

SECTION VI: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Security Name	Listed, Rated, Secured, Redeemable, Transferable, Rupee Non-Convertible Bonds ("Debentures")
Issuer	Embassy Office Parks REIT
Type of Instrument	Secured, rated, listed, redeemable, transferable, rupee denominated non-convertible debentures split into Tranche I and Tranche II All terms (other than pricing) for Tranche I and Tranche II would be the same unless explicitly mentioned otherwise.
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private placement
Eligible Investors	Non-Banking Financial Institutions, mutual funds and any other entities eligible as per extant regulations
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	BSE
Rating of Instrument	'Provisional CRISIL AAA/Stable'
Issue Size	Up to ₹3,650 crore a. Tranche I - ₹3,000 crores; and b. Tranche II - Up to ₹650 crores
Option to retain oversubscription (Amount)	Nil
Objects of the Issue	Proceeds of the Issue will be used for providing shareholder loans to various Asset SPVs of the Embassy REIT and/or subscribing to debentures of Golflinks Software Park Private Limited which in turn would use the same for repayment of their existing debt or repayment of deferred payment obligations, as applicable. Part of the proceeds can also be used for construction financing/ refurbishment expenses/ working capital requirements at underlying SPVs. Proceeds can also be used for other general corporate purposes including payment of fees and expenses on the issue
Details of the utilization of the Proceeds	Same as above
Coupon Rate	Tranche I: 9.4% p.a. compounded annually to be paid as premium on redemption
Step Up/ Step Down Coupon Rate	Step Up – The IRR shall stand increased by 0.25% (zero point two five per cent) over and above the immediately preceding IRR for each downgrade (of a notch) by the Rating Agency in the credit rating of the Instrument. Step Down - The IRR shall stand decreased by 0.25% (zero point two five per cent) over and above the immediately preceding IRR for each upgrade (of a notch) by the Rating Agency in the credit rating of the Instrument, provided the IRR shall not, at any time, be less than the IRR on the Deemed Date of Allotment. However, if rating is downgraded to A+ ("Critical Rating Downgrade), the IRR shall be increased by 100 bps. In case rating is upgraded back to AA-, the IRR shall be decreased by 100 bps. The change in IRR shall be applicable from the date of such rating action. For avoidance of doubt, any further downgrade below A+ shall continue to have 25 bps step-up in IRR (and 25 bps step-down in case of an upgrade). In the event of a Critical Rating Downgrade, the Issuer shall have the right to redeem all of the debentures at par together with accrued redemption premium within 60 days of the Critical Rating Downgrade by giving 5 Business Days' prior written notice
Coupon Payment Frequency	N/A Redemption on the expiry of 37 (thirty seven) Months from the Deemed Date of Allotment or as more particularly described in the Debenture Trust Deed
Coupon Payment Dates	As per the Debenture Trust Deed
Coupon Type	Fixed IRR and as adjusted in accordance with Clause 4.3 (Step Up IRR) or Clause 4.4 (Step Down IRR) which is more specifically illustrated in Schedule 13 (Redemption Premium Calculation) of the Debenture Trust Deed.
Coupon Reset Process (including rates, spread, effective date, interest rate cap)	N/A



