.75% (effective interest rate 6.79% p.a. and is repayable till March 2037.) |
| Security | Exclusive first charge by way of equitable mortgage on land & building situated at Redhills, Tamil Nadu and exclusive charge by way of Hypothecation of receivables of the project.<br><br>**Pro ect** - Land admeasuring 33.18 acres located at Aagaram and Sethupakkam village, Thiruvallur Taluka and District in Tamilnadu and building constructed thereon. | Exclusive first charge by way of equitable mortgage on land & building situated at Redhills, Tamil Nadu and exclusive charge by way of Hypothecation of receivables of the project.<br><br>**Pro ect** - Land admeasuring 33.18 acres located at Aagaram and Sethupakkam village, Thiruvallur Taluka and District in Tamilnadu and building constructed thereon. | Exclusive first charge by way of equitable mortgage on land & building situated at Redhills, Tamil Nadu and exclusive charge by way of Hypothecation of receivables of the project.<br><br>**Pro ect** - land admeasuring 33.18 acres located at Aagaram and Sethupakkam village, Thiruvallur Taluka and District in Tamilnadu and building constructed thereon. | Borrowings are primarily secured by way of first and exclusive charge of hypothecation / assignment of entire receivables both present and future arising out of SMILP's project warehousing unit and collaterally secured by first and exclusive charge by way of mortgage of all piece and parcel of specific commercial pertaining to project owned by SMILP.<br><br>**Pro ect** - land admeasuring 33.18 acres located at Aagaram and Sethupakkam vilage, Thiruvallur Taluka and District in Tamilnadu and building constructed thereon. |

| | | | | |
|---|---|---|---|---|
| **SRMILP** | Rs. 6,156.62 Lakhs | Rs. 6,223.43 Lakhs | Rs. 5,794.20 Lakhs | |
| Interest rate and repayment terms | 8.1% (effective interest rate of 8.01% p.a. to 8.12% p.a. and is repayable till March 2038) | 8.1% (effective interest rate of 8.01% p.a. to 8.12% p.a. and is repayable till March 2038) | 7.46% (effective interest rate 8.01% p.a. and is repayable till March 2038) | |
| Security | *Escrow of rentals and mortgage of land admeasuring 16.0175 acres located at Vairavanatham Village, Madurai North Taluka and Madurai District in Tamilnadu and building constructed thereon.<br>**Pro ect** - land admeasuring 16.0175 acres located at Vairavanatham Village, Madurai North Taluka and Madurai District in Tamilnadu and building constructed thereon | *Escrow of rentals and mortgage of land & building at Madurai, Tamil Nadu.<br>**Pro ect** - land admeasuring 16.0175 acres located at Vairavanatham Village, Madurai North Taluka and Madurai District in Tamilnadu and building constructed thereon | *Escrow of rentals and mortgage of land & building at Madurai, Tamil Nadu.<br>**Pro ect** - land admeasuring 16.0175 acres located at Vairavanatham Village, Madurai North Taluka and Madurai District in Tamilnadu and building constructed thereon | - |
| **RSIPPL** | Rs. 10,709.99 Lakhs | Rs. 11,330.15 Lakhs | Rs. 11,815.35 Lakhs | |
| Interest rate and repayment terms | 8.4% to 9.15% (effective interest rates of 8.59% to 9.67% p.a. and are repayable till March 2027 & March 2034) | 8.4% to 9.15% (effective interest rates of 8.59% to 9.67% p.a. and are repayable till March 2027 & March 2034) | 8.4% to 9.15% (effective interest rates of 8.59% to 9.67% p.a. and are repayable till March 2027 & March 2034) | |
| Security | Exclusive first charge by way of equitable mortgage on land & building situated at Sullurpet, Andhra Pradesh, exclusive first charge by way of hypothecation of rent receivables and plant & machinery of the project. | Exclusive first charge by way of equitable mortgage on land & building situated at Sullurpet, Andhra Pradesh, exclusive first charge by way of hypothecation of rent receivables and plant & machinery of the project. | Exclusive first charge by way of equitable mortgage on land & building situated at Sullurpet, Andhra Pradesh, exclusive first charge by way of hypothecation of rent receivables and plant & machinery of the project and personal guarantee by Mrs. Arthi Lalwani and Mr. Siddharth Rameshkumar Jain. | - |
| **DILP** | Rs. 60,173.59 Lakhs | Rs.57,292.40 Lakhs | Rs. 46,947.65 Lakhs | Rs. 41,116.51 Lakhs |
| Interest rate and repayment terms | **Banks**: 8% to 8.25% (effective interest rate of 8.02% p.a. to 8.26% p.a. and are repayable till December 2024 & March 2038)<br>**Financial Institutions**: 8% (effective interest rate 8.04% p.a. are repayable till December 2037.) | **Banks**: 8% to 8.25% (effective interest rate of 8.02% p.a. to 8.26% p.a. and are repayable till December 2024 & March 2038)<br>**Financial Institutions**: 8% (effective interest rate 8.04% p.a. are repayable till December 2037.) | **Banks**: 8% to 8.25% (effective interest rate of 8.02% p.a. to 8.26% p.a. and are repayable till December 2024 & March 2038)<br>**Financial Institutions**: 8% (effective interest rate 8.04% p.a. are repayable till December 2037.) | **Banks:** 9% (effective interest rate of 10.28 p.a. and are repayable till December 2024.)<br>**Financial Institutions:** 8%(effective interest rate 8.25% p.a. and are repayable till December 2037.) |
| Security | **From Banks**: Hypothecation of rent of phase I of the project and mortgage of land & building at Singadivakkam, Tamil Nadu.<br>Escrow of rent and mortgage of land & building at Bhubaneswar, Odisha.<br><br>**From Financials Institutions**: Exclusive charge over movable and immovable assets of:<br>i) Building at Chakan, Maharashtra along with the underlying land.<br>ii) Building at Vaipur, Tamil Nadu along with the underlying land.<br>iii) Building at Hosur (Park I), Tamil Nadu along with the underlying land.<br>Exclusive charge on all current assets at Chakan, Vaipur and Hosur (Park I) assets.<br>Term loan amounting to Rs.9,844.61 Lakhs is repayable till Jan 2026 , carrying effective interest rate of 8.04% p.a. (P : 8.04% p.a. are repayable till December 2037) | **From Banks**: Hypothecation of rent of phase I of the project and mortgage of land & building at Singadivakkam, Tamil Nadu.<br>Escrow of rent and mortgage of land & building at Bhubaneswar, Odisha.<br><br>**From Financials Institutions**: Exclusive charge over movable and immovable assets of:<br>i) Building at Chakan, Maharashtra along with the underlying land.<br>ii) Building at Vaipur, Tamil Nadu along with the underlying land.<br>iii) Building at Hosur (Park I), Tamil Nadu along with the underlying land.<br>Exclusive charge on all current assets at Chakan, Vaipur and Hosur (Park I) assets.<br>Term loan amounting to Rs.9,844.61 Lakhs is repayable till Jan 2026 , carrying effective interest rate of 8.04% p.a. (P : 8.04% p.a.are repayable till December 2037) | **From Banks**: Hypothecation of rent of phase I of the project and mortgage of land & building at Singadivakkam, Tamil Nadu.<br>Escrow of rent and mortgage of land & building at Bhubaneswar, Odisha.<br><br>**From Financials Institutions**: Exclusive charge over movable and immovable assets of:<br>i) Building at Chakan, Maharashtra along with the underlying land.<br>ii) Building at Vaipur, Tamil Nadu along with the underlying land.<br>iii) Building at Hosur (Park I), Tamil Nadu along with the underlying land.<br>Exclusive charge on all current assets at Chakan, Vaipur and Hosur (Park I) assets.<br>Term loan amounting to Rs.9,844.61 Lakhs is repayable till Jan 2026 , carrying effective interest rate of 8.04% p.a. (P : 8.25% are repayable till December 2037) | **Banks:** Hypothecation of lease rentals from tenants of phase 1 project at Singadivakkam and mortgage of constructed structure along with the land admeasuring 10.37 acres at 112 Singadivakkam village, Kanchipuram Taluk, Chennai, Tamil Nadu.<br><br>**From Financial institution:** Exclusive charge over movable and immovable fixed assets of:<br>i) Chakan warehouse located near Pune, Maharashtra aggregating 3.38 lakh sq. ft.<br>ii) Vaipur warehouse located near Chennai, Tamil Nadu aggregating 2.12 lakh sq. ft.<br>Exclusive charge on all current assets in Chakan and Vaipur assets.<br>Term loan, carrying effective interest rate of 8.25% p.a and are repayable till December 2037. |
| RILP | Rs. 8,856.02 Lakhs | - | - | - |
| Interest rate and repayment terms | 8.25% (effective interest rate of 8.35% p.a. and are repayable till July 2038) | | | |
| Security | **From Banks:**<br>Escrow of rentals and mortgage of land admeasuring 17 acres located at Pillaipakkam Village, Sriperumpadur Taluka, Kancheepuram District in Tamil Nadu and building constructed thereon. | | | |

| | | | | |
|---|---|---|---|---|
| PBPL | - | Rs. 615.57 Lakhs | Rs. 690.95 Lakhs | Rs. 924.35 Lakhs |
| Interest rate and repayment terms | | The loan carries interest 9.35% & 9.60 per annum with final instalment due in Sept 2032 (Effective interest rate - 9.73% and 9.45%) | The loan carries interest 9.35 % & 9.60 %per annum with final instalment due in Sept 2032 ( Effective interest rate - 9.73% and 9.45%) | The loan carries interest 8.1% per annum and is repayable in over the period of 10 year |
| Security | | **From bank:**Term Loan from ICICI Bank Ltd is secured against equitable mortgage of PBPL's land and immovable assets and guaranteed by all directors and Dipcon Properties Private Limited, related party of PBPL. | **From bank:**Term Loan from ICICI Bank Ltd is secured against equitable mortgage of PBPL's land and immovable assets and guaranteed by all directors and Dipcon Properties Private Limited,related party of PBPL. | **From Bank:** Term Loan from Kotak Mahindra Bank Ltd is secured against equitable mortgage of PBPL's land and immovable assets and also equitable mortgage of leasehold land belonging to Sumeru Estates Private Limited and guaranteed by all directors and Sumeru Estates Private Limited,related party of PBPL. |

**Maturity analysis**

**FY 2024-25 (As at 30 September , 2024)**

| Year | Term loan from Bank | Term loan from FIs | Total |
|---|---|---|---|
| Oct 24 to Sept 25 | 4,446.77 | 343.21 | 4,789.98 |
| Oct 25 to Sept 26 | 4,725.53 | 445.26 | 5,170.79 |
| Oct 26 to Sept 27 | 4,830.50 | 662.46 | 5,492.96 |
| Oct 27 to Sept 28 | 4,747.48 | 920.47 | 5,667.95 |
| Oct 28 to Sept 29 | 5,724.88 | 1,148.15 | 6,873.03 |
| Oct 29 to Sept 30 | 7,082.25 | 1,437.39 | 8,519.64 |
| Oct 30 to Sept 31 | 7,674.06 | 1,756.55 | 9,430.61 |
| Oct 31 to Sept 32 | 8,463.30 | 2,148.28 | 10,611.58 |
| Oct 32 to Sept 33 | 9,397.81 | 2,567.63 | 11,965.44 |
| Oct 33 to Sept 34 | 9,301.45 | 2,765.91 | 12,067.36 |
| Oct 34 to Sept 35 | 9,266.86 | 2,946.50 | 12,213.36 |
| Oct 35 to Sept 36 | 10,127.63 | 3,288.08 | 13,415.71 |
| Oct 36 to Sept 37 | 9,628.36 | 3,754.47 | 13,382.83 |
| Oct 37 to Sept 38 | 3,534.51 | 3,706.00 | 7,240.51 |
| Oct 38 to Sept 39 | 720.53 | 2,924.07 | 3,644.60 |
| Oct 39 to Sept40 | 832.00 | 2,618.00 | 3,450.00 |
| Oct 40 to Sept 41 | 603.53 | 1,857.00 | 2,460.53 |
| **Total** | **1,01,107.45** | **35,289.43** | **1,36,396.88** |

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| **Deferred tax liabilities (net)** | **As at 30 September, 2024** | **As at 31 March, 2024** | **As at 31 March, 2023** | **As at 31 March, 2022** |
|---|---|---|---|---|
| **Deferred tax liabilities :** | | | | |
| *On account of* | | | | |
| Depreciation and amortisation | 5,647.02 | 4,902.19 | 3,656.09 | 2,795.63 |
| Lease equilization impact | 1,688.49 | 1,544.34 | 992.32 | 717.89 |
| Security Deposits Liability | 523.69 | 577.13 | 637.63 | 482.74 |
| Loan Liability | 83.12 | 89.49 | 328.70 | 32.33 |
| Investment in Mutual Fund | 1.91 | - | - | - |
| Others | 4.23 | - | - | - |
| **Deferred tax Assets :** | | | | |
| *On account of* | | | | |
| Prepaid expenses | 1.49 | 1.54 | - | - |
| Imputed interest on security deposit | 469.49 | 522.45 | 592.86 | 448.45 |
| Loan Liability | - | - | - | 16.61 |
| Provision for employee benefits (net) | 0.23 | - | 0.24 | 0.24 |
| Unabsorbed Depreciation | 3,923.09 | 3,436.04 | 2,325.36 | 1,615.31 |
| Others | - | 1.03 | 8.90 | 16.27 |
| **Total** | **3,554.16** | **3,152.09** | **2,687.38** | **1,931.71** |

| **Movement in deferred tax liabilities** | **As at 30 September, 2024** | **As at 31 March, 2024** | **As at 31 March, 2023** | **As at 31 March, 2022** |
|---|---|---|---|---|
| **Deferred tax liabilities (net)** | | | | |
| Opening balance* | 3,152.09 | 2,687.38 | 1,931.71 | 1,559.15 |
| On acquisition of RSIPPL | - | (36.30) | - | - |
| Timing difference in depreciation and amortisation | 744.83 | 1,282.40 | 860.46 | 1,102.20 |
| Timing difference in lease equalisation impact | 144.15 | 552.02 | 274.43 | 335.25 |
| Timing difference in security deposit received | (53.44) | (60.50) | 154.89 | 64.65 |
| Timing difference in loan | (6.37) | (239.21) | 296.37 | (163.98) |
| Timing difference in overnight fund | 1.91 | - | - | - |
| Timing difference in Prepaid | 0.05 | (1.54) | - | - |
| Timing difference in Imputed interest | 52.96 | 70.41 | (144.41) | (48.67) |
| Timing difference in loan | - | - | 16.61 | (16.61) |
| Timing difference in provision for employee benefits | (0.23) | 0.24 | - | (0.17) |
| Unabsorbed depreciation | (487.05) | (1,110.68) | (710.05) | (885.43) |
| Others | 5.26 | 7.87 | 7.37 | (14.68) |
| **Closing balance** | **3,554.16** | **3,152.09** | **2,687.38** | **1,931.71** |

* includes deferred tax liabilities on account of demerger (Refer Note 42)

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| **Other non current liabilities** | **As at 30 September, 2024** | **As at 31 March, 2024** | **As at 31 March, 2023** | **As at 31 March, 2022** |
|---|---|---|---|---|
| Imputed Interest | 1,830.16 | 1,986.86 | 1,975.57 | 2,297.95 |
| **Total** | **1,830.16** | **1,986.86** | **1,975.57** | **2,297.95** |

**15**

| **Long-term Provisions** | **As at 30 September, 2024** | **As at 31 March, 2024** | **As at 31 March, 2023** | **As at 31 March, 2022** |
|---|---|---|---|---|
| Leave Encashment | 1.13 | 1.29 | 1.00 | - |
| Gratuity (Refer Note 33) | - | - | - | 0.14 |
| **Total** | **1.13** | **1.29** | **1.00** | **0.14** |

**16 Current financial liabilities**

| | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **(a) Borrowings** | | | | |
| Unsecured Loan from Sponsor* | 47,120.94 | 38,675.87 | 20,397.36 | 20,929.32 |
| Unsecured Loan from parent company of RSIPPL | - | - | 3,483.48 | 3,696.93 |
| Unsecured Loan from promoters cum directors of RSIPPL | - | - | 1,106.99 | 1,034.00 |
| Unsecured Loan from others | - | 210.48 | 239.24 | 624.63 |
| Current maturities of long term debt: | | | | |
| From Bank (secured) | 3,385.81 | 3,067.79 | 3,398.74 | 1,566.99 |
| From Financial Institution (secured) | 1,404.18 | 1,406.30 | 810.00 | 405.00 |
| Bank Overdraft (unsecured) | - | 1,085.87 | 1,181.96 | - |
| **Total** | **51,910.93** | **44,446.31** | **30,617.77** | **28,256.87** |

* Unsecured loan from Sponsor are interest free and repayable on demand

on 15th August 2023, the Sponsor has entered into Memorandum of Understanding (MOU) with unsecured borrowers of RSIPPL. As per this MOU Interest free loan has been converted into fixed rate interest loan. Interest calculated at the rate of 1% p. m. on a monthly closing balance of Loan from the first date of disbursement of first tranche of Loan amount i.e. 5th December 2020 till date of execution of the Share Purchased Agreement i.e., 15th August 2023. For the purpose of Special Purpose Combined Financial Statements interest has been calculated and accrued in the respective financial year.

| **(b) Trade payables** | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Trade Payables | 308.48 | 509.71 | 1,230.37 | 758.46 |
| **Total** | **308.48** | **509.71** | **1,230.37** | **758.46** |

| **Particulars** | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **(c) Other financial liabilities** | | | | |
| Security Deposit from customers | 403.24 | 63.95 | 23.57 | 385.34 |
| Advance from Customers | 119.05 | 87.67 | 95.98 | 416.72 |
| Accrual for expenses | 250.05 | 82.24 | 151.84 | 158.89 |
| Creditors for capital expenditure | 125.20 | 4,812.55 | 5,133.67 | 7,647.76 |
| Purchase consideration payable on acquisition of PBPL | 452.62 | - | - | - |
| Interest accrued on unsecured loan | 1,161.65 | 1,161.65 | - | - |
| Interest accrued but not due on borrowings | 86.65 | 81.56 | 861.94 | 589.87 |
| Retention money payable | 285.48 | 286.63 | 493.48 | 220.25 |
| Others Liabilities | 75.66 | 105.31 | 45.29 | - |
| **Total** | **2,959.60** | **6,681.56** | **6,805.77** | **9,418.83** |

**17 Other current liabilities**

| | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Statutory Dues Payables | 270.25 | 277.13 | 310.03 | 280.77 |
| Unearned Rent income | 32.25 | - | 32.92 | 21.14 |
| Imputed interest | 404.04 | 437.22 | 450.39 | 6.29 |
| Other Payables | - | - | - | 1.67 |
| **Total** | **706.54** | **714.35** | **793.34** | **309.87** |

**18 Short Term Provision**

| | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Leave Encashment | 0.91 | 0.40 | 0.29 | 0.81 |
| **Total** | **0.91** | **0.40** | **0.29** | **0.81** |

**19 Current Tax Liabilities**

| | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Provision for tax (net of advance tax) | 22.42 | - | - | - |
| **Total** | **22.42** | **-** | **-** | **-** |

**20 Revenue from operations**

| | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| **Sale of Services:** | | | | |
| Lease rentals and allied services income | 9,824.82 | 18,586.49 | 15,519.56 | 10,109.18 |
| Facility management charges | 69.37 | 159.90 | 85.55 | 161.81 |
| **Total** | **9,894.19** | **18,746.39** | **15,605.11** | **10,270.99** |

| **a) Timing of revenue recognition** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Services transferred over time | 69.37 | 159.90 | 85.55 | 161.81 |
| **Total** | **69.37** | **159.90** | **85.55** | **161.81** |

| **b) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Revenue as per contracted price | 69.37 | 159.90 | 85.55 | 161.81 |
| Less : Adjustments | | | | |
| Credit Note | - | - | - | - |
| **Revenue from contract with customers** | **69.37** | **159.90** | **85.55** | **161.81** |

**21 Other income**

| | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Interest income | | | | |
| - on loans & advances | - | - | - | 26.25 |
| - on ICD | 203.74 | - | - | - |
| - on employee loan (Unwinding) | 0.15 | - | - | - |
| - on Fixed deposit | 70.68 | 161.39 | 121.07 | 31.37 |
| - on Income Tax refund | - | 6.88 | 13.41 | 7.79 |
| - on debt instruments | 28.73 | 45.27 | - | - |
| - on electricity security deposit | - | - | 1.57 | 2.17 |
| - on other | - | 1.41 | 0.74 | 1.18 |
| Other Income | | | | |
| Fair Value gain on Mutual fund (Investment at FVTPL) | 38.51 | 45.06 | - | - |
| Profit on sale of investments at FVTPL | 37.60 | 154.12 | - | - |
| Creditors written back | - | 10.91 | 23.99 | - |
| Insurance claim received | - | 5.98 | - | - |
| Scrap Sales | - | - | 3.47 | 25.96 |
| Profit on sale of Property, plant & equipment (net) | - | - | 1.52 | - |
| Miscellaneous income | - | 0.02 | - | - |
| **Total** | **379.41** | **431.04** | **165.77** | **94.72** |

| 22 **Sub-contracting expenses** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Sub-contracting expenses | 3.84 | 23.89 | 33.01 | 127.45 |
| **Total** | **3.84** | **23.89** | **33.01** | **127.45** |

| 23 **Employee benefits expense** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Salaries, wages & bonus | 57.23 | 307.36 | 269.82 | 151.37 |
| Gratuity expense (Refer Note 33) | 0.33 | 0.82 | 8.12 | 2.73 |
| Leave encashment expense | 0.33 | 0.41 | 3.09 | 0.81 |
| Contribution to provident & other funds | 2.59 | 20.98 | 15.29 | 10.89 |
| Staff welfare | 1.51 | 29.40 | 24.31 | 9.71 |
| **Total** | **61.99** | **358.97** | **320.63** | **175.51** |

| 24 **Other expenses** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Auditors' remuneration (Refer Note 30) | 9.65 | 17.22 | 24.55 | 12.23 |
| Internal Audit Fees | 3.00 | 5.33 | 7.59 | 0.44 |
| Advertising expense | - | - | - | 0.32 |
| Brokerage | 81.03 | 124.94 | 130.61 | 86.71 |
| Corporate social responsibility expenses | 8.00 | 19.35 | 19.85 | 1.73 |
| Insurance | 84.89 | 119.05 | 126.42 | 88.40 |
| Loss on sale of Property, plant & equipment (net) | - | 22.24 | - | - |
| Legal and professional charges | 46.96 | 193.66 | 166.60 | 101.09 |
| Management Fees | 629.45 | 829.70 | 669.69 | 212.93 |
| Director Sitting Fees | - | - | 4.32 | 4.29 |
| Office Expenses | 9.83 | 22.00 | 9.40 | 6.22 |
| Outsourced service | 149.97 | 212.11 | 106.27 | 17.83 |
| Postage, telephone and communication charges | 0.56 | 6.59 | 8.13 | 2.54 |
| Power and fuel | 797.27 | 1,552.18 | 15.35 | 102.03 |
| Rates and taxes | 179.21 | 428.13 | 307.59 | 200.51 |
| Rent including lease rentals | - | 5.05 | 1.71 | 1.43 |
| Repairs and maintenance | | | | |
| Building | 101.39 | 149.82 | 77.12 | 78.54 |
| Others | 5.92 | 31.66 | 14.02 | 5.84 |
| Sales promotion & business development expense | - | 7.15 | 22.26 | 6.77 |
| Security services | - | - | 27.46 | 22.02 |
| Travelling expenses | 3.60 | 21.68 | 28.51 | 7.74 |
| Water charges | 9.02 | 10.09 | - | - |
| Miscellaneous expenses | 9.91 | 22.12 | 33.61 | 18.51 |
| **Total** | **2,129.66** | **3,800.07** | **1,801.06** | **978.12** |

| 25 **Finance cost** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Interest charges | | | | |
| Interest on term loans | 4,299.04 | 7,456.64 | 5,921.11 | 4,418.52 |
| Interest on CCPS (Unwinding) | 5.50 | - | - | - |
| Interest on unsecured loan | 2.19 | 366.45 | 55.14 | 0.68 |
| Interest on overdraft | - | 104.60 | 103.37 | 3.40 |
| Interest on security deposit (Unwinding) | 223.52 | 442.30 | 377.79 | 296.66 |
| Finance charges | 119.90 | 162.26 | 341.39 | 191.58 |
| **Total** | **4,650.15** | **8,532.25** | **6,798.80** | **4,910.84** |

| 26 **Depreciation** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Depreciation (Refer Note 3) | 2,309.00 | 4,302.55 | 3,797.63 | 2,300.01 |
| **Total** | **2,309.00** | **4,302.55** | **3,797.63** | **2,300.01** |

| 27 **Deferred tax charge / (credit)** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Deferred tax effect | 231.73 | 501.64 | 755.65 | 504.95 |
| **Total** | **231.73** | **501.64** | **755.65** | **504.95** |
| | | | | |
| Deferred tax as per Profit & Loss | 231.73 | 501.64 | 755.65 | 504.95 |
| Income tax on Items that will not be reclassified to profit and loss : | (0.08) | 0.01 | 0.01 | (0.03) |
| **Total** | **231.81** | **501.63** | **755.64** | **504.92** |

**28 Contingent Liabilities**

The Group does not have any pending litigation or any threatened litigation as at the balance sheet date, other than as disclosed under:

| **Particulars** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Claims against the Group not acknowledged as debt (see note below) | 117.44 | 117.44 | 117.44 | 117.44 |
| Total | **117.44** | **117.44** | **117.44** | **117.44** |

The Group has not made any provision as at balance sheet date.

