

Table 21: Ongoing Projects

S.No	Project	Location	Leasable area (Mn Sft.)	Development status	Year of peak occupancy	Ownership	Description
1	Max 65	Sector 65, Gurgaon	1.5-1.6	Under design. Expected start of construction - Q1 FY25	2029	49% - New York Life	Asset is located right on Golf Course Extension Road and is at 10 minutes driving distance from Sector 56 metro station on Golf course road. An excellent opportunity to develop and own a premium Grade A commercial asset of ~1.6 mn sq. ft. of leasable area in the centre of activity hub of this key micro market.
2	Max Square Two	Sector 129, Noida	1.0-1.1	Under design. Expected start of construction - Q4 FY24	2028	49% - New York Life	Located in Sector 129, the site is contiguous to the Max Square and is on the Noida Gr. Noida Expressway. The land parcel is adjacent to Max Square allowing for an opportunity to do a campus style development with a strong focus on retail amenities. It is one of the last commercial parcels remaining in Sector 129, Noida.

(Source: Company Information)



3.2.6 Awards and Accolades

Max Estates Limited

- Emerging Developer of the Year - ET Real Estate Awards'22
- Emerging Developer of the Year - Commercial (North) - 13th Estate Awards'21
- Best Campaign (Bronze) - ET 3rd Kaleido Awards'21
- Developer of the Year (Commercial) - ET Now Real Estates Awards'20
- Most Sustainable Architecture Design - Commercial/Retail - RE/Max India Estates Awards'20

Max Square

- Commercial Project (Office Building) of the Year - ET Real Estate Awards'22
- Smart Project of the Year-14th Estate Awards 2023
- Commercial Category-CNBC Aawaz 14th Real Estate Awards & Conclave 2023 (North Zone)

Max Towers

- Luxury Project Of The Year (Commercial) - DNA Real Estate & Infrastructure Awards'19
- Ultra Luxury Project of the Year (Commercial) - ET Now Stars of Industry Awards'19
- Most Environment Friendly Space (Realty+ Conclave and Excellence Awards)'19

Max House

- Excellence in Built Environment - Indian Buildings Congress for FY 21
- Environment Friendly Project of the Year - Commercial - 13th Annual Estate Awards'21
- Design project of the year - Realty Conclave Excellence Awards'20
- Most Sustainable Architecture Design - RE/Max India Estates Awards'20
- Commercial Project of the Year - Realty Conclave Excellence Awards'20

222 Rajpur

- Villa project of the Year- Realty+ excellence awards North'19

Max Asset Services

- Excellence in customer service - ET Real Estate Awards'22
- Emerging developer of the year - Global Real Estate Congress'21

3.2.7 Scheme of Amalgamation

- The Hon'ble National Company Law Tribunal (NCLT) of the Chandigarh Bench sanctioned the Composite Scheme of Amalgamation and Arrangement between Max Ventures and Industries Limited (hereinafter referred to as "MVIL" or the "Transferor Company") and Max Estates Limited (hereinafter referred to as "the Company", "your company", "MEL", or the "Transferee Company") on July 3, 2023. The Certified True Copy of the NCLT Order, dated July 21, 2023, was received by the Company on July 24, 2023. The Scheme became effective on July 31, 2023 ("Effective Date") being the date on which the order was filed with the Registrar of Companies by the transferor Company and the Transferee Company.
- From the Effective Date, MVIL dissolved and merged into the Company. This entailed the transfer of all MVIL's assets and liabilities to MEL, effective from April 1, 2022, the Appointed Date under the Scheme. Consequently, the Board of the Company was reconstituted on July 31, 2023, aligning with the structure of MVIL's Board.
- Subsequently, in accordance with the Scheme, the Company, at its Board Meeting held on August 18, 2023, allotted 14,71,34,544 Equity Shares of INR 10/- each to the shareholders of MVIL as of the Record Date (August 11, 2023) in the ratio of one Equity Share of the Company for every one Equity Share of MVIL.
- The Company strategically transformed into a Listed Company via this reverse merger. The Company obtained in-principle approvals from NSE on September 14, 2023, and BSE on September 15, 2023, subsequently listing its shares on the stock exchanges on October 30, 2023.
- This strategic move improves the Company's financial base and promoting our real estate business expansion. The consolidation is anticipated to bring better operational efficiency and

cost savings, with a reinforced commitment to the real estate sector, strengthening the brand name, “Max Estates”.

3.2.8 Past Financials

A synopsis of the Standalone and consolidated financial performance of MEL and MVIL for FY 2023 is summarized below. It is to be noted that MEL was incorporated as a 100% subsidiary of Max Venture and Industries Limited - MVIL, a listed entity. However, FY23 marked the reverse merger of Max Ventures and Industries Limited (MVIL) into Max Estates Limited (MEL) and the undertaking of MVIL was transferred and vested to MEL with effect from 01st April, 2022.

The Annual report for Max Estates Limited, thus provides relevant information related to MVIL up to March 31, 2023, considering the approval and implementation of the Scheme after FY 2023 and based on the Company’s Standalone Financial Statements for FY 2023, integrating the consolidated performance of the Company and its subsidiaries wherever required, which has been excepted below:

3.2.8.1 Synopsis of Profit and Loss Account

Table 22: A Comparative analysis of past performance of MEL & MVIL at standalone level

Rs. in Crore unless otherwise specified

Particulars	MEL		MVIL	
	FY22-23	FY21-22	FY22-23	FY21-22
Total Income	98.85	49.48	51.58	508.24
EBITDA	49.22	13.96	29.99	390.46
Depreciation	5.14	1.44	3.53	3.78
Finance Cost	11.33	7.26	3.82	3.22
PAT	32.75	5.26	22.64	383.46
Cash accruals	37.89	6.70	26.17	387.24

(Source: Audited Balance Sheet of the Company)

Table 23: A Comparative analysis of past performance of MEL & MVIL at consolidated level

Rs. in Crore unless otherwise specified

Particulars	MEL		MVIL	
	FY22-23	FY21-22	FY22-23	FY21-22
Total Income	131.28	73.93	131.28	110.89
EBITDA	52.01	31.77	50.51	36.04
Depreciation	14.91	10.68	14.91	14.81
Finance Cost	18.62	16.17	18.62	16.57
PAT	18.47	4.92	16.98	4.66
Cash accruals	33.38	15.60	31.89	19.47

(Source: Audited Balance Sheet of the Company)

Comments on the financials:

- Total Income:** Income of the company grew by 78% at consolidated level backed by improvement in sale of constructed properties and lease income and income from shared services.
- EBITDA:** EBITDA margin of the company fell to 42.36% at consolidated level in FY23 as compared to 47.75% in FY22 due to incurring higher operational cost, specifically employee benefit expenses which comprises of 11.71% in FY23 as compared to 4.69% of Total Income of the company in FY22.
- PAT:** PAT of the company grew to 14.07% at consolidated level in FY23 as compared to 6.65% in FY22 due to benefit of deferred taxation which brought down income tax liability of the year. The merger requires the Company to file combined income tax return for the year ended March

31, 2023. Consequently, tax liability on combined basis has been recomputed by the Company, resulting in lower tax liability

3.2.8.2 Synopsis of Balance Sheet

A synopsis of Balance sheet is as under:

Table 24: Past Balance Sheet Analysis

Rs. in Crore unless otherwise specified

Particulars	At Standalone Level		At Consolidated Level	
	FY22-23	FY21-22	FY22-23	FY21-22
Equity Share Capital	0.00	77.91	0.00	77.91
Tangible Net Worth	1233.61	605.91	1211.21	608.87
Long term Borrowings	97.32	36.62	750.81	283.35
Long term Lease Liabilities	34.88	0.00	34.88	0.00
Other Financial Liabilities	14.41	8.52	45.37	37.43
Other non-current liabilities	1.19	0.57	12.53	4.64
Total Non-Current Liabilities	147.80	45.71	843.59	325.42
Total Current Liabilities	89.47	36.77	129.72	56.85
Total Equities & Liabilities	1470.88	688.39	2227.19	1025.38
Property, Plant and Equipment	5.66	1.15	5.83	1.16
Investment Property	70.42	74.51	1405.09	896.72
Intangible Assets	3.33	0.03	3.33	0.03
ROU Assets	13.18	0.00	13.18	0.00
Long term Investments	1005.09	500.04	53.63	0.00
Other Non-current Assets	59.18	27.72	138.56	29.47
Total Non-Current Assets	1156.87	603.46	1619.62	927.39
Short term Investments	104.15	0.00	105.96	12.74
Total Current Assets	314.01	84.93	607.57	97.99
Total Assets	1470.88	688.39	2227.19	1025.38
Current Ratio	3.51	2.31	4.68	1.72

Comments on the Balance Sheet:

- Share Capital:** Post effectiveness of the Scheme, the paid-up share capital of the company was cancelled, and 14,71,34,544 equity shares of INR 10 (Indian Rupees Ten Only) each, fully paid-up, were issued and allotted on August 18, 2023 to the shareholders of MVIL as on the Record Date (August 11, 2023), in the ratio of 1:1. During the year under review, MVIL allotted 1,56,978 equity shares for the exercise of Stock Options by the Option Holders under 'Max Ventures and Industries Employee Stock Plan - 2016' of MVIL. These shares have been disclosed as 'Share capital pending issuance' as at March 31, 2023
- Tangible Network:** Post merger of MVIL with MEL, tangible net worth of the company stood at 1211.21 in FY23 at consolidated level after recognizing profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments.
- Long term Borrowings:** In FY23, company has availed fresh Term loans facilities for ongoing projects due to which total long term borrowings as on 31st March, 2023 stood at INR 750.81 crores.
- Investment Property:** At consolidated level, investment property as at March 31, 2023 includes property under construction at Sector 65 Gurugram under Acreage Builders Private Limited, property under construction at Sector 129 Noida under Max Square Limited and property under construction at Okhla, Delhi under Pharmax Corporation Limited. (Investment property as at April 01, 2022 included property under construction at Sector 129 Noida under Max Square Limited and property under construction at Okhla, Delhi under Pharmax Corporation Limited).

- e) **Long term Investments:** It includes company's investment in multiple unquoted investments, with major share of investment in Preference Shares of Azure Hospitality Private Limited amounting INR 44.45 crores. However, at a standalone level, the company had the following investments as on 31st March, 2023:

INR in crores unless otherwise specified

Particulars	FY2022-23	FY2021-22
Investment in unquoted equity shares of subsidiaries:		
Max Towers Private Limited	65.06	65.06
Max Square Limited	58.95	35.71
Pharmax Corporation Limited	60.73	60.73
Max Asset Services Limited	2.05	0.00
Max I Limited	0.05	0.00
Max Estates 128 Private Limited	292.52	0.00
Acreage Builders Private Limited	294.93	0.00
Max Estates Gurgaon Limited	0.10	0.00
Investment in unquoted CCDs of subsidiaries		
Pharmax Corporation Limited	39.00	39.00
Max Towers Private Limited	69.73	260.20
Max Square Limited	53.26	35.71
Max Asset Services Limited	22.14	0.00
Max I Limited	21.07	0.00
Investment in NCD equity portion of Max Towers Private Limited	13.70	0.00
Investments on account of ESOPs and guarantee given on behalf of subsidiaries:		
Max Towers Private Limited	3.89	0.48
Max Square Limited	2.84	0.58
Pharmax Corporation Limited	4.37	2.57
Max Asset Services Limited	0.13	0.00
Max Estates 128 Private Limited	0.58	0.00
Aggregate Value of Investments	1005.09	500.04

- f) **Short term investments:** It involves company's investment in Quoted mutual funds of different schemes.
- g) **Current Ratio:** Current ratio of the company improved during the FY23 due to improving its cash accruals and short-term liquid assets.

3.2.9 Subsidiaries of the company

MEL is a holding company and conducts its business operations through its subsidiaries. MEL's income is largely dependent on investment income and dividends from its subsidiaries. It has eight subsidiaries as follows:

Table 25: Subsidiaries of MEL with Past Financial Performance

All figures are INR in crores unless specified

S. No.	Name of Subsidiary	% Ownership	Past Financial Performances		
			FY22-23 (A)	FY21-22 (A)	FY20-21 (A)
1	Max Asset Services Limited (MASL)	100%	0.95	-3.02	-3.59
2	Max Towers Private Limited (MTPL)	100%	3.10	7.05	-5.30
3	Acreage Builders Private Limited (ABPL)	100%	-0.05	-2.48	-2.07
4	Max I. Limited (Max I)	100%	-0.48	-0.49	-18.87
5	Max Estates 128 Private Limited (Max 128)	100%	-1.38	-0.08	-0.03
6	Pharmax Corporation Limited (PCL)	100%	2.98	0.55	-2.72
7	Max Square Limited (MSL)	51%	-1.12	-0.33	-0.04
8	Max Estates Gurgaon Limited (MEGL)*	100%	0.00	-	-

*Max Estates Gurgaon Limited was incorporated on September 05, 2022



3.2.10 Credit Rating

MEL has been accredited with with Credit rating of A- from CareEdge Ratings on 03rd May, 2023:

Table 26: Credit Rating by CareEdge

Instrument/ Facility	Amount (Rs. crores)	Ratings
Fund based-LT-Term Loan	108.00	CARE A- Stable
Non fund based-LT/ST-Bank Guarantee	50.00	CARE A- Stable/CARE A2

The ratings assigned by CareEdge takes into account its experienced and resourceful promoters coupled with strong management support from the parent company, Max Ventures and Industries Limited (MVIL), support of New York Life International Holdings Ltd in the real estate segment, steady cash flow from lease rentals backed by healthy occupancy, healthy debt protection metrics and long-term lease tie-ups with reputed lessee. However, it remains constrained by MEL's limited experience in the residential real estate segment, susceptibility to fluctuation in interest rates, project implementation risk related to the ongoing projects and highly regulated real estate market with exposure to inherent competition and cyclicity.

The "Stable" outlook reflects that the entity is likely to sustain its collection momentum along with current occupancy levels in the near to medium term aided by favourable location with adequate liquidity position as reflected by moderate cash balances.

MEL has signed lease agreements for 100% of the total land area. The lease tenure extends upto FY31 with lock-in period extending upto November 2024 and escalation in rent at 15% after every 36 months. All tenants are currently under lock-in period which provides comfort regarding the revenue visibility. The tenant profile of Max House-I is diversified with no major concentration from single tenant and has been leased to various tenants like Nykaa Fashion, Samsung India Electronics, Target, Religare Enterprises, Dhampur Sugar 4 Mills, etc.

4. PROPOSED PROJECT

4.1 Project Description

The project entails development of- “Max 65” with construction and development of about 18,36,148 sq. ft. of built-up area (about 15,89,341 sq. ft. of leasable area) comprising of Grade A commercial office space and high-street retail.