and floor etc.)	
Day Count Basis	Actual/ Actual
Interest on Application Money	N/A
Default Interest Rate	Subject to agreed cure periods (being the time period within which a default or breach may be remedied or rectified, without any further consequences), in case of default in payment of any monies accruing due on the respective due dates, the defaulted amount thereof shall carry Default Interest for so long as such default continues, which shall be a rate of 2% per annum over and above the IRR in respect of any amounts which have not been paid on maturity.
Tenor	Tranche I - 37 months from the Deemed Date of Allotment Tranche II - Co-terminus with the maturity date of Tranche I
Redemption Date	Date on the expiry of the 37th month from the Deemed Date of Allotment
Redemption Amount	As illustrated in Schedule 13 (Redemption Premium Calculation) as described in the Debenture Trust Deed
Redemption Premium/Discount	Redemption: The calculation of the Redemption Premium is illustrated in Schedule 13 (Redemption Premium Calculation) as described in the Debenture Trust Deed. Discount: N/A
Debenture Redemption Reserve	N/A
Issue Price	Tranche I: ₹1,000,000 (Rupees One Million Only) per debenture
Discount at which security is issued and the effective yield as a result of such discount	N/A
Put Date	N/A
Put Price	N/A
Call Date	Shall refer to the following 6 (six) different call dates: a. the First Call Option Date (24th month from the Deemed Date of Allotment for Tranche I); b. the Second Call Option Date (27th month from the Deemed Date of Allotment for Tranche I); c. the Third Call Option Date (30th month from the Deemed Date of Allotment for Tranche I); d. the Fourth Call Option Date (32th month from the Deemed Date of Allotment for Tranche I); e. the Fifth Call Option Date (34th month from the Deemed Date of Allotment for Tranche I); or f. the Sixth Call Option Date (36th month from the Deemed Date of Allotment for Tranche I) as more particularly described in the Debenture Trust Deed
Call Price	Upon exercise of either the First Call Option or the Second Call Option, it shall be callable at 102.00% of the principal amount together with accrued redemption premium, and shall be at par upon the exercise of either the Third Call Option, Fourth Call Option, Fifth Call Option or the Sixth Call Option.
Put Notification Time	N/A
Call Notification Time	A Notice, as substantially in the form set out in Schedule 8 (Form of Call Option Notice) in the Debenture Trust Deed, and to be issued at: a. at least 30 (thirty) days prior to the First, Second, Third, Fourth and Fifth Call Option Date; or b. at least 1 (one) day prior to the Sixth Call Option Date.
Face Value	Tranche I: ₹1,000,000 per debenture
Minimum Application size and in multiples of 1 debt securities thereafter	1 Debenture
Issue Timing 1. Issue Opening Date 2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	a. Tranche I Issue Opening Date -May 2, 2019 b. Tranche I Issue Closing Date -May 2, 2019 c. Pay In Date – May 3, 2019 d. Deemed Allotment Date – May 3, 2019



	Record Date – 7 (seven) calendar days before any Due Date
Manner of Bidding	Fixed Rate Open Bidding
Manner of Allotment	Uniform Yield of Allotment
Manner of Settlement	Account Details: HDFC Bank Beneficiary Name: INDIAN CLEARING CORPORATION LTD Account Number: ICCLEB IFSC Code : HDFC0000060 Mode: NEFT/RTGS
Settlement Cycle	T+1
Issuance mode of the Instrument	Dematerialised form only
Trading mode of the Instrument	Dematerialised form only
Settlement mode of the Instrument	Dematerialised
Depositories	National Securities Depository Limited, Central Depository Services
Business Day Convention	In case any Redemption Date falls on a day which is not a Business Day, the payments to be made on such Redemption Date shall be made on the immediately preceding Business Day
Record Date	7 (seven) calendar days before any Due Date
Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	<p>The obligations of the Issuer under the Instrument, all interest and other monies in respect of the Instrument shall be secured by:</p> <ol style="list-style-type: none"> First ranking exclusive pledge or (as applicable) charge over 100% equity shares, other capital instruments (preference capital, any convertible instrument etc.) and the shareholder loans of the following underlying SPVs <ol style="list-style-type: none"> Manyata Promoters Private Limited Qubix Business Park Private Limited Ernest Towers Private Limited Vikhroli Corporate Park Private Limited Galaxy Square Private Limited <p>The above SPVs to be collectively called the “Secured SPVs” for the purpose of this term sheet</p> <ol style="list-style-type: none"> First ranking exclusive mortgage over identified constructed buildings and related parcels of immovable properties of Manyata Promoters Private Limited created in favor of a common security trustee acting for the benefit of the debenture trustee in respect of the Instrument. The aggregate mortgaged property would have EBITDA of at least INR 650 crore annually. <p>All remaining constructed property/under-construction/ to be constructed assets as well as land and development rights corresponding to the above in Manyata Promoters Private Limited to be carved out from the above mortgage. Mortgage over unencumbered assets can only be provided to the lenders of Manyata Promoters Private Limited who finance construction of such assets or new acquisitions. The permitted indebtedness at Manyata Promoters Private Limited to be capped at INR 2,200 crore for construction financing and acquisition. Provided that in case of merger of Manyata Promoters Private Limited with Embassy Office Parks Private Limited as captured under Merger Event clause, the ceiling of permitted indebtedness shall be increased to INR 2,900 crore.</p> <ol style="list-style-type: none"> Negative lien over all assets of Qubix Business Park, Ernest Tower Private Limited, Vikhroli Corporate Park Private Limited, and Galaxy Square Private Limited. First ranking exclusive charge on all receivables of the Issuer from the Secured SPVs including but not limited to receivables from i) interest and principal repayments of the loans advanced by REIT to Secured SPVs (save to the extent utilized for funding new loans to other Secured SPVs) and ii) dividends to be paid by the Secured SPVs to the REIT and iii) any other payment from the Secured SPVs to the REIT. Receivables from unencumbered constructed/ construction/ to be constructed assets at Manyata Promoters Private Limited to be excluded (collectively, the “Excluded Receivables”) First ranking exclusive charge, over bank accounts of the REIT and Secured SPVs into which the relevant cash-flows of the Secured SPVs flow (other than the Excluded Receivables) <p>There will be no restrictions on the operations of the bank accounts on an ongoing basis</p>