One of the projects of SPV (DILP) has following claim:

Maharashtra Industrial Development Corporation ("MIDC") has served a notice of claim dated November 6, 2006 as development charges of 94.08 lakhs ("Claim") against 6 hectares and 12 Acres of land belonging to the DILP ("Land"). The DILP has contested the Claim as the Land does not fall within the purview of MIDC and the DILP has filed a Suit viz. Regular Civil Suit No.26/2007 before the Civil Judge, Junior Division, Khed, at Khed, in Pune against MIDC. The Hon'ble Court by and Order dated October 17, 2007 has granted a stay against the Claim. Thereafter in the year 2010, DILP has received a letter dated July 6, 2010 from MIDC increasing the Claim amount to 117.44 lakhs. DILP has filed appropriate reply to the said letter.

**29 Capital commitments**

| Particulars | As at 30 September 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances) | 21,745.71 | 13,730.89 | 7,657.88 | 19,453.18 |

**30 Auditors Remuneration (excluding GST)**

| Particulars | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Statutory Audit Fees | 7.07 | 13.32 | 22.05 | 9.73 |
| Tax Audit Fees | 2.58 | 3.90 | 2.50 | 2.50 |
| **Total** | **9.65** | **17.22** | **24.55** | **12.23** |

**32 The Business significant leasing arrangements are in respect of operating leases for buildings**

a) Lease income from operating leases is recognized at the rates prescribed in lease agreement over the period of lease. The particulars of the premises given under operating leases are as under.
b) Most of the lease agreement entered with customers are long term Lease with average tenure of 5 years to 10 years
c) Lease rental incomes are as follows:

| Financial Years | Lease Rental |
|---|---|
| F 2021-22 | 10,109.18 |
| F 2022-23 | 15,519.56 |
| F 2023-24 | 18,586.49 |
| Half year ended September 30,2024 | 9,824.82 |

| Particulars | 30-Sep-24 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|---|---|---|---|---|
| Gross carrying amount of premises | 1,09,012.07 | 1,02,922.91 | 85,406.70 | 60,707.74 |
| Accumulated depreciation | 12,705.91 | 3,282.76 | 7,663.55 | 5,020.53 |
| Depreciation for the period/ year | 1,759.97 | 3,205.75 | 2,770.00 | 1,770.60 |
| Future minimum lease income under non-cancellable operating leases | | | | |
| Not later than 1 year | 15,430.60 | 15,154.20 | 7,896.19 | 8,977.42 |
| Later than 1 year and not later than 5 years | 43,632.61 | 45,128.18 | 24,207.72 | 27,574.31 |
| Later than 5 years | 39,230.79 | 37,727.38 | 16,359.99 | 24,943.79 |

**33 Gratuity and other post-employment benefit plans**

**(a) Defined contribution plan**

The eligible employees of the DILP entitled to receive benefits under provident fund schemes, employees state insurance schemes & labour welfare fund schemes which are in substance, defined contribution plans, in which both covered employees and the DILP make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary for PF). The contributions are paid to provident, pension & employees state insurance scheme funds. DILP contributions during the year to Provident Funds, Employees State Insurance Schemes & Labour Welfare Fund Schemes are recognised in the Statement of Profit and Loss.
There are no employees in others SPVs.

| Particulars | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Contribution to Provident Fund | 2.53 | 20.74 | 14.77 | 10.51 |
| Contribution to Employees State Insurance Scheme | 0.06 | 0.24 | 0.46 | 0.38 |
| Contribution to Labour Welfare Fund | - | - | 0.06 | - |

**(b) Defined benefit plan**

-Gratuity

*i) Description of the Plan:*

The DILP has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan, an employee at retirement is eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is plan asset.

ii) Disclosures required under Ind AS 19

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Discount Rate | 6.80% | 7.20% | 7.30% | 7.30% |
| Salary Escalation | 5.00% | 5.00% | 5.00% | 5.00% |

| Change in benefit obligation | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Present value of obligation at the beginning of the year/ period | 3.61 | 2.70 | 1.52 | 0.83 |
| Transfer in/(Out) | (0.10) | - | - | - |
| Interest costs | 0.13 | 0.20 | 0.11 | 0.06 |
| Current Service Cost | 0.45 | 0.88 | 0.68 | 0.40 |
| Benefits Paid | - | - | - | - |
| Remeasurement of obligations | 0.41 | (0.17) | 0.39 | 0.23 |
| Present value of obligation at the end of the year/ period | 4.50 | 3.61 | 2.70 | 1.52 |

| Fair value of Plan Assets | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Fair value of plan assets at the beginning of the year/ period | 4.02 | 3.02 | 1.38 | 0.97 |
| Interest Income | 0.15 | 0.26 | 0.14 | 0.07 |
| Mortality charges and taxes | - | - | (0.02) | (0.01) |
| Contributions | - | 0.98 | 1.19 | - |
| Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss) | 0.75 | (0.24) | 0.33 | 0.35 |
| Benefits paid | - | - | - | - |
| Fair value of the plan assets at the end of year/ period | 4.92 | 4.02 | 3.02 | 1.38 |

| The amounts to be recogni ed in the balance sheet | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Present value of obligations as at the end of year/ period | 4.50 | 3.61 | 2.70 | 1.52 |
| Fair value of plan assets as at the end of the year/ period | 4.92 | 4.02 | 3.02 | 1.38 |
| Net asset/(liability) recognized in balance sheet | 0.42 | 0.41 | 0.32 | (0.14) |

| Expenses recognised in the statement of profit and loss** | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Current Service cost | 0.45 | 0.88 | 0.67 | 0.40 |
| Interest Cost | (0.02) | (0.06) | (0.03) | (0.01) |
| Transfer in/(Out) | (0.10) | - | - | - |
| **Total** | **0.33** | **0.82** | **0.64** | **0.39** |

** Expense recognised in the statement Profit and Loss with respect to gratuity includes allocated amount also for common employees. Hence, charge for the period and years are higher compared to amount certified through actuarial valuation.

| Expenses recognised in other comprehensive income | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Experience (gain)/Loss on plan liabilities | 0.36 | (0.18) | 0.07 | 0.28 |
| Demographic (gain)/Loss on plan liabilities | - | - | 0.32 | - |
| Financial (gain)/Loss on plan liabilities | 0.05 | 0.01 | - | (0.05) |
| Experience (gain)/Loss on plan assets | (0.73) | 0.23 | (0.32) | (0.35) |
| Financial (gain)/Loss on plan assets | - | - | (0.01) | - |
| **Total** | **(0.32)** | **0.06** | **0.06** | **(0.12)** |

| Sensitivity analysis | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| *Present value of obligation* | | | | |
| When base assumption of discount rate is increased by 100 basis point | 4.63 | 3.74 | 2.60 | 1.41 |
| When base assumption of discount rate is decreased by 100 basis point | 4.37 | 3.50 | 2.81 | 1.67 |
| When base assumption of salary increment rate is increased by 100 basis point | 4.59 | 3.70 | 2.78 | 1.65 |
| When base assumption of salary increment rate is decreased by 100 basis point | 4.41 | 3.53 | 2.63 | 1.42 |
| When base assumption of availment rate is decreased by 100 basis point | 4.50 | 3.62 | 2.71 | 1.55 |
| When base assumption of availment rate is decreased by 100 basis point | 4.48 | 3.60 | 2.69 | 1.50 |

| Expected contribution for the next year | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Expected contribution for the next year | 1.50 | 0.92 | 1.00 | 0.15 |

| Expected future benefits payments | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Not later than 1 year | 1.87 | 0.04 | 0.03 | 0.01 |
| Later than 1 year and not later than 5 years | 1.62 | 3.41 | 2.86 | 1.94 |
| Later than 5 years and not later than 10 years | 4.22 | 3.11 | 1.50 | 1.28 |

**(c) Other Long term benefit**

**Leave Encashment**

(i) As per new policy, encashment of leave is permissible for a maximum of 45 days at the time of exit or retirement. As on date of balance sheet, provision has been made on the basis of actuarial report.

ii) Disclosures required under Ind AS 19

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| Discount Rate | 6.80% | 7.20% | 7.30% | 7.30% |
| Salary Escalation | 5.00% | 5.00% | 5.00% | 5.00% |

| Sensitivity analysis | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| *Present value of obligation* | | | | |
| When base assumption of discount rate is increased by 100 basis point | 2.10 | 1.76 | 1.25 | 0.75 |
| When base assumption of discount rate is decreased by 100 basis point | 1.97 | 1.64 | 1.34 | 0.88 |
| When base assumption of salary increment rate is increased by 100 basis point | 1.99 | 1.66 | 1.33 | 0.88 |
| When base assumption of salary increment rate is decreased by 100 basis point | 2.08 | 1.74 | 1.26 | 0.75 |
| When base assumption of availment rate is decreased by 100 basis point | 1.98 | 1.65 | 1.33 | 0.88 |
| When base assumption of availment rate is decreased by 100 basis point | 2.08 | 1.75 | 1.25 | 0.73 |

**34 Segment Information:**

The Group is engaged in the business of developing, owning, and leasing of industrial infrastructure, such as warehouses, assembling/ sub – assembling hubs, logistics and industrial parks which in the opinion of the management is the only business segment in the context of Ind AS 108. The Group operates in a single geographical segment i.e. India.

**35 Earnings Per Unit**

The number of units that Trust will issue to investors in the proposed initial private placement is not presently ascertainable. Hence the disclosures in respect of Earnings per Unit have not been given in these Special Purpose Combined Financial Statements.

**36 Corporate income tax**

| (a) Income Tax recognised in statement of profit & loss | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Current Tax | 43.74 | 28.95 | - | - |
| Deferred Tax on timing difference | 231.74 | 501.65 | 755.67 | 504.98 |
| Adjustment of tax relating to earlier period | - | (0.16) | 0.16 | 0.27 |
| **Total income tax expense** | **275.48** | **530.44** | **755.83** | **505.25** |
| **Income tax recognised on Other comprehensive income (Income tax relating to items that will not be reclassified to profit and loss)** | (0.08) | 0.01 | 0.01 | (0.03) |

| (b) Reconciliation of tax expense and the accounting profit | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Profit before Tax (a) | 1,118.96 | 2,159.70 | 3,019.75 | 1,873.78 |
| Corporate tax rate as per income tax act, 1961 (b) | 25.17% | 25.17% | 25.17% | 25.17% |
| Tax on Accounting profit (a) x (b) | 281.62 | 543.55 | 760.01 | 471.63 |
| **Tax effect of:** | | | | |
| Effect of expenses that are not deductible in determining taxable profit | - | - | 1.46 | 1.49 |
| Corporate Social Responsibility not deductible | 2.01 | 4.87 | 5.00 | 0.44 |
| Statutory deduction under house property | (9.03) | (17.46) | (14.65) | (4.66) |
| Tax adjustments in respect of earlier years | - | (0.16) | 0.16 | 0.27 |
| Effect due to change in tax rate | - | - | - | (0.22) |
| Non-recognition of deferred tax assets due to lack of convincing evidences | 0.40 | - | 0.61 | 4.78 |
| Recognition of previously unrecognised deferred taxes | - | - | 0.92 | 31.57 |
| Others | 0.48 | (0.36) | 2.32 | (0.05) |
| **Total** | **275.48** | **530.44** | **755.83** | **505.25** |

**37 Fair value measurements**

**Financial instruments by category**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

| Particulars | Carrying amount as at 30 September 2024 | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FVTPL | | Amortised Cost | | Total | | Level 1 | Level 2 | Level 3 | Total |
| | Current | Non current | Current | Non current | Current | Non current | | | | |
| **Financial assets** | | | | | | | | | | |
| i) Investments: | | | | | | | | | | |
| - Debentures | - | - | - | - | - | - | - | - | - | - |
| - Overnight money market funds | 1,303.58 | - | - | - | 1,303.58 | - | - | 1,303.58 | - | 1,303.58 |
| ii) Loan | | - | 4,507.00 | - | 4,507.00 | - | - | - | 4,507.00 | 4,507.00 |
| iii) Trade receivables | - | - | 386.50 | - | 386.50 | - | - | - | 386.50 | 386.50 |
| iv) Cash and cash equivalents | - | - | 8,044.53 | - | 8,044.53 | - | - | - | 8,044.53 | 8,044.53 |
| v) Other bank balances | | | 840.43 | | 840.43 | - | | | 840.43 | 840.43 |
| vi) Other financial assets | - | - | 1,603.20 | 738.81 | 1,603.20 | 738.81 | - | - | 2,342.01 | 2,342.01 |
| **Total financial assets** | **1,303.58** | **-** | **15,381.66** | **738.81** | **16,685.24** | **738.81** | **-** | **1,303.58** | **16,120.47** | **17,424.05** |
| **Financial liabilities** | | | | | | | | | | |
| i) Borrowings | - | - | 51,910.93 | 1,31,347.98 | 51,910.93 | 1,31,347.98 | - | - | 1,83,258.91 | 1,83,258.91 |
| ii) Trade payables | - | - | 308.48 | - | 308.48 | - | - | - | 308.48 | 308.48 |
| iii) Other financial liabilities | - | - | 2,959.60 | 5,483.62 | 2,959.60 | 5,483.62 | - | - | 8,443.22 | 8,443.22 |
| **Total financial liabilities** | **-** | **-** | **55,179.01** | **1,36,831.60** | **55,179.01** | **1,36,831.60** | **-** | **-** | **1,92,010.61** | **1,92,010.61** |

| Particulars | Carrying amount as at 31 March 2024 | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FVTPL | | Amortised Cost | | Total | | Level 1 | Level 2 | Level 3 | Total |
| | Current | Non current | Current | Non current | Current | Non current | | | | |
| **Financial assets** | | | | | | | | | | |
| i) Investments: | | | | | | | | | | |
| - Debentures | 1,022.36 | - | - | - | 1,022.36 | - | - | - | 1,022.36 | 1,022.36 |
| - Overnight money market funds | 1,504.08 | - | - | - | 1,504.08 | - | - | 1,504.08 | - | 1,504.08 |
| ii) Loan | - | - | 3.71 | - | 3.71 | - | - | - | - | - |
| iii) Trade receivables | - | - | 478.79 | - | 478.79 | - | - | - | 478.79 | 478.79 |
| iv) Cash and cash equivalents | - | - | 2,972.22 | - | 2,972.22 | - | - | - | 2,972.22 | 2,972.22 |
| v) Other bank balances | | | 1,825.77 | | 1,825.77 | - | | | 1,825.77 | |
| vi) Other financial assets | - | - | 1,186.05 | 30.34 | 1,186.05 | 30.34 | - | - | 1,216.39 | 1,216.39 |
| **Total financial assets** | **2,526.44** | **-** | **6,466.54** | **30.34** | **8,992.98** | **30.34** | **-** | **1,504.08** | **7,515.53** | **7,193.84** |
| **Financial liabilities** | | | | | | | | | | |
| i) Borrowings | - | - | 44,446.31 | 1,21,907.43 | 44,446.31 | 1,21,907.43 | - | - | 1,66,353.74 | 1,66,353.74 |
| ii) Trade payables | - | - | 509.71 | - | 509.71 | - | - | - | 509.71 | 509.71 |
| iii) Other financial liabilities | - | - | 6,681.56 | 5,651.85 | 6,681.56 | 5,651.85 | - | - | 12,333.41 | 12,333.41 |
| **Total financial liabilities** | **-** | **-** | **51,637.58** | **1,27,559.28** | **51,637.58** | **1,27,559.28** | **-** | **-** | **1,79,196.86** | **1,79,196.86** |

| Particulars | Other Receivables | Carrying amount as at 31 March 2023 | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FVTPL | | Amortised Cost | | Total | | Level 1 | Level 2 | Level 3 | Total |
| | Current | Non current | Current | Non current | Current | Non current | | | | |
| **Financial assets** | | | | | | | | | | |
| i) Investments: | | | | | | | | | | |
| - Debentures | - | - | - | - | - | - | - | - | - | - |
| - Overnight money market funds | - | - | - | - | - | - | - | - | - | - |
| ii) Loan | - | - | - | - | - | - | - | - | - | - |
| iii) Trade receivables | - | - | 391.77 | - | 391.77 | - | - | - | 391.77 | 391.77 |
| iv) Cash and cash equivalents | - | - | 52.81 | - | 52.81 | - | - | - | 52.81 | 52.81 |
| v) Other bank balances | | | 1,673.89 | | 1,673.89 | | | | 1,673.89 | 1,673.89 |
| vi) Other financial assets | - | - | 10.62 | 975.65 | 10.62 | 975.65 | - | - | 986.27 | 986.27 |
| **Total financial assets** | **-** | **-** | **2,129.09** | **975.65** | **2,129.09** | **975.65** | **-** | **-** | **3,104.74** | **3,104.74** |
| **Financial liabilities** | | | | | | | | | | |
| i) Borrowings | - | - | 30,617.77 | 1,01,571.15 | 30,617.77 | 1,01,571.15 | - | - | 1,32,188.92 | 1,32,188.92 |
| ii) Trade payables | - | - | 1,230.37 | - | 1,230.37 | - | - | - | 1,230.37 | 1,230.37 |
| iii) Other financial liabilities | - | - | 6,805.77 | 4,755.65 | 6,805.77 | 4,755.65 | - | - | 11,561.42 | 11,561.42 |
| **Total financial liabilities** | **-** | **-** | **38,653.91** | **1,06,326.80** | **38,653.91** | **1,06,326.80** | **-** | **-** | **1,44,980.71** | **1,44,980.71** |

| Particulars | Carrying amount as at 31 March 2022 | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | FVTPL | | Amortised Cost | | Total | | Level 1 | Level 2 | Level 3 | Total |
| | Current | Non current | Current | Non current | Current | Non current | | | | |
| **Financial assets** | | | | | | | | | | |
| i) Investments: | | | | | | | | | | |
| - Debentures | - | - | - | - | - | - | - | - | - | - |
| - Overnight money market funds | - | - | - | - | - | - | - | - | - | - |
| ii) Loan | | - | 0.90 | - | 0.90 | - | - | - | 0.90 | 0.90 |
| iii) Trade receivables | - | - | 330.01 | - | 330.01 | - | - | - | 330.01 | 330.01 |
| iv) Cash and cash equivalents | - | - | 192.68 | - | 192.68 | - | - | - | 192.68 | 192.68 |
| v) Other bank balances | | | 681.81 | | 681.81 | - | | | 681.81 | 681.81 |
| vi) Other financial assets | - | - | 929.25 | 674.37 | 929.25 | 674.37 | - | - | 1,603.62 | 1,603.62 |
| **Total financial assets** | **-** | **-** | **2,134.65** | **674.37** | **2,134.65** | **674.37** | **-** | **-** | **2,809.02** | **2,809.02** |
| **Financial liabilities** | | | | | | | | | | |
| i) Borrowings | - | - | 28,256.87 | 81,917.56 | 28,256.87 | 81,917.56 | - | - | 1,10,174.43 | 1,10,174.43 |
| ii) Trade payables | - | - | 758.46 | - | 758.46 | - | - | - | 758.46 | 758.46 |
| iii) Other financial liabilities | - | - | 9,418.83 | 3,629.72 | 9,418.83 | 3,629.72 | - | - | 13,048.55 | 13,048.55 |
| **Total financial liabilities** | **-** | **-** | **38,434.16** | **85,547.28** | **38,434.16** | **85,547.28** | **-** | **-** | **1,23,981.44** | **1,23,981.44** |

For Loans, trade receivables, cash & cash equivalents, other bank balances, trade payables, short term borrowings, provisions other financial assets and liabilities maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**38 Financial risk management**

The Group's activities expose it to a variety of financial risks viz. market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

**A) Management of liquidity risk**

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to treat its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

Maturities of financial liabilities

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

| Particulars | Carrying amount | Less than 1 year | Later than 1 year, upto 3 years | Later than 3 years, upto 5 years | Later than 5 years | Total |
|---|---|---|---|---|---|---|
| **As at 30 September, 2024** | | | | | | |
| Borrowings * | 1,83,258.91 | 51,910.92 | 10,663.75 | 21,060.62 | 99,882.53 | 1,83,517.82 |
| Trade payables | 308.48 | 308.48 | - | - | - | 308.48 |
| Security deposit from customers | 5,791.59 | 402.79 | 1,741.92 | 641.06 | 5,166.32 | 7,952.09 |
| Other financial liabilities | 2,959.60 | 2,959.60 | - | - | - | 2,959.60 |
| **As at 31 March, 2024** | | | | | | |
| Borrowings | 1,66,353.74 | 44,450.90 | 9,651.41 | 10,232.46 | 1,02,266.18 | 1,66,600.95 |
| Trade payables | 509.71 | 509.66 | - | - | - | 509.66 |
| Security deposit from customers | 5,618.58 | 63.95 | 1,665.85 | 1,318.67 | 4,012.42 | 7,060.89 |
| Other financial liabilities | 6,681.56 | 7,771.38 | - | - | - | 7,771.38 |
| **As at 31 March, 2023** | | | | | | |
| Borrowings | 1,32,188.92 | 26,927.46 | 9,414.57 | 10,017.40 | 83,395.51 | 1,29,754.94 |
| Trade payables | 1,230.37 | 5,647.32 | - | - | - | 5,647.32 |
| Security deposit from customers | 4,717.31 | 23.57 | 1,765.23 | 1,580.39 | 2,769.22 | 6,138.41 |
| Other financial liabilities | 6,805.77 | 6,805.77 | - | - | - | 6,805.77 |
| **As at 31 March, 2022** | | | | | | |
| Borrowings | 1,10,174.43 | 25,840.95 | 8,738.75 | 9,654.83 | 62,281.53 | 1,06,516.06 |
| Trade payables | 758.46 | 758.49 | - | - | - | 758.49 |
| Security deposit from customers | 4,015.06 | 385.34 | 855.05 | 2,161.85 | 1,970.67 | 5,372.91 |
| Other financial liabilities | 9,418.83 | 9,418.83 | - | - | - | 9,418.83 |

* Current liabilities as of 30 September 2024 exceed current assets which include Sponsor's loan, however InvIT is planning to issue units and repay the loan from Sponsor and current ratio after this adjustment improves to 2.06 times as of 30 September 2024.