The Commercial Complex shall be designed to have 2 Towers. *Tower1 shall have Block A & B with 25 floors each while Tower 2 shall have Block C,D, E & F of 10 floors each. The towers shall have Retail/ stand-alone stores on the lower ground floor (LGF/B1) and ground floor (GF) while, the floors above shall have Grade A commercial office space.*



Exhibit: Artist's Impression of the Project (View of Building Elevation from 60m sector road)

4.2 Project Snapshot

Table 27: Project Snapshot

Project	Construction and Development of high-end multi-use project - “Max 65” comprising of commercial office space and high-street retail.	
Location of the Project	Sector 65, Golf Course Extension Road, Gurgaon	
Land	Land	17 kanal situated in the Revenue estate of Village Tigra, hadbast no. 91, Tehsil and District Gurgaon, Haryana and Measuring 40 kanal & 4 marla situated in the Revenue estate of Village Nagli Umarpur, hadbast no. 82, Tehsil and District Gurgaon, Haryana
	Type of Land	Freehold
	Approved land use	Commercial
	Land Area	7.1500 acres
	Land Use	For Setting up a Commercial Colony

	Ownership	Owned by the company.			
	(Source: Valuation report by Dhiraj Jaiswal and Associates)				
Project Structure	Towers	Structure	Usage		
	Tower 1 (Block A and B)	4B+ G+ 25	Grade A Office Space with retail on the		
	Tower 2 ((Block C,D, E and F)	4B+ G+ 10	B1 (Lower Ground Floor) + GF		
Total Number of Car Parks	2112 car parking Approx.				
FAR	1.75 (Haryana Building Code 2016). The company has received in-principle approval vide Memo dated 07-02-24 from Directorate of Town and Country Planning, Haryana for <u>allocating FAR 3.50 (from 1.75 times)</u> under Transit Orient Development (TOD) Policy dated 09.02.2016 subject to fulfillment of certain conditions including issuance of Bank Guarantees on account of External Development Charges (EDC) and Internal Development Charges (IDC).				
Area of the project as per the approved plan dated 27.02.24	Particulars		Sq. Meters	Sft	
	Total Site Area (7.15 acres)		28,934.98	3,11,454.00	
	Total Perm. FAR	1.75	50,636.21	5,45,043.12	
	Achieved FAR (95.88%)	1.68	48,547.63	5,22,561.83	
	Permissible Ground Coverage	60.00%	17,360.99		
	Achieved Ground Coverage	30.78%	8,907.63		
	Required Car Parking @1 Equivalent Car Space (ECS) per 50 sq meters		971		
			Provided ECS	Car Parking	
	Site		0	4	
	Basement 1		166	121	
	Basement 2		284	264	
	Basement 3		306	288	
	Basement 4		309	580	
	Total Car Parks		1065	1257	
	Area Summary (in Sqm):				
	Level	Function	Built-up Area	FAR Area	
	Basement 1	Retail/ Parking/ Services	15008.63	4870.35	
	Basement 2	Parking	14775.73	0	
	Basement 3	Parking	14191.22	0	
	Basement 4	Parking	14192.22	0	
	Ground Floor	Retail	7119.77	6950.71	
	Tower 1 (2+Terrace)	Office	7226.65	6491.68	
	Tower 2 (10+ Terrace)	Office	31793.91	30234.9	
	Total		104308.1	48547.63	
	The company has informed that they are proposing a Change in the Construction Plan vis-à-vis approved building plan. While the approved plan is drawn on the basis of FAR of 175 times, the company has requested				
	<ul style="list-style-type: none">- Directorate of Town and Country Planning (DTCP), Haryana for allocating FAR 3.50 (from 1.75 times) under Transit Orient Development (TOD) Policy.- In addition, the company is constructing a Green Building. This shall also entitle the company for additional GRIHA FAR Incentive of 15% for Green building.				
Area (BUA) of the project as per the proposed plan	The revised construction plan based on FAR of 375 times is proposed as under:				
	Particulars		Sq. Meters	Sft	Car Parks
	Total Site Area		28,935	3,11,454	
	Total Perm. FAR	1.75	50,636	5,45,045	
	Proposed FAR with TOD	3.5	1,01,273	10,90,089	
	Proposed FAR (TOD+GRIHA)	3.65	1,05,613	11,36,807	2,112

Area Summary (in Sqm):

Level	Function	Built-up Area	FAR Area
Basement 1	Retail/ Parking/ Services	13,409.16	4,343.15
Basement 2	Parking	14,165.42	-
Basement 3	Parking	13,188.30	-
Basement 4	Parking	13,892.93	-
Ground Floor	Retail	6,684.57	7,609.21
Tower 1 (23+Terrace)	Office	75,052.12	64,430.19
Tower 2 (10+ Terrace)	Office	37,408.86	30,355.37
Total (Sqm)		173801	106738
Total (Sft)		18,36,148	11,48,916**

Note:

****It may be noted that considering additional FAR under TOD and GRIHA , the total FAR area works out to 11,36,807 sft. The company has informed that the area plan is under finalization. Thus, the tentative FAR area of 11,48,916 sft as mentioned in the above table, will be revised to 11,36,807sft in line with overall FAR of 3.65 times.**

Project Structure with Phasing

Towers	Blocks	Structure	Phase
Tower 1	Block A and B	4B+ G+ 25	Phase 2
Tower 2	Block C, D, E and F	4B+ G+ 10	Phase 1

Comparison of the approved plan vs proposed plan (area in SQM)

Level	Function	Proposed Plan		Approved Plan		Difference B/w Proposed and Approved Plan	
		Built-up Area	FAR Area	Built-up Area	FAR Area	Built-up Area	FAR Area
Basement 1	Retail/ Parking/ Services	13,409	4,343	15,009	4,870	-1,599	-527
Basement 2	Parking	14,165	-	14,776	-	-610	-
Basement 3	Parking	13,188	-	14,191	-	-1,003	-
Basement 4	Parking	13,893	-	14,192	-	-299	-
Ground Floor	Retail	6,685	7,609	7,120	6,951	-435	659
Tower 1 (23+Terrace)	Office	75,052	64,430	7,227	6,492	67,825	57,939
Tower 2 (10+ Terrace)	Office	37,409	30,355	31,794	30,235	5,615	120
Total (Sqm)		1,73,801	1,06,738	1,04,308	48,548	69,493	58,190
Total (Sft)		18,70,781	11,48,916**	11,22,762	5,22,562	7,48,018	6,26,354

**** It may be noted that considering additional FAR under TOD and GRIHA, the total FAR area works out to 11,36,807 sft. The company has informed that the area plan is under finalization. Thus, the tentative FAR area of 11,48,916 sft (with variation of 1%) as mentioned in the above table, will be revised to 11,36,807 sft in line with overall FAR of 3.65 times.**

LSI Observations:

- The current development scheme envisaged by the company proposes an overall increase in the built-up area by 69,493 sqm and FAR area by 58,190 of the project viz-a-viz the approved sanction plan.
- It may be noted that as per the revised plan, the company shall be constructing lower BUA for Basements and ground floor.
- While there is a proposed increase in the FAR area on the Ground Floor, there is similar decrease in the FAR area of Basement Area with overall marginal increase of 131 sq meter.

	<ul style="list-style-type: none">There is marginal increase in the FAR area of Tower 2 proposed to be constructed as a part of Phase 1 of the project.As mentioned earlier, the company has proposed that they will start with the construction of phase 1 of the project on the basis of sanction plan with FAR of 1.75 times entailing construction of Tower 2 with 4 blocks of 4B+G+10 floors each, since they have the approval for that Tower under the existing plan.The company has proposed a major change in the area plan of Tower 1.Thus, after approval of the FAR and revised building plan, the company will start the construction of Phase 2 of the project with construction of Tower 1 with 2 blocks of 4B+G+25 floors each.In our opinion, the company may start the construction of phase 1, provided:<ul style="list-style-type: none">A) The construction is within the guidelines of the approved planB) FAR area is within 1.5 times as sanctionedC) Structure stability Certificate is obtained from Competent Authority.				
Leasable Area and Loading	Tower	FAR Area	Leasable Area (Office)	Leasable Area (Retail)	Average Loading
	Lower Ground Floor (B1)	46,749	-	53,916	15%
	Tower A & B (Ground Floor+2)				
	Ground Floor	40,178	-	46,188	15%
	Floor 1& 2 (Phase 1)	71,261	97,916	-	37%
	Floors 3-25 (Phase 2)	6,22,260	8,78,860	-	41%
	Tower C, D, E & F				
	Ground Floor	41,726	-	43,732	5%
	Remaining Floors	3,26,742	4,68,729	-	43%
	Total	11,48,916	14,45,505	1,43,836	38%
	Total	11,48,916	15,89,341		38%
	Note: It may be noted that loading percentage will be higher on the carpet area.				
Average Rental Expected	Floors	Leasable Area	Percentage Area	Average Rent	
	Office Space	14,45,505	90.95%	Rs. 80-85/ SQF P.M.	
	Retail Space	1,43,836	9.05%	Rs. 100-106/ SQF P.M.	
	Total	15,89,341	100%		
Project Completion and Proposed COD	Project Timelines		Phase-1	Phase-2	
	Construction Start		Q1 FY 25	Q1 FY 25	
	Construction End Date		Q3 FY 27	Q1 FY 29	
	Rent Free Period (including Fit Out Period)		2.00	2.00	
	Leasing Start Date (COD)		Q3 FY28	Q4 FY29	
Architectural Design	Gensler (International Architect) ARCOP Associates (Indian Architect)				
Project Consultants	The company had appointed various consultants such as Architectural Design Consultant, Structural Engineer, Civil Contractor, MEP/ HVAC, Sustainability Consultant, Vastu Consultant, Vertical Transport Consultant etc for overall smooth implementation of the project.				
Current Status	Activity	Status			
	Land	The company is in possession of the land at Sector 65, Golf Course Extension Road, Gurgaon			
	Approvals, Permits, etc.	The company has received some of the major approvals required for construction including sanction of building plan with FAR of 175 times. The company has received in principal approval for purchase of additional FAR and has paid the requisite fees.			

		To start phase 1 of the project, the company has to obtain mining approval before start of excavation along with Fire NOC, Revised Service Estimate - Civil, Consent to Establish and Environment Clearance.
	Present Status	<ul style="list-style-type: none"> The company has appointed major consultants for the project. The company is yet to start the ground breaking at the site.
Cost incurred till date	Out of the total estimated cost of Rs. 1,417.17 Crore, the company has informed that a sum of Rs. 360.99 Cr has been invested into the project till date, of which Rs. 338.14 Cr. is towards land while balance amount has been incurred towards obtaining requisite Statutory Approvals and other preliminary expenses/ pre-construction expenses. Lenders may obtain CA certificate confirming the same.	

4.3 Site Location

The project is coming up at Sector 65, Golf Course Extension Road, Gurgaon. Positioned along the busy Southern Peripheral Road, Sector 65 is a posh locality with great connectivity with Sohna Road and Golf Course Extn Road.

Close to Vatika Chowk, this locality enjoys metro link at Sector 55-56. Easy access to abundant commercial giants at Golf Course Road ensure employment hubs closeby. This locality enjoys proximity with leading schools and hospitals in the vicinity.

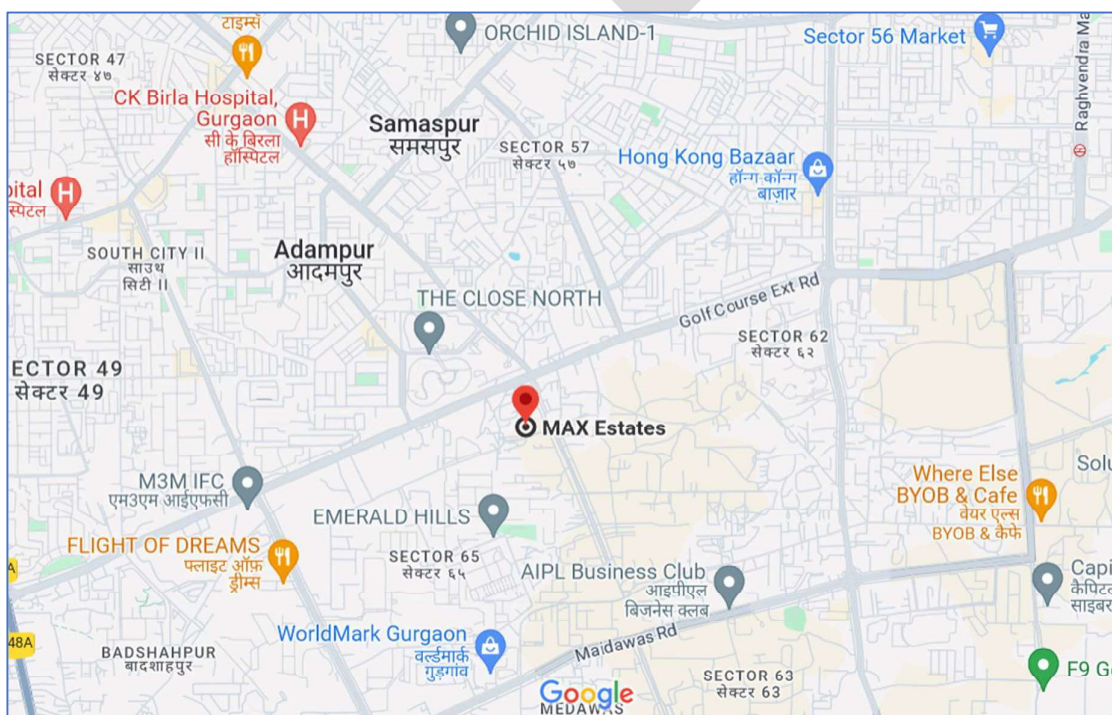


Exhibit: Site Location

i) Boundaries of the Site

The boundaries of the site are as under

Table 28: Boundaries of the Property

North	Southern Peripheral Road (90m road)
South	Emerald Hills Road (24m road)
West	Splendor Trade Tower and Other's property

ii) Location Overview

Table 29: Key Highlights of the Location

iii) **Site Advantages:**

- #### 4.4 Connectivity and Infrastructure

[illegible]

Roadways

The subject site is readily accessible to a variety of local, district, state and interstate highways. Overall, the access to the proposed site is considered to be very good. The proposed entrance is anticipated to be along Golf Course Extension Road/ Southern Peripheral Road. The site enjoys good connectivity with

- 90 mtr wide Golf Course Extension Road
- 60 mtr wide Sector Road- Emerald Hills Road

Metro Connectivity

Existing Metro Line: The site is in proximity to Sector 55-56 Rapid Metro Station (5kms/ 10 mins drive) connecting to Huda City Centre Metro Station which is the terminal station for the yellow line of the Delhi metro. The yellow line of the Delhi Metro connects Gurgaon to Connaught Place, which is the main Central Business District (CBD) area of Delhi.

Upcoming Metro Line: Further following upcoming metro lines have been proposed:

- Union cabinet has recently approved “**Gurgaon Metro**” which will connect Huda City Center to Gurgaon Cyber City via Old Gurgaon with total length of the Metro is around 28.5 km and 27
- stations. According to approved map of the Gurugram Metro Project, one such station will be at Sector 47, which will also be at a proximity of 5 kms from the site.
- The Haryana Mass Rapid Transport Corporation has unveiled plans for the Gurgaon-Faridabad Metro rail project, featuring a light rail system encompassing twelve stations stretching over 34.12 kilometers. The Metro Corridor shall connect Sector-65 from Vatika Chowk (5 km) & improve access to Faridabad.

The metro project is expected to improve the connectivity of the area, leading to a rise in demand for residential and commercial properties.

Overall Site Connectivity

Table 30: Site Connectivity

Road	The sector is well connected to <ul style="list-style-type: none"> • 90 mtr wide Golf Course Extension Road • 60 mtr wide Sector Road- Emerald Hills Road
Metro	Existing Metro: Sector 55-56 Rapid Metro Station (5kms) connecting to Huda City Centre Metro Station Upcoming Metro Station <ul style="list-style-type: none"> ○ Gurgaon Metro - Proposed Nearest Station at Sector 47 (approx. 5 km) ○ Gurgaon-Faridabad Metro rail - Proposed Nearest Station at Vatika Chowk (5 km)
Railway Station	Gurgaon Railway Station (16 kms)
Airport	Indira Gandhi International Airport via NH 48 (23 kms)

4.5 Location Advantages

- Conveniently placed along Golf Course Extension Road with proximity to commercial areas of Golf Course Rd, Sohna Rd, and NH8
- Only 2 km from Gurgaon-Sohna Highway or NH 248A, whereas NH-48 is about 12 km away from Sector-65 Gurgaon
- A premium rental hub amid tenants due to its quick connectivity to commercial hubs of Southern Peripheral Road & Golf Course Road
- Located at a 23 km distance, Sector 65 is seamlessly connected to the IGI Airport of Delhi via NH 48
- In proximity to Huda City Metro Station
- Home to a few leading motor company showrooms and other IT/ITeS offices
- Hosts several office buildings and enjoys proximity to several other job hubs
- Close access to reputed schools, hospitals, malls, shopping complexes
- Busy area with traffic congestion during peak hours

4.6 Land Details

The project is coming up on approx. 7.15 acres of land situated at Sector 65, Golf Course Extension Road, Gurgaon. The land is registered in the name of the company. The details of land are as under:

Table 31: Highlights of Land

Address	Sector 65, Golf Course Extension Road, Gurgaon
Land	17 kanal situated in the Revenue estate of Village Tigra, hadbast no. 91, Tehsil and District Gurgaon, Haryana and Measuring 40 kanal & 4 marla situated in the Revenue estate of Village Nagli Umarpur, hadbast no. 82, Tehsil and District Gurgaon, Haryana
Type of Land	Freehold
Approved land use	Commercial
Land Area	7.1500 acres
Land Use	For Setting up a Commercial Colony
Ownership	Owned by the company.
Cost of Land	The land was purchased by the erstwhile promoters in the name of the company.

(Source: Valuation report by Dhiraj Jaiswal and Associates)

Note: Our team has not verified the **original land documents**. The lender may suitably get Legal/ Title due diligence of the land and recent valuation of land done as the same is not part of the scope of work.

4.7 Zoning Plan

The entire land admeasuring 7.15 acre (license no. 19 of 2008 dated 04.02.2008) was approved for setting up of the commercial colony by the Director, Town and Country Planning, Haryana, Government of Haryana vide DRG No. DG, TCP 2762 dated 14.09.11. The plan was subsequently revised in 2023 vide DRG No. DG, TCP 9601 dated 13.09.23.