	<p>Incremental debt incurred by SPVs (other than Manyata), for working capital or refurbishment purposes to be capped at INR 200 crore in the aggregate ("Permitted Indebtedness – Other Secured SPVs").</p> <p>For any such Permitted Indebtedness – Other Secured SPVs or any borrowing at the REIT level taken for working capital or refurbishment purposes, the Secured SPVs (other than Manyata) may give security in the form of mortgages or pari passu receivables charges, on assets with a value not exceeding 200% of the principal amount of such debt, or INR 400 crore, whichever is lower ("Permitted Security – Other Secured SPVs").</p>
Financial Covenant	<p><u>REIT level</u></p> <ul style="list-style-type: none"> Gross Total Debt / EBITDA $\leq 5.00x$ Loan To Value $\leq 49\%$ <p>The above financial covenants to be tested on semi-annual intervals. Definitions and other terms to be as set out in the Debenture Trust Deed</p>
Incremental Debt	<p>Any member of the Embassy Office Parks Group can incur debt if in pro forma compliance with ratios specified under Financial Covenants (treating the financial covenant relating to Gross Total Debt/ EBITDA as being set at 4.50x for this purpose only). In addition, any member of the Embassy Office Parks Group may incur refinancing debt (including of the Notes) and the Embassy Office Parks may incur any such debt for the purpose of refinancing any debt of any other member of the Embassy Office Parks Group. No consent of the Debenture Trustee or the Debenture Holders is required for such Incremental Debt.</p> <p>No member of the Embassy Office Parks Group shall raise incremental debt in order to pay dividends to unit-holders.</p>
Transaction Documents	As set out in the Debenture Trust Deed
Conditions Precedent to Disbursement	<p>The Issuer shall deliver or cause to be delivered to the Debenture Trustee, including but not limited to, the following:</p> <ol style="list-style-type: none"> copy of the resolution of the board of directors (or a committee thereof) of the Manager approving the terms and execution of the Transaction Documents; copy of the letter issued by the Trustee taking note of the resolutions passed by the Board of Directors; copy of consent letter issued by the Debenture Trustee; copy of provisional rating letter of "AAA" from the Rating Agency; a certificate from the Investment Manager (signed by an authorised officer of the Investment Manager), certifying inter alia, that: <ol style="list-style-type: none"> no Event of Default; no Material Adverse Effect; and all information in connection with the Issue is true, complete and accurate.
Conditions Subsequent to Disbursement	<p>The Issuer shall deliver or cause to be delivered to the Debenture Trustee, including but not limited to, the following:</p> <ol style="list-style-type: none"> Execution of the Debenture Trust Deed in mutually agreed form, within 10 (ten) Business Days from the Deemed Date of Allotment; and Execution of the Issuer Deed of Hypothecation, within 10 (ten) Business Days from the Deemed Date of Allotment.
Events of Default	Events of Default procured by the Issuer and Secured SPVs, customary for a financing of this nature (with suitable cure periods and thresholds unless explicitly captured here) and including but not limited to:



	<ol style="list-style-type: none"> 1. Payment Default 2. Cross acceleration with a threshold of ₹50 crores for REIT and Manyata and a threshold of ₹25 crores for other Secured SPVs 3. Insolvency and Insolvency Proceedings with a cure period of 3 business days from application under Insolvency and Bankruptcy Code (IBC) for financial creditors and 7 business days from first hearing under IBC for operational creditors. 4. Misrepresentation 5. Failure to list the Debentures 6. Judgments, Creditors' Process 7. Unlawfulness or unenforceability 8. Security not being in full force and effect 9. Failure to comply with any other obligations <p>Remedies for an event of default include enforcement of security, transfer of secured assets to Debenture holders, initiating enforcement action, requiring repayment of shareholder Debt granted to Secured SPVs, restricting debits from the Designated Bank Account or the SPV Bank Accounts and taking any other action or exercise of any other right available under the Transaction Documents and Applicable Law.</p>
Role and Responsibilities of Debenture Trustee	As set out in the Debenture Trust Deed
Governing Law & Jurisdiction	The Debenture Documents shall be governed by Indian law and shall be subject to the jurisdictions and courts of Bangalore

For Embassy Office Parks REIT
Acting through the Manager, Embassy Office Parks Management
Services Pvt. Ltd.