**B) Management of market risk**

The Group's size and operations result in it being exposed to the market interest rate risks that arise from its use of financial instruments.

The interest rate risk may affect the Group's income and expenses, or the value of its financial instruments. The objective of the Group's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Group's exposure to, and management of, these risks is explained below:

| Particulars | For the Six months period ended September 30, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| **Fixed rate instruments** | | | | |
| 0.001% Non Cumulative Compulsory Convertible Preference shares of 10 each (Debt Portion) | 115.62 | 110.12 | - | - |
| Term loan | 1,14,544.84 | 74,518.22 | 84,150.33 | 49,811.41 |
| Total | **1,14,660.46** | **74,628.34** | **84,150.33** | **49,811.41** |
| **Variable rate instruments*** | | | | |
| Term loan | 21,477.51 | 51,753.18 | 21,629.56 | 34,078.14 |
| Overdraft | - | 1,085.87 | 1,181.96 | - |
| **Total** | **21,477.51** | **52,839.05** | **22,811.52** | **34,078.14** |

**Note:** Loan from TVS ILP (Sponsor) has not been considered in the above table as the same is interest free.

*** Sensitivity Risk details**

| Year | 0.5% increase in interest rate | 0.5% decrease in interest rate |
|---|---|---|
| 2020-21 | (193.02) | 193.02 |
| 2021-22 | (170.39) | 170.39 |
| 2022-23 | (114.06) | 114.06 |
| 2023-24 | (264.20) | 264.20 |
| Half year ended on September 30, 2024 | (107.39) | 107.39 |

**C) Management of credit risk**

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans given to related parties and project deposits. The carrying amount of financial assets represents the maximum credit exposure.

**Trade Receivables**

Customer credit risk is managed by requiring customers to pay advance against lease rent, advances through progress billings, therefore substantially eliminating the Group's credit risk in this respect.

| Particulars | As at 30 September 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|---|
| No of Customers to whom Sales made is more than 10% of the Turnover | 3 Nos | 3 Nos. | 3 Nos. | 4 Nos. |
| Contribution of Customers in Sales more than 10% of Turnover | 73.54% | 86.81% | 90.93% | 76.00% |
| No of Customers who owed more than 10% of the Total receivables | 3 Nos. | 3 Nos. | 3 Nos. | 3 Nos. |
| Contribution of Customers in owing more than 10% of Total receivables | 81.92% | 95.66% | 97.96% | 83.06% |

**Cash and Bank balances**

Credit risk from cash and bank balances is managed by the Trust's treasury department in accordance with the Group's policy. The Group's maximum exposure to credit risk as at 30 September 2024,31 March 2024, 31 March 2023 & 31 March, 2022 are the carrying value of each class of financial assets.

**D) Foreign currency risk**

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices of various currencies against the functional currency. However the Group is currently not exposed to foreign currency risk.

**39 Capital risk management**

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for the other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

**Debt-Equity Ratio:**

| Particulars | As at 30 September 2024 | As at 31 March 2024 | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|---|
| Long term Borrowings (refer note 12(a)) | 1,31,347.98 | 1,21,907.43 | 1,01,571.15 | 81,917.56 |
| Short term borrowings (refer note 16(a)) (including sponsor loan) | 47,120.94 | 39,972.22 | 22,925.55 | 22,587.95 |
| Current maturity of Long-term Borrowings (refer note 12 (a)) | 4,789.99 | 4,474.09 | 4,208.74 | 1,971.99 |
| **Gross Debt** | **1,83,258.91** | **1,66,353.74** | **1,28,705.44** | **1,06,477.50** |
| Cash and marketable securities | 9,348.11 | 5,498.66 | 52.81 | 192.68 |
| **Net Debt (A)** | **1,73,910.80** | **1,60,855.08** | **1,28,652.63** | **1,06,284.82** |
| **Total Equity (B)** | **13,600.61** | **13,246.49** | **8,825.91** | **3,513.47** |
| **Sponsor loan (C)** | **47,120.94** | **38,675.87** | **20,397.36** | **20,929.32** |
| **Net Debt Equity Ratio (A/B)** | **12.79** | **12.14** | **14.58** | **30.25** |
| **Net Debt Equity Ratio (A-C)/B) (without sponsor loan)** | **9.32** | **9.22** | **12.27** | **24.29** |

**40** The Group does not foresee any material loss on its long term contracts. The Group does not have any derivative contracts.

**41 Reclassifications and Ind AS ad ustments**

(i) Revaluation reserve of DILP for year ended 31 March 2023 and 31 March 2022 on Land is reversed for the purpose of preparation of this Special Purpose Combined Financial Statement. (Land value decreased by Rs. 14,815.16 lakhs.)

(ii) Depreciation for RSIPPL in the general purpose financial statement of RSIPPL is as per Written Down Value Method, however to bring the depreciation inline with group policy, Depreciation has been recomputed as per Straight Line Method and impact is recognised in this Special Purpose Combined Financial Statement for 31 March 2023 and 31 March 2022. (Impact: 31 March 2023 - Rs 744.97 Lakhs; 31 March 2022 - Rs.18.70 Lakhs.) and deferred tax adjustment has been done accordingly.

(iii) Value of Assets and Liabilities combined in Special Purpose Combined Financial Statement for RSIPPL is as per fair value considered for Consolidated Financial Statement of its Parent entity (TVSILP) for period ended 31 March 2024.

- PPE gross value increased by Rs. 2,987.05 lakhs. Including land value of Rs. 2,753.47 lakhs
-Depreciation charge decreased by Rs. 54.30 lakhs
and deferred tax adjustment has been done accordingly.

(iv) In General Purpose financial statement of RSIPPL, interest on loan used for construction of Building was expensed out in the statement of Profit and Loss. Considering, Building to be a qualifying asset as per IND AS 23 "Borrowing Cost", Interest of Rs. 950.39 Lakhs has been capitalised in Land and Building cost under Capital work in progress and property, plant and equipments .
ear Ended 31 March 2024 - Rs. 290.53 Lakhs
ear Ended 31 March 2023 - Rs. 546.10 Lakhs
ear Ended 31 March 2022 - Rs. 307.09 Lakhs
and deferred tax adjustment has been done accordingly.

**(v) Reclassifications:**

- Capital advances reclassified from loans & advances to other non current assets
- Income Tax receivable is reclassified from "other assets" to "Non current tax assets (net)" on the face of Balance Sheet.
- Other current assets reclassified to other non current assets
- Fixed Deposit is reclassified to "Other Financial asset" from "Cash and Cash Equivalent" for the year ended 31 March 2023 and 31 March 2022
- Balances with Revenue Authorities in the Group reclassified from Current asset to Non current asset, to the extent it belongs to "ITC on Construction of Business".
- Advance provided for Mobilisation work is reclassified as "Capital Advance" in all reported years and period.
- Fixed deposit reclassified from "Other bank baance" to "Other non current financial assets "
- Security deposit with govenment has been reclassified from "Other non current financial assets" to "Other non current assets"
- Advance for land reclassified from "Other current assets" to "Non current assets".
- Balance in escrow bank account reclassified from "Cash and cash equivements" to "Other bank balance"
- Capital creditors reclassified from "Trade paybles" to "Other non current financial liabilities"

**RSIPPL Ind AS ad ustments:**

(vi)Under previous GAAP, the security deposits for leases are accounted at an undiscounted value. Under Ind AS, the security deposits for leases have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Imputed Interest' which has been amortised over respective lease term as notional interest income under 'lease rental and allied services' . The discounted value of the security deposits is increased over the period of lease term by recognising the rent expense under 'Interest on security deposits' and deferrred tax adjustment has been done accordingly.

(vii) Borrowings are carried at the outstanding principal amount under Indian GAAP and transaction cost were debited to finance in statement of profit & loss account. Under Ind AS, borrowings are to be measured at amortized cost by applying the effective interest rate method which adjusts the effective interest rate for the transaction cost. Accordingly, the borrowings are restated as per Ind AS and the transition cost earlier debited to the finance cost in statement of profit & loss account has been reversed

**PBPL Ind AS ad ustments:**

(viii) Under previous GAAP, straight lining of lease equilisation was not carried out, the same is now carried out in the combined financial statements for the year ended 31 March 2024, 31 March 2023 and 31 March 2022.

(ix) Under GAAP, the security deposits for leases are accounted at an undiscounted value. Under Ind AS, the security deposits for leases have been recognised at discounted value and the difference between undiscounted and discounted value has been recognised as 'Imputed Interest' which has been amortised over respective lease term as notional interest income under 'lease rental and allied services' . The discounted value of the security deposits is increased over the period of lease term by recognising the rent expense under 'Interest on security deposits' and deferrred tax adjustment has been done accordingly.

(x) Borrowings are carried at the outstanding principal amount under Indian GAAP and transaction costs were debited to finance costs in statement of profit & loss. Under Ind AS, borrowings are to be measured at amortized cost by applying the effective interest rate method which adjusts the effective interest rate for the transaction costs. Accordingly, the borrowings are restated as per Ind AS and the transition costs earlier debited to the finance cost in statement of profit & loss has now been reversed.

**42 Demerger of certain pro ects of Sponsor ( Demerged Undertaking ) with DILP.**

On 19th June 2023, the Board of Directors of the Sponsor has approved the Scheme of demerger ("Scheme") for transfer of the "Leasing Business" (Demerged Undertaking of Sponsor) into DILP ("Wholly Owned Subsidiary of Sponsor ") in terms of the provision of Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 and in accordance with the provisions of the Income-tax Act, 1961. The Sponsor had filed the Scheme before Hon'ble National Company law Tribunal ("NCLT"), Mumbai with Appointed date fixed as at April 01, 2023. NCLT has approved this Scheme on 26th March 2024. The certified copy of the order of the NCLT has been filed with the Registrar of Companies at Mumbai, Maharashtra on 28th March 2024 and the Scheme has become effective from 28th March 2024 (with appointed date being April 1, 2023).

All the assets, liabilities of the Demerged Undertaking of the Sponsor (including employees) have been transferred in their existing form and at their carrying amounts/ book values as at the Appointed Date of April 1, 2023 under the respective assets and liabilities accounts except amount related to revaluation reserve that has been reversed in the books of the Sponsor on account of Scheme as on April 1,2023. The difference between assets and liabilities is credited to capital reserve as at April 1, 2023 as per the Scheme. Further the difference between assets and liabilities of the Demerged Undertaking of the Sponsor for the financial year ended March 31,2024 is shown as amount payable by Sponsor to DILP, this is mainly due to invoicing is done from TVSILP (carve out part) and money is received by the Sponsor.

The Scheme inter-alia provide, on the effective date, issue of 74,03,846 number of Fully Paid up 0.001% Non Cumulative Compulsory Convertible Preference shares of 10 each of DILP to the shareholders of Sponsor in the ratio of 4 (four) CCPS of Rs. 10 each fully paid up of the DILP for every 10 (ten) Equity Shares of Rs. 10 (Rupees ten only) each fully paid up held in the Sponsor. Accordingly the DILP has issued 74,03,846 number of Fully Paid up 0.001% Non Cumulative Compulsory Convertible Preference shares of 10 each as consideration and excess of Rs. 2,979.58 Lakhs is considered as capital reserve in the books of DILP.

| Particulars | Amount in lakhs |
|---|---|
| **Assets** | |
| Property Plant & Equipment including CWIP | 49,939.67 |
| Other Assets | 5,323.48 |
| **Total Assets (A)** | **55,263.15** |
| **Liabilities** | |
| Borrowings | 46,947.65 |
| Other Liabilities | 4,595.54 |
| **Total Liabilities (B)** | **51,543.19** |
| **Excess of assets over liabilities (A-B)** | **3,719.96** |
| Issue of 0.001% CCPS | 740.38 |
| **Capital reserve/(Goodwill)** | **2,979.58** |

**43 Acquisition of RSIPPL**

On 15th August 2023, the Promoters (share holders of the RSIPPL) Mrs Aarthi Lalwani and Mr Sushil Lalwani of RSIPPL have executed Share Purchase agreement ("SPA") and sold 100% shares of RSIPPL to the Sponsor. All identified assets and liabilities acquired on the date of acquisition were recorded at their fair value as per IND AS 103 Business Combinations. Difference between net asset acquired and purchase consideration has been credited to capital reserve.

**A. Consideration transferred**

The following table summarises the acquisition date fair values of each major class of consideration transferred.

| Particulars | Rs. In Lakhs |
|---|---|
| Cash* | - |
| **Total Consideration** | **-** |

**B. Identified assets acquired and liabilities assumed**

The fair values of the identifiable assets and liabilities of RSIPPL as at the date of acquisition were:

| Particulars | Assets Acquired as on 15th Aug 2023 |
|---|---|
| **Non Current Assets** | |
| Property, Plant and Equipment | 16,572.75 |
| Capital work-in-progress | 5,016.85 |
| (iv) Non-current tax assets (Net) | 110.83 |
| (v) Other non current assets | 4,138.40 |
| **Current Assets** | |
| Trade Receivables | 210.07 |
| Cash and cash equivalents | 175.31 |
| (c) Bank balance other than (b) above | 160.50 |
| Other current assets | 348.85 |
| **Total Assets (A)** | **26,733.56** |
| **Non Current Liabilities** | |
| Long Term Borrowings | 10,609.35 |
| Deferred Tax Liabilities | 111.37 |
| (b) Other financial liabilities | 590.57 |
| Other Non- Current Liabilities | 358.92 |
| **Current Liabilities** | |
| Short-term borrowings | 5,796.47 |
| Trade payables | 4,527.77 |
| (c) Other financial liabilities | 853.17 |
| Other current liabilities | 109.19 |
| **Total Liabilities (B)** | **22,956.81** |
| **Total Net Assets Acquired (C A - B)** | **3,776.75** |
| Less: Consideration adjusted* (D) | - |
| **Capital Reserve (E C-D)** | **3,776.75** |

*The Sponsor has acquired RSIPPL for consideration of Rs.4,265.88 lakhs from the shareholders of RSIPPL. Assets and liabilities are acquired at fair value as per Ind AS 103 "Business Combinations" which is considered in the combined financial statements from the date of acquistion by the Sponsor. However the Sponsor is not part of the Group, consideration paid/payable by the Sponsor is nil at the Group level. Accordingly difference between assets and liablities assumed of RSIPPL is transfered to capital reserve.

**44 Acquisition of PBPL**

On 16th May 2024, the Promoters (share holders of PBPL) have executed Share Purchase agreement ("SPA") and sold 100% shares of PBPL to the Sponsor. All identified assets and liabilities acquired on the date of acquisition were recorded at their fair value as per IND AS 103 Business Combinations. Difference between net asset acquired and purchase consideration has been debited to goodwill.

**A. Consideration transferred**

The following table summarises the acquisition date fair values of each major class of consideration transferred.

| **Particulars** | **Rs. In Lakhs** |
|---|---|
| Cash | 2,272.38 |
| **Total Consideration** | **2,272.38** |

**B. Identified assets acquired and liabilities assumed**

The fair values of the identifiable assets and liabilities of PBPL as at the date of acquisition were:

| **Particulars** | **Assets Acquired as on 16th May 2024** |
|---|---|
| **Non Current Assets** | |
| Property, Plant and Equipment | 4,201.57 |
| Capital work-in-progress | - |
| Long-term loans and advances | 11.44 |
| **Current Assets** | |
| Trade Receivables | 1.24 |
| Cash and cash equivalents | 59.71 |
| Other Bank Deposits | 58.70 |
| Advances | 16.46 |
| Other current assets | 121.37 |
| **Total Assets (A)** | **4,470.49** |
| **Liabilities** | |
| Long Term Borrowings | 1,898.70 |
| Other Non- Current Liabilities | 161.72 |
| Deferred Tax | 170.25 |
| Current Liabilities | - |
| Other current liabilities | 18.30 |
| **Total Liabilities (B)** | **2,248.97** |
| Total Net Assets Acquired (C A - B) | **2,221.52** |
| Less: Consideration adjusted (D) | 2,272.38 |
| **Capital Reserve/ (Goodwill) (E C-D)** | **(50.87)** |

**45 Claim receivable from insurance company**

Pursuant to a natural calamity in Andhra Pradesh, in a portion of one of the warehousing units in Sullerpet, warehouse was not available for use for customer. Basis valid insurance contracts and confirmation from insurance company with respect to the said loss, an insurance claim was recognised which is pending to be settled and the Group has recognised the claim amount of Rs. 221.62 Lakhs as insurance claim receivable as on 30 September 2024.

**46 Change in method of depreciation - RSIPPL:**

RSIPPL was following Written Down Method (WDV) for depreciation. However, to align this estimate with the Group method of depreciation has been changed from WDV to Straight Line Method (SLM) from April 01, 2021 and accordingly depreciation is lesser and profit before tax is higher in the Special Purpose Combined Financial Statements by Rs. 763.69 lakhs and Rs. 18.71 lakhs for the year ended 31 March 2023 and 31 March 2022, respectively. W.e.f. April 01, 2023 RSIPPL has changed method of depreciation from WDV to SLM for the purpose of general purpose financial statements and hence no adjustment for the year ended 31 March 2024 has been done.

**47** The Sponsor has been classifying its business as composite warehouse and logistic solution providers and accordingly warehouse infrastructure has been treated as property, plant and equipment. On confirmation and transfer of assets to InvIT, the Group will examine the classification as investment property since under InvIT structure the provision for providing serveices will undergo change. However, this change in treatment if accorded will not impact the statement of profit and loss and will only change the classification and disclosures in the balance sheet.

**48** Current liabilities include Rs. 47,120.65 lakhs payable to Sponsor, which is expected to be settled out of proceeds of the Offer. Terms of settlement of this payable between the Sponsor and SPVs is payable on demand as and when there are surplus cashflows in the SPVs. In view of this, the Group does not expect liquidity constraints on account of this payable.