A brief of the approved Zoning Plan (DRG No. DG, TCP 9601 dated 13.09.23) is as under:

Table 32: Brief of the approved Zoning Plan (DRG No. DG, TCP 9601 dated 13.09.23)

Land Use	The type of building permissible in this area shall confirm to the provision of Residential Zone as provided in Appendix 'B' to the final development plan of Gurgaon Manesar Urban Complex as amended time to time.
Site Coverage and FAR	<ul style="list-style-type: none"> The Maximum coverage on the ground floor shall be 60% of the area of 7.15 acres. Maximum permissible FAR shall be 175% on the area 7.15 Acres.
Basement	Four level basement within the building zone of the site provided it flushes with the ground and is properly landscaped. Area under stilts (only for parking) and basement shall not be counted towards FAR.
Parking	<ul style="list-style-type: none"> Atleast 15% parking shall be at the street level. The parking spaces for commercial buildings shall not be less than 1ECS for 50 sqm of covered area on all floors.
Approval of Building Plan	The building plans of the building to be constructed at site have to be approved from the DTCP, Haryana before starting construction as per Provisions of Haryana Building Code- 2017 (As amended from time to time) before starting the construction.

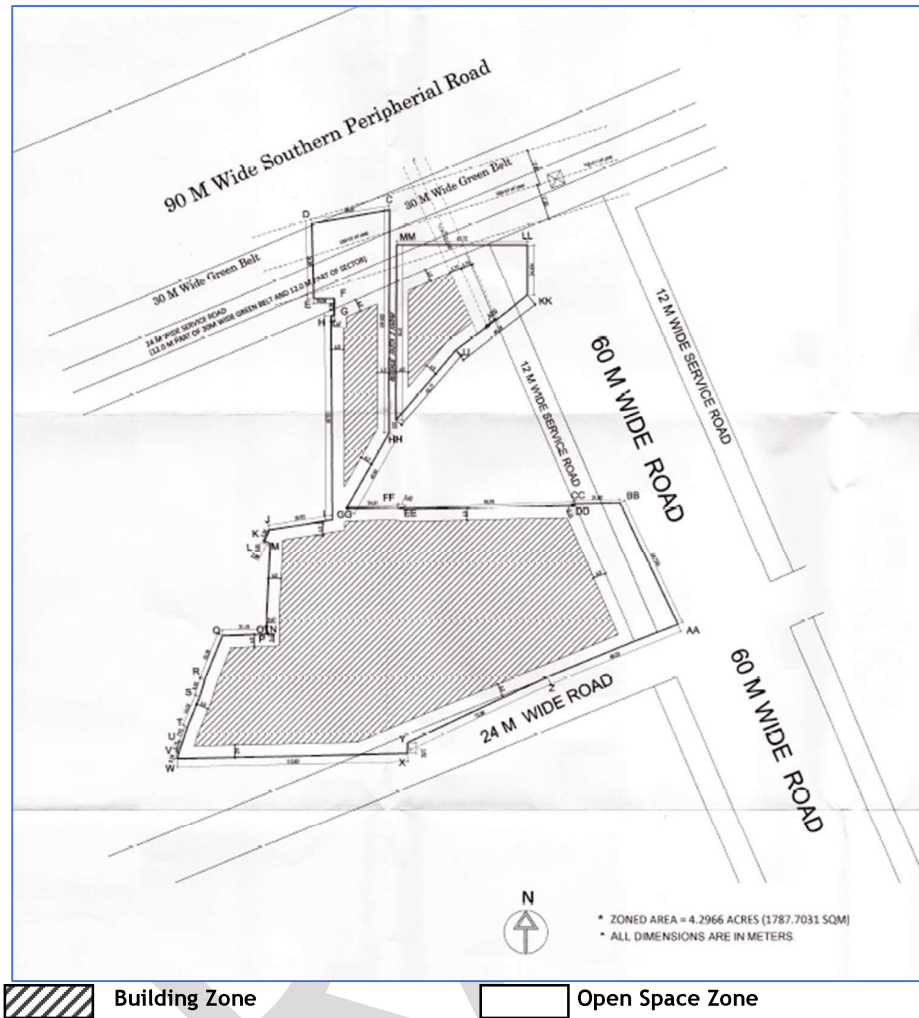


Exhibit: Zoning Plan (DRG No. DG, TCP 9601 dated 13.09.23)

4.8 Building Plan (as sanctioned)

The project entails development of a **multiuse Commercial Complex** comprising of Grade A offices and retail. The company has received approval of *Building Plan dated 27.02.24 vide Memo No. ZP 746/ PA(DK)/ 2024/ 7038 at FAR of 175 for construction of 2 Towers, of 4B+G+2 floors and 4B+G+10 floors. The details of area as per Approved Plan is as under:*

Table 33: Area Plan as per Approved Building Plan

Particulars		Sq. Meters	Sft
Total Site Area (7.15 acres)		28,934.98	3,11,454.00
Total Perm. FAR	1.75	50,636.21	5,45,043.12
Achieved FAR (95.88%)	1.68	48,547.63	5,22,561.83
Permissible Ground Coverage	60.00%	17,360.99	
Achieved Ground Coverage	30.78%	8,907.63	
Required Car Parking @ 1 Equivalent Car Space (ECS) per 50 sq meters			971

Proposed Parking Area Summary as per Approved Plan (area in Sq. Metres)	1257			
	Level	Function	Built-up Area	FAR Area
	Basement 1	Retail/ Parking/ Services	15008.63	4870.35
	Basement 2	Parking	14775.73	0
	Basement 3	Parking	14191.22	0
	Basement 4	Parking	14192.22	0
	Ground Floor	Retail	7119.77	6950.71
	Tower 1 (2+Terrace)	Office	7226.65	6491.68
	Tower 2 (10+ Terrace)	Office	31793.91	30234.9
	Total		104308.1	48547.63

(Source: Copy of the Building Plan dated 27.02.24)

• **Area Summary as per the approved building plan**

Basements						
Level	Function	Built - Up (A)	Far (X)	Area For Parking	Cars Parking	Services Area
Basement - 01	Retail/ Parking/ Services	15008.63	4870.35	5297.95	121.00	4840.33
Basement - 02	Parking/ Services	14775.73	0.00	9081.83	264.00	5693.90
Basement - 03	Parking/ Services	14191.22	0.00	9799.47	288.00	4391.75
Basement - 04	Parking/ Services	14192.22	0.00	9876.17	580.00	4316.05
Total		58167.80	4870.35	34055.42	1253.00	19242.03
Ground Floor						
Level	Function	Built - Up (B)	Far (Y)	Non Far Area (E)	Exit Width Required	Exit Width Provided
Ground Floor	Retail	7119.77	6950.71	169.06	N.A	N.A
Tower - 01						
Level	Function	Built - Up (C)	Far (Z)	Non Far Area (F)	Exit Width Required	Exit Width Provided
First Floor	Office	3135.62	2977.22	158.40	2.98	8.00
Second Floor	Office	3641.86	3514.46	127.40	3.51	8.00
Terrace Level	N.A	449.18	0.00	449.18	N.A	N.A
Mumty Level	N.A	0.00	0.00	0.00	N.A	N.A
Total		7226.66	6491.68	734.98		
Tower - 02						
Level	Function	Built - Up (D)	Far (Z')	Non Far Area (G)	Exit Width Required	Exit Width Provided
First Floor	Office	3446.34	3333.61	112.73	3.33	7.20
Second Floor	Office	3504.99	3392.26	112.73	3.39	7.20
Third Floor	Office	3858.13	3745.40	112.73	3.75	7.20
Fourth Floor	Office	3744.47	3631.74	112.73	3.63	7.20
Fifth Floor	Office	3499.24	3386.51	112.73	3.39	7.20
Sixth Floor	Office	3270.75	3158.03	112.73	3.16	7.20
Seventh Floor	Office	3266.24	3153.51	112.73	3.15	7.20
Eighth Floor	Office	3266.24	3153.51	112.73	3.15	7.20
Ninth Floor	Office	2542.36	2429.63	112.73	2.43	7.20
Tenth Floor	Office	1150.86	850.69	300.18	0.85	7.20
Terrace Level	N.A	244.28	0.00	244.28	N.A	N.A
Mumty Level	N.A	0.00	0.00	0.00	N.A	N.A
Total		31793.9	30234.89	1559.03		
Total Grand Built Up Area (A+B+C+D)						104308.13
Total Grand F.A.R Area (X+Y+Z+Z')						48547.63

Total Grand Non F.A.R Area (E+F+G)					2463.07
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(Source: Copy of the Building Plan dated 27.02.24)

• **Car Parking as per the building plan**

Required Car Parking @1 Equivalent Car Space (ECS) per 50 sq meters	971	
	Provided ECS	Car Parking
Site	0	4
Basement 1	166	121
Basement 2	284	264
Basement 3	306	288
Basement 4	309	580
Total Car Parks	1065	1257

(Source: Copy of the Building Plan dated 27.02.24)

LSI comments:

- The company has informed that they are proposing a Change in the Construction Plan vis-à-vis approved building plan. While the approved plan is drawn on the basis of FAR of 175 times, the company has requested
 - Directorate of Town and Country Planning (DTCP), Haryana for allocating FAR 3.50 (from 1.75 times) under Transit Orient Development (TOD) Policy.
 - In addition, the company is constructing a Green Building. This shall also entitle the company for additional GRIHA FAR Incentive of 15% for Green building.
- The company has received in-principle approval for FAR of 350 times from DTCP vide Memo dated 07-02-24 and has submitted the desired fees (EDC/ IDC charges as per the Demand and has submitted Bank Guarantees.)
- The company will apply for revision in the building plan upon final approval of FAR 350 times including TOD FAR of 125 and GRIHA FAR of 15.
- To start the construction of the project, the management has strategically decided to bifurcate the project into two phases based on existing building plan approval.**
- As per the proposed revised plan, the Commercial Complex shall be designed to have 2 Towers, with two blocks of 4B+G+25 floors each and 4 blocks of 4B+G+10 floors each.
- The company has informed that at the outset, they will start with the construction of phase 1 of the project on the basis of sanction plan with FAR of 1.75 times entailing construction of Tower 2 with 4 blocks of 4B+G+10 floors each, since they have the approval for that Tower under the existing plan.
- After approval of the FAR and revised building plan, the company will start the construction of Phase 2 of the project with construction of Tower 1 with 2 blocks of 4B+G+25 floors each.

4.9 Proposed Development Plan

The project entails development of a **multiuse Commercial Complex** comprising of Grade A offices and retail. The Commercial Complex shall be designed to have 2 Towers, with two blocks of 4B+G+25 floors each and 4 blocks of 4B+G+10 floors each.

The area statement as per the revised plan for construction is yet to be finalized. However, the company has informed that the area plan shall be mostly designed as under:

Table 34: Proposed Development Plan

Particulars		Sq. Meters	Sft	Car Parks
Total Site Area		28,935	3,11,454	
Total Perm. FAR	1.75	50,636	5,45,045	
Proposed FAR with TOD	3.5	1,01,273	10,90,089	
Proposed FAR (TOD+GRIHA)	3.65	1,05,613	11,36,807	2,112
Proposed Ground Coverage	Shall be within the permissible ground coverage of 60%			

Area Summary as per Approved Plan (area in Sq. Metres)	Level	Function	Built-up Area	FAR Area
	Basement 1	Retail/ Parking/ Services	13,409.16	4,343.15
	Basement 2	Parking	14,165.42	-
	Basement 3	Parking	13,188.30	-
	Basement 4	Parking	13,892.93	-
	Ground Floor	Retail	6,684.57	7,609.21
	Tower 1 (23+Terrace)	Office	75,052.12	64,430.19
	Tower 2 (10+ Terrace)	Office	37,408.86	30,355.37
	Total		173801	106738

(Source: Company Information)

The breakup of the built-up area is as under:

Table 35: Break-up of the Built-up Area as per Proposed Development plan

All figures are in sq. ft.

Floor	FAR	BUA
Basement-4 Level Plan	-	1,49,542
Basement-3 Level Plan	-	1,41,958
Basement-2 Level Plan	-	1,52,475
Basement-1 Level Plan / Lower Ground Floor	46,749	1,44,335
Total Below Ground Level	46,749	5,88,310
Tower 1 (Block A&B)		
Ground Floor	40,178	37,319
Level 1	33,051	36,476
Level 2	38,209	42,119
Level 3	38,209	42,119
Level 4	37,943	42,074
Level 5	32,791	34,535
Level 6	27,830	37,264
Level 7	28,283	33,011
Level 8	28,283	33,011
Level 9	28,283	33,011
Level 10	24,963	32,948
Level 11	28,283	33,011
Level 12	28,283	33,011
Level 13	28,283	33,011
Level 14	23,830	31,100
Level 15	23,613	26,841
Level 16	24,970	28,436
Level 17	24,970	28,436
Level 18	21,811	28,411
Level 19	24,970	28,436
Level 20	24,970	28,436
Level 21	24,970	28,436
Level 22	21,811	28,411
Level 23	24,970	28,436
Level 24	24,970	28,436
Level 25	24,970	28,436
Total Tower A	7,33,699	8,45,173
Tower B (C,D,E, F Block)		
Ground Floor	41,726	34,633
Level 1	37,221	40,199
Level 2	36,732	40,816

Floor	FAR	BUA
Level 3	40,957	44,794
Level 4	39,464	43,565
Level 5	36,929	40,713
Level 6	32,212	40,529
Level 7	34,006	38,407
Level 8	34,006	38,407
Level 9	26,136	29,875
Level 10	9,079	10,728
Total Tower B	3,68,469	4,02,665
Total	11,48,916**	18,36,148

(Source: Company Information)

** The company has informed that the area statement submitted by the company is under revision with proposed FAR area at 11,36,807 sft. (3.65 times). The Built-up area shall remain the same.

4.10 Comparison between Proposed and Approved Plan

The schedule of area as per proposed development plan and the approved building plan is as under:

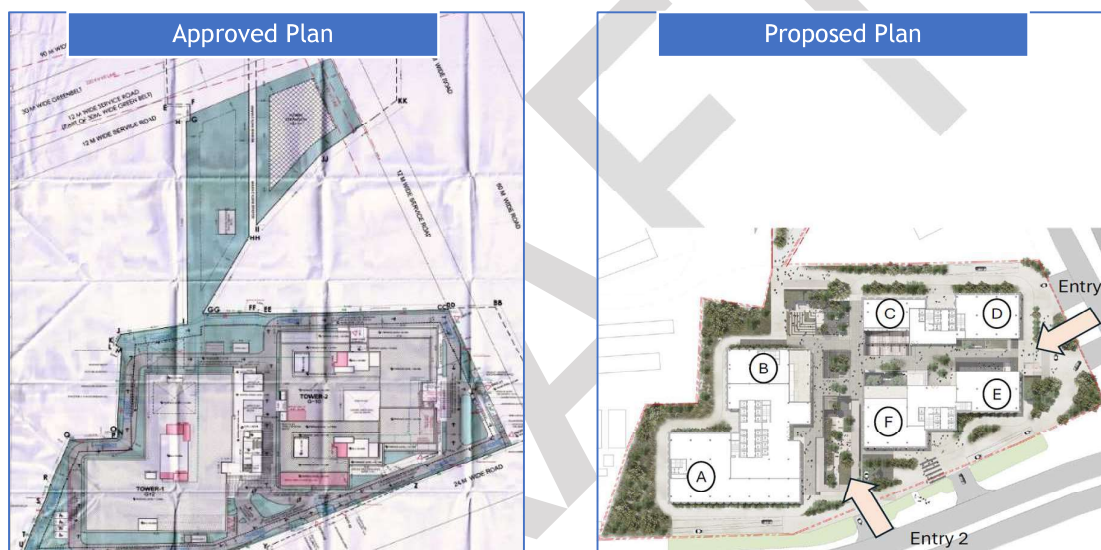


Table 36: Schedule of Area as per Construction Plan provided by the company and Approved Building Plan

All figures are in sq.m

Level	Function	Proposed Plan		Approved Plan		Difference B/w Proposed and Approved Plan	
		Built-up Area	FAR Area	Built-up Area	FAR Area	Built-up Area	FAR Area
Basement 1	Retail/ Parking/ Services	13,409	4,343	15,009	4,870	-1,599	-527
Basement 2	Parking	14,165	-	14,776	-	-610	-
Basement 3	Parking	13,188	-	14,191	-	-1,003	-
Basement 4	Parking	13,893	-	14,192	-	-299	-
Ground Floor	Retail	6,685	7,609	7,120	6,951	-435	659
Tower 1 (23+Terrace)	Office	75,052	64,430	7,227	6,492	67,825	57,939
Tower 2 (10+ Terrace)	Office	37,409	30,355	31,794	30,235	5,615	120
Total		1,73,801	1,06,738	1,04,308	48,548	69,493	58,190

(Source: Copy of the Building Plan dated 27.02.24, Company Information)

Difference in Area:

- The company has informed that the project will be developed as per the sanctioned layout plan with change in the FAR area from 1.75 times to 3.65 times.
- The current development scheme envisaged by the company proposes an overall increase in the built-up area by 69,493 sqm and FAR area by 58,190 of the project viz-a-viz the approved sanction plan.
- It may be noted that as per the revised plan, the company shall be constructing lower BUA for Basements and ground floor.
- While there is a proposed increase in the FAR area on the Ground Floor, there is similar decrease in the FAR area of Basement Area with overall marginal increase of 131 sq meter.
- There is marginal increase in the FAR area of Tower 2 proposed to be constructed as a part of Phase 1 of the project.
- Such marginal changes in plans are usually noted during construction, which is usually accommodated during obtaining Occupancy Certificate.
- As mentioned earlier, the company has proposed that they will start with the construction of phase 1 of the project on the basis of sanction plan with FAR of 1.75 times entailing construction of Tower 2 with 4 blocks of 4B+G+10 floors each, since they have the approval for that Tower under the existing plan.
- The company has proposed a major change in the area plan of Tower 1.
- Thus, after approval of the FAR and revised building plan, the company will start the construction of Phase 2 of the project with construction of Tower 1 with 2 blocks of 4B+G+25 floors each.
- In our opinion, the company may start the construction of phase 1, provided:
 - A) The construction is within the guidelines of the approved plan
 - B) FAR area is within 1.5 times as sanctioned
 - C) Structure stability Certificate is obtained from Competent Authority.