Ramesh Periasamy
Company Secretary & Compliance Officer



DISCLOSURE OF CASH FLOWS

ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Issuer	Embassy REIT
Face Value (per security)	₹1,000,000 (Rupees One Million only)
Issue Date	May 2, 2019
Deemed Allotment Date	May 3, 2019
Redemption	June 3, 2022
Coupon Rate	Not applicable
Frequency of the Interest Payment with specified dates	Zero coupon
Day Count Convention	Actual / Actual

Date	Cashflows with accrued coupon
May 3, 2019	-1,000,000
June 3, 2022	1,319,792

OTHER INFORMATION AND APPLICATION PROCESS

- Who can apply?

This Information Memorandum and the contents hereof are restricted to only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the **Issuer**, and only such recipients are eligible to apply for the Debentures.

Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the issue. Prior to making any investment in these Debentures, each investor should satisfy and assure herself/himself/itself that it is authorized and eligible to invest in these Debentures. The Manager shall be under no obligation to verify the eligibility/authority of the investor to invest in these Debentures.

- How to apply?

Since the issue size is more than ₹200 crores, the Issuer shall abide by SEBI Circular SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018, read with SEBI Circular SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 providing guidelines for 'Electronic book mechanism for issuance of securities on private placement basis' along with operational guidelines issued by BSE providing Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism. We have enumerated below the bidding process in brief for your ready reference:

Issuer to register themselves with BSE from the below URL: https://bond.bseindia.com/Issuer_Registration.aspx

Investor(s) can register themselves with BSE from the below URL:
https://bond.bseindia.com/Investor_Registration.aspx

Time line for issue setup and bidding window:

Activity	Timeline
Uploading Information Memorandum and Term Sheet	At least two Working Days prior to the start of issue opening date
Bidding announcement on BSE along with details of bid opening and closing time	At least one Working Day before initiating the bidding process
Minimum time frame for Bidding window	The issue shall be open for at least one hour

The bidding window shall be open for the period between 10 am to 12 pm on May 2, 2019.

Bid shall be made by way of entering bid amount in Rupees (INR) and coupon/yield in basis points i.e. up to four decimal points.

Multiple bids by a bidder are permitted.

Multiple bid by Structural Advisors is allowed where each bid is on behalf of different investor(s).

Investors may note that modification of bid is allowed during the bidding period. However, in the last 10 minutes of the bidding period, revision of bid is only allowed for improvement of yield and upward revision of the bid size.

Investors may note that cancellation of bid is allowed during the bidding period. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

Only Structuring Advisors that are mapped to an Issue will be allowed to enter bids on behalf of their investors (QIB and Non-QIB), subject to prior registration of such investor with BSE BOND-EBP platform.

Structuring Advisors mapped to an Issue are also allowed to bid on propriety, client and consolidated basis.

All QIBs and Non-QIBs registered with the BSE BOND-EBP platform will be allowed to bid on propriety basis.

The Registered Custodial Clearing Members will be allowed to bid on "Client" basis only for FPI clients.

Settlement:

- Pay-in towards the allotment of securities shall be done from the account of the bidder, to whom allocation is to be made
- Provided that for the bids made by the arranger on behalf of eligible participants, funds pay-in towards allotment of securities shall be made from the bank account of such eligible participants
- In case of non-fulfilment of bidding obligations by bidders, such bidders shall be debarred from accessing the bidding platform across all EBPs for a period of thirty days from the date of such default
- Pay in shall be done through clearing corporation of BSE, i.e. Indian Clearing Corporation Limited "ICCL"

Settlement Summary

Timelines	Activity for Clearing Corporation
T Day	Bidding Session
T+1 Day	Successful Bidders to transfer funds from bank account(s) registered with BSE BOND to the bank account of ICCL to the extent of funds pay-in obligation on or before 10:30 hours. Issuer to inform BSE BOND about the final decision of the Issuer to go-ahead with allotment for the issue by 12:00 hours Issuer to give instruction to RTA for crediting securities to successful bidders. RTA to provide corporate action file along with all requisite documents to Depositories by 12:00 hours Clearing Corporation to initiate transfer of funds to the bank accounts designated by the Issuer
Activity for Depositories Depositories on the instruction of issuer or through its RTA, will be crediting the securities to the demat account of the investors	