**49 Event after reporting date:**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

The accompanying notes are an integral part of these Special Purpose Combined Financial Statements

As per our report of even date

**For PKF Sridhar and Santhanam LLP**
Chartered Accountants
Firm Registration No: 003990S/S200018

**Jinesh Damania**
Partner
Membership No. 117595

Place: Mumbai
Date: January 27, 2025

For and on behalf of the For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**P. S. Jayakumar**
Director
DIN: 01173236

**Aditi Kumar**
Director
DIN: 00954520

**Nitin Aggarwal**
Chief Executive Officer
Place: Mumbai
Date: January 27, 2025

**Yogesh Bhargav**
Company Secretary
Mem. No. A50501

**31 Related Party Disclosure :**

Related Parties as per IND AS 24

| Name of the SPV | Name | Relation with SPVs |
|---|---|---|
| **TVSILP** | Mr.R. Dinesh | Key Management Personnel ("KMP") - Director |
| | Mr. Ravikumar Swaminathan | KMP - Director |
| | Mr. S. Ravichandran | KMP - Director |
| | Mr. P. S. Jayakumar | KMP - Director |
| | Ms. Illaria Bebucci (upto 06-11-2023) | KMP - Director |
| | Mr. Ashish Kaushik (w.e.f 06-11-2023) | KMP - Director |
| | Ace Investment Services (India) Private Limited | Common Directorship Entities |
| | Mr. ogesh Bhargav | KMP - Company Secretary |
| | TVS Supply Chain Solutions Limited | Investing Party (Associstes) |
| | Winever Industrial Enterprises Private Limited | Investing Party (Associstes) |
| | British International Investments (Formerly known as CDC Group Plc) | Investing Party (Associstes) |
| | Lingotto Opportunity Fund ILP | Investing Party (Associstes) |
| **SPVs other than RSIPPL and PBPL** | TVS Industrial & Logistics Parks Private Limited | Holding Company/ Sponsor |
| | Marudhmalai Industrial and logistics Park Private Limited | Fellow Subsidiary |
| | Kamakhya Industrial & Logistics Parks Pvt Ltd | Fellow Subsidiary |
| | TVS Supply Chain Solutions Limited | Associate of Parent Company |
| | FIT 3PL Warehousing Private Limited | Associate of Parent Company |
| | Mr. Ramnath Subramaniam | KMP - Director |
| | Mr. ogesh Bhargav | KMP - Director |
| | Mr. P.K. Shah | KMP - Director |
| | Mr. Jayesh Sinhal | KMP - Director |
| | Mr. Raunak Agarwal | KMP - Director |
| **RSIPPL** | Revanza Leasing India Pvt Ltd (upto 15-08-2023) | Parent Company of RSIPPL |
| | Mrs Aarthi Lalwani (upto 15-08-2023) | KMP - Director |
| | Mr Sushil Lalwani (upto 15-08-2023) | KMP - Director |
| | Mr Sanjay Lalwani (upto 14-02-2024) | KMP - Director |
| **PBPL** | Pecon services private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Pecon system private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Pecon Educare private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Sumeru Estates Private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Peekay Dreampark Limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | North bengal industrial park infrastructure private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | PK Shah & Co (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Dipcon properties private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Rausheena india private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | igma Barter Private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | P.K.Shah & Co. (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Shan sai property & Developers private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Advanced Contractors & Engineers private limited (up to 15-05-2024) | Entities where KMP and their relatives are able to exercise signifcant influence |
| | Pramod Kumar shah (up to 15-05-2024) | Key Management Personnel- Director |
| | Jayesh Sinhal (up to 15-05-2024) | Key Management Personnel- Director |
| | Raunak agarwal (up to 15-05-2024) | Key Management Personnel- Director |
| | Urmila Shah (up to 15-05-2024) | Director Relatives |
| | Naresh Agarwal (up to 15-05-2024) | Director Relatives |

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

**i) Parties of Trust**

a. Sponsor or Project Manager -TVS Infrastructure Industrial Logistics Parks Private Limited
b. Investment Manager-TVS Infrastructure Investment Manager Private Limited (formerly known as Mahaveer Industrial & Logistics Parks Pvt Ltd)
c. Trustee- Axis Trustee Services Limited

**ii) Promoters, Directors and Partners of the persons mentioned in clause (i)**

| Particulars | Sponsor or Project Manager | Investment Manager |
|---|---|---|
| Promoter | TVS Supply Chain Solutions Limited<br>Winever Industrial Enterprises Private Limited<br>Allanzer Fin Net Private Limited<br>Ace Investment Services (India) Private Limited | TVS Infrastructure Investment Manager Private Limited (formerly known as Mahaveer Industrial & Logistics Parks Pvt Ltd) |
| Director | Mr. Ramachandhran Dinesh<br>Mr. Ravikumar Swaminathan<br>Mr. Sargunaraj Ravichandran<br>Mr. Palamadai Sundarajan Jayakumar<br>Mr. Nagarajan Srinivasan<br>Ms. Illaria Bebucci - Director (till 06-11-2023)<br>Mr. Ashish Kaushik- Director (w.e.f. 06-11-2023) | Mr. Ramnath Subramaniam (upto 30-09-2023)<br>Mr. ogesh Bhargav (upto 30-09-2023)<br>Mr. S. Ravichandran (w.e.f. 30-09-2023)<br>Mr. P. S. Jayakumar (w.e.f. 30-09-2023)<br>Mr. Mahalingam Seturaman (w.e.f. 22-03-2024)<br>Mr. Anand Raghavan (w.e.f. 22-03-2024)<br>Ms. Aditi Kumar (w.e.f. 22-03-2024)<br>Ms. Sistla Uma Shanmukhi (w.e.f. 28-03-2024) |

| Transaction during the period / year with | 30th September 2024 | | | 31st March 2024 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | With Sponsor | With fellow subsidiaries | Associates of Parent Company | With Sponsor | Associates of Parent Company | With common directorship entities | Parent Company of RSIPPL | Director Relatives | Significant Influence | KMP |
| **Lease rent Income** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 2,221.86 | - | 4,183.94 | - | - | - | - | - |
| FIT 3PL Warehousing Private Limited | - | - | 0.34 | - | 66.75 | - | - | - | - | - |
| **Purchase of Property Plant & Equipment including construction service** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 4,813.84 | - | - | 11,243.94 | - | - | - | - | - | - |
| **Management Fees** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 629.46 | - | - | 830.29 | - | - | - | - | - | - |
| **Facility management charges** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 44.85 | - | 51.38 | - | - | - | - | - |
| TVS Industrial & Logistics Parks Private Limited | 0.32 | - | - | - | - | - | - | - | - | - |
| **Professional fees** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | - | - | 9.10 | - | - | - | - | - | - |
| **Repairs to building** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | - | - | 2.41 | - | - | - | - | - | - |
| **Interest on unsecured loan** | | | | | | | | | | |
| Aarthi Lalwani | - | - | - | - | - | - | - | - | - | 317.32 |
| Sanjay Lalwani | - | - | - | - | - | - | - | - | - | 4.75 |
| Revanza Leasing India Private Limited | - | - | - | - | - | - | 968.65 | - | - | - |
| Urmila Shah | - | - | - | - | - | - | - | 0.14 | - | - |
| Jayesh Sinhal | - | - | - | - | - | - | - | - | - | 0.17 |
| Pramod Kumar shah | - | - | - | - | - | - | - | - | - | 0.89 |
| Shan sai property & Developers private limited | - | - | - | - | - | - | - | - | 4.61 | - |
| Raunak agarwal | - | - | - | - | - | - | - | - | - | 19.74 |

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Interest received on Unsecured loan** | | | | | | | | | | |
| Naresh Agarwal | - | - | - | - | - | - | - | 0.86 | - | - |
| | | | | | | | | | | |
| **Sale of investment** | | | | | | | | | | |
| Shan sai property & Developers private limited | - | - | - | - | - | - | - | - | 57.00 | - |
| igma Barter Private limited | - | - | - | - | - | - | - | - | 19.20 | - |
| Pecon system private limited | - | - | - | - | - | - | - | - | 21.00 | - |
| Pramod Kumar shah | - | - | - | - | - | - | - | - | - | 9.60 |
| Urmila Shah | - | - | - | - | - | - | - | 7.20 | - | - |
| | | | | | | | | | | |
| **Interest on Inter Company Deposit** | | | | | | | | | | |
| Kamakhya Industrial & Logistics Parks Pvt Ltd | - | 179.40 | - | - | - | - | - | - | - | - |
| | | | | | | | | | | |
| **Advance Received** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 53.84 | - | 53.84 | - | - | - | - | - |
| | | | | | | | | | | |
| **Unsecured Loan Taken** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 16,831.72 | - | - | 47,618.30 | - | - | - | - | - | - |
| Revanza Leasing India Private Limited | - | - | - | - | - | - | 64.92 | - | - | |
| Marudhmalai Industrial and logistics Park Private Limited | - | - | - | - | - | - | - | - | - | 7.12 |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | - | 13.00 | - |
| Pramod Kumar shah | - | - | - | - | - | - | - | - | - | 7.12 |
| | | | | | | | | | | |
| **Unsecured Loan Repaid** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 10,585.43 | - | - | 32,275.32 | - | - | - | - | - | - |
| Aarthi Lalwani | - | - | - | - | - | - | - | - | - | 1,165.00 |
| Revanza Leasing India Private Limited | - | - | - | - | - | - | 3,348.40 | - | - | - |
| Pecon Educare private limited | - | - | - | - | - | - | - | - | 3.50 | - |
| Naresh Agarwal | - | - | - | - | - | - | - | 10.50 | - | - |
| Shan sai property & Developers private limited | - | - | - | - | - | - | - | - | 56.35 | - |
| Pramod Kumar shah | - | - | - | - | - | - | - | - | - | 14.04 |
| Raunak agarwal | - | - | - | - | - | - | - | - | - | 40.00 |
| Urmila Shah | - | - | - | - | - | - | - | 1.75 | - | - |
| Jayesh Sinhal | - | - | - | - | - | - | - | - | - | 2.10 |
| | | | | | | | | | | |
| **Sale of Assets** | | | | | | | | | | |
| Advanced Contractors & Engineers private limited | - | - | - | - | - | - | - | - | 9.87 | - |
| | | | | | | | | | | |
| **Salary** | | | | | | | | | | |
| Urmila Shah | - | - | - | - | - | - | - | 12.00 | - | - |
| | | | | | | | | | | |
| **Security deposits received** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | - | - | 15.92 | - | - | - | - | - |
| | | | | | | | | | | |
| **Electricity deposits received** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | - | - | 6.80 | - | - | - | - | - |
| | | | | | | | | | | |
| **Issue of 0.0001% Compulsorily Convertible Preference Shares** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | - | - | 186.68 | - | - | - | - | - |
| British International Investments (Formerly known as CDC Group Plc) | - | - | - | - | 156.22 | - | - | - | - | - |
| Lingotto Opportunity Fund ILP | - | - | - | - | 155.48 | - | - | - | - | - |
| Winever Industrial Enterprises Private Limited | - | - | - | - | - | 116.61 | - | - | - | - |
| Allanzers Fin Net Private Limited | - | - | - | - | - | 35.15 | - | - | - | - |
| Ace Investment Services (India) Private Limited | - | - | - | - | - | 4.86 | - | - | - | - |
| ogesh Maheshchand Bhargav | - | - | - | - | - | - | - | - | - | 0.48 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Issue of Shares** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | - | - | 1.00 | - | - | - | - | - | - |
| **Development of Land** | | | | | | | | | | |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | | 12.10 | - |
| **Common area maintenance charges** | | | | | | | | | | |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | - | 4.89 | - |

| **Outstanding Balance as on Balance Sheet date** | **30th September 2024** | | | **31st March 2024** | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **With Sponsor** | **With fellow subsidiaries** | **With associates** | **With Sponsor** | **With associates** | **With common directorship entities** | **Parent Company of RSIPPL** | **Director Relatives** | **Significant Influence** | **Key Management Personnel** |
| **Trade Receivable** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 120.28 | - | 17.25 | - | - | - | - | - |
| FIT 3PL Warehousing Private Limited | - | - | | - | 3.72 | - | - | - | - | - |
| **Security Deposit Payable** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 1,395.07 | - | 1,395.07 | - | - | - | - | - |
| FIT 3PL Warehousing Private Limited | - | - | - | - | 31.27 | - | - | - | - | - |
| **Advance from customer** | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 53.84 | - | 53.84 | - | - | - | - | - |
| **Other Receivables** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | - | - | - | - | - | - | - | - | - |
| Kamakhya Industrial & Logistics Parks Pvt Ltd | - | 161.46 | - | - | - | - | - | - | - | - |
| Advanced Contractors & Engineers private limited | - | - | - | - | - | - | - | - | 4.87 | - |
| Jayesh Sinhal | - | - | - | - | - | - | - | - | - | 0.22 |
| Pramod Kumar shah | - | - | - | - | - | - | - | - | - | 0.28 |
| **Trade Payables** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | - | - | 89.78 | - | - | - | - | - | - |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | - | 3.67 | - |
| Dipcoin properties private limited | - | - | - | - | - | - | - | - | 8.32 | - |
| **Unsecured Loan** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 47,120.64 | - | - | 38,675.88 | - | - | - | - | - | - |
| Raunak Agarwal | - | - | - | - | - | - | - | - | - | 197.48 |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | - | 13.00 | - |
| **Receivable from Parent Company (on account of demerger)** | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | - | - | 7,490.66 | - | - | - | - | - | - |
| **Inter Corporate Deposit** | | | | | | | | | | |
| Kamakhya Industrial & Logistics Parks Pvt Ltd | - | 4,500.00 | - | - | - | - | - | - | - | - |

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

**Note 31 continued**

| Transaction during the period/year with | 31st March 2023 | | | | | | 31st March 2022 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | With Sponsor | With fellow subsidiaries | Associates of Parent Company/ Investing Party | Parent Company of RSIPPL | Significant Influence | KMP | With Sponsor | Associates of Parent Company/ Investing Party | Parent Company of RSIPPL | Significant Influence | KMP |
| **Lease rent Income** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 2,972.52 | - | - | - | - | 1,236.62 | - | | - |
| FIT 3PL Warehousing Private Limited | - | - | 45.90 | - | - | - | - | - | - | | - |
| **Purchase of Property Plant & Equipment including construction service** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 7,081.39 | - | - | - | - | - | 9,730.84 | - | - | | - |
| **Management Fees** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 669.69 | - | - | - | - | - | 212.93 | - | - | | - |
| **Facility management charges** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | - | - | - | - | - | 0.15 | - | | - |
| **Director Sitting Fees (Allocated)** | | | | | | | | | | | |
| Mr. Ramachandhran Dinesh | - | - | - | - | - | 1.08 | - | - | - | | 1.07 |
| Mr. Ravikumar Swaminathan | - | - | - | - | - | 1.08 | - | - | - | | 1.07 |
| Mr. Sargunaraj Ravichandran | - | - | - | - | - | 1.08 | - | - | - | | 1.07 |
| Mr. Palamadai Sundarajan Jayakumar | - | - | - | - | - | 1.08 | - | - | - | | 1.07 |
| **Advance Received** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 2.43 | - | - | - | - | 431.95 | - | | - |
| **Unsecured Loan Taken** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 25,134.22 | - | - | 1,696.78 | - | - | 51,996.73 | - | - | | - |
| Revanza Leasing India Private Limited | - | - | - | - | - | - | - | - | 1,610.75 | | - |
| Aarthi Lalwani | - | - | - | - | - | 139.00 | - | - | - | | - |
| Dipcoin properties private limited | - | - | - | - | 7.00 | - | - | - | - | - | - |
| Rausheena india private limited | - | - | - | - | 10.00 | - | - | - | - | - | - |
| Jayesh Sinhal | - | - | - | - | - | 1.58 | - | - | - | - | - |
| Pramod Kumar Shah | - | - | - | - | - | 71.55 | - | - | - | - | - |
| Raunak Agarwal | - | - | - | - | - | 100.89 | - | - | - | - | - |
| **Unsecured Loan Repaid** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 25,718.09 | - | - | - | - | - | 41,984.16 | - | - | | - |
| Aarthi Lalwani | - | - | - | - | - | 32.00 | - | - | - | | - |
| Revanza Leasing India Private Limited | - | - | - | 2,110.23 | - | - | - | - | 13.65 | | - |
| Dipcoin properties private limited | - | - | - | - | 7.00 | - | - | - | - | - | - |
| Rausheena india private limited | - | - | - | - | 10.00 | - | - | - | - | - | - |
| Jayesh Sinhal | - | - | - | - | - | 50.00 | - | - | - | - | - |
| Pramod Kumar Shah | - | - | - | - | - | 127.88 | - | - | - | - | - |
| Raunak Agarwal | - | - | - | - | - | 83.00 | - | - | - | - | - |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Security deposits received** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 181.53 | - | - | - | - | 178.43 | - | | - |
| FIT 3PL Warehousing Private Limited | - | - | 31.27 | - | - | - | - | - | - | | - |
| **Issue of Shares** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | - | 0.10 | - | - | - | - | 1.00 | - | - | | - |
| **Common area maintenance charges** | | | | | | | | | | | |
| North bengal industrial park infrastructure private limited | - | - | - | - | 1.91 | - | - | - | - | 1.46 | - |
| **Development of Land** | | | | | | | | | | | |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | - | - | 12.10 | - |
| **Purchase of Land** | | | | | | | | | | | |
| Raunak Agarwal | - | - | - | - | - | 84.00 | - | - | - | - | - |
| North bengal industrial park infrastructure private limited | - | - | - | - | 19.97 | - | - | - | - | - | - |

| **Outstanding Balance as on Balance Sheet date** | **31st March 2023** | | | | | | **31st March 2022** | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **With Sponsor** | **With fellow subsidiaries** | **With associates** | **Parent Company of RSIPPL** | **Significant Influence** | **Key Management Personnel** | **With Sponsor** | **With associates** | **Parent Company of RSIPPL** | **Significant Influence** | **Key Management Personnel** |
| **Trade Receivable** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 231.59 | - | | - | - | 128.36 | - | | - |
| **Security Deposit Payable** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 1,204.49 | - | | - | - | 950.02 | - | | - |
| FIT 3PL Warehousing Private Limited | - | - | 31.27 | - | | - | - | - | - | | - |
| **Advance from customer** | | | | | | | | | | | |
| TVS Supply Chain Solutions Limited | - | - | 51.28 | - | | - | - | 385.43 | - | | - |
| **Other Receivables** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 0.54 | - | - | - | | - | - | - | - | | - |
| **Trade Payables** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 1,417.30 | - | - | - | | - | 5,435.30 | - | - | - | - |
| North bengal industrial park infrastructure private limited | - | - | - | - | - | - | - | - | - | 3.32 | - |
| **Unsecured Loan** | | | | | | | | | | | |
| TVS Industrial & Logistics Parks Private Limited | 23,628.64 | - | - | 2,376.49 | | 1,106.99 | 20,929.32 | - | 4,321.56 | - | 1,034.00 |
| Debasish Sarkar | - | - | - | - | - | - | - | - | - | - | 3.24 |
| Jayesh Sinhal | - | - | - | - | - | 1.94 | - | - | - | - | 50.36 |
| Naresh Kumar Agarwal | - | - | - | - | - | - | - | - | - | - | 14.47 |
| Pramok Kumar Shah | - | - | - | - | - | 6.12 | - | - | - | - | 62.45 |
| Raunak Agarwal | - | - | - | - | - | 219.72 | - | - | - | - | 201.83 |
| Seema Agarwal | - | - | - | - | - | - | - | - | - | - | 3.10 |
| Sheo Kumar Agarwal | - | - | - | - | - | - | - | - | - | - | 5.23 |
| Urmila Shah | - | - | - | - | - | - | - | - | - | - | 4.31 |

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

**Additional Disclosure as required by SEBI Master Circular SEBI/ O/DD S-PoD-2/P/CIR/2024/44 dated May 15, 2024.**

**A. Operating Cash Flow from pro ects (Pro ect wise)**

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| DILP- Chakan | 510.8 | 358.86 | (933.89) | (2,183.63) |
| DILP- Singadivakkam | 349.12 | 1,829.28 | (605.33) | (430.60) |
| DILP- Vaipur | 400.87 | 268.64 | (728.21) | (1,879.54) |
| DILP- Sulur | 372.33 | 189.81 | (61.37) | - |
| DILP- Hosur Unit 1 | 989.23 | 712.14 | (1,381.24) | (2,725.66) |
| DILP- Bhubaneswar | 240.08 | 180.78 | (4,663.18) | (804.20) |
| RSIPPL | 105.13 | 1,783.02 | 6,619.26 | (3,658.59) |
| MRILP | 1,302.06 | 2,102.68 | (531.58) | 2,158.62 |
| MILP | 895.29 | 1,709.85 | 428.68 | (1,115.43) |
| SMILP | 146.55 | 2,005.51 | 1,315.90 | (1,015.45) |
| JGILP | (110.77) | (568.73) | 39.97 | (38.78) |
| SRMILP | 116.38 | 372.80 | (2,536.66) | 2,118.88 |
| TILP | 149.33 | (1,472.15) | 449.86 | - |
| PBPL | 111.46 | 257.79 | - | - |
| RILP | (398.94) | (738.17) | - | - |

**B. Capitalisation Statement**

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 | Ad usted for Issue |
|---|---|---|---|---|---|
| Long term Borrowings | 1,31,347.98 | 1,21,907.43 | 1,01,571.15 | 81,917.56 | Refer Note below |
| Short term borrowings | 51,910.93 | 44,446.31 | 30,617.77 | 28,256.87 | |
| **Gross Debt** | **1,83,258.91** | **1,66,353.74** | **1,32,188.92** | **1,10,174.43** | |
| Cash and marketable securities | 9,348.11 | 5,498.66 | 52.81 | 192.68 | |
| **Net Debt (A)** | **1,73,910.80** | **1,60,855.08** | **1,32,136.11** | **1,09,981.75** | |
| Equity Share Capital | 783.39 | 796.05 | 785.05 | 784.95 | |
| Other Equity | 12,817.22 | 12,450.44 | 8,040.86 | 2,728.52 | |
| **Total Equity (B)** | **13,600.61** | **13,246.49** | **8,825.91** | **3,513.47** | |
| **Net Debt Equity Ratio (A/B)** | **12.79** | **12.14** | **14.97** | **31.30** | |

Note: Corresponding details post initial issue are not available as on the date of adoption of the special purpose combined financial statements, hence the required disclosures in respect of the same have not been provided in the above table.