4.11 Loading and Leasable Area

The company has proposed to have an average loading of 38% on the total FAR Area, thus enveloping the cost of construction for basements for parking, multi-level car parks, mumty and machine room areas, stilt areas etc. The loading for office and retail areas have been kept different keeping in view the type of construction.

Table 37: Loading and Leasable Area of the project*All figures are in sq. ft.*

Tower	FAR Area	Leasable Area (Office)	Leasable Area (Retail)	Average Loading
Lower Ground Floor (B1)	46,749	-	53,916	15%
Tower 1 (Block A & B)				
- Ground Floor	40,178	-	46,188	15%
- Remaining Floors	6,93,520	9,76,776	-	41%
Tower 2 (Block C, D, E & F)				
- Ground Floor	41,726	-	43,732	5%
- Remaining Floors	3,26,742	4,68,729	-	43%
Total	11,48,916*	14,45,505	1,43,836	38%

*(Source: Company Information)***Note:**

- The area statement submitted by the company is under revision with proposed FAR area of 11,36,807 sft. (3.65 times)
- It may be noted that loading percentage will be higher on the carpet area.

The Tower Wise and Floor Wise Leasable Area is as under:

Table 38: Tower-wise and Floor-wise leasable area

All figures are in sq. ft.

FLOOR	FAR	Retail	Amenities	Office	% Loading
Lower Ground Floor	46,749.24	50,771	3,146		15%
Total Below GL	46,749.24	50,771	3,146		15%
Tower 1 (Block A&B)	-				
Ground Floor	40,178.46	42,868	3,320		15%
Level 1	33,051.29			44,670	35%
Level 2	38,209.29			53,246	39%
Level 3	38,209.29			53,246	39%
Level 4	37,943.42			52,732	39%
Level 5	32,791.13			46,000	40%
Level 6	27,829.57			38,591	39%
Level 7	28,282.84			40,026	42%
Level 8	28,282.84			40,026	42%
Level 9	28,282.84			40,026	42%
Level 10	24,963.12			34,826	40%
Level 11	28,282.84			40,026	42%
Level 12	28,282.84			40,026	42%
Level 13	28,282.84			40,026	42%
Level 14	23,829.67			30,748	29%
Level 15	23,612.56			33,851	43%
Level 16	24,970.22			35,831	43%
Level 17	24,970.22			35,831	43%
Level 18	21,810.99			31,031	42%
Level 19	24,970.22			35,831	43%
Level 20	24,970.22			35,831	43%
Level 21	24,970.22			35,831	43%
Level 22	21,810.99			31,031	42%
Level 23	24,970.22			35,831	43%
Level 24	24,970.22			35,831	43%
Level 25	24,970.22			35,831	43%
Total A+B	7,33,698.57	42,868	3,320	9,76,776	39%
Tower B (C,D,E, F Block)					
Ground Floor	41,726.32	43,732	-	-	5%
Level 1	37,221.37			51,916	39%
Level 2	36,731.72			53,968	47%
Level 3	40,957.02			58,174	42%
Level 4	39,463.95			57,020	44%
Level 5	36,928.81			53,365	45%
Level 6	32,211.81			45,988	43%
Level 7	34,005.84			49,210	45%
Level 8	34,005.84			49,210	45%
Level 9	26,136.50			37,306	43%
Level 10	9,079.33			12,571	38%
Total CDEF	3,68,468.51	43,732	-	4,68,729	39%
Total	11,48,916.31	1,43,836		14,45,505	38%

(Source: Company Information)

4.12 Building Specifications and Artistic Renders

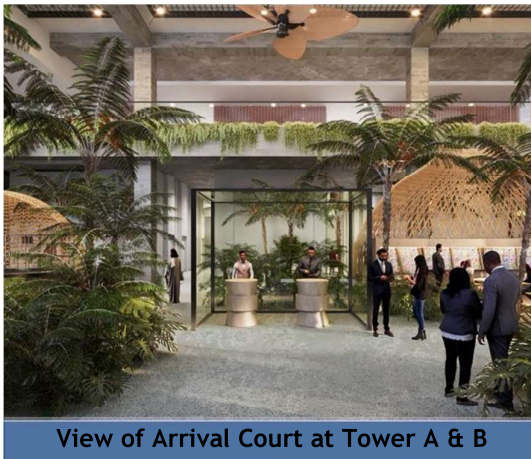
The building will be on warm shell basis and the final building specifications are yet to be finalized. The Artistic Renders of the building is as under:



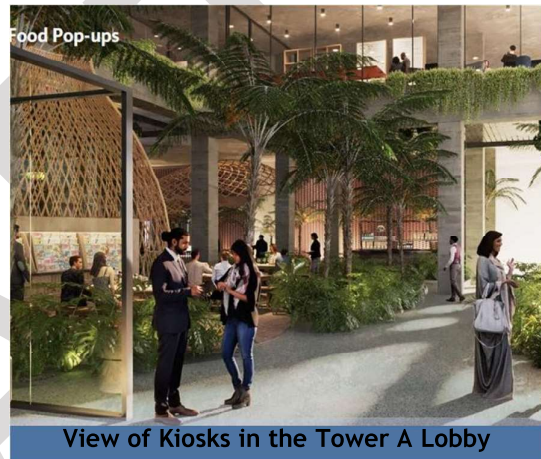
View of the Building Elevation from 60m sector road



View of Retail and Sunken Courtyard



View of Arrival Court at Tower A & B



View of Kiosks in the Tower A Lobby

4.13 Green Building

The proposed project shall be IBC LEEDS certified green building viz. incorporating environmentally sustainable building technology for design, construction and operations by,

- Utilization of sustainable resources by use materials and resources that lower cost to environmental viz. waste water management, energy management etc
- Conserving energy by using energy-efficient systems to conserve energy by enhancing natural daylight thereby reducing need for artificial internal lighting
- Reducing water usage by using efficient fixtures and appliances to reduce water usage
- Improving indoor air quality by using natural ventilation and air filtration systems

4.14 Other Infrastructure

4.14.1 Power

Power for the project shall be supplied by Dakshin Haryana Bijli Vitran Nigam (DHBVN).

In accordance with DHBVN Sale Circular No. D-16/2023, Commercial Load should be 12kw/100 Sq.mt of FAR. Based on the above design parameters, the power requirement (overall maximum demand) for total development (FAR-3.65), works out to be 7907 kW or 8785 KVA at 0.9 power factor. This Demand load is inclusive of EV charging Points load of approx. 1568 KW. Power will be supplied from the grid at 33KV.

As per the MEP Design Basis Report (as per FAR 3.65) by M/s Sanelac Consultants Pvt Ltd, the power requirement is for the project been calculated thus as under:

Table 39: Power Requirement

S.NO	DESCRIPTION	Area
A	OFFICE AREA	
1.0	Total FAR for Project (Sq. Mtr.)	105651
	Connected Load as per DHBVN guideline @ 12KW/100Sqmt (Considering High Density / High Rise / LEED / GRIHA / green Building Complex)	12678 kW
	Demand Load Considering Overall diversity as per DHBVN @ 50%	6339 kW
2.0	EV Charging Point as per Annexure-E3	1567.50
	Total Load	7906.57 kW

(Source: MEP Design Basis Report (as per FAR 3.65) by M/s Sanelac Consultants Pvt Ltd)

As against the above requirement, **the company has been given assurance for consideration of tentative load of 13350KVA from DHBVN vide Memo no. CH-14/ DGR -26B/ dated 11/07/2023.**

Power Back-up: It is proposed to have 100% Power Backup for the Building Services. As per load calculations, approximately 12000 KVA backup power shall be required for the development. Hence, it is proposed to have 6 working + 1 standby space of 2000 KVA, 415V Heat Exchanger type DG Set in Basement-2 Level, for the same.

4.14.2 Water

The water for the project shall be met from:

- (i) Municipal Water Supply (Fresh Water)
- (ii) Tanker Water Supply (Fresh Water) [in case of Emergency]
- (iii) Recycled Treated Water from Sewage Treatment Plant shall be used for Flushing & Irrigation system and Cooling HVAC/DG Cooling Tower Set .

No registered Bore wells are available at Site and the Ground Water Board has presently banned the use of Bore wells in this area.

Water requirement for the commercial complex has been estimated as under:

Table 40: Water Requirement (As Per NBC 2016)

S.NO.	DESCRIPTION	Water Requirement (LPD)	Water Requirement (KLD)
1	Domestic Water Requirement	2,25,000.0	225.0
2	Flushing Water Requirement	1,86,000.0	186.0
3	General Filter Back Wash	5,000.0	5.0
4	Make Up Soft Water Requirement for HVAC Cooling Towers	2,16,000.0	216.0
5	Make Up Soft Water Requirement for DG Set Cooling Towers	25,500.0	25.5
6	Irrigation / Landscape Water Requirement	20,000.0	20.0
	Total Water Requirement	6,77,500.0	677.5

(Source: MEP Design Basis Report (as per FAR 3.65) by M/s Sanelac Consultants Pvt Ltd)

As against the above requirement, the company has been given assurance from Gurugram Metropolitan Development Authority vide Memo no. EE (Proj.)/ GMDA/ 2023/364 on 13.07.2023 for Drinking Water of 2 KLD during construction and 280 KLD during operation.

The company has proposed to install Sewage Treatment Plant of 440 KLD/day capacity.

Additionally, the company has also received assurance for Storm Water connection from Gurugram Metropolitan Development Authority (Drainage Div.) vide letter GMDA/ Drainage/2023/ 489 on 12.07.2023.

The Storm water from Road/Paved/Landscape & Green Area will be collected by gravity through network of catch basin, Storm water manhole and Storm Water drainage pipe and discharged to Rain water Harvesting Pit.

DRAFT

5. PROJECT IMPLEMENTATION SCHEDULE

5.1 Project Implementation Schedule

The project implementation schedule has been drawn up to maintain a strict time schedule assuming financial closure and **disbursement by Q1 FY25 (Phase 1)**. The factors which are responsible for timely implementation of the project are as under:

- I. Arrangement of proper finance for the project.
- II. Finalization of layout.
- III. Design of utilities and services.
- IV. Arrangements for Govt. sanctions and statutory approvals.

Keeping in view the above the project implementation schedule has been outlined as under. It is to be noted that the project will be implemented in Phases as under:

Table 41: Phase-wise Project Implementation Schedule

Phases	Tower 1 (Block A and B)	Structure	Date of Start	Date of completion
Commercial Phase 1	Tower 2 ((Block C,D, E and F)	4B+ G+ 25	16.04.24	31.03.27
Commercial Phase 2	Tower 1 (Block A and B)	4B+ G+ 10	16.04.24	30.06.28

Table 42: Activity-wise Project Implementation Schedule

S. No.	Activity	Date of Start	Date of completion
A	Design		
1	Architect Appointment	01.09.22	30.11.22
2	Concept Design	01.12.22	01.07.23
3	Schematic Design	01.04.23	31.12.24
4	Detailed Design	31.03.24	31.12.24
5	Construction Drawings	01.04.24	31.12.24
B	Approvals		
1	Submission Drawings	01.07.23	11.12.23
2	Submission in Authority	11.12.23	20.12.23
3A	BP Approval	20.12.23	27.02.24
3B	MOEF	07.10.23	Pending

Table 43: Construction-wise Project Implementation Schedule

Activity	Phase 1		Phase 2	
	Date of Start	Date of completion	Date of Start	Date of completion
Construction				
Excavation	01.04.24	31.10.24	01.04.24	31.10.24
Raft	01.09.24	31.12.24	01.09.24	31.12.24
Basement 4	15.10.24	10.02.25	15.10.24	10.02.25
Basement 3	01.12.24	15.03.25	01.12.24	15.03.25
Basement 2	01.01.25	15.04.25	01.01.25	15.04.25
Basement 1	01.02.25	30.05.25	01.02.25	30.05.25
Completion of Ground Floor	28.07.24	11.10.24	27.08.24	10.11.24
Completion of Terrace Floor	27.08.24	15.05.25	26.09.24	9.06.26
Completion of Structure	30.04.25	14.07.25	25.05.26	8.08.26
Completion of Finishing, MEP& Ex- Development	25.12.24	15.08.26	24.01.25	10.12.27
Handing Over (Including Desnagging)	16.06.26	31.03.27	11.10.27	30.06.28
Rent start/ COD (after 2 quarters of Fit out and Rent-Free Period)	Q3 FY28		Q4 FY29	

(Source: Company Information)

LSI observations:

- The management has strategically decided to bifurcate the project into two phases based on existing building plan approval. As such, the project shall be implemented in two phases.
- The company has proposed that they will start with the construction of phase 1 of the project on the basis of sanction plan with FAR of 1.75 times entailing construction of Tower 2 with 4 blocks of 4B+G+10 floors each, since they have the approval for that Tower under the existing plan.
- After approval of the FAR and revised building plan, the company will start the construction of Phase 2 of the project with construction of Tower 1 with 2 blocks of G+25 floors each.
- The implementation plan has been drawn taking into consideration:
 - That the company shall receive approval of the revised plan by Aug-24 to Sep-24
 - Other short pauses in construction due to bans by NGT due to poor air quality. However, in case of any long ban, the project implementation will be affected.

5.2 Project Consultants

The company has informed that they have appointed/shortlisted the following eminent and expert professionals for planning, execution and supervision of the project.