Issue withdrawal

Withdrawal of issue:	An Issuer, at its discretion, may withdraw from the issue process as per the following conditions: I. Issuer is unable to receive the bids up to base issue size. II. Bidder has defaulted on payment towards the allotment, within stipulated timeframe, due to which the issuer is unable to fulfil the base issue size III. Cut off yield in the issue is higher than the estimated cut off yield disclosed to BSE BOND, where the base issue size is fully subscribed Provided that the Issuer shall accept or withdraw the Issue on the EBP within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date. However, investors should also refer to the SEBI circulars bearing number SEBI/HO/DDHS/CIR/P/2018/22 dated August 16, 2018 and SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018, read with the updated operational guidelines for issuance of securities on private placement basis through an electronic book mechanism, as prevailing on the date of the bid.
Restriction on usage of ANY EBP:	If the Issuer has withdrawn the issue apart from any of the above conditions, the issuer will not be able to use any of the platforms provided by any EBP for the period of 7 days from the date of such withdrawal

The Issuer reserves its full, unqualified and absolute right to accept or reject any bid(s), in part or in full, without assigning any reason thereof and to make provisional / final allocations at its absolute discretion.

Allocation shall be made on a yield-time priority basis. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE-BOND EBP Platform. Once the allocation is done then the successful bidders can see their respective allocations on the allocation report generated by the BSE- BOND EBP Platform.

- Splitting and Consolidation

Splitting and consolidation of the Debentures is not applicable in the demat mode form since the saleable lot is one Debenture.

- Mode of Transfer

The Debentures shall be freely transferable subject to compliance with Applicable Laws.

- Rights of Debenture Holders

The Debentures Holder(s) shall not be entitled to any right and privileges of Unitholders other than those available to them under any Applicable Law and the Transaction Documents. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the Unitholders of the Issuer.

- Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, (the “**IT Act**”) or any other statutory modification or re-enactment thereof will be deducted at source on the interest payable on the Debentures. In case of resident Indian investors, there will not be any tax deduction at source in accordance with the provisions section 193 of the IT Act. Tax exemption certificate/document/form, under Section 193 of the IT Act if any, must be lodged at the Registered Office of the Issuer, at least 15 days before the relevant interest payment becoming due.

- Trading of Debentures over the counter

In the event the Debentures are traded over the counter, such trading shall be reported on the BSE.

- Call Option of the Issuer

Call Date

Shall refer to the following six different call dates:

- a. the First Call Option Date (24th month from the Deemed Date of Allotment for Tranche I);
- b. the Second Call Option Date (27th month from the Deemed Date of Allotment for Tranche I);
- c. the Third Call Option Date (30th month from the Deemed Date of Allotment for Tranche I);
- d. the Fourth Call Option Date (32th month from the Deemed Date of Allotment for Tranche I);
- e. the Fifth Call Option Date (34th month from the Deemed Date of Allotment for Tranche I); or
- f. the Sixth Call Option Date (36th month from the Deemed Date of Allotment for Tranche I)

as more particularly described in the Debenture Trust Deed.

Call Price

Upon exercise of either the First Call Option or the Second Call Option, it shall be callable at 102.00% of the principal amount together with accrued redemption premium, and shall be at par upon the exercise of either the Third Call Option, Fourth Call Option, Fifth Call Option or the Sixth Call Option.

Call Notification Time

A Notice, as substantially in the form set out in Schedule 8 (Form of Call Option Notice) in the Debenture Trust Deed, and to be issued at:

- a. at least 30 (thirty) days prior to the First, Second, Third, Fourth and Fifth Call Option Date; or
- b. at least 1 (one) day prior to the Sixth Call Option Date.

- Put Option of the Investor

Not applicable.

DECLARATION

The Manager declares and certifies that all relevant provisions of the SEBI Debt Listing Regulations, SEBI Debt Listing Guidelines and other applicable laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the SEBI Debt Listing Regulations, SEBI Debt Listing Guidelines and other applicable laws. The Manager further certifies that all the statements and disclosures in this Information Memorandum are true, fair and adequate in order to enable the Investors to make a well-informed decision as to their investment in the Issue.

For *Embassy Office Parks Management Services Private Limited*



Authorised Signatory
Name: Ramesh Periasamy
Title: Company Secretary & Compliance Officer
Date: 26.4.2019