**C. Debt Payment istory**

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **MRILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 23,987.53 | 24,555.00 | 19,232.24 | 16,851.12 |
| Additional borrowings during the year/period | 905.64 | 3,032.20 | 15,409.86 | 31,677.56 |
| Repayments during the year/period | (380.06) | (3,605.60) | (10,084.26) | (29,334.19) |
| Other adjustments / settlements during the year/ period | 2.77 | 5.93 | (2.84) | 37.75 |
| **The carrying amount of debt at the end of each year/ period** | **24,515.88** | **23,987.53** | **24,555.00** | **19,232.24** |
| **Interest Payment (Cashflow)** | (559.74) | (1,393.23) | (1,014.33) | (1,087.71) |
| **MILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 15,102.38 | 15,850.49 | 15,759.92 | 11,128.87 |
| Additional borrowings during the year/period | 3,486.57 | 986.77 | 7,375.29 | 23,656.69 |
| Repayments during the year/period | (288.00) | (1,740.34) | (7,288.86) | (19,017.04) |
| Other adjustments / settlements during the year/ period | 2.28 | 5.46 | 4.14 | (8.60) |
| **The carrying amount of debt at the end of each year/ period** | **18,303.23** | **15,102.38** | **15,850.49** | **15,759.92** |
| **Interest Payment (Cashflow)** | **(478.85)** | **(993.00)** | **(877.66)** | **(709.93)** |

**TVS Infrastructure Trust**
**Notes forming part of Special Purpose Combined financial statements**
**(All amounts are in Rs. Lakhs unless specified otherwise)**

| Particulars | As at 30 September, 2024 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 |
|---|---|---|---|---|
| **SMILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 20,146.43 | 17,998.24 | 17,976.36 | 9,653.71 |
| Additional borrowings during the year/period | 221.22 | 34,540.43 | 3,338.82 | 23,978.10 |
| Repayments during the year/period | (22.00) | (32,364.71) | (3,318.82) | (15,673.32) |
| Other adjustments / settlements during the year/ period | 1.28 | (27.53) | 1.88 | 17.87 |
| **The carrying amount of debt at the end of each year/ period** | **20,346.93** | **20,146.43** | **17,998.24** | **17,976.36** |
| **Interest Payment (Cashflow)** | **(701.47)** | **(1,455.21)** | **(653.74)** | **(4.19)** |
| **JGILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 1,566.09 | 167.00 | 40.32 | 3.58 |
| Additional borrowings during the year/period | 858.32 | 1,410.18 | 132.83 | 4,892.34 |
| Repayments during the year/period | - | (11.09) | (6.15) | (4,855.60) |
| Other adjustments / settlements during the year/ period | - | - | - | - |
| **The carrying amount of debt at the end of each year/ period** | **2,424.41** | **1,566.09** | **167.00** | **40.32** |
| **Interest Payment (Cashflow)** | - | - | - | **(0.68)** |
| **SRMILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 7,661.65 | 6,238.41 | 1,191.00 | - |
| Additional borrowings during the year/period | 827.79 | 1,647.51 | 11,266.16 | 1,321.67 |
| Repayments during the year/period | (72.41) | (224.70) | (6,212.95) | (130.67) |
| Other adjustments / settlements during the year/ period | 5.59 | 0.43 | (5.80) | - |
| **The carrying amount of debt at the end of each year/ period** | **8,422.62** | **7,661.65** | **6,238.41** | **1,191.00** |
| **Interest Payment (Cashflow)** | **(117.58)** | **(276.68)** | **(32.10)** | - |
| **DILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 57,292.40 | 46,947.65 | 41,116.51 | 24,614.70 |
| Additional borrowings during the year/period | 5,866.34 | 11,850.00 | 6,500.00 | 40,500.00 |
| Repayments during the year/period | (798.88) | (1,492.37) | (672.00) | (23,974.34) |
| Other adjustments / settlements during the year/ period | 12.25 | (12.88) | 3.14 | (23.85) |
| **The carrying amount of debt at the end of each year/ period** | **62,372.11** | **57,292.40** | **46,947.65** | **41,116.51** |
| **Interest Payment (Cashflow)** | (2,130.92) | (2,348.83) | (2,872.66) | (2,577.64) |
| **TKILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 12,123.94 | 1,861.95 | - | - |
| Additional borrowings during the year/period | 2,548.47 | 10,264.99 | 1,912.01 | - |
| Repayments during the year/period | - | (3.00) | (50.06) | - |
| Other adjustments / settlements during the year/ period | - | - | - | - |
| **The carrying amount of debt at the end of each year/ period** | **14,672.41** | **12,123.94** | **1,861.95** | **-** |
| **Interest Payment (Cashflow)** | - | - | - | - |
| **RSIPPL** | | | | |
| The carrying amount of debt at the beginning of each year/period | 19,009.80 | 16,405.82 | 13,322.60 | 3,469.23 |
| Additional borrowings during the year/period | 2,420.34 | 9,907.67 | 14,035.78 | 10,517.46 |
| Repayments during the year/period | (630.19) | (7,324.48) | (10,825.43) | (664.70) |
| Other adjustments / settlements during the year/ period | 10.03 | 20.79 | (127.13) | 0.61 |
| **The carrying amount of debt at the end of each year/ period** | **20,809.98** | **19,009.80** | **16,405.82** | **13,322.60** |
| **Interest Payment (Cashflow)** | **(375.71)** | **(2,354.70)** | **(1,139.55)** | **0.41** |
| **PBPL** | | | | |
| The carrying amount of debt at the beginning of each year/period | 1,911.91 | 2,164.35 | 1,535.48 | 415.55 |
| Additional borrowings during the year/period | 403.94 | 44.10 | 2,418.06 | 1,578.06 |
| Repayments during the year/period | (615.57) | (296.94) | (1,786.99) | (458.13) |
| Other adjustments / settlements during the year/ period | - | 0.40 | (2.20) | |
| **The carrying amount of debt at the end of each year/ period** | **1,700.28** | **1,911.91** | **2,164.35** | **1,535.48** |
| **Interest Payment (Cashflow)** | **(16.47)** | **(206.98)** | **(184.76)** | **(107.68)** |
| **RILP** | | | | |
| The carrying amount of debt at the beginning of each year/period | 7,441.47 | - | - | - |
| Additional borrowings during the year/period | 8,854.77 | 7,441.47 | - | - |
| Repayments during the year/period | (5,022.37) | - | - | - |
| Other adjustments / settlements during the year/ period | 1.25 | - | - | - |
| **The carrying amount of debt at the end of each year/ period** | **11,275.12** | **7,441.47** | **-** | **-** |
| **Interest Payment (Cashflow)** | **(183.89)** | - | - | - |

**D. Statement of Net Assets at Fair Value as at 30 September 2024:**

| Particulars | Book Value | Fair Value |
|---|---|---|
| A. Assets | 2,11,726.54 | 2,80,318.00 |
| B. Liabilities (at book value) | 1,98,125.93 | 1,98,125.93 |
| C. Net Assets (A-B) | 13,600.61 | 82,192.07 |
| D. Number of units | **NA** | |
| E. NAV | Refer Note (i) below | |

**Notes:**

**i)** The number of units that Trust will issue to investors in the proposed initial private placement is not presently ascertainable. Hence the disclosures in respect of No. of units and Net Asset Value (NAV) (C/D) per Unit have not been given.

**ii) Pro ect wise break up of Fair value of Assets as at 30 September 2024:**

| Particulars | Fair Value |
|---|---|
| DILP- Chakan | 16,711.00 |
| DILP- Singadivakkam | 6,530.00 |
| DILP- Vaipur | 14,068.00 |
| DILP- Sulur | 17,761.00 |
| DILP- Hosur Unit 1 | 30,250.00 |
| DILP- Bhubaneswar | 8,349.00 |
| MILP | 29,554.00 |
| MRILP | 43,739.00 |
| SMILP | 29,090.00 |
| JGILP | 7,305.00 |
| SRMILP | 10,149.00 |
| TILP | 15,892.00 |
| RMILP | 17,802.00 |
| PBPL | 4,913.00 |
| RSIPPL | 28,205.00 |
| **Total** | **2,80,318.00** |

**iii)** Project wise break up of fair value of total assets as at 30 September 2024 as disclosed above are based on solely on the fair valuation report dated January 26, 2025 of the independent valuer appointed by Investment Manager under the InvIT Regulations.

**E. Statement of Total Return at Fair Value (Refer note (i) below) :**

| Particulars | For the Six Month period ended 30 September 2024 | For the year ended March 31 2024 |
|---|---|---|
| Total comprehensive income for the year/ period (As per the Special Purpose Combined Statement of Profit and Loss) | 843.72 | 1,629.21 |
| Add: Other changes in fair value (excluding tax) of total assets for the year/ period not recognized in Total Comprehensive Income | 17,164.20 | 41,280.80 |
| **Total return** | **18,007.92** | **42,910.01** |

**Note(i):**
In the above statement, Other changes in fair value for the six months period ended 30 September,2024 , year ended 31 March 2024 and year ended 31 March 2023 has been computed based on the difference in fair values of total assets as at september 2024 as at 31 March 2024 and as at 31 March 2023 respectively. The fair values of total assets as at 30 September 2024 are based solely on the valuation report dated January 26, 2025 of an independent valuer appointed by Investment Manager under the InvIT Regulations and as at 31 March 2024 and as at 31 March 2023 are based solely on the valuation certificate dated January 27, 2025 of an independent valuer appointed by Investment Manager under the InvIT Regulations.

The accompanying notes are an integral part of these Special Purpose Combined Financial Statements

As per our report of even date

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Registration No: 003990S/S200018

**Jinesh Damania**
Partner
Membership No. 117595

Place: Mumbai
Date: January 27, 2025

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**P. S. Jayakumar**
Director
DIN: 01173236

**Aditi Kumar**
Director
DIN: 00954520

**Nitin Aggarwal**
Chief Executive Officer
Place: Mumbai
Date: January 27, 2025

**Yogesh Bhargav**
Company Secretary
Mem. No. A50501

## ANNEXURE C - PROJECTIONS OF REVENUE FROM OPERATIONS AND CASH FLOW FROM OPERATING ACTIVITIES

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# PKF SRIDHAR & SANTHANAM LLP
## Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON THE PROJECTIONS OF REVENUE FROM OPERATIONS AND **CASH FLOW FROM OPERATING ACTIVITIES AND UNDERLYING ASSUMPTIONS**

**The Board of Directors**

**TVS Infrastructure Investment Manager Private Limited** (the "**Investment Manager**") in its capacity as an investment manager of the
TVS Infrastructure Trust,
9th Floor, Iconic Building,
Urmi Estate, Lower Parel West,
Mumbai – 400 013
Maharashtra, India

Dear Sirs,

1. We have examined the accompanying Statement of projections of revenue from operations and cash flow from operating activities and the underlying assumptions of TVS Infrastructure Trust (**"InvIT"**) (as defined below) which comprising:

   - Marudhamalai Industrial & Logistics Parks Private Limited (**"MILP"**)
   - Durgeshwari Industrial & Logistics Parks Private Limited (**"DILP"**)
   - Maragathammbal Industrial and Logistics Park Private Limited (**"MRILP"**)
   - Siruvapuri Murugan Industrial and Logistics Private Limited (**"SMILP"**)
   - Jagannath Industrial and Logistics Parks Private Limited (**"JGILP"**)
   - Sri Meenatchi Industrial and Logistics Parks Private Limited (**"SRMILP"**)
   - Tarkeshwar Industrial & Logistics Parks Private Limited (**"TILP"**)
   - Ramanujar Industrial & Logistics Parks Private Limited (**"RMILP"**)
   - Revanza Sullurpet Industrial Parks Private Limited (**"RSIPPL"**)
   - Presidency Barter Private Limited (**"PBPL"**) (PBPL is a wholly-owned subsidiary of MILP)

   (individually referred to as **"SPV"** and together referred to as **"the Group"**) and each of InvIT, MILP, DILP, MRILP, SMILP, JGILP, SRMILP, TILP, RMILP, RSIPPL and PBPL for the years ending March 31, 2025, March 31, 2026 and March 31, 2027 along with the basis of preparation and other explanatory information and the significant assumptions (hereinafter referred to as **"Statement of Projections"**) in accordance with the Standard on Assurance Engagement 3400, *"The Examination of Prospective Financial Information"*, issued by the Institute of Chartered Accountants of India and the terms of our engagement agreed with you vide our engagement letter dated February 01, 2024 requesting us to carry out work on the projected information, proposed to be

PKF SRIDHAR & SANTHANAM LLP ★ Firm No. 003990S/S200018 ★ MUMBAI ★ Chartered Accountants

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Head Office/Registered Office: 91/92, VII Floor, Dr. Radhakrishnan Road, Mylapore, Chennai, 600004, India • Tel.: +91 44 2811 2985 – 88 Fax.: +91 44 2811 2989 • Email: sands@pkfindia.in • Web: www.pkfindia.in

PKF SRIDHAR & SANTHANAM LLP is a registered Limited Liability Partnership with LLPIN AAB-6552 (REGISTRATION NO. WITH ICAI IS 003990S/S200018)

included in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum as required under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time, including the circulars, notifications, clarifications and guidelines issued thereunder ("InvIT Regulations") in connection with the proposed initial private placement of units of the InvIT.

2. The preparation and presentation of Statement of Projections including basis of preparation and the underlying assumptions as set out in Note 2 and Note 3 to the Statement of Projections is the responsibility of the Investment Manager to the InvIT and has been approved by the Board of Directors of the Investment Manager to the InvIT. The Statement of Projections has been prepared by the Investment Manager using a set of assumptions that include hypothetical assumptions about future events, which are, by their nature, subject to significant risks and uncertainties. Consequently, users are cautioned that these projections may not be appropriate or meaningful for any purpose other than described above.

3. Our responsibility is to examine the evidence supporting the assumptions (excluding hypothetical assumptions) and other information in the Statement of Projections on test basis. Our responsibility does not include verification of the accuracy of the Statement of Projections (including quantitative details). Therefore, we do not vouch for the accuracy of the same. The assumptions and estimates (including technical estimates) used for the preparation of the Statement of Projections have been provided to us by the Investment Manager to the InvIT and have been relied upon by us.

4. We have examined the Statement of Projections taking into consideration:

   a. the terms of our engagement agreed with you as per our engagement letter requesting us to carry out work on the Statement of Projections, proposed to be included in the Draft Placement Memorandum, Placement Memorandum & Final Placement Memorandum; and

   b. Standard on Assurance Engagement 3400, "The Examination of Prospective Financial Information", issued by the Institute of Chartered Accountants of India.

5. Based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the Statement of Projections. Further, in our opinion, the Statement of Projections, read together with the basis of preparation as set out in Note 2 to the Statement of Projections, is properly prepared on the basis of the assumptions as set out in Note 3 to the Statement of Projections and is on consistent basis with the accounting policies, to the extent applicable, used for preparation of the historical Special Purpose Combined Financial Statements of the Group and proposed to be included in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum which are prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 except for Ind AS 33: Earning Per Share and in compliance with the requirements of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time including the circulars, notifications, clarifications and guidelines issued thereunder ('InvIT Regulations') and Guidance note on Combined and Carve-out Financial Statements issued by the Institute of Chartered accountants of India.

6. Events and circumstances frequently do not occur as expected. Even if the events anticipated under the hypothetical assumptions described in the Statement of Projections occur, actual results are still likely to be different from those stated in the Statement of Projections since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from those forecasted and projected. For the reasons set out above, we do not express any opinion as to the possibility of achievements of the projections stated in the Statement of Projections.

PKF SRIDHAR & SANTHANAM LLP Firm No 003990S/S200018 MUMBAI Chartered Accountants

7. This report is required by InvIT Regulations requiring the independent auditor to issue a report on the Statement of Projections and is issued for the sole purpose of the proposed initial private placement of units of the InvIT under the InvIT Regulations. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India, including in the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. US securities regulations do not require profit forecasts to be reported by a third party. This report should not be relied upon by prospective investors in the United States of America, including persons who are Qualified Institutional Buyers as defined under Rule 144A under the United States Securities Act of 1933, as amended participating in the offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. This report is addressed to and is provided to enable the Investment Manager to include this report in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum in connection with the proposed private placement of units of InvIT and may not be meaningful for any other purpose.

**For PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm registration number: 003990S/S200018

**Jinesh Damania**
Partner
Membership No.: 117595
UDIN: 25117595BMIWCM5947

Place: Mumbai
Date: January 27, 2025

TVS Infrastructure Investment Manager Private Limited

## TVS Infrastructure Trust

**(All amounts are in Rs. Lakhs unless specified otherwise)**

### Statement of projection of revenue from operations

| Particulars | FY ending 31st March 2025 | FY ending 31st March 2026 | FY ending 31st March 2027 |
|---|---|---|---|
| **A. Combined Projected revenue from operations** | | | |
| TVS Infrastructure Trust Group | **20,319.32** | **27,635.11** | **28,476.34** |
| | | | |
| **B. Project wise projected revenue from operations** | | | |
| Marudhamalai Industrial & Logistics Parks Pvt Ltd | 2,351.74 | 2,336.89 | 2,507.78 |
| Maragathammbal Industrial and Logistics Park Pvt Ltd | 3,861.59 | 4,191.24 | 4,470.65 |
| Siruvapuri Murugan Industrial and Logistics Pvt Ltd | 1,965.54 | 2,405.09 | 2,462.33 |
| Jagannath Industrial and Logistics Parks Pvt Ltd | 23.68 | 1,433.80 | 1,433.78 |
| Sri Meenatchi Industrial & Logistics Parks Pvt Ltd | 757.87 | 990.35 | 1,041.31 |
| Tarkeshwar Industrial & Logistics Parks Pvt Ltd | 134.16 | 2,160.72 | 2,161.05 |
| Durgeshwari Industrial & Logistics Parks Pvt Ltd | 7,417.11 | 7,811.03 | 8,093.47 |
| Ramanujar Industrial and Logistics Parks Pvt Ltd | 935.79 | 1,921.38 | 1,921.38 |
| Revanza Sullurpet Industrial Parks Pvt Ltd | 2,472.66 | 3,969.35 | 3,969.35 |
| Presidency Barter Pvt Ltd | 399.20 | 415.25 | 415.25 |
| TVS Infrastructure Trust | - | - | - |
| **Total** | **20,319.32** | **27,635.11** | **28,476.34** |

**See accompanying notes forming an integral part of the Projection Information**

For and on behalf of the Board of Directors of

**TVS Infrastructure Investment Manager Private Limited**

**(As an Investment Manager of TVS Infrastructure Trust)**

**Nitin Aggarwal**
Chief Executive Officer

Place: Mumbai
Date: January 27, 2025

TVS Infrastructure Investment Manager Private Limited

TVS Infrastructure Investment Manager Private Limited

## TVS Infrastructure Trust

**(All amounts are in Rs. Lakhs unless specified otherwise)**

### Statement of projection of cash flows from operating activities

| Particulars | FY ending 31st March 2025 | FY ending 31st March 2026 | FY ending 31st March 2027 |
|---|---|---|---|
| **A. Combined projected cash flows from operating activities** | | | |
| TVS Infrastructure Trust Group | **14,545.22** | **19,498.31** | **20,120.68** |
| | | | |
| **B. Project wise projected cash flows from operating activities** | | | |
| Marudhamalai Industrial & Logistics Parks Pvt Ltd | 1,785.01 | 1,804.73 | 1,916.07 |
| Maragathammbal Industrial and Logistics Park Pvt Ltd | 2,650.12 | 3,239.96 | 3,062.17 |
| Siruvapuri Murugan Industrial and Logistics Pvt Ltd | 1,410.89 | 1,810.37 | 1,901.78 |
| Jagannath Industrial and Logistics Parks Pvt Ltd | 15.16 | 935.91 | 985.05 |
| Sri Meenatchi Industrial & Logistics Parks Pvt Ltd | 500.09 | 741.23 | 780.90 |
| Tarkeshwar Industrial & Logistics Parks Pvt Ltd | 87.93 | 1,482.77 | 1,559.55 |
| Durgeshwari Industrial & Logistics Parks Pvt Ltd | 5,410.66 | 5,652.87 | 5,942.19 |
| Ramanujar Industrial and Logistics Parks Pvt Ltd | 474.94 | 1,179.14 | 1,227.17 |
| Revanza Sullurpet Industrial Parks Pvt Ltd | 2,104.93 | 2,970.84 | 3,076.57 |
| Presidency Barter Pvt Ltd | 325.38 | 330.59 | 344.26 |
| TVS Infrastructure Trust | (219.87) | (650.11) | (675.02) |
| **Total** | **14,545.22** | **19,498.31** | **20,120.68** |

**See accompanying notes forming an integral part of the Projection Information**

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

TVS Infrastructure Investment Manager Private Limited

**Nitin Aggarwal**
Chief Executive Officer

Place: Mumbai
Date: January 27, 2025

TVS Infrastructure Investment Manager Private Limited

**TVS Infrastructure Trust**
**(All amounts are in Rs. Lakhs unless specified otherwise)**
**Notes to the Projection Information of TVS Infrastructure Trust**

**1) General Information**

TVS Infrastructure Trust (**"InvIT"**) was set up on March 26, 2024, as a contributory, determinate, irrevocable Infrastructure Investment Trust under the provision of the Indian Trusts Act, 1882. The InvIT was registered as an Infrastructure Investment Trust under the Securities Exchange Board of India (**"SEBI"**) (Infrastructure Investment Trust) Regulations, 2014, as amended read together with circulars and guidelines issued thereunder (the **"SEBI InvIT Regulations"**) on April 22, 2024, having registration number IN/InvIT/24-25/0030. The principal place of business of the InvIT is 9th Floor, Iconic Building, Urmi Estate, Ganpatrao Kadam Marg, Lower Parel West, Mumbai, Maharashtra, 400013.

TVS Industrial & Logistics Parks Private Limited (**"the Sponsor"**), Company, incorporated under the Companies Act, 1956, domiciled and headquartered at Iconic Building, Urmi Estate, 9th Floor, 95 Ganpatrao Kadam Marg, Lower Parel (West), Mumbai, Maharashtra, India - 400013.

The Trustee to the InvIT is Axis Trustee Services Limited (the **"Trustee"**) and the Investment Manager for the InvIT is TVS Infrastructure Investment Manager Private Limited (the **"Investment Manager"**).

The Investment Objectives of the InvIT shall be to carry on the activities of, and to make investments as, an InvIT, as permissible in terms of the InvIT Regulations. The investment of the InvIT shall be in any manner permissible under, and in accordance with, the InvIT Regulations and Applicable Law, including, in such Holding Companies and/or SPVs and/or infrastructure projects and/or securities in India as permitted under the InvIT Regulations and in accordance with the investment strategy as detailed in any Offer Document. The Trustee shall ensure that the InvIT Fund shall be utilised for Investment Objectives as stated above, in accorfance with InvIT Regulations and Applicable Law.

Under the share purchase agreements proposed to be entered amongst the Sponsors, the Trustee, the Investment Manager, and the relevant entities in the Group and their respective shareholders, InvIT shall acquire 100% of fully paid-up equity shares of each entity in the Group.

The Special Purpose combined financial information of the Proposed Group comprise of the projected revenue from operations and projected cash flows from operating activities of the Group comprising:

a. TVS Infrastructure Trust (**"InvIT"**)
b. Durgeshwari Industrial & Logistics Parks Private Limited (**"DILP"**)
c. Marudhamalai Industrial & Logistics Parks Private Limited (**"MILP"**)
d. Maragathammbal Industrial and Logistics Park Private Limited (**"MRILP"**)
e. Siruvapuri Murugan Industrial and Logistics Private Limited (**"SMILP"**)
f. Jagannath Industrial and Logistics Parks Private Limited (**"JGILP"**)
g. Sri Meenatchi Industrial & Logistics Parks Private Limited (**"SRMILP"**)
h.Tarkeshwar Industrial & Logistics Parks Private Limited (**"TILP"**)
i. Ramanujar Industrial and Logistics Parks Private Limited (**"RMILP"**)
j. Revanza Sullurpet Industrial Parks Private Limited (**"RSIPPL"**)
k. Presidency Barter Private Ltd (**"PBPL"**) Wholly owned subsidiary of MILP

(together referred to as **"the Group"**)

**2) Basis of preparation of Projection Information**

The statements of projection of revenue from operations and projection of cash flows from operating activities of the proposed Group as stated in Note 1 above and the Proposed Group for the financial years ending March 31, 2025, 2026 and 2027 along with the underlying assumptions and other explanatory information (the **"Projection Information"**) have been compiled by the Investment Manager solely for the purpose of inclusion in the Draft Placement Memorandum in connection with the proposed private placement of the units of the InvIt. Therefore, the Projection Information should not be used or relied upon for any purpose other than described above.