Table 44: Project Consultants

Sl Nos	Consultant	Name of Consultant	Date of Contract/ Agreement	Scope of Work	Amount
1.	Architectural Design	Gensler	31.10.2022	The consultant shall provide consultancy to Acreage for building planning & design services (for concept and part schematic design).	GBP 7.30 Lacs
2.	Indian Architect	Arcop Associates Pvt. Ltd.	29.01.2014	The consultant shall provide architectural design consultancy services, which covers building planning and design services for the entire development (including commercial and retail) in collaboration with a concept architect appointed by the company.	-
3.	Structural Consultant	VINTECH Consultants	05.01.2023	The consultant shall provide structural design consultancy to Acreage for detailed structural designing and analysis.	INR 90.90 Lacs including GST
4.	Vastu Consultant	Sayash Associates	-	-	-
5.	MEP/ HVAC Consultant	Sanelac Consultants Pvt Ltd	30.11.2022	The consultant shall provide mechanical design engineering, electrical design engineering including LV systems and public health/plumbing system design engineering.	INR 1.43 crores including GST
6.	Sustainability Consultant	Sunil Nayyar Consulting Engineers LLP	30.11.2022	The consultant shall provide green building requirements for design & data so that the work would be executed as per Green Building norms and provide such services to make the company achieve Leed/IGBC for Gold/Platinum certification for GREEN as well as Health & well-being.	INR 18.29 Lacs including GST
7.	Traffic Consultant	Unitrans mobility solutions Pvt. Ltd.	-	-	-

Sl Nos	Consultant	Name of Consultant	Date of Contract/ Agreement	Scope of Work	Amount
8.	Vertical Transportation Consultant	Matrix Management consultants Pvt. Ltd.	30.11.2022	The consultant shall provide design consultancy services for the detailed vertical transport designing and analysis.	INR 9.44 Lacs including GST
9.	Fire and Life Safety Consultant	Proion Consultants Pvt. Ltd.	-	-	-
10.	Excavation and D-Wall contractor	Indigo Infra Projects Pvt. Ltd.	15.02.2024	The consultant shall construct the Diaphragm wall which shall comprise the provision of all labour, materials, tools, plant etc. as necessary.	INR 18.07 crores including GST
11.	Project Contractor/ PEB Structure	To be appointed	-	-	-
12.	Indian Landscape Consultant	To be appointed	-	-	-
13.	Civil Contractor	To be appointed	-	-	-
14.	LEEDS Consultant	To be appointed	-	-	-
15.	Lighting Consultant	To be appointed	-	-	-
16.	Facade Consultant	To be appointed	-	-	-
17.	Geotech Consultant	To be appointed	-	-	-
18.	PMC	To be appointed	-	-	-

(Source: Company Information)

The brief on the major consultants including their brief credentials is provided below.

5.2.1 Design and Architecture

i) International Architect: Gensler Europe Limited - London

Gensler is a global design and architecture firm headquartered in San Francisco, California. It is one of the largest architecture firm in the world by revenue and number of architects.

Founded in 1965, the firm works globally with more than 3,500 clients across 33 practice areas spanning the work, lifestyle, cities, and health sectors. The firm has presence across 53 locations and 6,000+ professionals networked across the Americas, Europe, Greater China, Asia Pacific, and the Middle East.

Recognition

- Gensler was awarded the Architecture Firm Award in 2000 by the American Institute of Architects.
- In 2009, Gensler became the first firm inducted into the Interior Design Hall of Fame.
- Gensler received the AIA Institute Honor Award for Architecture for the HyundaiCard Air Lounge in 2012 and the Jackson Hole Airport in 2014.
- For the third year in a row, Forbes included Gensler among “America’s Best Midsize Employers” in 2018.
- Gensler received the highest ranking on Interior Design magazine’s “Top 100 Giants” list.
- Gensler was included among Glassdoor’s Best Places to Work 2020.
- The National Center for Employee Ownership named Gensler the 21st largest employee-owned company in the U.S. on the NCEO 2020 Employee Ownership 100.

- The AIA Committee on the Environment named three Gensler projects winners of the COTE Top Ten Awards, recognizing the Ford Foundation Center for Social Justice, UPcycle, and Etsy headquarters for integrating design excellence and sustainable performance.
- Gensler received the #1 rank overall in Building Design's 2021 World Architecture 100 Rankings.
- For a decade, Gensler has topped Architectural Record's annual list of the Top 300 Architecture Firms in the U.S.
- For the third year, Fast Company named Gensler among the “World’s Most Innovative Companies 2021” as one of the 10 Most Innovative Companies in Architecture.
- Fast Company ranked Gensler among the 100 Best Workplaces for Innovators in 2021, recognizing the firm's new proprietary NFORM Ecosystem.
- Engineering News-Record ranked Gensler as the #1 Top Green Design Firm for six consecutive years, from 2016-2021. The firm was second in the latest ranking in September of 2022.

Few renowned projects by Gensler are:

Table 45: Few Renowned Projects of Gensler

Name of the Project	Location	Construction Year
1888 Studios	Bayonne, New Jersey	2022
Mineta San Jose International Airport Terminal B	San Jose, California	2010
Tŷ William Morgan	Cardiff, United Kingdom	2020
Banc of California Stadium	Los Angeles, California	2018
The Doughnut	Cheltenham UK	2003
The Avenues, Phase IV	Kuwait City, Kuwait	2018
NVIDIA Corporate Campus	Santa Clara, California	2018
Ford Foundation Center for Social Justice	New York	2018
Incheon International Airport	T2, Incheon, South Korea	2018
21st Century Fox	1211 Avenue of the Americas, New York	2018
Costa Rica Convention Center	Heredia, Costa Rica	2018
Westfield Century City	Los Angeles, CA	2018
Fairmont Austin	Austin, Texas	2018
Johnson Controls HQ Asia Pacific	Shanghai, China	2017
BCG NY Headquarters	New York	2017
Cadillac House	New York	2017
E. & J. Gallo Winery Dry Creek Building	Modesto, California	2017
Burj Alshaya Four Seasons	Kuwait City, Kuwait	2017
Hyatt Headquarters	Chicago, Illinois	2017
The Coca-Cola Company Headquarters	Atlanta, Georgia	2016
The Washington Post	Washington, DC	2016
Westin DEN and Transit Center	Denver, Colorado	2015
Jackson Hole Airport	Jackson Hole, Wyoming	2015
Condé Nast Headquarters	New York	2015
Shanghai Tower	Shanghai, China	2015
The Tower at PNC Plaza	Pittsburgh, Pennsylvania	2014
Gratz Center, Fourth Presbyterian Church	Chicago, Illinois	2012
San Francisco International Airport Terminal 2	San Francisco, CA	2011
Ritz-Carlton Hotel and Residences and JW Marriott	Los Angeles, California	2010
CityCenter	Las Vegas, Nevada	2009
John F. Kennedy International Airport JetBlue T5	New York City, New York	2008
The New York Times Building	New York	2007
2000 Avenue of the Stars	Los Angeles, California	2007

Name of the Project	Location	Construction Year
Letterman Digital Arts Center	Presidio of San Francisco, California	2005
The Gate Dubai International Finance Centre	Dubai, UAE	2004
Moscone Center	San Francisco, California	2003
DreamWorks Animation	Glendale, California	1997

ii) Indian Architect: Arcop Associates Pvt. Ltd. (Arcop) - New Delhi

Arcop Associates Private Limited was founded in 1985 as a Private Limited Company for the growing activities of The Arcop Group in Montreal, Canada. Arcop is an acronym for, "Architects in Co-partnership".

Founded in Montreal in the early '50's under the name "Affleck, Desbarats, Dimakopoulos, Lebensold, Sise," the office adopted the designation Arcop in 1970. Through the years, the original principals have ceased practicing and the firm has attracted new partners of the highest caliber, thus ensuring the continuity of its distinctive level of work.

Arcop Associates Private Limited presently has a Technical Collaboration Agreement with The Arcop Group, Montreal, Canada approved by The Reserve Bank of India.

Arcop has specific expertise in most building types including: residential, commercial and office buildings, hotel, cultural, educational and health institutions, as well as high technology facilities and major multi-use developments. The Directors and Senior Associates, who have had professional experience in Canada, the United States, Europe, the Middle East and Asia, have retained a close contact with various architectural schools. Arcop is presently engaged in many buildings and planning projects in India and abroad.

5.3 Current Status of Statutory and Non-Statutory Approvals

The company is in possession of the following Statutory and Non-Statutory Approvals copies of which have been provided to us:

Table 46: Statutory and Non-Statutory Approvals Obtained

Name of Approvals	Department	Date of approval	Validity/ Deadline	LSI Remarks
Zoning Plan	Directorate of Town and country Planning (DTCP), Haryana	13.09.2023	NA	-
Approval of Revised Building Plans	Directorate of Town & country Planning (DTCP), Haryana	Received by Memo No. ZP 746/ PA(DK)/ 2024/ 7038 dated 27-02-2024.	5 years	The company will apply for revised plan after allocation of FAR of 350. The company has informed that revised plan is expected by 31.08.24.
Grant of License	Directorate of Town and country Planning (DTCP), Haryana	Licence No. 19 of 2008 dated 4.2.2008 valid till 3.2.2010 granted to M/s Garland Estate Pvt Ltd & M/s Hammock Buildwell Pvt. Ltd was transferred to M/s Acreage Builders Pvt Ltd. On	Renewed upto 03.02.25. The license shall be renewed till final completion of the colony is granted.	-

Name of Approvals	Department	Date of approval	Validity/ Deadline	LSI Remarks
		19.5.11 vide Memo No. DS(R) LC 1034/2011/6715. Licence renewed on 04.05.22 vide memo no. LC-1034 Vol-II-JE(VA) 2022/11893 dated 04.5.22		
Request for Allocating FAR	Directorate of Town and country Planning (DTCP), Haryana	In-principle approval received for allocation of FAR of 350 under Transit Orient Development Policy (TODP) vide letter dated 07.02.24	NA	The company has submitted the desired fees (EDC/ IDC charges as per the Demand) along with Guarantees.
Approval for Temporary Site Office Area	Directorate of Town and country Planning (DTCP), Haryana	NA	NA	Not required as Porta cabin will be used for site office work
NOC in respect of Haryana Land and Preservation Act	Divisional Forest Officer, Haryana	Noc for Commercial complex received on 01.05.23	Na	One-time
Fire NOC	Commissioner, Municipal Corporation Gurgaon	Application is in progress. Fire Fighting Scheme approval is expected to be received shortly.	-	One time Approval unless change in building plan. The company will have to revise the approval upon change in building plan.
Mining NOC	Assistant Mining Engineer, Gurgaon	Application to be submitted post environment clearance Expected to be received shortly	-	Required at Various Stages of Excavation
Revised Service Estimate - Civil	DTCP, Haryana	Application is in progress. Expected to be received shortly	-	-
NOC - Height Clearance	Airport Authority of India	17-03-23, Permissible Top Elevation 392.1 mtrs	16-07-2031	Renewed after every Eight years. Renewal letter to mention project completion date.
Aravali NOC	DC Gurgaon	Approved on dated 30/05/23	NA	One time Approval
Intimation for Electrical Load	Office of the Chief Electrical Inspector to Govt, Haryana	11.07.2023		
Assurance of supply of power load	Dakshin Haryana Bijli Vitran Nigam	Power requirement with tentative load of 13350KVA received vide Memo no. CH-14/ DGR -26B/ dated 11/07/2023	Till validity of licences issued by DTCP, Haryana	One time
Approval for Fresh Water	Gurugram Metropolitan Development Authority	Assurance for Drinking Water (2 KLD during construction and 280 KLD during operation), received vide Memo no. EE (Proj.)/ GMDA/ 2023/364 on 13.07.2023	New Connection will be provided after receiving OC and completion of other formalities	-

Name of Approvals	Department	Date of approval	Validity/ Deadline	LSI Remarks
Approval for Treated Water	Gurugram Metropolitan Development Authority (Sewerage Div.)	Assurance for Treated Water (25 KLD during construction) approved on 26.06.2018 approved vide Memo no. GMDA/ SEW/ 2023/635 on 12.07.2023	One time	-
Assurance for Storm Water connection	Gurugram Metropolitan Development Authority (Drainage Div.)	Received vide letter GMDA/ Drainage/2023/ 489 on 12.07.2023		
Assurance for Sewerage connection	Gurugram Metropolitan Development Authority (Sewerage Div.)	Assurance for Sewerage connection for disposal for 440 KLD treated domestic effluent received vide Memo no. GMDA/ SEW/ 2023/634 on 12.07.2023	One time	-
Environment Clearance for Commercial Colony	State Environment Impact Assessment Authority, Haryana	Pending as per Memo No: SEIAA/HR/2024/11 dated 23-01-2024 as concerned authority for project appraisal is not available. Expected to be received by 31.03.24	-	Recommendations of SEAC will only be considered by the Authority after the appointment of new Chairperson, SEIAA Haryana by MoEF & CC, GOI, New Delhi. Further, revised EC will be applied after receipt of revised building plan.
Tree Cutting	Divisional Forest Officer	05.03.2024. Permission Is Granted For Felling Of 11 Tree Subject To The Condition That The User Agency Will Plant Two Times The Number Of Felling Tree (11x10=110 Plants).	Permission Is Valid For 03 Months	-
Consent To Establish	HSPCB	Application will be submitted post environment clearance. Expected to be received by shortly		To be renewed on/before the given date
Building and Other Construction Works Registration	Government of Haryana, Office of the Registering officer	Yet to be received		To be renewed on/before the given date
Shop & Establishment registration	Labour Department, Haryana	Received on 17.11.23	-	-
Contract Labor Regulation Act (CLARA) registration	Office of Labour Commissioner, Haryana	Yet to be received		One time

Name of Approvals	Department	Date of approval	Validity/ Deadline	LSI Remarks
PF Registration	Employees' Provident Fund Organisation	Received vide approval dated 28.04.23		One time

(Source: Company Information)

In addition to the above, the following approvals will be required before Occupancy:

- Consent to Operate
- Completion/ Occupancy Certificate
- Final Fire Approval

Note:

- **Phase 1:** The company has an approved building plan in hand for Tower 2 with 4B+G+10 floors. The company shall have to obtain mining approval before start of excavation along with Fire NOC, Revised Service Estimate - Civil, Consent to Establish, and Environment Clearance.
- **Phase 2:** The company has informed that they are proposing a Change in the Construction Plan and have requested Directorate of Town and Country Planning (DTCP), Haryana for allocating FAR 3.50 (from 1.75 times) under Transit Orient Development (TOD) Policy. In addition, the company is constructing a Green Building. This shall also entitle the company for additional GRIHA FAR Incentive of 15% for Green building.
 - In-principle approval received for allocation of FAR of 350 under Transit Orient Development Policy (TODP) vide letter dated 07.02.24. The company has submitted the desired fees (EDC/ IDC charges as per the Demand) along with Guarantees.
 - The company will apply for revised building plan, Environment Clearance and other approvals after allocation of FAR of 365. The company has informed that revised plan is expected by 31.08.24.
 - After approval of the FAR and revised building plan, the company will start the construction of Phase 2 of the project with construction of Tower 1 with 2 blocks of G+25 floors each.
- The company will be required to appoint and submit Empanelment ID of all the consultants to DTCP for Record Before Start of Construction such as Architect, Structural Engineer, Proof Consultant, Geotech Engineer, Third Party Inspection Agency, Supervising Engineer and Proof Consultant- approved Good for Construction (GFC).
- **Applicability of Rera:** The project is coming up in the State of Haryana. Haryana RERA is presently applicable for sale of units. The proposed project is exclusively held for lease and thus RERA guidelines are currently not be applicable for the project. However, lenders may stipulate a condition that if at any point during project execution, there is a change in RERA guideline, the company shall suitably comply with the same.
- Lenders may suitably appoint lenders legal counsel to verify the same before disbursement.

5.4 Current Status of the project

5.4.1 Current Physical Status of the project

The current physical status of the project is as under:

Table 47: Current Physical Status of the Project

Activity	Status
Land	The company is in possession of the land at Sector 65, Golf Course Extension Road, Gurgaon
Approvals, Permits, etc.	The company has received some of the major approvals required for construction including sanction of building plan with FAR of 175 times. The company has received in principal approval for purchase of additional FAR and has paid the requisite fees. To start phase 1 of the project, the company has to obtain mining approval before start of excavation along with Fire NOC, Revised Service Estimate - Civil, Consent to Establish and Environment Clearance.
Present Status	<ul style="list-style-type: none"> • The company has appointed major consultants for the project. • The company is yet to start the ground breaking at the site.

5.4.2 Current Financial Status of the project

The company has informed that a sum of Rs. **360.99** Cr has been invested into the project till date, of which Rs. 338.14 Cr. is towards land while balance amount has been incurred towards obtaining requisite Statutory Approvals and other preliminary expenses/ pre-construction expenses. Lenders may obtain CA certificate confirming the same.

Table 48: Current Financial Status of the Project*All figures are Rs. In Crore*

Particulars	Amount invested into the project till date
Land Cost	338.14
Construction Cost	0.13
Approval Cost	0.48
Marketing Cost	0.17
Preliminary and Pre-Operative Expenses	22.07
Interest during Construction & debt processing charges on construction finance	-
Total Project Cost	360.99

The above expenses have been completely funded out of promoter's contribution.

6. INDUSTRY HIGHLIGHTS

6.1 Real Estate in India

Indian Real Estate is emerging as a preferred investment destination with attractive rental yields and future appreciation potential amidst global market volatility and increasing inflationary pressures. Both global and domestic investors are optimistic about the overall market potential, boosted by the overall growth amidst the global crises and supply chain disruptions. The growth pattern saw a significant upsurge by end of 2022 enabling positive prospects for 2023. India continues to be a lucrative market for foreign direct investments due to comparatively low setting-up costs, improved government support and availability of well-qualified professionals.