The Projection Information have been prepared based on the accounting policies used for preparation of the historical Special Purpose Combined Financial Statements of the Proposed Group as required by SEBI InvIT Regulations, which are prepared in accordance with accounting principles of Indian Accounting Standards (**"Ind AS"**) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended prescribed under Section 133 of the Companies Act, 2013 read with SEBI InvIT Regulations and the Guidance Note on Combined and Carve- Out Financial Statements issued by the Institute of Chartered Accountants of India. Projected cash flow from operating activities have been calculated using the direct method under Ind AS 7 - Statement of Cash Flows and is computed by deducting the projected operating expenses and income taxes from the projected revenue from operations and adjusted for projected noncash expenses (if any). Projected cash flow from operating activities do not include any items pertaining to financing or investing in nature.

The Projection Information have been derived assuming post offer capital structure and corporate structure of the Group being in existence from 15th March 2025 and that the net proceeds will be infused in each entity of the Group to replace existing bank debts, Sponsor debts, and Unsecured loans and Advances.

The Projection Information are presented in Indian Rupees which is also the functional currency of the Proposed Group. All amounts are in lakhs rounded upto two decimals, unless otherwise stated.

The Proposed Group follows March 31st as its accounting year end. Accordingly, the Projection Information are prepared for the financial years ending March 31, 2025, March 31, 2026 and March 31, 2027 (**"Projections Period"**). However, the assumed date of acquisition 15th March 2025 may be postponed and accordingly, the actual result in the first financial period of the InvIT may be different from the Projections Period in the Projection Information.

It is clarified that the Projection Information have been prepared on the basis of combination of best- estimate (i.e. assumptions as to future events which are expected to take place and the actions expected to take place as of the date the information is prepared) and hypothetical assumptions (about future events and actions which may or may not necessarily take place).

TVS Infrastructure Investment Manager Private Limited

The Projection Information contain forecasts and projections that relate to future events including hypothetical assumptions, which are, by their nature, subject to significant risks and uncertainties. Events and circumstances may not occur as expected. Even if the events anticipated under the hypothetical assumptions described in the Projection Information occur, actual results are still likely to be different from those stated in the Projection Information since other anticipated events frequently do not occur as expected and the variation may be material. The actual results may therefore differ materially from those forecasted and projected.

These Projection Information has been adopted by the Board of Directors of the Investment Manager on 27th January 2025.

**3) Significant assumptions**

The Projection Information have been prepared based on the significant assumptions including hypothetical assumptions summarised below. The Investment Manager considers the assumptions to be appropriate and reasonable as at the date of the reporting. However, the investors should consider these assumptions as well as the Projection Information and make their own assessment of the future performance of the InvIT.

The Investment Manager has obtained reports from a third-party Real estate market expert (iVAS Partners) (**"Valuer"**) in assessment of the assumptions, market fundamentals, industry drivers and outlook amongst other things for the preparation of the Projection Information. The assumptions used in the Projection Information by the Investment Manager are substantially in line with the information and assumptions as per the analysis of Real Estate Consultant.

**(i) Revenue from Operations**

Our revenue from operations comprises of (a) Lease rentals and allied services income from leasing of InvIT Assets; and (b) income from maintenance services whereby

(a) Lease rentals and allied services income have been projected based on executed lease agreements where available and, in cases where agreements are not in place presently, based on prevailing market rates. Lease rentals have been escalated annually within a range of approximately 3% to 5%, in line with the leasing terms for the duration of the executed leases. Additionally, for the subsequent leasing tenure of five years following the expiry of the current lease term, a 10% escalation has been applied to the last month's rent of the expiring lease agreement. Further, the projections incorporate Ind AS guidelines, ensuring the appropriate accounting treatment of lease rental income, along with the charging of utility costs to customers at gross value. Furthermore, given the consistently high occupancy levels in recent periods, we anticipate this trend to persist throughout the projected period. Consequently, no provisions for vacancy have been factored into the forecasted revenues.

(b) Income from maintenance services:
Projected income from maintenance services has been calculated based on executed lease agreements, which explicitly outline common area maintenance charges at a specified rate. The escalation of maintenance service income has been aligned with the lease rental escalation, as stipulated in the agreements executed with customers.

**The summary of projections of revenue is given below:**

| Particulars | MILP | MRILP | SMILP | JGILP | SRMILP | TILP | DILP | RMILP | RSIPPL | PBPL |
|---|---|---|---|---|---|---|---|---|---|---|
| FY ending 31st March 2025 | 2,351.74 | 3,861.59 | 1,965.54 | 23.68 | 757.87 | 134.16 | 7,417.11 | 935.79 | 2,472.66 | 399.20 |
| FY ending 31st March 2026 | 2,336.89 | 4,191.24 | 2,405.09 | 1,433.80 | 990.35 | 2,160.72 | 7,811.03 | 1,921.38 | 3,969.35 | 415.25 |
| FY ending 31st March 2027 | 2,507.78 | 4,470.65 | 2,462.33 | 1,433.78 | 1,041.31 | 2,161.05 | 8,093.47 | 1,921.38 | 3,969.35 | 415.25 |

**(ii) Operating and maintenance cost**

Our expenses comprise the following: (a) Employees benefit expenses, (b) Property tax, (c) Insurance, (d) Brokerage, (e) Rates & Taxes, (f) Management fees, (g) Operating Expenses (including CSR expenses as applicable), and (h) Repairs expenses.

For projection purposes, FY 2025 estimates have been derived by combining actual expenses incurred during the first six months (April 2024 to September 2024) with estimated expenses for the remaining half of the fiscal year. Projections for FY 2026 and FY 2027 have been prepared based on the assumptions and details outlined herein.

For Projection of expenses, Employees benefit expenses has been considered at 1% of projected revenue while proporty tax has been considered based on previous year cost with escalation of 1% year on year. Similarily, Insurance and Repairs expenses has been considered based on previous year cost with escalation of 3% year on year. Brokerage cost of one and quater month of lease rental has been considered for new lease agreement entered during projected year which has been amortised over period of lease tenure.

Rates and taxes expense comprises of mainly Stamp duty cost, which has been considered at 0.5% of total lease rental for period of lease, post sharing of cost by customers in equal proportion. Management fees is projected fees payable to Project Manager as per Project Implementation and Management Agreement which is charged at cost plus mark-up of 10% on the Cost. All other site level and miscellaneous expenses, including utility expenses, site maintenance expenses and CSR expenses (as applicable), are clubbed under Operating Expenses.

**The summary of projections of operation and maintenance cost is given below:**

| FY ending 31st March 2025 | MILP | MRILP | SMILP | JGILP | SRMILP | TILP | DILP | RMILP | RSIPPL | PBPL |
|---|---|---|---|---|---|---|---|---|---|---|
| Employee benefits expense | 12.72 | 27.74 | 13.82 | 0.10 | 8.22 | 0.59 | 66.34 | 2.64 | 16.13 | 2.21 |
| Property taxes | 12.92 | 82.53 | 15.80 | - | 5.17 | - | 149.34 | - | - | - |
| Insurance | 17.86 | 29.72 | 17.10 | - | 9.36 | 0.14 | 56.45 | - | 37.88 | 1.26 |
| Brokerage | 31.50 | 23.54 | 16.46 | 1.45 | 2.42 | 5.96 | 20.50 | 1.14 | 5.00 | 7.37 |
| Rates & Taxes | 14.34 | 14.05 | 7.22 | 0.62 | 1.02 | 1.64 | 12.25 | 2.93 | 10.93 | 1.97 |
| Management fees | 203.99 | 304.09 | 158.47 | 0.87 | 53.71 | 5.33 | 446.19 | 23.75 | 197.27 | 29.74 |
| Operating Expenses | 138.73 | 567.57 | 250.34 | 1.13 | 96.46 | 2.32 | 1,105.87 | 140.00 | 14.69 | 9.59 |
| Repairs | 19.93 | 33.43 | 21.94 | - | 8.88 | 14.61 | 61.84 | 13.83 | 28.11 | 2.87 |
| **Total** | **451.98** | **1,082.68** | **501.16** | **4.17** | **185.25** | **30.59** | **1,918.78** | **184.29** | **310.01** | **55.00** |

TVS Infrastructure Investment Manager Private Limited

| FY ending 31st March 2026 | MILP | MRILP | SMILP | JGILP | SRMILP | TILP | DILP | RMILP | RSIPPL | PBPL |
|---|---|---|---|---|---|---|---|---|---|---|
| Employee benefits expense | 21.86 | 34.81 | 21.75 | 11.50 | 8.89 | 17.75 | 68.59 | 13.95 | 35.20 | 3.96 |
| Property taxes | 13.05 | 83.35 | 15.96 | - | 5.22 | - | 150.83 | - | - | - |
| Insurance | 18.40 | 30.61 | 17.61 | - | 9.64 | 0.15 | 58.14 | - | 39.02 | 1.30 |
| Brokerage | 30.94 | 13.61 | 16.46 | 32.46 | 4.80 | 36.84 | 22.71 | 13.42 | 5.00 | 7.37 |
| Rates & Taxes | 14.36 | 14.87 | 9.00 | 12.04 | 3.11 | 9.83 | 19.22 | 6.81 | 18.54 | 1.97 |
| Management fees | 196.76 | 313.31 | 195.73 | 103.54 | 79.98 | 159.79 | 617.33 | 125.55 | 316.79 | 35.60 |
| Operating Expenses | 149.29 | 188.14 | 254.04 | 134.51 | 93.76 | 203.26 | 1,108.53 | 304.81 | 105.60 | 11.87 |
| Repairs | 20.53 | 34.44 | 22.60 | 20.53 | 9.15 | 15.05 | 63.70 | 14.24 | 28.95 | 2.95 |
| Total | 465.19 | 713.15 | 553.15 | 314.59 | 214.54 | 442.68 | 2,109.05 | 478.79 | 549.10 | 65.02 |

| FY ending 31st March 2027 | MILP | MRILP | SMILP | JGILP | SRMILP | TILP | DILP | RMILP | RSIPPL | PBPL |
|---|---|---|---|---|---|---|---|---|---|---|
| Employee benefits expense | 23.07 | 37.34 | 22.78 | 12.08 | 9.40 | 18.64 | 72.05 | 14.51 | 36.44 | 4.11 |
| Property taxes | 13.18 | 84.19 | 16.12 | - | 5.28 | - | 152.34 | - | - | - |
| Insurance | 18.95 | 31.53 | 18.14 | - | 9.93 | 0.15 | 59.88 | - | 40.19 | 1.34 |
| Brokerage | 23.03 | 13.61 | 12.77 | 32.46 | 7.52 | 36.84 | 23.13 | 13.42 | 5.00 | 7.37 |
| Rates & Taxes | 14.59 | 21.43 | 9.77 | 12.33 | 4.76 | 9.83 | 25.10 | 6.81 | 18.75 | 1.97 |
| Management fees | 207.62 | 336.04 | 205.02 | 108.72 | 84.60 | 167.78 | 648.44 | 130.56 | 327.97 | 37.03 |
| Operating Expenses | 152.91 | 583.90 | 257.13 | 136.24 | 95.30 | 205.93 | 1,118.90 | 306.48 | 109.32 | 12.34 |
| Repairs | 21.14 | 35.47 | 23.28 | 21.14 | 9.42 | 15.50 | 65.61 | 14.67 | 29.82 | 3.04 |
| Total | 474.49 | 1,143.51 | 565.02 | 322.97 | 226.20 | 454.67 | 2,165.44 | 486.45 | 567.49 | 67.20 |

**(iii) InvIT Expenses**

The InvIT expenses are mainly projected based on the terms and conditions of the relevant agreements and / or based on Management's experience, estimates and judgements.

**The summary of projections of InvIT expenses is given below:**

| Particulars | Mar-25 | Mar-26 | Mar-27 |
|---|---|---|---|
| Trustee Fees | 10.00 | 10.20 | 10.40 |
| Investment Management Fees* | 177.42 | 604.96 | 626.91 |
| Audit Fees | 20.00 | 22.00 | 24.20 |
| Credit Rating fee | 6.00 | 6.00 | 6.00 |
| Stock Exchange, SEBI & Depository Fee | 1.45 | 1.45 | 1.45 |
| Valuation fees | 5.00 | 5.50 | 6.05 |
| Total | 219.87 | 650.11 | 675.02 |

* Investment Management fees is projected fees payable to Investment Manager as per Investment Management Agreement which is charged at cost plus mark-up of 10% on the Cost.

**(iv) Taxes**

Current income tax is measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India where the Group operates and generates taxable income.

Each entity in the Group has adopted new tax regime under Income Tax regulations towards calculation of taxable income and tax liability. Further, each entity in the Group do have unabsorbed depreciation as per Income tax calculations and accordingly, we project no tax liability payable by the Proposed Group during Projection period except for PBPL for FY 2025, which will not have material impact overall.

The InvIT will receive interest and dividend income from each entity in the Group which is considered exempt under the Income Tax Act, 1961. Hence, no income tax expense/cash flow is assumed during the projection period (except income tax on treasury income). The transaction of receipt of interest income will be eliminated in the Consolidated Statement of Profit and Loss and in the Consolidated Statement of Cashflows.

The relevant tax exemptions, tax remissions, and preferential tax treatments granted remain valid and applicable and that the terms and conditions thereto are complied with.

**(v) Changes in working capital**

The entire rental collection is in cash and routine expenses are in cash or a credit period is available. In these cases, the effective working capital deployed is relatively small or negative in certain instances. Further we believe the working capital is stable and not expected to vary drastically over a period. Hence, changes in working capital are not significant and no impact of that has been considered in the projected cash flows.

**(vi) Other assumptions**

a) The initial portfolio of each entity in the Group remains unchanged through the Projection Period. Further, the Projections have been prepared assuming the proposed InvIT structure from 15th March 2025. The actual structure shall come into existence after the Initial private placement of

Units of the InvIT which may be before or after 15th March 2025.

b) No further assets are acquired or divested during the Projection Period.

c) It has been assumed that no outflow on account of any litigation related matters including current pending litigations/contingent liabilities is expected to become due during the Projection Period.

d) There will be no material change in taxation legislation or other applicable legislation.

e) The Projections are based on assumptions and are subject to several factors. Investors should be aware that future events, including actual rental growth rates, cannot be predicted with any certainty and there may be deviations from the figures projected in the Projection Information.

f) The Projections have been prepared based on the industry market reports for real estates growth rates.

g) The respective components of the Projections have been prepared using Ind AS standards and interpretations that are effective for the Ind AS financial statements for the year ended March 31, 2024. The Projections do not take into account the impact of any new Ind AS standard or interpretation not effective as at March 31, 2024. Ind AS standards or interpretations issued but not effective or not issued as at September 30, 2024 which may become effective during the Projections period may have an impact on the Projections and to that extent the actual figures may vary from the Projections.

For and on behalf of the Board of Directors of
**TVS Infrastructure Investment Manager Private Limited**
**(As an Investment Manager of TVS Infrastructure Trust)**

**Nitin Aggarwal**
Chief Executive Officer

Place: Mumbai
Date: January 27, 2025

**ANNEXURE D - ARCHITECT CERTIFICATE**

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To,

**Durgeshwari Industrial & Logistics Parks Private Limited**
338/1, Chakan MIDC, Taluka Khed, Mahalunge Village, Pune, Maharashtra, 410501

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, Ihave been engaged to verify, examine, certify and report on warehousing facility at Chakan ("**Property**") which has been developed by **Durgeshwari Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits, namely:

(i). No objection certificate for ground water abstraction dated January 29, 2021, issued by Central Ground Water Authority, Nagpur and corrigendum in no objection certificate for enhancement in ground water abstraction, dated July 22, 2024, issued by Regional Director, Central Region, Central Ground Water Board, Nagpur;

(ii). Consent to operate under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974, Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Rule 6 of the Hazardous



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

and other Wastes (Management & Transboundary Movement) Rules, 2016, dated October 27, 2023, issued by Sub-regional office, Maharashtra Pollution Control Board;

(iii). Shops & Establishments License under Maharashtra Shops and Establishments (Regulations of Employment and Conditions of Service) Act, 2017, dated August 14, 2024, issued by Office of the Deputy Commissioner of labour, Pune;

(iv). Final fire no objection certificate under Maharashtra Fire Prevention and Life Safety Measures Act, 2006, dated August 19, 2017, issued by Chief Fire Officer, Pune Metropolitan Region Development Authority, Pune;

(v). No objection certificate for taking electricity connection and water connection, dated January 3, 2011, issued by Sarpanch, Gram Panchayat Mahalunge, Khed, Pune; and

(vi). Development permit and commencement certificate dated September 16, 2017, issued by Chief Executive Officer, Pune Metropolitan Region Development Authority ("**PMRDA**").

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status,, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;



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**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Manager(s) and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Manager(s) may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010

03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 17.10 | 11,91,802 | **Existing:** 3,37,831<br><br>**Under Development:** Nil<br><br>**Total:** 3,37,831 | 8,53,971 | 36,557 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12.3m at Eves | 2,57,877 | 2,57,877 | October 2005 | September 2009 | Operational |
| 2. | Building – 2 | 12.3m at Eves | 79,954 | 79,954 | February 2010 | December 2010 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 36,557 Sqft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is NIL.

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Durgeshwari Industrial & Logisitcs Parks Private Limited**
S.F.No: 250/3A, 251/3A2, 3B2, 3C2, 6B, 7B1C4,7B1C5,7B1C6,7B1C7, 7B1D & 7C2,
Vaippur "AB Block", Eraiyur Village, Kancheepuram District.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Kancheepuram ("**Property**") which has been developed by **Durgeshwari Industrial & Logisitcs Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated March 21, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(ii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated March 21, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

Control Board, Sriperumbudur;

(iii). Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated August 17, 2022, issued by Joint Chief Environmental Engineer-Monitoring, Tamil Nadu Pollution Control Board, Chennai;

(iv). Fire license under Section 13 of the Tamil Nadu Fire & Rescue Service Act, 1985, dated December 6, 2024, issued by District Officer, Fire & Rescue Services, Kanchipuram;

(v). Site plan approved dated April 24, 2023, issued by President, Eriyour Panchayat, Sriperumandur Panchayat Union and Commissioner, Panchayat Union, Sriperumbudur; and

(vi). No objection certificate for drawal of groundwater dated August 17, 2023, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and I am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600092 03/02/2025

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 10.23 | 6,68,427 | **Existing:** 2,12,424<br><br>**Under Construction:** Nil<br><br>**Total:** 2,12,424 | 4,56,003 | - |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building 1 | 12m at Eves | 94,955 | 94,955 | March 2008 | December 2008 | Constructed |
| 2. | Building 2 | 12m at Eves | 59,985 | 59,985 | April 2009 | September 2009 | Constructed |
| 3. | Building 3 | 12m at Eves | 34,280 | 34,280 | June 2012 | December 2012 | Constructed |
| 4. | Building 4 | 12m at Eves | 23,204 | 23,204 | June 2012 | April 2013 | Constructed |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is Nil.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is Nil

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Durgeshwari Industrial & Logistics Parks Private Limited**
S.No 561/3B, 561/4,561/5,581/2A, 581/3, 582/1B, 582/1C1B, 582/1C2A, 582/1C2B, 582/2A, 582/2B, 583/1, 584/1A1, 584/1B1 of Singadivakkam Village,
Kancheepuram Taluk and District – 631 561

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Singadivakkam ("**Property**"), which has been developed by **Durgeshwari Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 8, 2021, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 8, 2021, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(iii). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated August 27, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(iv). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated August 27, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(v). Panchayat approval letter dated September 28, 2018, and June 14, 2022, issued by Commissioner, Walajabad Panchayat Union and;

(vi). No objection certificate for drawal of groundwater, dated November 23, 2023, and May 17, 2023, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(vii). No objection certificate for formation of approach road, dated July 29, 2016, issued by Zonal Engineer (H) (C&M), Chengalpattu;

(viii). Fire no objection certificate dated March 14, 2016, and July 16, 2021, issued by District Officer, Fire & Rescue Services, Kanchipuram;

(ix). Registration certificate of establishment under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Kancheepuram; and

(x). Plan Approval dated July 26, 2018, and May 11, 2022, issued by Zonal Deputy Director of Town Planning, Chengalpattu and Deputy Director, District Town Planning Office, Kancheepuram, respectively.

(ii) Has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on 30th September 2024, set forth in Annexure A.

(iii) Has the start date of construction, completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Manager(s) and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Manager(s) may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 042 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 10.73 | 7,01,098 | **Existing:** 2,34,539<br><br>**Under Development:** Nil<br><br>**Total:** 2,34,539 | 4,66,559 | 2,19,172 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 13m at Eves | 92,695 | 92,695 | April 2016 | December 2017 | Operational |
| 2. | Building – 2 | 13m at Eves | 1,41,844 | 1,41,844 | July 2021 | April 2021 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 2,19,172 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is Nil.

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Durgeshwari Industrial & Logistics Parks Private Limited**
Survey No: 466/1A2, 1B2, 1C, 1D, 2A, 2B, 467/1A2, 1B, 1C, 1D, 467/2, 468/2, 474/2, 475/2, 473/1B, 474/1A, 475/1B, 1D, 476/2, 477/2, 477/3, 478/1, 478/3, 479/1, 479/2, Thally Road, Mathigiri Village, Hosur Taluk, Krishnagiri District – 635 110.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Hosur 1 ("**Property**"), which has been developed by **Durgeshwari Industrial & Logistics Parks Private Limited.**

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Municipal approval under Section 49 of Town and Country Planning Act, 1971, dated April 24, 2024, issued by Commissioner, Hosur Municipal Corporation;

(ii). Building permits and plan approvals dated July 29, 2019, and August 27, 2020, issued by Commissioner, Hosur City Municipal Corporation, Hosur;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(iii). Plan approval under Section 49 of the Town & Country Planning Act, 1971, and Tamil Nadu Combined Development and Building Rules, 2019, dated June 17, 2023, issued by Deputy Director, Hosur New Town Development Authority, District Town & Country Planning Office, Krishnagiri, Hosur;

(iv). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985 read with Tamil Nadu Fire Service Rules, 1990, dated April 22, 2024, issued by District Officer, Fire and Rescue Services Department, Krishnagiri;

(v). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Hosur;

(vi). No objection certificate from Department of Public Health and Preventive Medicine dated July 12, 2018, issued by Deputy Director of Health Services, Krishnagiri;

(vii). Lift License under Section 5(3) of the Tamil Nadu Lifts and Escalators Act, 1997, dated June 21, 2023, issued by Inspector of Lifts, Government of Tamil Nadu;

(viii). No objection certificate for drawal of groundwater dated August 11, 2023, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai; and

(ix). No objection certificate for approach road, dated July 4, 2018, issued by Assistant Divisional Engineer, Highways, Hosur.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction and the present status as set forth in Annexure A

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Issue (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

| | |
|---|---|
| **Name** | : Karthikeyan K |
| **Address** | : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157 |
| **Email Address** | : office@ateliernord.in |
| **Website** | : www.ateliernord.in |
| **Contact Person** | : Karthikeyan K |

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.



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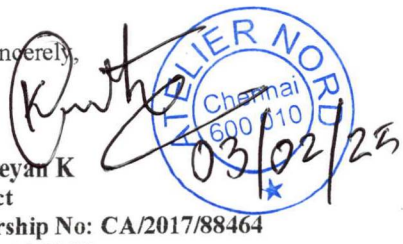
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

Yours Sincerely,




**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **Durgeshwari Industrial & Logistics Parks Private Limited** | 29.83 | **19,49,092** | **Existing:** 6,93,444<br><br>**Under Development:** NIL<br><br>**Total:** 6,93,444 | 12,55,648 | 5,14,602 Sq. ft. |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 3,02,449 | 3,02,449 | June 2017 | January 2018 | Operational |
| 2. | Building – 2 | 12m at Eves | 3,01,165 | 3,01,165 | February 2018 | July 2018 | Operational |
| 3. | Building – 3 | 12m at Eves | 89830 | 89830 | March 2018 | September 2018 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 5,14,602 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is Nil.

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Durgeshwari Industrial & Logistics Parks Private Limited**
Plot No. 121/1277, Khandagiri SRO, Chandaka, Thana No 26,
Tahasil, Bhubaneswar, Kantabada,
Khordha, Odisha, 752054.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Bhubaneshwar ("**Property**"), which has been developed by **Durgeshwari Industrial & Logistics Parks Private Limited.**

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Shop & Establishment certificate under the Orissa Shops & Commercial Establishments Act, 1956, dated November 25, 2020, issued by Divisional Labour Commissioner, Bhubaneshwar;

(ii). No objection certificate for abstraction of groundwater dated March 17, 2022, issued by Ministry



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

of Jal Shakti, Department of Water Resources, River Development & Ganga Rejuvenation, Central Ground Water Authority;

(iii). Occupancy certificate dated June 18, 2021, issued by Assistant Town Planner, Bhubaneshwar Development Authority;

(iv). Fire safety recommendations under Rule 12(5) of the Odisha Fire Prevention and Fire Safety Rules, 2017, dated August 27, 2021, issued by Fire Deputy Director, Range Fire Officer, Central Range II, Bhubaneshwar;

(v). Fire safety certificate under Rule 13(3) of the Odisha Fire Prevention and Fire Safety Rules, 2017, dated March 27, 2023, and October 25, 2023, issued by Deputy Fire Officer, Bhubaneshwar Circle; and

(vi). Plan approval under Section 16(3) of the Orissa Development Authorities Act, 1982, dated July 17, 2020, and August 22, 2023, issued by Planning Member / Authorised Officer, Bhubaneshwar Development Authority.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024 set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.



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"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am/are in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address**: 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

**Karthikeyan K**
**Architect**

03/02/25



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **Durgeshwari Industrial & Logistics Parks Private Limited** | 10.67 | 9,29,570 | **Existing:** 2,14,954<br><br>**Under Development:** Nil<br><br>**Total:** 2,14,954 | 7,14,616 | 18,000 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 1,85,568 | 1,85,568 | January 2018 | June 2018 | Operational |
| 2. | Building – 2 | 12m at Eves | 29,386 | 29,386 | February 2021 | December 2021 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 18,000 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is Nil.

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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To,

**Marudhamalai Industrial & Logistics Parks Private Limited**
Survey No: 381/2B, 381/3A1, 381/3A2, 381/3B, 382/1B, 382/1C, 382/1D, 382/2B2
of Appanaickenpatti Village, Sy No: 386/2A, 386/2B1, 387/1A, 387/1B, 387/1C, 387/1D,
387/1E, 387/1F, 387/2, 390/1C, 390/2 & 391/1 of Selakaraichal Village,
Sulur Taluk, Coimbatore – 641 016.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility ("**Property**") at Coimbatore, which has been developed by **Marudhamalai Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i) Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, with Tamil Nadu Fire Service Rules, 1990 – Appendix – III dated December 2, 2024, issued by District Officer, Fire and Rescue Services, Coimbatore;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii) No objection certificate for drawal of groundwater dated February 21, 2024, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(iii) Fire no objection certificate, dated February 11, 2020, issued by District Officer, Tiruppur District, Fire-Rescue Services Department, Coimbatore;

(iv) Public health sanitary certificate dated September 19, 2023, issued by Deputy Director of Health Services, Coimbatore;

(v) Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Pollachi;

(vi) Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated April 29, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(vii) Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated April 29, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(viii) Plan approval dated January 7, 2020, issued by Joint Director, Town and Country Planning Office, Coimbatore;

(ix) No objection certificate from Tahsildar dated October 11, 2018, and March 5, 2020, issued by Tahsildar, Sulur;

(x) No objection certificate from Department of Public Health and Preventive Medicine dated November 27, 2020, issued by Deputy Director of Health Services, Coimbatore

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area as on 30th September 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.



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"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Issue (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.



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I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date:**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **Marudhamalai Industrial & Logistics Parks Private Limited** | 26.40 | 17,24,976 | **Existing:** 680,244<br><br>**Under Development:** Nil<br><br>**Total:** 6,80,244 | 10,44,732 | 3,02,270 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12.9m at Eves | 4,04,335 | 4,04,335 | January 2020 | June 2021 | Operational |
| 2. | Building – 2 | 12.9m at Eves | 2,75,909 | 2,75,909 | January 2020 | Mar 2021 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 3,02,270 sq. ft.

**Under-Development Area**
We confirm that the Under-Development Area as on September 30, 2024 is NIL.

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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To,

**MARAGATHAMMBAL INDUSTRIAL AND LOGISTICS PARK PRIVATE LIMITED**
S.No: 138/1A,138/2,138/3, 150/1, 150/4, 150/5, 150/8, 156/1A, 156/1B,
157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7,
160/6B, 166/2A, 166/2B and 166/2C1, Madhakondapalli Village,
Denkanikottai Taluk, Krishnagiri District– 635 114

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Thally I ("**Property**") which has been developed by **MARAGATHAMMBAL INDUSTRIAL AND LOGISTICS PARK PRIVATE LIMITED**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Public health sanitary certificate under Sections 44, 83 and 84 of the Tamil Nadu Public Health Act, 1939, dated November 21, 2024, issued by Deputy Director of Health Services, Krishnagiri;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated May 26, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(iii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated May 26, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(iv). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated February 14, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(v). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated February 14, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(vi). Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated February 14, 2024, issued by Joint Chief Environmental Engineer – Monitoring, Tamil Nadu Pollution Control Board, Vellore;

(vii). No objection certificate for drawal of groundwater dated August 11, 2023 and July 1, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(viii). No objection certificate from Department of Public Health and Preventive Medicine dated April 4, 2019, and June 2, 2022, issued by Deputy Director of Health Services, Krishnagiri;

(ix). Panchayat plan approval dated October 6, 2022, issued by Commissioner, Panchayat Union, Thalli;

(x). Plan approval, dated August 10, 2022, issued by Joint Director, District Town and Country Planning, Krishnagiri District, Hosur;

(xi). Plan approval order under Tamil Nadu Combined Development and Building Rules, 2019, dated June 28, 2019, issued by Director, Town and Country Planning Dharmapuri;

(xii). No objection certificate to use land for industrial and commercial purposes dated December 31, 2020, and May 19, 2023, issued by Tahsildar, Denkanikottai;

(xiii). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated April 22, 2024, issued by District Officer, Fire and Rescue Services, Krishnagiri;

(xiv). Approval to construct culvert for using it as approach road, dated July 7, 2022, issued by Executive Engineer, WRD, Melpennaiyaru Basin Division, Dharmapuri;

(xv). Permission for usage of culvert as approach road, dated September 20, 2024, issued by Executive Engineer, WRD, Upper Pennaiyar Basin Division, Dharmapuri;

(xvi). Approval for approach road dated February 25, 2019, issued by Assistant Engineer, Denkanikottai; and

(xvii). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Hosur.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as on September 30, 2024, as set forth in Annexure A.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **MARAGATHAMMBAL INDUSTRIAL AND LOGISTICS PARK PRIVATE LIMITED.** | 37.39 | 24,43,062 | **Existing:** 10,54,618<br><br>**Under Development:** Nil<br><br>**Total:** 10,54,618 | 13,88,444 | 1,04,947 |



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 4,79,182 | 4,79,182 | January 2019 | July 2019 | Completed |
| 2. | Building – 2 | 12m at Eves | 3,70,164 | 3,70,164 | January 2019 | July 2019 | Completed |
| 3. | Building – 3A | 12m at Eves | 1,50,944 | 1,50,944 | January 2021 | May 2021 | Completed |
| 4. | Building – 3B | 12m at Eves | 53,856 | 53,856 | August 2021 | February 2022 | Completed |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 1,04,947.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is Nil

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Maragathammbal Industrial & Logistics Parks Private Limited**
S.No: 138/1A,138/2,138/3, 150/1, 150/4, 150/5, 150/8, 156/1A, 156/1B, 157/1, 157/2A, 157/2B, 158/1, 158/2, 158/3, 158/4, 159/2B2, 159/6, 159/7, 160/6B, 166/2A, 166/2B and 166/2C1, Madhakondapalli Village, Denkanikottai Taluk, Krishnagiri District– 635 114

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No.CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Thally II ("**Property**") which has been developed by **Maragathammbal Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i) Public health sanitary certificate under Sections 44, 83 and 84 of the Tamil Nadu Public Health Act, 1939, dated November 21, 2024, issued by Deputy Director of Health Services, Krishnagiri;



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mobile 9941817252 | 8220332157 | 8939334142 · Mail - office@ateliernord.in

(ii) Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated May 26, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(iii) Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated May 26, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(iv) Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated February 14, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(v) Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated February 14, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Hosur;

(vi) Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated February 14, 2024, issued by Joint Chief Environmental Engineer – Monitoring, Tamil Nadu Pollution Control Board, Vellore;

(vii) No objection certificate for drawal of groundwater dated August 11, 2023 and July 1, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(viii) No objection certificate from Department of Public Health and Preventive Medicine dated April 4, 2019, and June 2, 2022, issued by Deputy Director of Health Services, Krishnagiri;

(ix) Panchayat plan approval dated October 6, 2022, issued by Commissioner, Panchayat Union, Thalli;

(x) Plan approval, dated August 10, 2022, issued by Joint Director, District Town and Country Planning, Krishnagiri District, Hosur;

(xi) Plan approval order under Tamil Nadu Combined Development and Building Rules, 2019, dated June 28, 2019, issued by Director, Town and Country Planning Dharmapuri;

(xii) No objection certificate to use land for industrial and commercial purposes dated December 31, 2020, and May 19, 2023, issued by Tahsildar, Denkanikottai;

(xiii) Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated April 22, 2024, issued by District Officer, Fire and Rescue Services, Krishnagiri;

(xiv) Approval to construct culvert for using it as approach road, dated July 7, 2022, issued by Executive Engineer, WRD, Melpennaiyaru Basin Division, Dharmapuri;

(xv) Permission for usage of culvert as approach road, dated September 20, 2024, issued by Executive Engineer, WRD, Upper Pennaiyar Basin Division, Dharmapuri;

(xvi) Approval for approach road dated February 25, 2019, issued by Assistant Engineer, Denkanikottai; and

(xvii) Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated December 18, 2023, issued by Assistant Inspector of Labour, Hosur.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30 2024, set forth in Annexure A.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(iii) has the start date of construction, completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means the Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Manager(s) and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Manager(s) may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **MARUDHAMALAI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 10.83 | 7,07,632 | **Existing:** 1,99,126<br><br>**Under Development:** Nil<br><br>**Total:** 1,99,126 | 5,08,506 | 2,81,943 |

**Building wise distribution**



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| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 4 | 12m at Eves | 1,99,126 | 1,99,126 | March 2022 | July 2022 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 2,81,943 Sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is Nil.

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED**
Survey No. 31/1A1, 31/1A2, 31/2A, 31/1B, 31/2B, 31/2C, 32/3A, 32/3B, 32/3C, 32/5A, 32/5B, 32/8A, 32/8B, 32/8C, 32/8D, 32/2, 32/4, 32/6, 32/7, 32/9, 33/1, 33/2, 33/3, 33/4, 33/5, 33/6, 34/1, 35/2, 35/1A, 35/1B of Sethupakkam Village, Survey no: 131/2, 132/1,132/2, 132/3, 132/4, 137/2, 136/1, 136/2, 136/3, 135/1, 135/2, 134/1, 134/2, 141/1A, 134/3A, 134/3B, 134/4, 134/5, 134/6, 134/7, 134/8, 134/9, 134/10A, 134/10B, 134/11, 133/1, 133/2, 141/2, 141/1B, 141/1C, 141/1D,142, 143/1A, 143/1B, 144/1A, 144/2A, 144/2C, 144/3, 144/4, 145 & 146 of Agaram Village, and Survey No : 75, 76, 77/1A3B, 77/2A2B, & 77/2A3A2 of Thamaraipakkam Village, Thiruvallur District Tamil Nadu – 601103

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Redhills ("**Property**"), which has been partially developed and is partially being developed by **SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed and is being constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.



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(i). Health clearance certificate under Tamil Nadu Public Health Act, 1939, dated May 30, 2024, issued by District Health Officer, Thiruvallur;

(ii). No objection certificate to erect access road, dated February 17, 2020, issued by Divisional Engineer (Highway), C & M Division, Tiruvallur;

(iii). Certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated January 4, 2023, issued by Assistant Inspector of Labour, Thiruvallur;

(iv). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated January 25, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(v). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated January 25, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(vi). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated October 13, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(vii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated October 13, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Tiruvallur;

(viii). No objection certificate from Department of Public Health and Preventive Medicine under the Tamil Nadu Public Health Act, 1939, dated September 30, 2019, and December 2, 2021, issued by Deputy Director of Health Services, Thiruvallur;

(ix). No objection certificate for extraction of ground water for domestic purpose under Section 5(4)(a)(i) of the Chennai Metropolitan Area Ground Water (Regulation) Act, 1987, dated December 8, 2023, issued by Sub Collector, Tiruvallur;

(x). Fire license under Section 13 of the Tamil Nadu Fire & Rescue Service Act, 1985, dated January 12, 2024, issued by District Officer, Fire & Rescue Services, Thiruvallur;

(xi). Panchayat plan approval under Section 159, 160 and 161 of the Tamil Nadu Panchayats Act, 1994 and Tamil Nadu Panchayats Building Rules, 1997 dated and August 16, 2024, and March 21, 2022, issued by Commissioner, Ellapuram Panchayat Union;

(xii). Plan approval dated September 24, 2021, issued by Assistant Director, Town and Country Planning Office, Tiruvallur;

(xiii). Technical plan approval under Section 47(A) of Town and Country Planning Act, 1971, dated August 6, 2024, issued by Assistant Director, Town and Country Planning Office, Tiruvallur;

(xiv). No objection certificate from Tahsildar, dated January 21, 2019, issued by Tahsildar, Tiruvallur;

(xv). Approval for construction of small bridge and approach road, dated August 20, 2024, issued by Executive Engineer, Water Resources Department, Kosasthalaiyar Basin Division, Thiruvallur;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(xvi). Hazardous waste authorization under Rule 6(2) of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated December 12, 2022, issued by Joint Chief Environmental Engineer-Monitoring, Tamil Nadu Pollution Control Board, Chennai; and

(xvii). Fire no objection certificate dated November 6, 2019, August 17, 2021, and December 6, 2021, issued by District Officer, Fire Rescue Services Department, Tiruvallur.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the expected completion date of the construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Issue and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Issue (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **SIRUVAPURI MURUGAN INDUSTRIAL AND LOGISTICS PRIVATE LIMITED** | 33.18 | 21,67,981 | **Existing:** 7,03,513<br><br>**Under Development:** 74,253<br><br>**Total:** 7,77,766 | 13,90,215 | 3,42,369 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 3,51,669 | 3,51,669 | July 2019 | December 2020 | Constructed |
| 2. | Building – 2 | 12m at Eves | 3,51,844 | 3,51,844 | August 2021 | May 2022 | Constructed |
| 3. | Building – 3 | 12m at Eves | NIL | 74,253 | January 2025 | May 2025[1] | Under Development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 3,42,369 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 74,253 sq. ft.

We further confirm that the buildings 1 and 2 have and building 3 will have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Durgeshwari Industrial & Logistics Parks Private Limited**
Sy No: 168/1B, 168/2A, 168/5, 169/1B, 169/2A, 170/1B, 170/2A, 174 & 176/1
Palladam to Chettipalayam Road, Selakaraichal Village,
Coimbatore District, Tamil Nadu – 641 402

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Coimbatore ("**Property**") which has been partially developed and is partially being developed by **Durgeshwari Industrial & Logistics Parks Private Limited.**

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed/ being constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Approval from Panchayat dated November 28, 2022, issued by the President, Selakkaraichal Panchayat.;



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated June 24, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(iii). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated June 24, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(iv). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated July 3, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(v). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated July 3, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Coimbatore;

(vi). No objection certificate dated April 13, 2022, and October 20, 2022, issued by Tahsildar Sulur;

(vii). No objection certificate for drawal of groundwater, dated March 7, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

(viii). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated May 21, 2024, issued by District Officer, Fire and Rescue Services, Coimbatore;

(ix). Public health sanitary certificate dated December 2, 2023, issued by Deputy Director of Health Services, Coimbatore;

(x). No objection certificate from Department of Public Health and Preventive Medicine dated June 30, 2022, issued by Deputy Director of Health Services, Coimbatore; and

(xi). Plan approval dated September 6, 2021, issued by Joint Director, Town and Country Planning Office, Coimbatore.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area as on September 30, 2024 set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction or expected completion date of the construction, as applicable as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Issue (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **DURGESHWARI INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 22.10 | 14,44,014 | **Existing:** 4,92,344<br><br>**Under Development:** 13,506<br><br>**Total:** 5,05,850 | 9,38,164 | 108,092 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12.3m at Eves | 1,23,267 | 1,23,267 | December -2022 | August-2023 | Operational |
| 2. | Building – 2 | 12.3m at Eves | 1,03,387 | 1,03,387 | August-2022 | May-2023 | Operational |
| 3. | Building – 3 | 12.3m at Eves | 1,75,368 | 1,75,368 | December -2022 | September-2024 | Operational |
| 4. | Building – 4 | 12m at Eves | 90,322 | 90,322 | September -2023 | August-2024 | Operational |
| 1. | Building – 4A | 12m at Eves | Nil[1] | 13,506 | September 2023 | October 2024 | Operational[1] |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 108,092 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 13,506 sq. ft.

[1] As on September 30, 2024, this portion was under development, but the same is operational as on date of this certificate



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We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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To,

**Sri Meenatchi Industrial And Logistics Parks Private Limited**
Survey No. 78/3H, 78/3I, 78/3J1, Nagari to Kumaram Road,
No. 4 Vairavanatham Village in Patta No.410, Vairavanatham,
Madurai, Tamil Nadu, 625402

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility ("**Property**") at Madurai which has been partially developed and partially is being developed by **Sri Meenatchi Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed/ is being constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Fire license under Section 13 of the Tamil Nadu Fire & Rescue Service Act, 1985, dated July 22, 2024, issued by District Officer, Fire & Rescue Services, Madurai;



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii). Fire no objection certificate dated December 7, 2021, issued by District Officer, Fire Rescue Services Department, Theni, Madurai;

(iii). Panchayat plan approval, dated May 19, 2022, issued by the President, Vairavanatham Panchayat, Madurai West Panchayat Union;

(iv). No objection certificate from Tahsildar, dated July 27, 2021, issued by Tahsildar, Madurai;

(v). Sanitary certificate dated June 24, 2024, issued by Block Health Supervisor, Govt. Primary Health Centre, Samayanallur, Madurai;

(vi). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 7, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(vii). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 7, 2022, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(viii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 18, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(ix). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 18, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Madurai;

(x). No objection certificate for construction of access road, dated April 5, 2024, issued by Divisional Engineer (highway), C & M Division, Madurai;

(xi). Plan approval under Section 49 of Town and Country Planning Act, 1971, dated April 8, 2022, issued by Assistant Director / Member Secretary, Town and Country Planning Office, Madurai;

(xii). No objection certificate for drawal of ground water dated March 11, 2022, issued by Chief Engineer, State Ground & Surface Water Resources Data Centre, Chennai;

Shops & Establishment certificate under Section 3 of the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958, dated April 30, 2024, issued by Assistant Inspector of Labour, Madurai

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction or expected completion date of the construction, as applicable, as set forth in Annexure A.



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All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).



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I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **SRI MEENATCHI INDUSTRIAL & LOGISTICS PARKS PVT. LTD.** | 16.02 | **10,46,747** | **Existing:** 3,01,533<br><br>**Under Development:** 90,439<br><br>**Total:** 3,91,972 | 6,54,775 | 40,741 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12.9m | NIL | 90,439 | January 2024 | January 2025[1] | Under development |
| 2. | Building – 2 | 12.9m | 3,01,533 | 3,01,533 | November 2021 | March 2024 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 40,741 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 90,439 sq. ft.