With progressive government initiatives like 'National Logistics Policy', the logistics and warehousing sector is rapidly evolving to adopt digital automation and create additional value by collaborating with the manufacturing sector.

However, **commercial office space has retained itself as the most favoured asset class in real estate despite the disruption in workspace model.** The residential sector has also seen good growth in cities like Bengaluru, Mumbai, and the NCR region fuelling further growth expectations in 2023. With improvements in urban infrastructure, industrial and BPO sector will further drive the dispersion of the city population to its outskirts, in turn benefiting the residential sector as well. We also understand that the pharma, life sciences, health care, and manufacturing sectors is set to experience promising growth over the next five years.

While 2023 is set to be the year of resurrection by combined effort, high-interest rates and recession fears still makes this a challenging year for the Indian Real Estate.

6.2 Construction Outlook Across Sectors

The construction outlook across various sectors are as under:

Table 49: Construction Outlook Across Various Sectors

Sector	Outlook
Commercial	The office sector will continue to grow and attract investor interest as a global outsourcing/offshoring hub of the world. Across India, Bangalore accounts for the highest share of institutional investments, at 38%. Rental yields have remained stable despite rising repo rates, including increasing demand by institutional investors for steady rent-yielding assets, stable rents, and limited new Grade A supply. This sector continues to dominate the Real Estate market and is set to see healthy returns as major IT companies are switching back to working out of offices.
Residential	The pandemic made people realize the importance of home ownership and the last 2 years have seen robust sales across all segments. Robust demand for ultra- luxury units and vacation homes has been booming. This change in consumption patterns has induced Indian developers to launch luxury housing projects to cater to proliferating class of local investors. Parallely, the developer community has realized the need to intensify their focus on upgrading to sustainable design and construction which will require them to raise funds, bringing in further foreign investments.
Industrial & Warehousing	Despite several geopolitical disruptions, India's logistics and warehousing sector has seen immense growth. As the e-commerce industry started growing, demand for warehousing space increased in India. Modern warehousing supply growth is found in cities like Ahmedabad, Bengaluru, Chennai, Delhi, Mumbai, and Pune. The impact of the National Logistics Policy launched by the Government to enhance the efficiency of the logistics ecosystem in India will be seen in 2023. The outlook for

Sector	Outlook
	warehousing remains bullish led by the rise in e-commerce and light manufacturing, adoption of newer technologies and green logistics.

6.3 Construction Cost Benchmarking

Understanding and comparing costs is key to enhancing the overall financial performance of organizations. This guide shall guide you to make informed decisions about your next project as well as your wider real estate portfolio.

Note: The construction cost for the respective categories is the average costing of Q4 2022.

6.3.1 Construction cost for Commercial Assets (INR/Sft)

As per Construction Cost Guide, India: 2023 by JLL Cost Management, the Construction cost for various commercial asset (INR/Sft) is as under:

Table 50: Construction cost for various asset classes

Building type	Key Assumptions	Bengaluru	Chennai	Delhi	Hyderabad	Mumbai	Pune
Commercial							
High rise	Floors: 15+	4,000-4,600	4,100-4,700	4,400-5,100	4,100-4,800	5,100-6,400	4,200-4,900
Medium rise	Floors: ≤ 15	3,400-3,900	3,500-4,000	3,700-4,300	3,500-4,100	4,100-5,600	3,500-4,100
Retail							
Malls	BUA: >200,000 Sft	3,800-4,400	3,900-4,500	4,200-4,800	3,900-4,500	4,400-5,100	4,000-4,600
Others							
Multi-Level Parking (above ground)	1,000 Cars	1,450-1,700	1,500-1,700	1,600-1,900	1,500-1,700	1,700-2,000	1,500-1,800

(Source: Construction Cost Guide, India: 2023 by JLL Cost Management)

The Cost/Sft represents the average of the competitive tender prices as of Q4 2022. Further assumptions include:

- Commercial Buildings Construction Cost are on Saleable/Leasable area and for all other classes is on BUA.
- The warm shell cost for commercial, retail, and hospitality inclusive of common area finishes.
- The warm shell cost is exclusive of Demolition of existing buildings, tenant fit-out, FF&E (furniture, fitting, and equipment), OS&E unless otherwise specified, Cost escalation, professional fees, land, finance, approvals where applicable & contingency.
- The warm shell cost is exclusive of taxes, consultant fees, land acquisition, project financing cost, project-specific site conditions, and site abnormality.
- All costs are deemed to include contractor overheads, margins, direct/indirect expenses, labor insurance, and site overheads.
- The Construction costs serve only as a guide for preliminary cost appraisals and budgets; all buildings are assumed with appropriate allowance for basements & are built on the ground with normal soil conditions.

6.3.2 Cost of key building construction materials across various cities

Below are key building construction material prices for various cities as of December 2022:

Table 51: Cost of key building construction materials across various cities

Description	UoM	Bengaluru	Chennai	Delhi	Hyderabad	Mumbai	Pune
Cement							



Description	UoM	Bengaluru	Chennai	Delhi	Hyderabad	Mumbai	Pune
Grade 53	INR/Bag	290	312	302	285	320	280
Steel							
Structural steel	INR/MT	67,500	68,700	70,000	68,500	68,000	68,100
Reinforcement	INR/MT	60,800	61,300	61,070	61,300	61,000	61,300
Metals							
Stainless steel (302)	INR/ Kg	258	233	258	233	258	258
Aluminium	INR/ Kg	231	223	231	223	231	264
Clear Glass							
8mm	INR /Sft	120-150	100-150	12-160	120-110	120-160	120-150
6mm	INR /Sft	80-110	80-100	90-110	80-100	90-110	85-100
Wood							
Plywood 12mm thick	INR/Sft	100-160	100-150	130-200	95-145	120-200	110-150
Stone							
Marble	INR/Sft	180-500	170-500	200-500	170-500	220-500	190-500
Granite	INR/Sft	150-375	150-375	150-375	150-375	150-375	150-375
Kota	INR/Sft	50-70	60-80	50-70	50-70	60-90	60-80
Paint							
Emulsion	INR/Ltr	170-200	170-200	175-200	170-200	175-200	175-200
Plumbing							
CPVC 100 -150 mm SDR 11	INR/m	3,250-6,810	3,250-6,810	3,660-7,660	3,250-6,810	3,050-6,380	3,050-6,380
CPVC 50-100 mm SDR 11	INR/m	695-3,255	695-3,255	735-3,665	695-3,255	650-3,055	650-3,055
GI pipes- 50mm to 100mm C class heavy	INR/m	805-1875	825-1900	825-1900	820-1900	790-1810	790-1810
UPVC- 32- 100 mm	INR/m	205-995	205-995	225-1035	205-995	225-1465	225-1035

Source: As per JLL internal database. All rates are supply rates and excluding GST for Dec 2022 and for guidance only. Metal prices are referred from LME. Transportation and any other abnormal costs are excluded.

6.4 India Office Market update: Q4 2023

Occupiers cap off the busiest year of market activity with Q4 gross leasing at an all-time high Gross leasing hits an all-time high in Q4 2023

Gross leasing in India's top seven markets hit an all-time high of 20.94 mn sq ft in Q4, which proved to be the busiest quarter ever. Notably, the annual numbers crossed the 60 mn sq ft milestone for the very first time, reaching an impressive 62.98 mn sq ft, a significant 26.4% y-o-y increase. In a year marked by global headwinds, these achievements are a testament to the market's strong underlying fundamentals and growth prospects. They also solidify India's position and firmly establish its credentials as the 'office to the world'.

Net absorption breaches previous highs

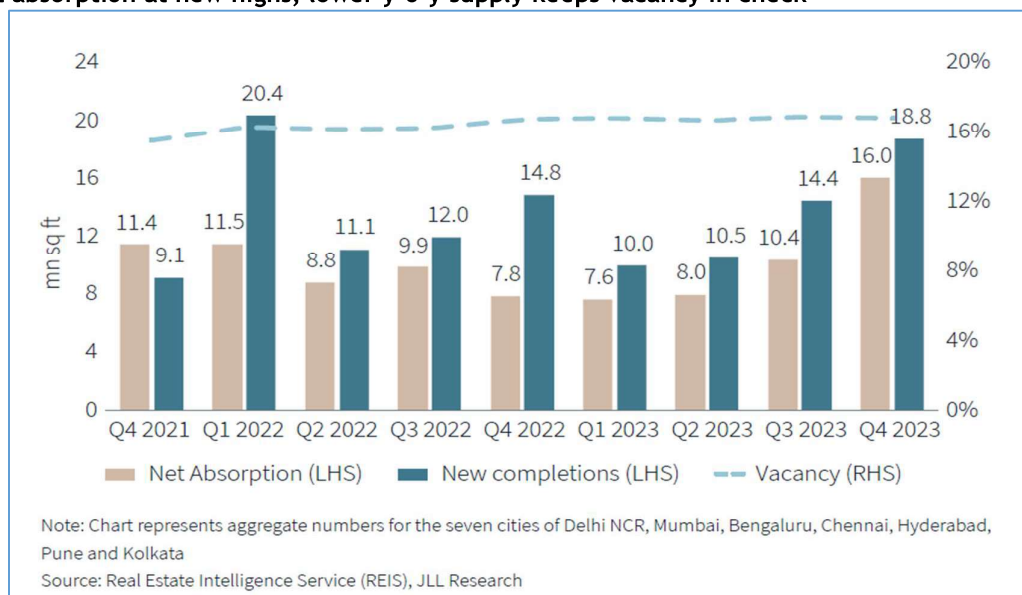
Net absorption in Q4 2023 reached a historic high of 16.01 mn sq ft, topping the previous record of 14.09 mn sq ft observed in Q4 2019. While net absorption in the first half of the year was subdued, the pace of expansion from corporates quickened in the latter half of the year, reaching unprecedented heights in the final quarter. In fact, the net absorption in India's top seven office markets breached the 40 mn sq ft mark and stood at 41.97 mn sq ft in 2023. This not only marks a new post-COVID milestone but also positions it as the second highest annual absorption, trailing only the levels recorded in 2019.

Resilient demand supported by new entrants and expansion of existing ones; optimal Return to office trends with an office-first approach improving certainty in headcount and space planning

Space requirements remain intact as existing tenants plan headcount growth and space planning with return to office percentages continuing to ramp up. In addition, new entrants to the country,

especially in the GCC and new tech sectors are expected to contribute positively towards new space demand. The year 2023 has set the platform for India's office market to enter a phase of 'accelerated growth'.

Net absorption at new highs; lower y-o-y supply keeps vacancy in check



Net absorption at 16.01 mn sq ft beats all previous quarters

With headcount addition and expansion-driven growth from corporates picking up momentum in the second half of 2023, the last quarter of the year ended in a flurry of activity, making Q4 the busiest ever. As a result, net absorption hit a record high of 16.01 mn sq ft in Q4 2023, beating all previous quarters. Chennai was the runaway leader, surprisingly accounting for the highest share of net absorption. It was closely followed by Bengaluru and Hyderabad, with the three south cities combining for a 56% share of the quarterly net absorption. Mumbai and Delhi NCR also recorded healthy q-o-q growth in net absorption. Net absorption was higher across all the cities on a q-o-q basis.

Quarterly supply at a seven-quarter high

In the fourth quarter of 2023, new completions kept pace with leasing activity, reaching 18.75 mn sq ft. New completions during the quarter were headlined by Hyderabad which accounted for a 33.4% share, followed by Mumbai with a 17.8% share. Bengaluru and Chennai followed with 14.3% and 13.5% shares, respectively. In the quarterly supply infusion, the average pre-commitment rate was 19%, quite similar to the previous quarter.

Vacancy falls 10 bps q-o-q

Vacancy on a pan-India basis stands at 16.7%, a modest 10 bps decrease q-o-q. Core markets and superior quality institutional assets continue to find favour from occupiers resulting in significantly lower vacancy rates, usually in the single digits.

6.5 Delhi NCR Office Space

The Submarkets of the Delhi NCR region can be classified as under:

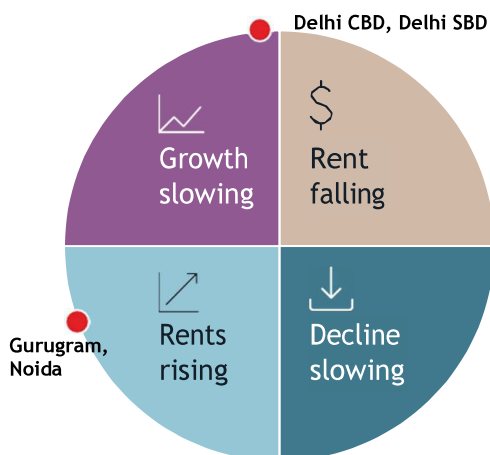
- **Delhi CBD** - Connaught Place (CP), Barakhamba Road, Kasturba Gandhi Marg, Janpath Road, Parliament Street, Tolstoy Marg, Baba Kharak Singh Marg, Shankar Market, Bhai Veer Singh Marg
- **Delhi SBD** - Aerocity, Mathura Road, Jasola, Jhandewalan, Malviya Nagar, Mohan Co-operative, Munirka, Nehru Place, New Friends Colony, Okhla, Saket, Vasant Kunj
- **Gurugram** - NH8 (including DLF Cyber city and Udyog Vihar), MG Road, Golf Course Road, Golf

Course Extension Road, Manesar, Sohna Road

- **Noida** - Noida City, Noida - Greater Noida Expressway, Greater Noida

The Synopsis of Delhi NCR office market is as under:

a) **Absorption: A positive end to 2023 with net absorption at four-year high**



Key trends

- Delhi NCR recorded a net absorption of 7.24 mn sq ft for the full year 2023, backed by strong leasing volume in the last quarter of the year. It is second only to the net absorption figure in 2019, showcasing strong office market fundamentals.
- Gurgaon accounted for the largest share of Delhi NCR 2023's net absorption with a share of 57%, followed by Noida with 33%.
- The quarterly net absorption of 2.22 mn sq ft in 4Q was up by 31% q-o-q with some large transactions being recorded. Gross leasing volume (GLV) for the quarter stood at 3.80 mn sq ft, taking the GLV for the full year to 13.90 mn sq ft.
- New completions were recorded at 1.13 mn sq ft during the quarter, with additions in Gurgaon and Delhi SBD. Supply during the full year 2023 was 5.53 mn sq ft, headlined by Noida and Gurgaon, with nearly half of it in Noida, followed by Gurgaon, which had a share of 40%. Strong supply additions of 39.5 mn sq ft are expected between 2024 and 2028 in Delhi NCR.
- Rents inched up during the quarter in all the submarkets in Delhi NCR, rising by 1.1% q-o-q and 2.2% y-o-y.
- Demand is expected to remain strong in 2024, as Delhi NCR has a robust quality supply and a strong ecosystem for sustained growth.

a) **Grade A office stock: 149.4 mn sq ft (18.4% of total Grade A office stock in top 7 cities)**



Exhibit: Net Absorption, New Completion and Vacancy in Delhi NCR Grade A office Stock

Table 52: Net absorption and new completion in Q4 2023

Key submarkets	Net Absorption*	Key submarkets	New Completions*
Gurgaon	58%	Gurgaon	87%
Noida	37%	Delhi SBD	13%
Delhi	6%		

*Figures represent contribution of submarkets during Q4 2023 quarter

Source: Real Estate Intelligence Service (REIS), JLL Research

6.6 Gurugram Real Estate

Gurgaon is one of the thriving real estate markets in India. The city boasts an upscale lifestyle with all modern amenities and outstanding social and civic infrastructure, making it one of India's most coveted investment destinations for real estate.

Gurgaon has a number of renowned schools, entertainment hubs, universities, five-star hotels, hospitals, etc., making it a prime commercial and residential investment destination.

Dwarka Expressway, Sohna Road, South of Gurgaon, amongst others, are some of the upcoming locations in Gurgaon real estate. Due to its excellent connection to Delhi NCR as well as the surrounding suburbs, the Dwarka Expressway is one of the high return areas for investment.

The Northern Peripheral Road is also referred to as the Dwarka Expressway and is one of Gurgaon's most important area from the perspective of real estate investment. The area provides connectivity between Gurgaon and Dwarka, making it an ideal investment destination.

There are well-built 100-m-wide roads on the Dwarka Expressway connecting the area to the Metro corridor and the proposed diplomatic enclave. This 18km Expressway will be close to some SEZs coming up near Kherki Dhoola and will significantly decrease travel time for commuters. The NH8 will run parallel to the expressway and will merge ahead of IFFCO Chowk and MG Road.