We further confirm that the building -2 has and building-1 will have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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To,

**Revanza Sullurpet Industrial Parks Private Limited**
Sy No: 11,12,13 and 30, Padamati Khandrika and zuvvi chelika,
Sullurpet, Tirupati - 524 121.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Sullurpet ("**Property**"), which has been partially developed and is being partially developed by **Revanza Sullurpet Industrial Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it is being constructed , in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely:

(i). Provisional fire no objection certificate for construction of building, dated December 23, 2021, and September 11, 2023, issued by Director General, State Disaster Response and Fire Services, Vijayawada, Andhra Pradesh;

(ii). No objection certificate for drawal of groundwater for domestic greenery purposes, dated March 9,



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

2022, issued by Deputy Director, Groundwater and Water Audit Department, Nellore;

(iii). Building permit orders dated July 3, 2021, and January 31, 2023, issued by Vice Chairman, Nellore Urban Development Authority;

(iv). Certificate of registration under Contract Labour (Regulation and Abolition) Act, 1970, dated August 5, 2024, issued by DCL, Tirupati;

(v). Certificate of registration under Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, dated August 5, 2024, issued by DCL, Tirupati;

(vi). Certificate of registration of establishment under Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, dated July 1, 2024, issued by JCL, Kurnool; and

(vii). No objection certificate for access road, dated July 6, 2023, issued by Commissioner, Sullurpet Municipality;

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction (or expected completion date of the construction) as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;



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**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and I am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Manager(s) and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Manager(s) may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **Revanza Sullurpet Industrial Parks Private Limited** | 44.10 | 15,78,883 | **Existing:** 3,70,719<br><br>**Under Development:** 2,00,000<br><br>**Total:** 5,70,719 | 10,08,164 | 8,07,761 |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 18m at Eves | 3,70,719 | 3,70,719 | June, 2021 | April, 2022 | Constructed |
| 2. | Building – 2 | 18m at Eves | Nil | 2,00,000 | November, 2024 | April, 2025[1] | Under development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 8,07,761 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 2,00,000 sq. ft.

We further confirm that the building 1 has and building 2 is proposed to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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To,

**Ramanujar Industrial & Logistics Parks Private Limited**
Plot No: A-1/4, Sy No: 3(pt), 4(pt), 19(pt), 20(Pt), 21A(Pt), 23(Pt), 26(Pt), 27(Pt) & 28(pt)
SIPCOT Industrial Park, Kundrathur Main Road,Pillaipakkam,
Sriperumbudur, Kanchipuram District – 602 105.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Pillaipakkam ("**Property**") which has been partially developed and partially is being developed by **Ramanujar Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed/ being constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Panchayat plan approval for constructing warehouse building dated March 15, 2024, issued by the President, Pillaipakkam Panchayat, Sriperumbudur Panchayat Union;



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(ii). Registration certificate under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970, dated January 23, 2024, issued by Joint Director (BOCW), Industrial Safety & Health, Chennai;

(iii). Registration certificate under Section 4(2)(a) of the Inter State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979, dated January 23, 2024, issued by Joint Director (BOCW), Industrial Safety & Health, Chennai.

(iv). Registration certificate under Section 7(3) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996, dated October 9, 2023, issued by Joint Director BOCW, Chennai;

(v). Provisional fire no objection certificate dated Dec 13, 2024 and October 6, 2023, issued by District Officer, Fire & Rescue Services, Kanchipuram

(vi). Fire license under Section 13 of the Tamil Nadu Fire Service Act, 1985, dated June 11, 2024, issued by District Officer, Fire and Rescue Services, Kanchipuram;

(vii). Consent to establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated September 25, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(viii). Consent to operate under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, dated August 9, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(ix). Plan approval for industrial warehouse building, dated February 1, 2024, issued by Assistant Director / Deputy Director, District of Town & Country Planning Office, Kancheepuram District;

(x). Health clearance certificate under Tamil Nadu Public Health Act, 1939, dated July 25, 2024, issued by District Health Officer, Kancheepuram;

(xi). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated September 25, 2023, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur;

(xii). Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981, dated August 9, 2024, issued by District Environmental Engineer, Tamil Nadu Pollution Control Board, Sriperumbudur; and

(xiii). No objection certificate under Tamil Nadu Public Health Act, 1939, dated September 27, 2023, issued by Deputy Director of Health Services, Kanchipuram.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area as on 30th September 2024 set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, , as set forth in Annexure A.



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I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction (or expected completion date of the construction) as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name**: Karthikeyan K
**Address**: 13, 2 nd floor, 2 nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address**: office@ateliernord.in
**Website**: www.ateliernord.in
**Contact Person**: Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010

03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date:**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **Ramanujar Industrial & Logistics Parks Private Limited** | 17.00 | **11,10,780** | **Existing:** 3,60,280<br><br>**Under Development:** 1,11,568<br><br>**Total:** 4,71,848 | 6,38,932 | 2,10,485 |



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**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Buildng-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 3,60,280 | 3,60,280 | September 2023 | August 2024 | Operational |
| 2. | Building – 2 | 12m at Eves | 1,11,568 | 1,11,568 | February 2025 | May 2025[1] | Under development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is 2,10,485 sq. ft.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 1,11,568 sq. ft.

We further confirm that the building 1 has and building 2 proposes to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Presidency Barter Private Limited**
Plot No. 914-917, 920, 930, 931, 933, 934, 936, 939,940-945
Shilpobroto Industrial Park Beside Bharat Benz Jotikali,
KH No.523, Mouza-Binnagori, P.S-Rajgan, Dist.- Jalpaiguri,
Pin - 734015

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Siliguri ("**Property**") which has been developed by **Presidency Barter Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it has been constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Certificate of occupancy, dated August 30, 2021, issued by Karmadhyaksha, Jalpaiguri, Zilla Parishad;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii). Fire safety certificate, dated July 27, 2022, issued by Director, West Bengal Fire & Emergency Services;

(iii). No objection certificate for sinking of new well under Section 7 of the West Bengal Ground Water Resources (Management, Control and Regulation) Act, 2005, dated September 6, 2021, issued by Member Secretary, District Level Ground Water;

(iv). Plan approval, dated June 17, 2022, issued by District Engineer, Jalpaiguri Zilla Parishad; and

(v). Fire safety recommendations, dated June 22, 2022, issued by Deputy Director, West Bengal Fire & Emergency Services.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area as on September 30, 2024 set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/ expected completion date of construction and the present status, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the completion date of construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means the Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional Offer Documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/22025**
**Encl**: As above



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **PRESIDENCY BARTER PRIVATE LIMITED** | 5.66 | 5,54,737 | **Existing:** 1,40,474<br><br>**Under Development:** Nil<br><br>**Total:** 1,40,474 | 4,14,263 | **NIL** |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 1,40,474 | 1,40,474 | January 2021 | August 2022 | Operational |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30 2024 is NIL.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30 2024 is Nil.

We further confirm that the building has Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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To,

**Tarkeshwar Industrial & Logistics Parks Private Limited**
107/2,108/3,108/2A2,108/2B,108/4,109/5,107/1A,107/1B,109/6, Gollagudem Village,
Punadipadu Revenue Village, Kankipadu Mandal, Krishna District,
Andhra Pradesh – 521151

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Vijayawada ("**Property**") which is being developed by **Tarkeshwar Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it is being constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Consent to establish under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Section 25 of Water (Prevention and Control of Pollution) Act, 1974, dated July 3, 2023, issued by Joint Chief Environmental Engineer, Zonal Office, Vijayawada;

(ii). Consent to operate under Section 25 and 26 of the Water (Prevention and Control of Pollution) Act,



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

1974, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and Rule 6 of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, dated October 25, 2024 issued by Joint Chief Environmental Engineer, Andhra Pradesh Pollution Control Board, Zonal Office, Vijayawada

(iii). Provisional fire no objection certificate for construction dated June 28, 2023, issued by Director General, State Disaster Response & Fire Services, Andhra Pradesh, Vijayawada;

(iv). No objection certificate for drawal of groundwater dated June 19, 2023, issued by District Ground Water Officer, Ground Water and Water Audit Department, Machilipatnam, Krishna;

(v). No objection certificate for occupancy dated April 18, 2024, issued by Director General, State Disaster Response & Fire Services, Vijayawada;

(vi). Permission to widen the road stretch from single lane to multi lane, dated January 9, 2024, issued by Executive Engineer (R&B), Machilipatnam;

(vii). Certificate of registration of establishment under Section 2(d) and Section 4(2) of the Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined returns under various labour laws by certain Establishments) Act, 2015, dated April 27, 2023, issued by DCL Krishna;

(viii). Certificate of registration of establishment under Section 2(d) and Section 4(2) of the Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined returns under various labour laws by certain Establishments) Act, 2015, dated April 27, 2023, issued by JCL Eluru;

(ix). Occupancy certificate dated September 13, 2024, issued by Commissioner, Andhra Pradesh Capital Region Development Authority;

(x). Certificate of registration of establishment under Section 2(d) and Section 4(2) of the Andhra Pradesh (Issuance of Integrated Registration and Furnishing of Combined returns under various labour laws by certain Establishments) Act, 2015, dated April 27, 2023, issued by JCL Eluru; and

(xi). Building permit order dated June July 31, 2023, issued by Commissioner, Andhra Pradesh Capital Region Development Authority.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the expected completion date of the construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony,



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 12.68 | **3,76,673** | **Existing:** NIL<br><br>**Under Development:** 2,94,281<br><br>**Total:** 2,94,281 | **82,392** | NIL |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | Nil | 2,94,281 | May 2023 | February 2025[1] | Under Development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is Nil.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 2,94,281 sq. ft..

[1] Please note that this date is indicative in nature and is subject to change basis circumstances

We further confirm that the buildings have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.



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To,

**Tarkeshwar Industrial & Logistics Parks Private Limited**
R.S.No. 186, 187P & 188P,Plot No. Land – 9,
IP - Expansion - Gurrampalem (APIIC-IALA),
Gurrampalem Village, Pendurthi Mandal,
Visakhapatnam District,Andhra Pradesh.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Vishakapattnam ("**Property**") which is being developed by **Tarkeshwar Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it is being constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely.

(i). Building permit order dated July 1, 2024, issued by Commissioner, Andhra Pradesh Industrial Infrastructure Corporation;

(ii). No objection certificate for drawal of groundwater, dated April 19, 2024, issued by District Ground Water Officer (FAC), Ground Water & Water Audit Department, Vishakhapatnam;



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(iii). Provision fire no objection certificate dated August 7, 2024, issued by Director General, State Disaster Response & Fire Services, Andhra Pradesh, Vijayawada;

(iv). Certificate of registration under Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, dated August 7, 2024, issued by JCL, Visakhapatnam;

(v). Certificate of registration under Contract Labour (Regulation and Abolition) Act, 1970, dated August 10, 2024, issued by JCL, Visakhapatnam;

(vi). Certificate of registration under Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, dated August 10, 2024, issued by DCL, Visakhapatnam;

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as on 30th September 2024, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the expected completion date of the construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;



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**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am/are in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Issue (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2 nd floor, 2 nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Issue, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
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**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **TARKESHWAR INDUSTRIAL & LOGISTICS PARKS PRIVATE LIMITED** | 16.80 | **5,84,312** | **Existing:** Nil<br><br>**Under Development:** 4,18,633<br><br>**Total:** 4,18,633 | **1,65,679** | - |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | 1,54,615 | 1,54,615 | October 2024 | April 2025[1] | Under development |
| 2. | Building – 2 | 12m at Eves | NIL | 2,64,018 | October 2024 | May 2025[1] | Under development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is NIL.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 4,18,633 sq. ft.

We further confirm that the buildings are proposed to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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To,

**Jagannath Industrial & Logistics Parks Private Limited**
plot no. SABIK- 269(P), 270(P), HAL-
269/4029(P) , 270 (P),Khata No: HAL -727/953,
SABIK – 807 & 810, Vill: Banipada,
Tahsil:Tangi- Choudwar, Dist: Cuttack, Odisha.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architects, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Cuttack I ("**Property**") which is being developed by **Jagannath Industrial & Logistics Parks Private Limited**.

I certify that the Property:

(i) is being, and can be, used for the purpose for which it is being constructed, in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits, namely:

(i). Consent to Establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974 and Section 21 of Air (Prevention & Control of Pollution) Act, 1981, dated May 3, 2024, issued by Regional Officer, State Pollution Control Board, Odisha;



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

(ii). No objection certificate for ground water abstraction dated April 23, 2024, issued by Member – Secretary, Central Ground Water Authority, New Delhi;

(iii). Registration certificate under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970, dated April 10, 2024, issued by District Labour Officer, Cuttack;

(iv). Registration certificate under Section 7(3) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996, dated April 10, 2024, issued by District Labour Officer–cum–Licensing Officer under B&OCW Act, District Labour Office Cuttack;

(v). Registration certificate under Section 4(2)(a) of the Inter State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979, dated April 10, 2024, issued by Registering Officer –cum– District Labour Officer, Cuttack; and

(vi). Fire safety recommendation dated March 8, 2024, issued by Deputy Fire Officer, Cuttack circle.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024 set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status, as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the expected completion date of the construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I further confirm that I am not related in any manner to the promoters or directors of the Company.

Further, I confirm that I have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Offer and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Offer (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 017

03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**



#13, Old no:19, 2nd floor, 2nd street, raghavendra colony, virugambakkam, Chennai - 92
mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

**Date: 03/02/2025**
**Encl**: As above

**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **JAGANNATH INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED** | 14.43 | 12,57,140 | **Existing:** Nil<br><br>**Under Development:** 3,35,345<br><br>**Total:** 3,35,345 | 9,21,795 | - |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | Nil | 1,12,565 | November-2024 | May-2025[1] | Under development |
| 2. | Building – 2 | 12m at Eves | Nil | 2,22,780 | November-2024 | June-2025[1] | Under development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is NIL.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 3,35,345 sq. ft.

We further confirm that the buildings are planned to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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mobile 9941817252 | 8220332157 | 8939334142 Mail - office@ateliernord.in

To,

**Jagannath Industrial & Logistics Parks Private Limited**
IDCO Plot No. - 37, Revenue Plot No. - 114/1316 (P), Rev. Khata No. - 172/884, Village - Indranipatna, Tahasil- Tangi-Choudwar, PS - Choudwar-33, Dist - Cuttack, Odisha - 754025.

**Axis Trustee Services Limited (*as Trustee of the TVS Infrastructure Trust*)**
Axis House
2nd Floor, Wadia International Centre
Pandurang Budhkar Marg
Worli, Mumbai 400 025
Maharashtra, India

**TVS Infrastructure Investment Manager Private Limited (*as Investment Manager of the TVS Infrastructure Trust*)**
9th Floor, Iconic Building, Urmi Estate
Lower Parel West, Mumbai 400 013
Maharashtra, India

**Axis Capital Limited**
1st Floor, C-2, Axis House
Wadia International Centre
P.B. Marg, Worli, Mumbai 400 025
Maharashtra, India

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC Plot No. 27, 'G'
Block Bandra Kurla Complex
Bandra (East) Mumbai 400 051
Maharashtra, India

(Axis Capital Limited and Kotak Mahindra Capital Company Limited are hereinafter collectively referred to as "**Lead Managers**")

**Proposed offering of units ("Units", and such offering, the "Offer") of the TVS Infrastructure Trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014**

Dear Sirs,

I am an independent architect, registered with the Council of Architecture under the Architects Act, 1972 (Membership Registration No. CA/2017/88464, a copy of the membership certificate is attached herewith as Annexure B). Further, I have been engaged to verify, examine, certify and report on warehousing facility at Cuttack II ("**Property**"), which is being developed by **Jagannath Industrial & Logistics Parks Private Limited.**

I certify that the Property:

(i) is being, and can be, used for the purpose for which it is being constructed in terms of the applicable regulations in respect of zoning or otherwise and the necessary approvals, licenses and permits namely:

(i). Consent to Establish under Section 25 of Water (Prevention & Control of Pollution) Act, 1974 and Section 21 of Air (Prevention & Control of Pollution) Act, 1981, dated May 3, 2024, issued by Regional Officer, State Pollution Control Board, Odisha;

(ii). No objection certificate for ground water abstraction dated April 23, 2024, issued by Member –



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Secretary, Central Ground Water Authority, New Delhi;

(iii). Registration certificate under Section 7(2) of the Contract Labour (Regulation and Abolition) Act, 1970, dated April 10, 2024, issued by District Labour Officer, Cuttack;

(iv). Registration certificate under Section 7(3) of the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996, dated April 10, 2024, issued by District Labour Officer–cum–Licensing Officer under B&OCW Act, District Labour Office Cuttack;

(v). Registration certificate under Section 4(2)(a) of the Inter State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979, dated April 10, 2024, issued by Registering Officer –cum– District Labour Officer, Cuttack; and

(vi). Fire safety recommendation dated March 8, 2024, issued by Deputy Fire Officer, Cuttack circle.

(ii) has the Site/ Plot Area, Built-up Area, Leasable Area, Other Area, Operational Area, Under Development Area, Floor Space Index Area, as on September 30, 2024, set forth in Annexure A.

(iii) has the start date of construction, completion date of construction/expected completion date of construction and the present status as set forth in Annexure A.

I further confirm that save and except the issues set forth against the Property in Annexure A, there are no other factors affecting the use of the Property and the utilization of the entire Leasable Area on or before the expected completion date of the construction as set forth in Annexure A.

All capitalized terms used but not defined herein shall have the meaning given to such terms in the Draft Placement Memorandum, Placement Memorandum and Final Placement Memorandum ("**Offer Documents**"). For the purpose of this expert opinion, the terms listed below shall have the following meanings:

"**Achieved FSI Area**" means Built-up Area.

"**Balance FSI Area**" means the difference of Permissible FSI Area and Achieved FSI Area.

**"Built-up Area"** means Leasable Area for which construction of the Property has been completed and for which requisite approvals and certifications as may be required under applicable law for commencing operations has been received.

"**Committed Area**" means the area of the Property for which letters of intent, head of terms, agreement to lease or any other relevant document have been signed with potential clients.

"**Site/ Plot Area**" means the total extent of the land over which the Property is situated.

"**Floor Space Index (FSI) Area**" means the quotient of the ratio of the combined gross covered area (plinth area) on all floors, except areas specifically exempted under the applicable law, to the Plot Area.

"**Permissible FSI Area**" means the FSI Area where construction on the Property is permitted under applicable law.

"**Leasable Area**" means the total area of the Property that can be occupied by or assigned to a tenant for the purpose of determining a tenant's rental obligation.

"**Other Area**" means Leasable Area of the Property which has been leased out at least once and for which no approvals for operationalization are required under applicable law;



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**"Operational Area"** means Leasable Area of the Property which has been leased out at least once and includes (i) Built-up Area and (ii) Other Area;

**"Under Development Area"** means Leasable Area within a Property which is yet to be operationalized, including committed area, and for which relevant approvals for the purpose of commencing construction have been received or have been applied for.

I confirm that I am an independent architect and I am in no way connected with the Company, the InvIT, or any of the Parties to the InvIT or the Lead Managers. I/we further confirm that I/we am/are not related in any manner to the promoters or directors of the Company.

Further, I confirm that I/we have not been engaged or been interested in the formation or promotion or in the management of the Company.

I hereby confirm that this certificate and the information contained herein are based on scrutiny of Occupation/Completion Certificates/Building sanction plan/Relevant Property tax/other relevant documents issued by relevant authorities as well as survey of the Property. No detailed re-measurement was conducted of the buildings. Based on this, the information contained herein neither contain any untrue statement of a material fact nor omit to state any material fact necessary in order to make the statements herein. This certificate can also be relied upon by the Lead Managers and the legal advisors in relation to the proposed Issue and for the purpose of any defence that the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.

I hereby consent to the extract of this certificate being used in any document prepared in connection with the Issue (including the Offer Documents (and international wraps to the Offer Documents for offering of Units outside India), or any presentation, research reports, publicity material, press release, or other documentation being issued in connection with the Offer Documents).

I hereby consent to our name being disclosed as an expert (as described under Section 2(38) of the Companies Act, 2013) and the details specified below being included in the Offer Documents to be issued by the InvIT and filed with the Securities and Exchange Board of India (the "**SEBI**"), the BSE Limited (the "**BSE**"), the National Stock Exchange of India Limited (the "**NSE**") and any other regulatory authority, if required, for the aforesaid Offer, subsequent amendments thereto and, any presentations or releases and additional documents.

**Name** : Karthikeyan K
**Address** : 13, 2nd floor, 2nd street, Chinmaya Nagar Stage 2, Raghavendra colony, Virugambakkam, Chennai- 600092. Phone: +91 8220332157
**Email Address** : office@ateliernord.in
**Website** : www.ateliernord.in
**Contact Person** : Karthikeyan K

This certificate may be produced in any actual/ potential proceeding or actual/ potential dispute relation to/ connected with the Offer Documents or otherwise.

I/We also consent to the inclusion of this certificate and the information contained herein, in the Offer Documents proposed to be issued and filed with the SEBI, BSE, NSE and any other regulatory authority, if required in connection with the Offer, or any subsequent amendments thereto and, any presentations or releases and additional documents.

Yours Sincerely,

ATELIER NORD Chennai 600 010 03/02/25

**Karthikeyan K**
**Architect**
**Membership No: CA/2017/88464**
**Date: 03/02/2025**
**Encl**: As above



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**Annexure A**

Please see below relevant details of the Property as on September 30, 2024.

| Project Name | Site/ Plot Area (in Acres) | Permissible FSI area in sq. ft | Achieved FSI area in sq. ft | Balance FSI area in sq. ft | Other Area in sq ft. |
|---|---|---|---|---|---|
| **JAGANNATH INDUSTRIAL AND LOGISTICS PARKS PRIVATE LIMITED** | 8.00 | 6,96,960 | **Existing:** Nil<br><br>**Under Development:** 1,50,000<br><br>**Total:** 1,50,000 | 5,46,960 | -------- |

**Building wise distribution**

| S. No. | Name of the building | Height of Building (in metre) | Total Built-Up Area in sq. ft | Building-wise Leasable Area in sq. ft. | Start date of construction | End date of construction of last phase | Present Status of Construction |
|---|---|---|---|---|---|---|---|
| 1. | Building – 1 | 12m at Eves | Nil | 1,50,000 | December, 2024 | May,2025[1] | Under Development |

**Other Area**

Additionally, we confirm that Other Area leased out as on September 30, 2024 is NIL.

**Under-Development Area**

We confirm that the Under-Development Area as on September 30, 2024 is 1,50,000 Sqft

We further confirm that the building is proposed to have Free Movement (Type-2) flooring with 5 Tonnes per sq. m. floor of load, roofing with galvalume roofing technology and capability of installing solar panels, STP as per applicable Pollution Control Board norms, fire tank capacity conforming to 2hr fire rated, adequate natural lighting, dock leveler provisions, emergency exits with fire doors, power connectivity, energy-efficient LED lighting system for internal and external areas, lightning arrestors, energy efficient electrical system with applicable safety measures.

[1] Please note that this date is indicative in nature and is subject to change basis circumstances



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