A snapshot of Gurgaon is as under:

Table 53: Snapshot of Gurgaon Market

Market Characteristics	<ul style="list-style-type: none"> Talent Availability Corporate Hub 16% of India's Global Capability Centres (GCC) Warm shell Rental Value Range INR 35-190/sf/month
Established Markets	Cybercity MG Road, Golf Course Road, Institutional sectors
Emerging Markets	GCR Extensions, Gwalpahari, Sohna road and SPR, NH-8
Office Stock	~92 MSF
Projected Supply in 2023	4.69 MSF
Absorption 2023 YTD	~2.95 MSF
Supply 2023 YTD	0.55MSF
Population	1.72 Million
Major Industries	E-commerce, IT/ITES, Manufacturing, Aerospace and Aviation, Banking and Finance, Research, Consulting and Analytics

(Source: National Capital Region Market Overview Q2 FY 2023 by CBRE)

6.7 Gurugram Office Market Snapshot

A snapshot of Gurgaon office market is as under

Table 54: Gurgaon Office Market Snapshot

S no.	Area	Stock and Supply	Rental Values	Absorption
1	Cybercity	Stock:15 Msf Supply: 0 Msf	INR 115-118 (Non Sez)	0.39 Msf
2	Golf Course Road	Stock: 5.8 Msf Supply: 0 Msf	INR 75-110 INR 155-180 (One/Two Horizon Centre)	0.43 Msf
3	Udyog Vihar	Stock:12.35 Msf Supply: 0 Msf	INR 40-100 (Non Sez) INR 80-85 (Sez)	0.635 Msf
4	MG Road	Stock: 4.33 Msf Supply: 0 Msf	INR 80-140	0.3 Msf
5	Golf Course Extension	Stock:18.8 Msf Supply: 0.37 Msf	INR 45-80	0.44 Msf
6	Gwalpahari	Stock: 2.44 Msf Supply: 0 Msf	INR 60-65	0 Msf
7	Sohna Road	Stock:11.7 Msf Supply: 0 Msf	INR 45-85	0.163 Msf
8	Southern Peripheral Rd	Stock: 4.71 Msf Supply: 0.18 Msf	INR 40-75	0.003 Msf
9	Nh - 8	Stock:10.9 Msf Supply: 0 Msf	INR 70-135 (North) INR 35-50 (South)	0.36 Msf
10	Institutional Areas	Stock: 2.1 Msf Supply: 0 Msf	INR 50-75	0.23 Msf

(Source: National Capital Region Market Overview Q2 FY 2023 by CBRE)

6.8 Market Dynamics of Sohna Road, Golf Course Road and Golf Course Extension Road

The Market Dynamics of Sohna Road, Golf Course Road and Golf Course Extension Road is as under:

Table 55: Market Dynamics of Sohna Road, Golf Course Road and Golf Course Extension Road

Particulars	Sohna Road	Golf Course Road	Golf Course Extension
Total Office Stock (Grade A)	11.7 MSF	5.8 MSF	18.80 MSF
Warm Shell Rent** (INR /Sf/ Month)	INR 45 - 85	INR 75-110	INR 45 - 80
Supply 2023	0 MSF - Q2 0.44 MSF 2022	0 MSF - Q2 0 MSF 2022	0 MSF - Q2 2.43 MSF 2022
Absorption 2023	0.041 MSF - Q2 0.163 MSF in 2022	0.068 MSF - Q2 0.57 MSF 2022	0.26 MSF in Q2 2.34 MSF 2022
Vacancy	28%	6%	57%
Capital Value (In INR /Sf)	INR 7,000 - 10,000	INR 15,000 - 30,000	INR 8,000 - 14,000
Agile Space Rent (INR /Seat/ Month)	INR 5,000 - 14,000	INR 10,000 - 45,000	INR 7,000 - 45,000
Transport & Infrastructure	Evolving	Excellent	Evolving
Education & Healthcare	Good	Good	Limited
Metro & Connectivity	Planned	Excellent	Limited
Retail, F&B & Hospitality	Good	Good	Evolving
Distance & Airport	20-22 Km	15-17 Km	22-25 Km
Residential	Good	Excellent	Good

**Approximate market closure rents, this will vary basis various parameters such as client, deal size, building grade & overall deal structuring

(Source: National Capital Region Market Overview Q2 FY 2023 by CBRE)

Table 56: Office Rent (Inr/Sf/Month)

Particulars	Sohna Road	Golf Course Road	Golf Course Extension
2023	45-85	75-110	45-80
2022	45-80	75-110	45-77
2021	45-75	70-105	45-75

(Source: National Capital Region Market Overview Q2 FY 2023 by CBRE)

Sohna Road offers a mix of IT, commercial, SEZ and residential developments attracting occupier interest due of attractive rental values. Also, Sohna Road has ongoing Infrastructure upgradation with completion of **Sohna Elevated Expressway**. The same expressway connects to *Delhi-Mumbai Industrial Corridor (DMIC)*.

6.9 Commercial Space on Golf Course Extension Road/ Sohna Road

In addition to Market study report by CBRE, LSI has conducted a market study based on enquiries from brokers operating in the region, some real estate companies operating in the region and information available on the internet. As per our information the rentals of some of the Grade A construction in Gurgaon is as under:

Table 57: Commercial Space around project site

Particulars	Approx. Distance from the project site	Micro-market	Transport	Airport	Year Built	Office Space (INR/SF/MO)
Worldmark65 - Tower 1	Sector 65, Sector - 65, Gurgaon	Golf Course Extn Road	Sector 55-56 Metro Station - 3.4 KM	26 KM to Domestic Airport; 24.5 KM to Indira Gandhi International Airport	2019	90-95
Godrej GCR	Raghuvendra Marg, Golf Course Road, Gurgaon	Raghuvendra Marg	Sector 42-43 Metro Station - 0.3 KM	20.2 KM to Domestic Airport; 19.4 KM to Indira Gandhi International Airport	2023	250-300
Good Earth Trade Tower	Sector 62, Sector - 62, Gurgaon	Sector 62	Sector 55-56 Metro Station - 1.6 KM	25.6 KM to Domestic Airport; 24.1 KM to Indira Gandhi International Airport	2023	74-75
M3M IFC Tower 2	Sector 66, Sector - 66, Gurgaon	Sector 66	Sector 55-56 Rapid Metro Station - 8 KM	24 KM to Domestic Airport; 22.5 KM to Indira Gandhi International Airport	2022	90-150
International Tech Park - Block III	Sector 59, Sector - 59, Gurgaon	Sector 59	Sector 55-56 Metro Station - 2 KM	24.5 KM to Domestic Airport; 23 KM to Indira	2022	68-70

Particulars	Approx. Distance from the project site	Micro-market	Transport	Airport	Year Built	Office Space (INR/SF/MO)
				Gandhi International Airport		
Vatika 75	Institutional Area, Sector-44, Gurgaon	Sector-44	Huda City Centre Metro Station - 4.5 KM	18.5 KM to Domestic Airport; 17.5 KM to Indira Gandhi International Airport	2022	75-77
Capital Business Park - Tower A	Sector 48, Sohna Road, Gurgaon	Sohna Road	Millennium City Centre Gurugram Metro- 7.4 KM	22 KM to Domestic Airport; 20.5 KM to Indira Gandhi International Airport	2021	55-60
M3M Urbana Business Park - Block B	Sector 67, Golf Course Extension Road, Sector - 67, Gurgaon	Sector 67, Golf Course Extension Road	Sector 55-56 Metro Station - 7 KM	25 KM to Domestic Airport; 26.5 KM to Indira Gandhi International Airport	2020	90-150
JMD Megapolis	Sohna-Gurgaon Road, Sohna Road, Gurgaon	Sohna Road	Millennium City Centre Gurugram Metro- 7.6 KM	22 KM to Domestic Airport; 20.5 KM to Indira Gandhi International Airport	2015	50-75
Bestech Business Tower	Sector 48, Sohna Road, Gurgaon	Sohna Road	Sector 55-56 Rapid Metro Station - 7.8 KM	24 KM to Domestic Airport; 22.5 KM to Indira Gandhi International Airport	2012	55-75
Orchid Business Park	Near Subhash Chowk	Sohna Road	Millennium City Centre Gurugram Metro - 8.6 KM	19.5 KM to Domestic Airport; 21 KM to Indira Gandhi International Airport	2009	95- 120
Vatika Business Park A/ Part B	Sector 49, Sohna Road, Gurgaon	Sohna Road	Sector 55-56 Rapid Metro Station - 7.8 KM	24 KM to Domestic Airport; 22.5 KM to Indira Gandhi International Airport	2008	60-85

(Source: Market Research by LSI, Quoted rentals are in INR per SF per Month and for warmshell condition)

As seen from the table above,

- Rent of Grade A construction across Golf Course Extn Road, Sohna Road and other sectors close to project site ranges between INR 55 - 150 SF/MO.
- Despite the above being Grade A construction, rent depends on multiple factors such as;
 - Year of construction
 - Name of the builder
 - Location of the project
 - building grade & overall deal
 - existing client of the project,
 - deal size,
 - structuring etc

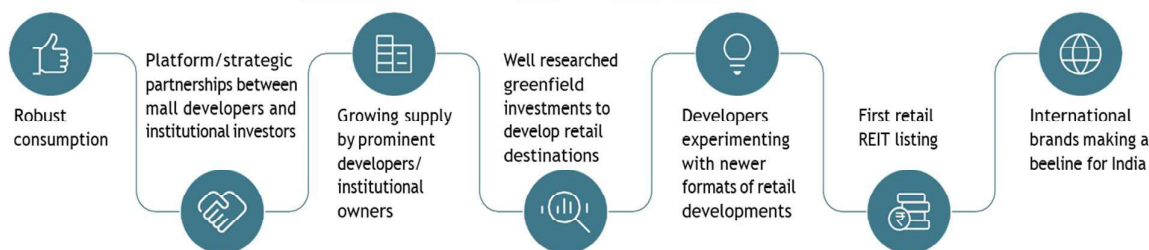
6.10 India Retail Market

India's retail sector manifested a strong comeback in 2022, and the growth momentum continued in 2023. The brick-and-mortar, organised retail sector demonstrated a remarkable performance bolstered by a buoyant consumer sentiment translating into increased footfalls and sales conversion. Stable economic conditions have fuelled the growth in consumption parameters and propelled the strong leasing momentum and new store launches by regional, national and global retailers.

Consumer preferences have also evolved to the point where retail developments are not only seen as shopping avenues but also as social meeting places. Accordingly, mall owners/developers are undertaking placemaking techniques while introducing newer retail categories and increasing F&B offerings alongside various entertainment options to attract footfalls. Customer centricity as part of core strategy has become even more important for mall developers and retailers. They are leveraging social media to increase their reach to a wider population group.

Collaborations with content creators, fashion bloggers and influencers are becoming commonplace to enhance product awareness and connect with customers.

The Transformation of Retail



In a big boost to physical retail, prominent developers, global conglomerates, and institutional investors have been at the forefront of announcing and launching quality retail developments. India's first retail assets-led REIT, Nexus Select Trust, backed by Blackstone, reaffirms the increasing maturity of the sector in the country. The response to the IPO, which was oversubscribed 5.5 times, indicates the sustained investor confidence in the India demand story and has set the tone for attracting more investment capital in physical retail. Interestingly, the expansion by developers is not only limited to metro cities but spreading across key Tier 2 and 3 cities. This remarkable growth in quality supply supported by rising consumer demand has enabled both retailers' expansion and an overall spurt in leasing activity.

The upcoming mall supply is creating entry opportunities for newer brands into cities while providing a platform for national/local retailers to showcase their offerings.

6.11 Retail Market Insight

Retail developments record growth in consumption and revenue	<p>Supported by strong macroeconomic tailwinds, the footfall growth and rising consumer spending positively impacted the revenue performance of quality retail developments as their occupancy levels steadily improved over the last year.</p> <p>Shopping malls recorded sustained demand growth in terms of:</p> <ul style="list-style-type: none"> • Increase in Revenue • Increase in Consumption • Increase in Footfalls <p>Given the strong performance of physical retail, high occupancies in quality developments and demand polarisation are driving the need for new mall space. Consequently, developers have been actively looking for land acquisition in strategic locations and growth corridors. Some leading mall developers have announced new retail developments that will lead to accretive growth in their portfolios.</p>
Sales and revenue moving northwards for leading retailers	<p>In FY 2023, reported revenues of leading domestic retailers increased y-o-y, and the momentum remained growth-oriented in Q1 FY 24. Strong sales across product categories in existing stores, as well as strategic expansion in newer markets, supported their revenue growth. Most brands also reported spiking sales in Tier 2 and 3 cities with increasing demand across these markets.</p> <p>While the sales and revenue numbers of leading retail chains have shown remarkable growth, there was a general trend of declining net profits across some national retail chains due to increased investments in building specific businesses and marketing. Consumption demand is expected to have a greater momentum in the second half of the year, with higher discretionary spending due to the onset of the festive season.</p> <p>For most of the leading retail chains, apart from Exclusive Brand Outlets (EBOs), sales were also led by department store and other multi-brand outlets (MBOs). The common thread running across the revenue growth story visible across the leading retail chains is characterised by premiumization, growth in the e-commerce business, and an increase in the target consumer base, with a significant shift seen in people's choice to shift towards branded products. For big retail chains and department stores, the addition of more private labels has also contributed immensely to the growth numbers. Some leading brands are expanding into newer categories and adding separate product lines to cater to specific consumer groups/demographics.</p>
Creating the bridge from online- only to multi-channel retail formats	<p>A host of online Indian brands are opening their brick-and-mortar stores to cater to wider audience, thus providing them with an omnichannel platform. The top categories of online brands opening physical stores include jewellery, women's ethnic wear, footwear, and beauty & cosmetics. With the Indian startup landscape growing a lot more homegrown retail brands are expected to come up and eventually open offline stores. Examples of a few Indian online brands opening stores include HRX, Aachho, GIVA, Mamaearth, Mulmul, Nykaa Fashion etc</p>
New International retailers entering India	<p>A total of 24 new international brands have entered India since 2021. Most of these retailers made a beeline for superior-quality mall developments in the gateway cities like Delhi NCR, Mumbai, and Bengaluru. Nearly a quarter of these new entrants were in the F&B category. Key names like Laduree, Popeyes, Tim Hortons, and Pret A Manger are opening their stores in prominent retail developments and F&B destinations. Apple also opened its first two physical stores in Mumbai, and Delhi respectively.</p>

Global brands such as West Elm, Pottery Barn, and H&M Home have entered India in the home furnishing segment.

Retail chains such as Reliance Retail and Aditya Birla Fashion and Retail Limited (ABFRL) are creating partnerships with global brands to ease their entry into India. Recently, ABFRL partnered with Galeries Lafayette to open luxury departmental stores in the country. US- headquartered retailers account for the majority of new entrants through this route, followed by UK, Canada, and Switzerland.

6.12 Launch of India's first retail REIT (Real estate investment trusts)

After the success of three office led REITs, India's public markets saw the launch of the first retail-led REIT - Nexus Select Trust, backed by Blackstone, in 2023.

Healthy occupancy, a stable income-generating retail portfolio comprising superior-quality retail developments and improving sentiments supporting growth projections propelled launch of first REIT in the retail segment.

Nexus Select Trust's retail portfolio as of Q1 FY24 has a leased occupancy of 97%, with a tenant base of 1,000 domestic and international brands and 2,900 stores. This was the first opportunity for investors to own a stake in the retail asset class. Small investors can now own a pie of rent-yielding retail real estate through this REIT, which also broadens the investor base while adding variety to the REIT offerings. Listing of real estate assets through REITs has infused greater transparency in transaction and management structures. The existing retail stock across the top seven cities of India offers a potential ~43-44 mn sq ft of retail assets that are REIT-worthy, of which more than half are in Mumbai and NCR-Delhi region. In addition to the progress witnessed in these seven cities, their Tier 2 and 3 counterparts are also rapidly emerging as growth corridors for the retail sector.

As most global institutional funds have created mall platforms with key developers, the retail segment is set to get new listings. With quality supply in the pipeline and new malls announced by established developers, the Indian retail sector is expected to attract more institutional investment.

6.13 Retail Space on Sohna Road/ Golf Course Extension Road

LSI has conducted inhouse market study based on enquiries from brokers operating in the region, some real estate companies operating in the region and information available on the internet. As per our information the rentals of some of the Grade A construction in Gurgaon is as under:

Table 58: Cost of key building construction materials across various cities

Particulars	Approx. Distance from the project site	Type	Retail (INR/SF/MO)	Office Space (INR/SF/MO)
AIPL Joy Street, Joy Gallery	4 kms	Commercial Complex with High end Office Space and Retail	130-140	75
AIPL Joy Central	3 kms		130-150	90
Omaxe Celebration Mall	1 km	Retail (the mall is not upto the mark)	90 (GF)	-

(Source: Market Research by LSI)

6.14 Standard Leasing Benchmarks (Gurgaon)

The list of standard leasing benchmarks in Gurgaon is as under:

Table 59: Standard Leasing Benchmarks - Gurgaon

S No.	Standard Leasing Benchmarks	
1	Typical Lease Term	IT/Commercial/Institutional- 3+3+3 years SEZ- 5+5+5 years

S No.	Standard Leasing Benchmarks	
2	Space Conditions	Warm Shell: Unfurnished office with 100% DG back up, high side air-conditioning and sprinkler tap off points Bare shell: Unfurnished office with no DG back up or air conditioning
3	Lock-In Period	3 years
4	Measurement & Frequency	INR per SF per month Paid Monthly in Advance
5	Reni Escalations	15 % every 3 years
6	Rent Free Period	30-90 days for warm shell properties
7	CAM Charges	For Grade A buildings between INR 15-25 per SF per month**
8	Car Parking Charges	1 Slot per 1,000 SF to 1 Slot per 1,500 SF INR 2,000 – INR 7,500 per car park slot
9	Security Deposit	6 months of rent
10	Sub- Leasing	Sublease to group companies is usually permitted. The tenants do not have the right to sub-lease to third parties unless the landlord gives prior consent for the same. The liability for rent payment rests with the lessee or the original tenant & is capped by the LL to avoid financial gains.
11	Property Tax	Typically Borne by the Landlords / Developers In some cases, borne by the tenant
12	Signage	Signage on building directory is usually provided free of cost Facade signage can be provided on additional charge subject to negotiation
13	Space Efficiency	(GRADE A BUILDINGS) 65-75%**
14	Stamp Duty & Registration Charges	For lease term up to 5 years: 1.5% of average annual rent For lease term beyond 5 years up to 9 years: 3% of average annual rent Registration expense: Up to INR 50,003

(Source: National Capital Region Market Overview Q2 FY 2023 by CBRE)

6.15 Outlook and Summary (Gurgaon)

The outlook and summary of Gurgaon market can be summarized as under:

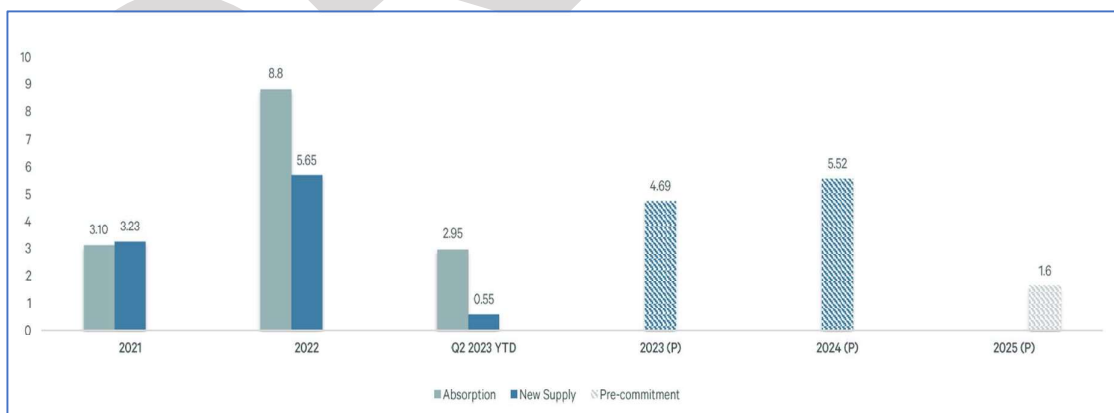


Table 60: Outlook and Summary of Gurgaon Market

Drivers	<ul style="list-style-type: none"> Large scale developments close to the airport Connectivity to Delhi by metro and expressway Scalability available Large floor plates and business parks available for consolidation
Risks	<ul style="list-style-type: none"> Last mile connectivity in Periphery micro markets is limited

Occupier Trends	<ul style="list-style-type: none"> Investment by large companies and multi nationals in establishing corporate offices/ GICs Large Presence of flexible workspace players Consolidation of portfolio bundled with hybrid operations Quality of office space
Developer Trends	<ul style="list-style-type: none"> Developers focus on large scale developments providing grade A amenities across various micro markets BTS options available for clients in select micro-markets.

6.16 Marketing of the project

The project entails development of Grade A commercial office space with retail having 1,013,168 sq. ft. of leasable area. The company has proposed to lease out the entire commercial complex and no unit shall be sold.

A break up of the Total Leasable Area is as under:

Table 61: Breakup of the total leasable area

Floors	Leasable Area	Percentage Area	Average Rent
Office Space	14,45,505	90.95%	Rs. 80-85/ SQF P.M.
Retail Space	1,43,836	9.05%	Rs. 100-106/ SQF P.M.
Total	15,89,341	100%	

Of the total leasable area, approx. 91% of leasable area corresponds to Office Space while balance 9% is retail area.

6.16.1 Pricing

Office space comprise majority of the leasable area which is priced at base rate of Rs. 84-89/ SQF P.M. (FY24). As per the market study by CBRE mentioned earlier in the section, the average Warm Shell Rent across Sohna Road, Golf Course Road and Golf Course Extension is as under:

Table 62: Office Rent (INR/Sf/Month)

Particulars	Sohna Road	Golf Course Road	Golf Course Extension
2023	45-85	75-110	45-80
2022	45-80	75-110	45-77
2021	45-75	70-105	45-75

(Source: National Capital Region Market Overview Q2 FY 2023 by CBRE)

The average Warm Shell Rent of Grade A projects on Sohna Road varied between INR45-85/Sf/Month in 2023. The rents varied depending upon various parameters such as client, deal size, building grade & overall deal structuring etc.

As per market enquiries conducted by LSI for some of Grade A office space on Sohna Road and Nearby places in radius of approx. 10 kms, it is noted that the average Warm Shell Rent of Grade A office projects varies in the range INR 55 - 150 SF/MO SQF P.M.

The rent depended on multiple factors such as:

- Year of construction of the project
- Name of the builder
- Location of the project
- building grade & overall deal
- existing client of the project,
- deal size and structuring etc

The pricing of the captioned may be considered reasonable on the following grounds:

- a) **Location of the project:** The project is situated on **Golf Course Extension Road** and is a **corner plot with access from 3 sides**. The site enjoys good connectivity with

- 90 mtr wide Golf Course Extension Road
- 60 mtr wide Sector Road- Emerald Hills Road

The site is also in proximity to commercial areas of Golf Course Rd, Sohna Rd, and NH8.

- b) **Metro Connectivity:** The site is in proximity to Sector 55-56 Rapid Metro Station (5kms/ 10 mins drive) connecting to Huda City Centre Metro Station which is the terminal station for the yellow line of the Delhi metro. The yellow line of the Delhi Metro connects Gurgaon to Connaught Place, which is the main Central Business District (CBD) area of Delhi.

- c) **Upcoming Metro Line:** Further following upcoming metro lines have been proposed:

- Union cabinet has recently approved “**Gurgaon Metro**” which will connect Huda City Center to Gurgaon Cyber City via Old Gurgaon with total length of the Metro is around 28.5 km and 27 stations. According to approved map of the Gurugram Metro Project, one such station will be at Sector 47, which will also be at a proximity of 5 kms from the site.
- The Haryana Mass Rapid Transport Corporation has unveiled plans for the Gurgaon-Faridabad Metro rail project, featuring a light rail system encompassing twelve stations stretching over 34.12 kilometers. The Metro Corridor shall connect Sector-65 from Vatika Chowk (5 km) & improve access to Faridabad.

The metro project is expected to improve the connectivity of the area, leading to a rise in demand for residential and commercial properties.

- d) **Branding of “Max Estates”:** “Max Estates” is a known name in the Delhi NCR real estate arena. MEL has developed three commercial projects Grade A commercial on lease basis and have successfully leased them. The construction is planned as a premium development. The services offered shall be of high quality and at all times comply with the standard set forth.

- e) **Project Implementation period and completion:** As per the present implementation schedule, keeping construction start in June-24, it is envisaged that the Phase-1 of the project will complete construction by March-27 and realization of rentals will be started from October-27 and for Phase-2 construction will be completed by June-28 and realization of rentals will be started from January-29.

The high-end Grade A office space is already being leased out at INR 45-80/ sqft/ Month at Golf Course Extension Road as per CBRE Report and at INR 90-95/ sqft/ Month as per LSI research. The past 3 years growth in the high-end rental as per CBRE research is as under:

Particulars	Golf Course Extension Road (minimum rent)	Golf Course Extension Road (maximum rent)	YOY increase
2023	INR 45/ sq. ft/ Month	INR 80/ sqft/ Month	4%
2022	INR 45/ sq. ft/ Month	INR 77/ sqft/ Month	3%
2021	INR 45/ sq. ft/ Month	INR 75/ sqft/ Month	-

During the past 3 years, rates in the high-end rental have escalated by 4% annually on Golf Course Extension Road as per CBRE research. Thus, considering an annual escalation of 4% p.a., the projected lease rent for the commercial project five years hence can worked out as under and rent per sqft for retail space has been considered at 1.25 times of Office Space rentals:

Year	Rental per Sq. Ft. per Month			
	Office Space	Retail Space	Office Space	Retail Space
2024 (Base)	84.00	105.00	89.00	111.00
2025	87.00	109.00	93.00	116.00
2026	91.00	114.00	96.00	120.00
2027	94.00	118.00	100.00	125.00
2028	98.00	123.00	104.00	130.00

Year	Rental per Sq. Ft. per Month			
	Office Space	Retail Space	Office Space	Retail Space
2029	102.00	128.00	108.00	135.00

Base rate of Rs. 84 per Sq. ft. p.m. for Office Space has been considered for Phase-1 and Rs. 89 per Sq. ft. p.m. for Office Space has been considered as base rate for Phase-2.

Thus, the proposed rent, appears achievable subject to the company adopting strong marketing strategies.

- f) The project has been conceptually aligned on the basis of Planned LEED's gold rating.
- g) Golf Course Extension Road offers a mix of IT, commercial, SEZ and residential developments attracting occupier interest due of attractive rental values. Over the past two years this stretch of Gurgaon-Sohna Road has seen rapid commercial development. It currently houses the offices of several companies such as Bank of Baroda, Chevrolet, ADM Aggro, Yes Bank, ING Vysya, HDFC, ZTE, Xerox, ZS Associates, Etisalat DB Telecom and SAB Miller among others thus resulting in creating a number of job opportunities for people in and around this place.

Thus, keeping in view the above, it is envisaged that the project will achieve its desired rent considering premium development, Location of the project, upcoming metro line, branding of 'MAX', pricing of other projects, project completion dates and proposed increase in rent over the period.

In addition, the company will also adopt a strong marketing strategy closer to project completion.

6.16.2 Marketing Strategy

The company shall be using multi-pronged marketing strategy to carry out strong marketing campaign for the project. MEL has a strong in-house marketing and leasing team with a track record of 100% leasing.

The marketing / leasing tie-ups for the Project will be via engagement with **International Property Consultants (IPCs)** and local brokers of repute. The engagement will be initiated closer to completion of civil & interior works at site.

The company will also during the course of development explore enquiries for pre-leasing at favorable economics at par with projects of this nature/ specification. The same would be via IPCs and/ or relationships with existing corporate tenants in office assets owned by MEL - a mix of Banking, financial services and insurance (BFSI), consulates, industrials, consulting, technology etc. The final marketing strategy will be decided will be decided closer to project completion.

6.16.3 Past leasing experience of the group

The group has a proven record of successfully leasing its previous projects. The group's past commercial properties house reputed and established tenants which includes consulates, banking, financial services and insurance (BFSI), information technology (IT)/IT-enabled services and petrochemical companies. The status of leasing of past projects is as under:

Table 63: Leasing status of Past projects of the Group

S.No	Project	Location	Leasable area (Mn Sft.)	% Leased	Year of peak occupancy	Annualized Rental (Rs. Cr)	Marquee Tenants
1	Max Towers	Sector 16B, Noida	3,01,860 Sq. Ft.	100%	2021	35 - 40	ESRI India, IEX, Veolia, Kama Ayurveda, Cyril Amarchand Mangaldas, Emerson, Khaitan & Co., Yes Bank, Udacity, Spaces etc.

S.No	Project	Location	Leasable area (Mn Sft.)	% Leased	Year of peak occupancy	Annualized Rental (Rs. Cr)	Marquee Tenants
2	Max House - Phase 1	Okhla, New Delhi	1,05,426 Sq. Ft.	100%	2022	15 - 16	Samsung, Nykaa, DSK Legal and Dhampur Sugar Mills etc.
3	Max Square	Sector 129, Noida	6,80,000 Sq. Ft.	55% OC Received. Tenant fitouts in progress	2024	60 - 70	NDTV, Skootr, Unicharm etc.
4	Max House - Phase 2	Okhla, New Delhi	150,453 Sq. Ft.	OC received in Q3 FY24	2024	25 - 30 (FY 23)	Urbanwrk, S&R Associates, Argus Partners etc

(Source: Company Information)

The CRE projects of the group have received good response from the market with 100% occupancy of the flagship project- Max Towers Noida, as well as for Max House (Phase 1), Delhi. Both Max Towers and Max House (Phase 1) demonstrated their potential by realising rentals that commanded a remarkable 25% to 30% premium compared to their respective micro markets, highlighting the value and quality they offered to tenants.

MEL has signed **Long-term lease tie-ups with reputed lessee** for 100% of the total land area. The lease tenure extends upto FY31 with lock-in period extending upto November 2024 and escalation in rent at 15% after every 36 months.

All tenants are currently under lock-in period which provides comfort regarding the revenue visibility. The tenant profile of projects are diversified with no major concentration from single tenant and has been leased to various tenants like Nykaa Fashion, Samsung India Electronics, Target, Religare Enterprises, DSK Legal, Dhampur Sugar 4 Mills, etc.

The group has informed that Long-term agreements with most tenants provide a steady and strong cash flow visibility over the medium term.

Thus, keeping in the past record of the group and established name in the industry coupled with the Brand of "Max Estates", we perceive that the group will be successfully able to lease out the captioned project as well.

7. REVIEW OF PROJECT COST

Cost estimation provides vital input to the economic and financial evaluation of the project. LSI has reviewed the project cost estimates as provided by the company. The total project cost has been estimated at Rs. 1,417.17 Cr. (Rs. 501.07 Cr. for Phase-1 & Rs. 916.10 Cr. for Phase-2), which is proposed to be funded by mix of promoters' contribution and long-term loan from banks. The details of proposed project cost are given as under:

Table 64: Components of Total Cost of Project

All figures are Rs. In Crore

Particulars	Phase 1	Phase 2	Total	Amount Spent till date
Land Cost	120.92	218.39	339.31	338.14
Construction Cost	245.90	444.13	690.03	0.13
Approval Cost	37.50	67.73	105.23	0.48
Marketing Cost	2.83	5.11	7.95	0.17
Preliminary and Pre-Operative Expenses	31.51	56.92	88.43	22.07
Interest during Construction & debt processing charges on construction finance	62.41	123.82	186.23	-
Total Project Cost	501.07	916.10	1,417.17	360.99

The above cost (except for IDC) has been bifurcated into two phases according to proposed division of Built-up and leasable area for each phase as under:

Table 65: Phase wise division of Project area

All figures are in Sft.

Particulars	Phase 1	Phase 2	Total
Total Leasable Area	5,66,376	10,22,964	15,89,341
% division	36%	64%	
Total Built Up Area			
a) B2, B3 and B4	158215	285760	443975
b) B1 and all the above floors	496114	896059	1392173
Total	654329	1181819	1836148
% division	36%	64%	

IDC has been calculated and allocated at actuals based on phase wise loan disbursement.

Out of the total estimated cost of Rs. 1,417.17 Crore, the company has informed that a sum of Rs. 360.99 Cr has been invested into the project till date, of which Rs. 338.14 Cr. is towards land while balance amount has been incurred towards obtaining requisite Statutory Approvals and other preliminary expenses/ pre-construction expenses. Lenders may obtain CA certificate confirming the same.

Certain figures from the CA certificate have been re-grouped under cost incurred till date based on the information provided by the company.

Components of the Cost of the project

7.1 Land Cost

Max Estates Limited acquired Acreage Builders Private Limited from erstwhile promoters MGF Developments Limited and Tishman Speyer India Master Fund for a total enterprise value of INR